

Corporate Sustainability Report 2017



信義房屋

SINYI REALTY



In this report

This report shows how we're delivering against our 2025 vision of "leading housing lifestyle industry brand in the Chinese-speaking world," and how we've been bringing our purpose to life during 2017.

Sustainable Operation

From the Chairman	1
About This Report	3
Sustainable Business Model	5
Sinyi Sustainable Development Goals and Business Policy	9
Identifying Material Topics	16
Our Value Chain	22
2025 Sustainability Goals: Progress Update	23
UN Sustainable Development Goals (SDGs)	24

1 Corporate Governance

Management Approach	27
Optimizing Corporate Governance Practices	29
Risk Management and Internal Controls	35

2 Caring for Staff

Management Approach	37
Attracting Great Talent	39
Creating a Friendly Workplace	47

3 Customer Care

Management Approach	51
Protecting Customer Rights, In Pursuit of Customer Satisfaction	53
Strengthening Community Service, Implementing Service Quality	54

4 Social Engagement

Management Approach	55
Community Investment and Outcomes	57
Community Building	59
Promotion in Business Ethics	61
Refining Industrial Development of the Real Estate Industry	63
Social Philanthropy and Donations	65

5 Environmental Protection

Management Approach	67
Low Carbon Services	69
Eco-Efficiency	71

6 Supply Chain Management

Management Approach	75
Sinyi Realty's Supply Chain System	78
Sustainable Supply Chain Management Strategies	79
Sustainability Principles for Screening Suppliers	81
Supplier Risk and Impact Assessment Mechanism	81
Supply Chain Management Performance and Goals	82
Growing Together with suppliers	83

Appendix

Sustainability Performance Overview	85
Materiality Analysis Process	94
GRI Content Index	97
Verification Opinion Statement / Certificate of Registration	102
Independent Assurance Opinion Statement	104
Questionnaire	106

FROM THE CHAIRMAN 102-14



**Chairman,
Sinyi Group**

Chun-chi Chou

Sinyi Group has always been committed to its founding spirit of putting people first. Our goal is to adhere to corporate social responsibility and provide world-class services, and we hope to realize our ultimate vision of a harmonious symbiosis with the entirety of society.

In particular, since the proposal by the United Nations of 17 Sustainable Development Goals (SDGs), we have built on our long-time commitment to our role as a global citizen by actively focusing on both our major stakeholders and the SDGs. To this end, we have set out six major sustainability strategies, each aiming to reconcile the interests of our stakeholders with our goals for sustainable development.

1. Innovating Service Models and Shaping the Industry's Future SDG 12

Sinyi = Talking the talk and walking the walk. Therefore, a long-standing mission for us has been how to define the “talk” and work on the “walk” to create the greatest customer satisfaction.

As such, in 2017 we decided to launch a major project to take stock of the organization's resources and energy, and then set out the Group's 2025 development vision—to be the leading brand in the residential lifestyle industry, to connect online and offline services (O2O), and explore the scope of possible residential lifestyle services. With the group now set to move forward toward our 2025 vision, we will launch our first post-reorganization pilot project in early 2018: a project aimed at providing safe rental protections.

Alongside this, we have also recalibrated our customer satisfaction surveys, helping in our ongoing pursuit of improved service quality and experience. As a result of these efforts, in 2017 we saw an almost 10% boost in total transactions over 2016.

2. Putting People First: Not Just Staff, Partners Also SDG 3 SDG 4 SDG 8

“Putting people first” has always been at the core of Sinyi's business. Every member of our staff is a partner in serving our customers, and their relationship with the company goes far beyond a simple employment contract. As such, to provide them with employment security and career development, for some 30 years (since 1988) we have regularly dedicated one-third of our after-tax operating revenues to end-of-year bonuses for staff.

Therefore, one of our key measures for 2017 was to respond positively to the government's changes in policy with an organizational transformation. We decided to increase salaries for the coming year substantially, at an average of a 7% increase (15% for sales staff, 5% for administrative staff), in the hopes that staff will simultaneously enjoy a sense of professional accomplishment and be able to live secure and worry-free lives.

3. Corporate Governance = What Should be Done

SDG 4 SDG 8 SDG 13

We strive to implement corporate governance for the sake of our shareholders, establishing the Audit Committee in 2007 and the Remuneration Committee in 2010, as well as increasing the number of independent directors in 2013 such that they account for more than half the total seats on the board.

In 2017, we began to arrange separate communication with accountants and auditors, communicating material issues to the Board of Directors in advance, and visiting major subsidiaries. In Q4, we further established a mechanism for the nomination of independent directors, hoping to further enhance the functionality of said directors and improve the quality of decisions made by the Board of Directors.

In all practices, we insist on public transparency and the reinforcement of the structure of the Board of Directors. This has helped us receive the highest recognition in the Taiwan Stock Exchange's corporate governance evaluations for four consecutive years, ranking among the top 5% of listed companies in Taiwan.

4. Faithful People→Faithful Company→Faithful Society

SDG 4 SDG 8 SDG 10 SDG 11

We are involved in systematic efforts toward social engagement, particularly community building, Promotion in Business Ethics, Refining Industrial Development of the Real Estate Industry, and social philanthropy and donations.

In 2004, we launched the "We are ONE" project, which as of 2017 has a cumulative total of 8,799 proposals and at the end of the year received a Presidential Cultural Award, the first time a corporate project has received the award. Also in 2017, the "Corporate Ethics Education Foundation Plan" was launched, with the NCCU College of Commerce making "Corporate Ethics" a compulsory course throughout the college. The hope is that more institutions will follow suit in the future.

In the longer term, with the publication of the Taiwan Real Estate Almanac and the National Housing Price Index for Major Cities, a detailed record of the housing market trajectory and key issues is being kept, and will hopefully serve as a valuable reference for both policymaking and healthy industrial development. Additionally, the Sinyi Charity Foundation provides support for South East Asian immigrants, the elderly, and children in rural areas, groups who too often fall through the cracks and receive inadequate social support.

5. Pioneering Environmental Awareness in the Service Industry

SDG 12 SDG 13

With anthropogenic global warming empirically proven, even members of the service industry, with its relatively low carbon emissions per person, must uphold their duties and obligations as corporate citizens.

To summarize the results of our efforts last year: 1) Effectively reduced carbon emissions of our real estate brokerage services through a green management system, with emissions from last year down to 428.46 kgCO₂e per successful property transaction, down from 522.26 kgCO₂e in 2016, a reduction of 17.96%. Over the past three years, we have seen a total reduction of 24%. 2) In 2017, the carbon emissions of electricity consumption per person across the entire company dropped 3.07% to 1,296 kg from 2016's level of 1,337 kg. Over the past three years, we have seen a total drop of almost 12%.

We hope that through our ongoing efforts to create a low-carbon society, we will all ultimately be able to come together to effectively mitigate the impacts of climate change on humanity.

6. Building Sustainable and Ethical Supply Chains

SDG 3 SDG 8 SDG 12

In order to most stringently pursue corporate ethics in all aspects of our business, since 2013 all of the company's contracts with suppliers mandatorily include clauses dealing with human rights and ethical procurement standards. In 2015, the proportion of suppliers who had signed such contracts reached 100%. At the same time, the proportion of suppliers subjected to spot-checks has also grown year on year, approaching 90% in 2017, with a cumulative 100% having passed checks over the past three years.

In addition, we continue to promote our core values of corporate ethics through suppliers common growth plans working with suppliers to organize various charitable activities. We hope that more people will be willing to participate in these activities, coming together to create a better society.

Putting business ethics at the heart of our strategy, Sinyi Group strives to lead the industry forward and to develop innovative ways to look after the interests of all our major stakeholders. In the short term, we hope to become the leading housing lifestyle industry brand in the Chinese-speaking world, and even to go further, working toward the shared growth of all humanity.

Sinyi Sustainability Management Structure

Sinyi Group insists on putting people first and considering our duties ahead of profits. We also hope to spread the Sinyi spirit across the industry, the nation, and the globe.

Following the Sinyi Sustainability Principles, we will continue to develop a more comprehensive business system that can fulfill the residential services needs of customers and ensure that customers, staff, and the company alike are satisfied. At the same time, our system will take into account social, environmental, and suppliers long-term development strategies to ensure our business survives and thrives.

Sinyi Sustainability Principles

1 | Innovating Service Models and Shaping the Industry's Future

3 | Corporate Governance = What Should be Done

5 | Pioneering Environmental Awareness in the Service Industry

2 | Putting People First: Not Just Staff, Partners Also

4 | Faithful People→Faithful Company→Faithful Society

6 | Building Sustainable and Ethical Supply Chains

ABOUT THIS REPORT

102-50

102-51

102-52

102-53

102-54

102-56

Thank you for reading Sinyi Realty's 9th Corporate Sustainability Report. This report has been prepared in accordance with the GRI Standards: Comprehensive Option.

This report has successfully passed through the GRI Disclosure Review Service (DRS) and the SDG Mapping Service. We will continue to issue new editions of this report each year.

The most recent previous report was issued in June 2017.

Reporting Period

The disclosures in this report are for the year of 2017 (1/1/2017 through 12/31/2017) and address performance with regard to Sinyi Realty's responses and actions concerning all material topics.

Report Content and Topic Boundaries

The information disclosed in this report is focused on Sinyi Realty, with the scope of information and data covering financial, environmental, and social aspects. Financial information is primarily focused on consolidated revenue, consistent with our financial statements.

Data Sources

The statistical data disclosed in this report are derived from our own statistics and the results of surveys we have conducted. Data relating to finance have undergone validation by our accountants prior to public disclosure, and are presented in the usual form.

Standard in Accordance

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Guidelines Comprehensive Option, while the information disclosed is in following with the international standards including the Corporate Social Responsibility Best-Practice Principles for TWSE/GTSM Listed Companies, the UN Global Compact, and ISO 26000 – Guidance on Social Responsibility.

External Assurance

We have commissioned BSI Taiwan to undertake assurance and have received from them a verification statement. After this assurance, this report is in adherence to the GRI Comprehensive Option and AA 1000 AS:2008 standards.

This report has also successfully passed through the GRI Disclosure Review Service (DRS) and the SDG Mapping Service.

REPORT QUALITY

Internal Audit

- TEM help verify data and ensure consistency over reporting.
- Environmental, Social and Governance (ESG) performance and strategic goals have been reviewed by the Board of Directors.
- Audit supervisor audits the correctness of the content.

External Assurance

- Financial Data—Deloitte
- Environmental Data (ISO 14001, ISO 14046, ISO 14064-1, ISO 50001, PAS 2050, PAS 2060)—British Standards Institution (BSI) Taiwan
- Sustainability Data (AA 1000 AS (2008))—British Standards Institution (BSI) Taiwan Type 1
- Data Quality—GRI Disclosure Review Service and SDG Mapping Service

USING THIS REPORT

Use the document controls located on the bottom of each page to help you navigate through this report.



From left to right: home page, appendices, search, print, back and forwards one page. Other links are also indicated by **blue text**, or by the following symbols:



Reference to other pages within the report, with links embedded in the page numbers shown.



Reference to further reading online

CONTACT POINT

The contact point for questions regarding the report or its contents:

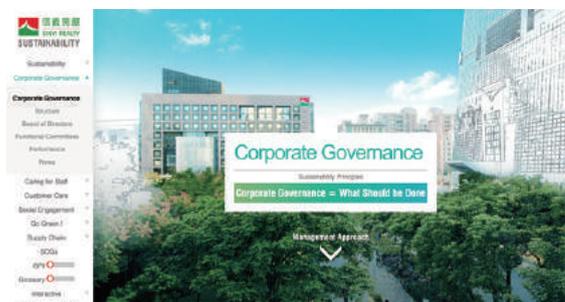
Mrs. Dan-ni Chen,
Manager at Chief
Strategy Officer Office

✉ csr@sinyi.com.tw

☎ (+8862)2755-7666 *8153

☎ (+8862)2722-0515

Sinyi Realty has established a Corporate Social Responsibility website in the hopes that any interested stakeholders concerned with our performance can obtain further information regarding our efforts to implement corporate social responsibility and the results of those efforts.



Corporate Sustainability Website
<http://csr.sinyi.com.tw/en/>

Reports can be downloaded from
<http://csr.sinyi.com.tw/en/report/index.php>



EXTERNAL INITIATIVES 102-12

- In joining the Environmental Protection Administration and Taipei City Department of Environmental Protection's Non-Government Enterprises and Organizations Green Purchase Plan, we signed a letter of intent indicating our commitment to green purchasing.
- In response to the Putting a Price on Carbon Statement, we hope to become a pioneer in global green real estate through increased interactions, doing our part to reduce environmental impact.
- This company's sustainability reports are prepared in accordance with the GRI Guidelines: Comprehensive Option published by the Global Reporting Initiative. This report has successfully passed through the GRI Disclosure Review Service (DRS) and the SDG Mapping Service.
- Our sustainability report disclosures are in following with the international standards including the Corporate Social Responsibility Best-Practice Principles for TWSE/GTSM Listed Companies, the UN Global Compact, and ISO 26000 – Guidance on Social Responsibility.



SEE Foundation: Established by Sinyi Group Chairman Chun-chi Chou and other entrepreneurs

SEE Foundation, an environmental philanthropic organization, stands for Society of Entrepreneurs and Ecology. The organization was initiated and established by a group of Chinese business leaders back in 2004, alongside a seasonal lake in Alxa Desert in Inner Mongolia, which marks an iconic moment for the collective awareness from Chinese private sector. The original aim of SEE was to protect the ecology and environment by reducing or preventing desertification in the Alxa region. Sinyi Group chairman Chou Chun-chi was among the 100 entrepreneurs who came together with a 10-year commitment to each invest CNY100,000 a year to this work. "Based in Alxa, but not limited to", SEE's mission is also to build China's most influential environmental platform, and to advocate ecological and social responsibility among Chinese entrepreneurs.



CURA Alliance member

The **CURA Alliance** was established in 1999 and is a strategic alliance of several influential companies in the real estate industry created to provide a level playing field for developers across China's major cities. As a member of this alliance, Sinyi Realty has been invited to Beijing to speak at the "Social Experiments Affecting 300 Million People" seminars, sharing our experience at the front lines of community building and communicating the value of building trust to create happiness.



Fair Enterprise Alliance member

Social Enterprise Commitment Foundation chair Professor Kai Ma has brought together a group of entrepreneurs who strive to provide outstanding service to society to form the **Fair Enterprise Alliance**. The aim of this is to harness the joint strength of the respective enterprises to speak up with a louder voice and draw society's attention and power to those who most need our help. Sinyi Realty is dedicated to the promotion of corporate social responsibility and sustainable development, and as a member of the Fair Enterprise Alliance, we continue to strive to do our best to care for society.



CCS member

Center for Corporate Sustainability sees their mission as serving as a foundational resource to promote corporate sustainability education and research to cultivate professional manpower, assiduously conducting diverse activities and training, while also helping corporations create customized consulting or project management. To further reinforce green sustainability actions and continue improving knowledge of sustainable operations, Sinyi Realty actively participates as a member of the CCS.



BCSD Taiwan member

The Business Council for Sustainable Development of Taiwan (BCSD-Taiwan) is a non-profit business organization consisting of big Taiwanese companies from more than ten sectors. The goal of BCSD-Taiwan is to play a leading role and become an influential business voice in Taiwan in the field of corporate sustainability. In the interests of realizing concepts of sustainable development, Sinyi Realty becomes a member of BCSD-Taiwan. Through sharing information and participating in activities with the Council, we take an active role in confronting the challenges of climate change.



GRI GOLD Community member

By working together, we have the chance to reach our common goal – a more sustainable, secure, and stable economy and world. The **GRI GOLD Community** offers organizations around the world the unique opportunity to join a collaborative, global multi-stakeholder network to do exactly this. By joining the community, Sinyi expects to form a holistic view of the relationship between sustainable business and competitive advantages, to achieve coexistence and mutual prosperity with society.



Sinyi Realty Implements LBG Model

The London Benchmarking Group (LBG) Framework is a robust measurement standard that any company can apply to understand the difference their contributions make to business and society. Since 2017, Sinyi Realty has adopted the LBG model for assessing the benefits to society of charitable activities through inputs, outputs, and impacts, measure social influence and passing assurance.

SUSTAINABLE BUSINESS MODEL 102-1 102-2 102-3 102-4 102-5 102-6 102-7

Sinyi Group Organizational Scale

Sinyi Realty Inc.

Officially Established 1987

5,684 Sinyi Group Employees

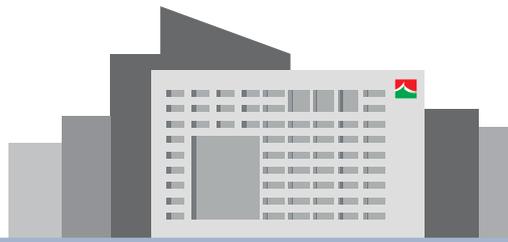
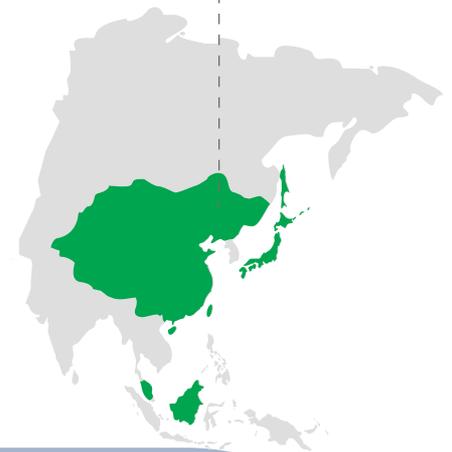
Taiwan : 4,450 people
 Japan : 106 people
 China : 1,128 people

Geographic Distribution: Taiwan, China, Japan, and Malaysia

NT\$17.807 billion

2017 Consolidated Revenue

Taiwan : 41%
 Japan : 1%
 China : 58%



553

Locations Worldwide

Taiwan: 431 branches
 China: 113 branches
 Japan: 9 branches
 Malaysia: 1 branch



Main Services : Real Estate Brokerage

Specific services include sales and leases for housing presales, surplus units, individual new units, used residential units, offices, plants, land, and parking spaces.

Location of Headquarters

Sinyi Group's Global Headquarters
 No. 100, Xinyi Rd. Sec. 5, Xinyi Dist.,
 Taipei City, Taiwan.



**Vision 2025
 Leading housing
 industry brand
 in the Chinese-speaking world**

Value Created

Value Distributed

Sustainable innovation
 leads to improved
 performance



Note: Staff(Remuneration and Benefits), Suppliers(Purchasing Amount), Shareholders(Dividends), Taxes (Tax Payment Amount), Society (Community investment)

LINKING SINYI REALTY'S CORE COMPETENCIES AND SUSTAINABLE INNOVATION

Since its founding, Sinyi Realty has taken as its operating philosophy a commitment to good faith in action in the hopes of making good on our word and doing what should be done. Our mission statement hangs at our global headquarters on Xinyi Road Section 5 in Taipei as a statement of our determination that all stakeholders will share in our commitment to good faith. It is through our focus on **innovative ability based on corporate ethics** that Sinyi Realty has been able to maintain our place at the top of the industry and stand out from our peers.

Service Design Thinking for Sustainable Development 102-15

The core development of any business must be based on strong corporate ethics, as only then can it achieve the goal of sustainability. As such, we develop services in line with the six major principles of sustainability and strive to make integrity, righteousness, and ethicality core competencies as we continue to innovate in line with our strategic goals. The SDGs are also a major influence on Sinyi's actions as we integrate the identification of potential risks and impacts into our core business and seek to develop new business opportunities from the outside in through our core values, all while also satisfying the needs of our stakeholders.

Developing Innovative Solutions through the Value Chain



Cross-Industrial Innovation

Building on a foundation of corporate ethics and working to develop innovative business models with our suppliers, we have been able to launch services like Decoration Escrow, reducing disputes, promoting secure transactions, and putting corporate ethics into practice with our suppliers.

Innovation within the Industry

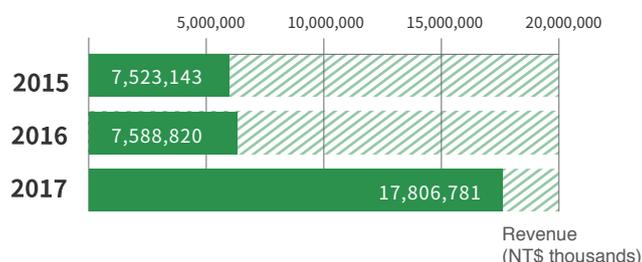
Designing new business models to address social problems
Since the company's founding, we have worked toward sustainable development, and a necessary part of this is **designing new business models to address social problems**, as only then can we balance economic and societal aspects. At the same time, it is also necessary to invest in carbon reduction and energy saving and to protect the environment in order to protect the rights and interests of future generations. In this way, we are able to achieve a balance between economic and environmental aspects.

Social Innovation

The management and survival of a business depend on its coexistence and co-prosperity with society. Through the Community Family Project, we are able to promote community development, while the Sinyi Academy addresses inequality in educational resources and the Sinyi School promotes corporate ethics. Through such innovative projects, we are able to promote long-term responses to society's needs and work together to create a beautiful world.

Sustainable Innovation Driving Revenues to New Heights

In 2017, in addition to promoting O2O projects and continuing to develop innovative low-carbon service models in response to the SDGs, we continued to promote Decoration Escrow services with our suppliers along with the full range of real estate services. As well as creating more employment opportunities, we are also working to jointly promote corporate ethics, an effort that has helped our revenues grow year after year. On top of reaching record high revenues in 2017, the company has remained at the top of the domestic real estate industry for 24 years running, highlighting that the group's commitment to corporate ethics has been a key factor in our constant reaching of new heights.



INDUSTRY INFLUENCE

Industry Environment

Major Challenges

+ Housing Market Contraction

Due to slow economic recovery, government policies, the capital environment, and over-corrected housing prices, the overall housing development market in Taiwan is still a case-by-case one, and it is not uncommon for the prices of newly built homes and previously occupied ones to be similar. As such, positioning products in such a way that they can attract buyers is key. In the future, Sinyi will incorporate innovations and digital technologies like building information modeling, as well as promoting innovative applications of digital technology to boost productivity.

+ Changes in the Rental Market

The Rental Housing Market Development and Regulation Act was passed in November 2017 and is expected to be implemented in June 2018. The intent of the Act is to protect tenants' leasehold interests and make the rental market more professional and robust. It encourages homeowners to entrust professional, legal agents to rent out their properties, and may therefore reduce disputes between landlords and tenants. It is expected this will contribute to the sound development of the rental market in the future.

+ Use of Online Platforms

Internet-based technologies are developing rapidly, and real estate services are attracting participation by and competition between online platforms. However, the heterogeneity of housing and the complexity of the transaction process mean that e-commerce mechanisms are still difficult to put in place. By observing markets where both the real estate and IT/Internet marketplaces are mature, like those of the US and Japan, we can see that IT tools have not replaced the role of the human broker to any significant extent. The Internet has developed vigorously in China in recent years, and there are many businesses from different industries trying to use it to break into the real estate market. However, most of these have been online services lacking a physical, offline component, and most of them have since withdrawn from the market. Traditional real estate businesses that make good use of Internet technology, meanwhile, have a place in the market because they can provide customers with more efficient services and the benefit of experience. This highlights that e-commerce innovation has not disrupted the real estate market so much as it has made it more efficient. As such, in the future we can foresee further innovative online technologies continuing to be put to use in the real estate market.

Our Responses

Making innovative use of technology, we have launched a number of industry-leading services, including 3D interactive home viewing, virtual iStaging, "community home price notification", "housing market thermometers," and Home Staging. We are also leading the industry into a brave new world of mobile technology through our iPhone and Android apps for home viewing and our online 720-degree panoramic view service. The Sinyi Residential Services Center has created a standardized, transparent platform called Sinyi Living, a strong residential lifestyle services platform built around an innovative O2O business model.

In 2017 we worked to optimize both electronic and mobile services to improve customer service experience. These efforts have included letting customers lock down a particular area of interest for property seeking through map selection and subscription, agent recommendations, and labeling particular property features. In addition, in line with consumers' search habits, we have strengthened the disclosure of community information and market quotation integrity on our official website.

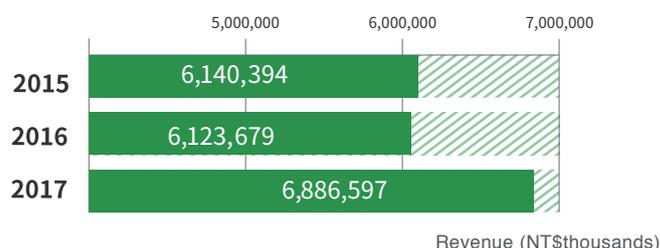
Market Positioning

Taiwan's Only Listed Real Estate Agency

Sinyi Realty was established in 1987 and is one of Taiwan's leading real estate agencies. While most Taiwanese real estate agencies decided early to pursue rapid development through franchising, Sinyi Realty is unique for its insistence on stable expansion through directly-operated branches. In 1999, Sinyi Realty became Taiwan's first OTC real estate agency, and in 2001 we became Taiwan's only real estate agency to be listed on the stock exchange.

Number 1 in Revenues for 24 Consecutive Years, a Steady Seat at the Top of the Industry

Not only has Sinyi Realty actively sought to differentiate itself from the rest of the industry and build a distinctive brand, we as a company have worked to improve the quality of the services we offer, insisting on integrity and ethical behavior as the core of our business and the biggest driver of progress and stable development. As a result, despite the vicissitudes of the property market, we have remained securely at the top of the industry.



LEADING THE INDUSTRY, INSPIRING THE WORLD

Overseas Awards

World's Most Ethical Companies

first Taiwanese company to be so named in the awards' 12-year history



For more information, please see: <https://www.worldsmostethicalcompanies.com/honorees/>

Asia Sustainability Reporting Award , ASRA

Asia's Best Online CSR Communication and Asia's Best Workplace Reporting awards



For more information, please see: <https://csmatters.com/winners-2017/>

2017 Asia Responsible Enterprise Awards (AREA)

Social Empowerment Award (second consecutive year)



For more information, please see: <https://enterpriseasia.org/area/projects/sinyi-realty-inc/>

Seminars / Forums

Cambridge Judge Business School Sinyi Seminar:

"Leadership Thinking - Building an Enduring Corporate Competitive Advantage"

For more information, please see: <http://csr.sinyi.com.tw/en/society/world09.php>

Sinyi Center for Culture Studies:

Sinyi Lecture 2 - "Confucian Tradition and the Spirit of Entrepreneurship"

For more information, please see: <http://csr.sinyi.com.tw/en/society/world06.php>

SEE Foundation:

5th Chinese Enterprise Green Contract Forum and 7th SEE Eco Awards "Green Relay, Helping the World Breathe Deeply"

For more information, please see: <http://csr.sinyi.com.tw/en/society/world08.php>

CURA Alliance:

"Social Experiments Affecting 300 Million People—From Community Development to Community Building"

For more information, please see: <http://csr.sinyi.com.tw/en/society/world07.php>

For more information, please see: <http://csr.sinyi.com.tw/en/society/world.php>

Domestic Awards

ENVIRONMENT

- **Environmental Protection Administration, Executive Yuan:** Bronze Award, ROC Annual Enterprises Environmental Protection Award
- **Department of Environmental Protection, Taipei City Government:** Distinction, Non-Government Enterprises and Organizations Green Purchasing Excellence (Eight Consecutive Years)
- **Environmental Protection Administration, Executive Yuan:** Carbon Label Certification

SOCIAL

- **Taiwan Academy of Corporate Sustainability 2017 Taiwan Corporate Sustainability Awards:** Most Prestigious Sustainability Awards—Top Ten Domestic Corporates, Corporate Sustainability Report Award (Real Estate and Construction), Transparency and Integrity Award, Social Inclusion Award, Climate Leadership Award, Growth Through Innovation Award (Total of Six Awards)
- **CommonWealth Magazine:** First Place, Mittelstand Category, Excellence in Corporate Social Responsibility (Ten Consecutive Years)
- **General Assembly of Chinese Culture:** Presidential Cultural Award - Local Hope Award (First and Only Private Sector Recipient)
- **Small and Medium Enterprise Administration, Ministry of Economic Affairs:** Recipient, Social Innovation Products and Services Purchasing Award (Only Real Estate Services Recipient)
- **Cannes Lions International Festival of Creativity:** Social & Influencer Lions (CSR) (Only Real Estate Services Company to Win)

SOCIAL

- **Global Views Monthly:** First Place, Global Views Five-Star Service Award (second time)
- **CommonWealth Magazine:** Gold Medal, Gold Medal Service Industry Survey (Fifth Gold)
- **Reader's Digest:** Platinum Award, Most Trusted Real Estate Company, 2017 Reader's Digest Trusted Brand Survey (Tenth First Place in Category)
- **Next Magazine:** First Place, Top Service Awards (Twelfth Time)
- **Management Magazine:** First Place, Real Estate Industry, Best Consumer Brands Survey (24 Consecutive Years)
- **Business Today:** First Place, Best Brand Award (10 Consecutive Years)
- **Manager Today:** 99th Place, Brand Asia (Out of Just 120 in Asia)
- **Sports Administration, Ministry of Education:** Taiwan iSports Label Certification
- Received "Healthy Workplace Certification" from Health Promotion Administration, Ministry of Health and Welfare
- Received "Excellent Breastfeeding Room" Certification from Department of Health, Taipei City Government

GOVERNANCE

- **Taiwan Stock Exchange's 4th Corporate Governance Evaluations:** Top 5% of Listed Companies (4 Consecutive Years)
- **Global Views Monthly:** Chairman Chun-chi Chou won "Gentleman Entrepreneur Award"

Responses to Negative News or Incidents, 2017

In 2017, we received no substantial fines. For more detailed and current information, please see the Event Response page of our CSR website at <http://csr.sinyi.com.tw/en/other/event.php>

ECONOMIC PERFORMANCE

Sinyi Sustainable Development Goals and Business Policy

Through the implementation of transparent, integrity-based corporate governance, by 2025 we will have become the leading housing industry brand in the Chinese-speaking world

The Board of Directors, selected at Sinyi Realty's stockholder meetings, is responsible for supervising the execution of the company's various operations to protect the long-term interests of shareholders and safeguard the interests of all stakeholders, including staff, customers, suppliers, the environment, and society.

With integrity and ethics, they do what should be done for all of our stakeholders and actively work to implement corporate social responsibility.

Management Mechanism

 **Corporate Governance**
chapter, p. 27 - 36

Long-term Strategic Goals

Sinyi Sustainability Principles

Corporate Governance = What Should be Done

Mid-term Strategic Goals

2025 Goals

Become the leading housing industry brand in the Chinese-speaking world

Short-term Strategic Goals

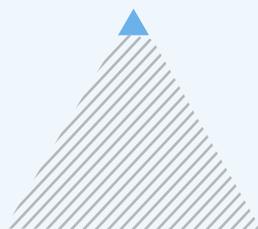
2018 Goals

Create revenue of NT\$10 billion
Expand International Presence - Hong Kong

2017 TARGETS AND ACHIEVEMENTS SET

Corporate Governance Evaluations

2017 Target:
Top-level Corporate Governance Evaluation Ranking (Top 5%)



Listed Company Corporate Governance Evaluations Ranking

TOP 5%

✓ Target Achieved

Since the TWSE Corporate Governance Evaluations began, Sinyi Realty has received the highest recognition in them for four consecutive years, ranking among the top 5% of listed companies.

Our Actions

For several years, Sinyi Realty has had independent directors account for over half the Board, a level rarely seen in the industry. The members of the Board are professional and dedicated, and help further develop the leadership and operations of the company.

Highlights in 2017

To improve the mechanism for the selection directors and senior management, in 2017 we established a Nomination Committee and laid out the Nomination Committee Organization Rules.

Profitability

2017 Target:
Continue to be profitable every year.



✓ Target Achieved

In 2017, we achieved an operating income of NT\$1.08 billion and continued to make a profit.

Our Actions

Faced with a changing political and economic situation, Sinyi Realty remains united and committed to excellence, working to strengthen our core services and investing in the cultivation of our talented staff.

Highlights in 2017

We deepened our roots in local business and improved the quality of our services, while also continuing our overseas expansion, further expanding in the Malaysian market.

SOCIAL PERFORMANCE (INTERNAL)

Sinyi Sustainable Development Goals and Business Policy

Providing a good environment to ensure our staff enjoy job security and professional growth

Sinyi Realty believes firmly that only happy employees can make customers happy. Beginning by putting people first, we strive to ensure that our staff enjoy a balance between physical health, mental health, and both financial and personal growth. By creating a happy workplace where all staff can strike a balance between work and life, we then enable them to help our customers and themselves create their own dream homes.

Management Mechanism

 [Caring for Staff chapter, p. 37 - 50](#)

Long-term Strategic Goals

Sinyi Sustainability Principles

Putting People First: Not Just Staff, Partners Also

Mid-term Strategic Goals

2025 Goals

Attracting talent and creating a friendly workplace

Short-term Strategic Goals

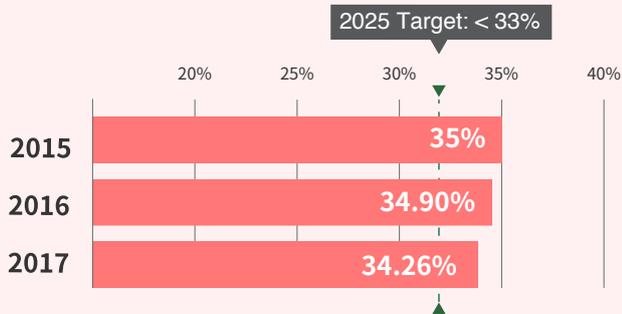
2018 Goals

Lower Turnover: under 34%
Higher Satisfaction: 4.0 or higher

2017 TARGETS AND ACHIEVEMENTS SET

Turnover

2017 Target: under 35%



✓ Target Achieved

With a policy of high salaries, high development, and high care, Sinyi Realty encourages our staff to pursue higher goals, creating a virtuous cycle. Beginning by putting people first, we strive to ensure that our staff enjoy a balance between physical health, mental health, and both financial and personal growth. We also provide a multifaceted support system and incorporate staff benefits into daily business.

Our Actions

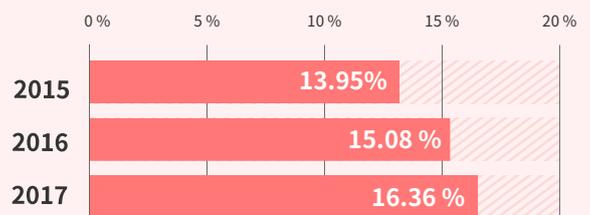
We conduct routine surveys every year, listen to the opinions of our staff regarding the organization, and make adjustments accordingly.

Highlights in 2017

We support our staff wholeheartedly and create positive energy through reasonable pay.

Percentage of Female Management

2017 Target: over 16%



 =Target Achieved  = 2025 Target : 20%

✓ Target Achieved

Due to the nature of the real estate industry, our early staff were primarily male, and as such the proportion of males in management is higher. In recent years, through sound training and an objective evaluation system, we have been able to constantly increase the proportion of female staff in management roles. Over the past three years, not only has the percentage of female staff risen, so too has the percentage of female managers.

Our Actions

Sinyi Realty has always adhered to a diverse and inclusive talent strategy, placing great importance on diversity in all aspects of hiring and development.

Highlights in 2017

We enabled staff to balance the work and home life, as well as providing equal opportunities for both men and women.

SOCIAL PERFORMANCE (EXTERNAL)

Sinyi Sustainable Development Goals and Business Policy

Continuous pursuit of ethical innovation, achieving 90% customer satisfaction rate by 2025

Management Mechanism

 **Customer Care chapter, p. 51 - 54**

Sinyi Realty has since our founding been committed to promoting safe, fast, and reasonable real estate transactions and to making the spirit of justice in word and deed a core part of the company, putting justice before profits. To us, the true key to sustainable development is developing innovative services that are in line with corporate ethics, and that a commitment to doing what's right and to ongoing innovation will bring us long-term profitability.

Long-term Strategic Goals

Sinyi Sustainability Principles

Innovating Service Models and Shaping the Industry's Future

Mid-term Strategic Goals

2025 Goals

Through an "+Internet" operating model, integrating group-wide business management plans

Short-term Strategic Goals

2018 Goals

Customer satisfaction rate > 85%

2017 TARGETS AND ACHIEVEMENTS SET

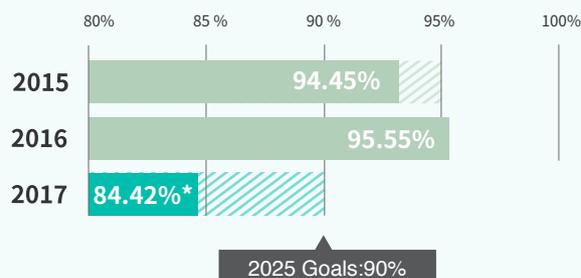
Customer Satisfaction Rate

2017 Target: Customer Satisfaction Rate > 85%

  = Customer Satisfaction Rate

⊗ Target Not Achieved

For striving to improve service quality and experience, in the beginning of 2017, Sinyi Realty has changed customer satisfaction surveys from two-point scale (satisfied/dissatisfied) to 5-point scale. We calculated the ratio of 5-point-item to represent customer satisfaction rate, that makes a more objective assessment of our services. As such, in 2017 we have adjusted our target accordingly. Therefore, the achievement in 2017 was not able to be compared with 2016 and before.



* In 2017 we have used the ratio of 5-point-item to represent customer satisfaction rate, which was not able to be compared with 2016 and before.

Our Actions

Innovative services have long been a major focus of Sinyi Realty, and in line with customer requirements, we continue to propose innovative services each year that are in line with corporate ethics. Through interactions and observations in the course of regular business, we have made careful note of what our customers need and strived to create services that meet those needs. We look forward to continuing to innovate in the services we provide and to making our customers even more satisfied with what we have to offer.

Highlights in 2017

In order to boost customer satisfaction, Sinyi Realty continues to promote "Sinyi Touching Moment" (STM), which continually explores customers' needs and provides them with professional advice.

We also promote efforts to cultivate our local districts and integrate them into "online to offline" models, providing more digital tools to improve our sales staff's efficiency and our customers' service experience.

SOCIAL PERFORMANCE (EXTERNAL)

Sinyi Sustainable Development Goals and Business Policy

Create a happy Taiwan and achieve a cumulative coverage rate of 99% for Community Capacity Building Project proposals by 2025

Management Mechanism

 [Social Engagement chapter p. 55 - 66](#)

Integrity and ethics are core values to which Sinyi has always been faithful. We have not only strived to uphold a high standard of business ethics in our own operations, but also to bring like-minded groups on board and jointly work to plant strong roots of corporate ethics in Taiwanese society, realizing that commitment to justice. Beginning with homes and bridging out into communities, Sinyi Realty takes an active role in public affairs, caring for the communities we all share.

Long-term Strategic Goals

Sinyi Sustainability Principles

Faithful People→Faithful Company→Faithful Society

Mid-term Strategic Goals

2025 Goals

Creating a happy Taiwan:
Building a better society through four main avenues: community building, promoting ethics, developing the industry, and engaging in charity

Short-term Strategic Goals

2018 Goals

Cumulative coverage rate of Community Capacity Building Project proposals: 98.5%

2017 TARGETS AND ACHIEVEMENTS SET

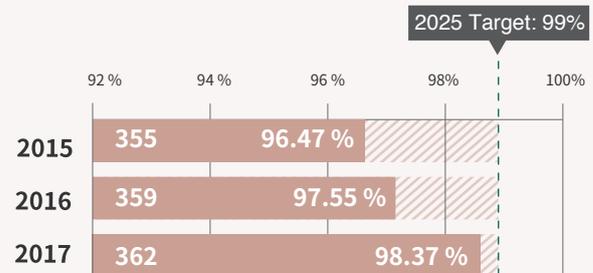
Cumulative coverage rate of Community Capacity Building Project proposals

2017 Target: 98%.

✓ Target Achieved

To help create better communities and a better society, Sinyi Realty has had a long-term commitment to assisting in community-building and the systematic promotion of social philanthropy.

Over the past 13 years, since 2004, this commitment has seen us involved in some 8,799 proposals reaching 1,960 communities. Our efforts were even recognized with a Presidential Cultural Award, the first time a private enterprise has been so honored.



Total Townships Targeted by Proposals
(Of 368 total nationwide)

Our Actions

Our community building projects are focused not on one-off activities, but rather on long-term and ongoing promotion of social philanthropy, expanding the concept of "home" outward to communities, cities, and the entirety of Taiwan.

Highlights in 2017

Increase the elementary school teachers and students group through the Community Capacity Building Project with the goal of deepening roots and achieving full participation. We also worked with the Soil and Water Conservation Bureau and the Youth Development Administration, expanding the scope of our cooperation.

ENVIRONMENTAL PERFORMANCE

Sinyi Sustainable Development Goals and Business Policy

Letting green thinking take root and achieving our 2025 strategic goals

In the face of climate change and daily environmental deterioration, Sinyi Realty believes the best response is to use in society what we take from it. At the same time as pursuing reasonable profits for our real estate brokerage services, we should also value the resources the planet provides us and do all we can to promote innovative green services. In addition to raising awareness among consumers of carbon reduction and energy saving, such efforts also help us reduce our operating costs and strengthen competitiveness, making a concrete contribution to the sustainable development of Sinyi Realty.

Management Mechanism

 **Environmental Protection chapter, p. 67 - 74**

Long-term Strategic Goals

Sinyi Sustainability Principles

Pioneering Environmental Awareness in the Service Industry

Mid-term Strategic Goals

2025 Goals

Continuing carbon reduction and energy saving efforts in response to climate change
2025 reduction in carbon emissions per transaction: 6%
2025 reduction in per-person power consumption carbon emissions: 4% (Baseline Year 2017)

Short-term Strategic Goals

2018 Goals

Reduction in carbon emissions per transaction: 2%
Reduction in per-person power consumption carbon emissions: 1%

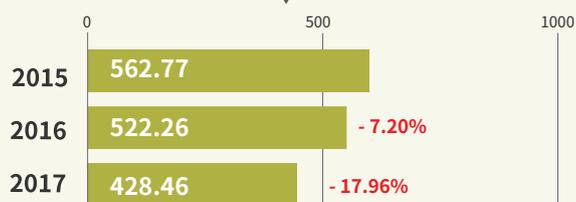
2017 TARGETS AND ACHIEVEMENTS SET

Carbon Footprint

Carbon Emissions per Real Estate Transaction (kgCO_{2e}) (Baseline Year: 2016)

2017 Target: 2% reduction.

2020 Target: 5% reduction (already achieved)



Carbon Emissions per Real Estate Transaction, kgCO_{2e}

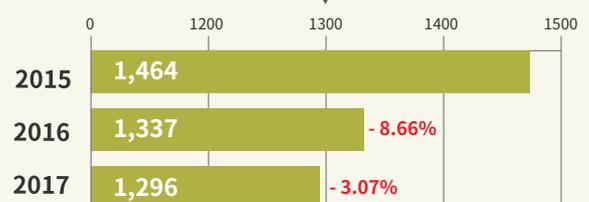
Greenhouse Gas Emissions

Carbon Emissions of Electricity Consumption per Person (kgCO_{2e}) (Baseline Year: 2015)

2017 Target: 2% reduction.

2025 Target: 10% reduction.

2025 Target: 10% reduction (already achieved)



Per-person power consumption carbon emissions, kgCO_{2e}

✓ Early Achievement of Targets

In 2017, we achieved a 17.96% reduction in carbon footprint on 2016, equivalent to a 23.87% reduction on 2015, achieving our goal ahead of time.

Our Actions

Being in the real estate brokerage service industry, our work makes use of a substantial quantity of paper for documentation and promotional materials. In 2017, we focused on reducing our paper usage, resulting in a reduction in carbon emissions at the raw materials stage head 226.89 kgCO_{2e} to 158.80 kgCO_{2e}.

Highlights in 2017

Sinyi Realty is focused on promoting paperless services, continuing to strive for increased use of digital tools in business and marketing, thus reducing our paper usage and doing our part for the planet.

✓ Early Achievement of Targets

In 2017, we achieved a 3.07% reduction in Carbon Emissions of Electricity Consumption per Person on 2016, equivalent to an 11.48% reduction on 2015, achieving our 2025 goal ahead of time.

Our Actions

Sinyi Realty has always placed a great emphasis on sustainable business and development. In addition to ISO 50001 energy management, we have also applied for ISO 14064 systematic management of greenhouse gases.

Highlights in 2017

In our 2017 energy management systems inventory, Sinyi Realty carried out planning and evaluation of many larger items of energy equipment. In addition, this year we implemented ISO 14001: Environmental Management Systems. As part of our responsibility as a global citizen, into the future we will continue to work toward increased environmental friendliness.

SUPPLY CHAIN MANAGEMENT PERFORMANCE

Sinyi Sustainable Development Goals and Business Policy

Promote sustainable supply chains and reach key suppliers inspection rate of 95% by 2025

Sinyi Realty considers our suppliers an extension of the company, extending our business philosophy to them and working with them to establish sustainability goals. We hope to cooperate with our suppliers to promote sustainable supply chains and coexistence with society and the environment.

Management Mechanism

 [Supply Chain Management chapter, p. 75 - 84](#)

Long-term Strategic Goals

Sinyi Sustainability Principles

Building Sustainable and Ethical Supply Chains

Mid-term Strategic Goals

2025 Goals

First in Community Living Services
Launch Sustainable Supply Chain
Key Suppliers Inspection Rate to 95%

Short-term Strategic Goals

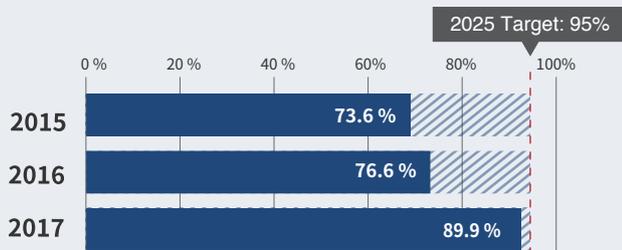
2018 Goals

Increase Key Suppliers Inspection Rate to Above 90%
Develop "Gung Ho" Project with Suppliers

2017 TARGETS AND ACHIEVEMENTS SET

Key Suppliers Inspection Rate

2017 Goal: Audit over 80% of total key suppliers



	2015	2016	2017
Key Suppliers Checked	176	213	348
Total Key Suppliers	239	278	387

✓ Target Achieved

In 2017, our total key suppliers grew to 387, of which 348 were audited with a pass rate of 89.9%, achieving our goal.

Our Actions

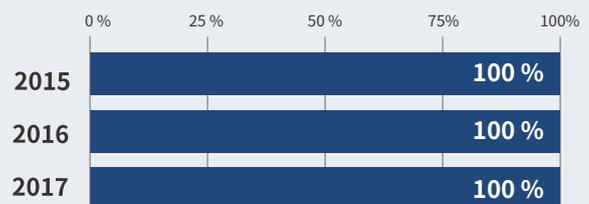
When signing contracts, we are sure to add in terms and regulations pertaining to sustainability. We follow up on this with site checks and reviews, giving assistance and guidance where needed.

Highlights in 2017

Expanded the scope of site checks to the entire supply chain and gained a clearer understanding of suppliers' understanding and implementation of sustainability-relevant terms.

Supplier Inspection Pass Rate

2017 Target: Supplier Pass Rate of 100%.



✓ Target Achieved

Since incorporating human rights terms in 2013, we have given at-risk suppliers relevant guidance and have thus far maintained a 100% pass rate.

Our Actions

Only by sharing with our suppliers Sinyi's commitment to integrity and ethics in management can we truly provide the best quality service to our customers.

Highlights in 2017

Suppliers are invited to take part in charitable activities with us, helping both staff and suppliers get a deeper understanding of corporate ethics in practice.

SINYI SUSTAINABILITY PRINCIPLES PERFORMANCE IN 2017

Innovating Service Models and Shaping the Industry's Future



TOP 1

Steady at the Top of the Real Estate Agency Industry

Number one in revenues for 24 consecutive years, constantly improving quality of service and insisting on integrity and ethics.

Faithful People → Faithful Company → Faithful Society

We Are One Project Establishes Model for a Company Giving Back



In 2017, Sinyi Realty was honored with the Presidential Culture Award - indigenous hope category, **becoming the first Presidential Cultural Award recipient from the private sector.** Over 13 years, the We Are One Project has racked up 8,799 proposals, with participants in townships covering 98% of Taiwan and its outlying islands. This is the longest-running, most-participated-in community action plan with private sector support.

Pioneering Environmental Awareness in the Service Industry

Carbon Footprint of per Real Estate Transaction



Reduction of 17.96% on Previous Year

In 2017, our per-transaction carbon footprint was 17.96% lower than that of 2016.

We continue to develop innovative, green services, enabling every transaction that goes through Sinyi to contribute to reducing environmental impact.

Putting People First: Not Just Staff, Partners Also



Sinyi Realty considers our staff partners of the company, and believes that only happy staff can bring happiness to customers, creating a sustainable business. Receiving this honor is testament to the hard work and innovation we have invested into creating a happy workplace, and to our world-class standards in hiring and training.

Corporate Governance = What Should be Done

Listed Company Corporate Governance Evaluations Ranking



TOP 5%

Received outstanding ranking (top 5% of listed companies) for four consecutive years in TWSE Corporate Governance Evaluations, demonstrating our excellent performance in governance.

Building Sustainable and Ethical Supply Chains

Decoration Escrow Receives TCSA



Innovation Growth Award

Based on corporate ethics, we strive to develop innovative business models together with our suppliers. We have successfully launched the innovative Decoration Escrow service, which is a demonstration of our ability to put corporate ethics into practice together!

IDENTIFYING MATERIAL TOPICS

We listen to the opinions of our stakeholders and follow international trends in sustainability to form our sustainable business policies and strategies, which in turn enable us to achieve our sustainable development goals.

How Does Sinyi Analyze Materiality [102-42](#) [102-44](#)

Every year, Sinyi collects information through various channels to gain an understanding of which issues reflect the significant economic, environmental, and social impacts of the organization, or have a substantial influence on the assessments and decisions of stakeholders. We collect feedback from external stakeholders and research sustainable business trends and global challenges (e.g., The UN Sustainable Development Goals) in order to understand potential key risks and opportunities. We also gather issues of concern from internal management teams and functional units in the course of business through means such as community monitoring systems and interviews with internal experts. Through the process of assessing materiality, we are able to determine material topics concerning Sinyi. We comply with the GRI Guidelines: Comprehensive Option and AA 1000 AS:2008 Standards, obtaining Independent Assurance Opinion Statements and going through the GRI Disclosure Review Service (DRS) and SDG Mapping Service.

 Please refer to [p. 104](#) for the Independent Assurance Opinion Statements.

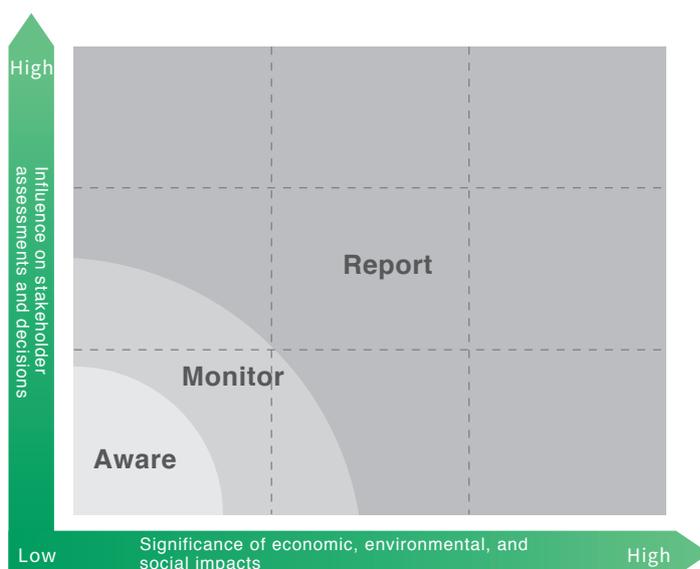
 For the GRI review certificate, please refer to [p. 97](#)

What matters to our stakeholders
Stakeholder Engagement

 Pages [17](#) and [18](#) shows the feedback received.

What matters to our business
Potential opportunities and principal risks

 Pages [19](#) and [20](#) for more details



 Pages [21](#) and [94](#) explain the material topics we chose to report

Contributing to the UN Sustainable Development Goals

We support the United Nations Sustainable Development Goals (SDGs), which have become the official common language of sustainable development strategy. In order to eliminate poverty and promote prosperity and happiness, we have set clear goals in response to climate change and will continue to move towards a sustainable world over the next 15 years.

Companies play an important role in achieving the SDGs, and Sinyi will continue to report on our specific contributions to these goals.

In 2016, we made a preliminary response to the SDGs based on the GRI Content Index, showing the sustainability goals we have been working toward and reviewing through the GRI SDG Mapping Service.

In 2017, we are using this report to further explain how Sinyi is contributing to the SDGs, setting clearer specific targets, and strengthen our reporting on SDGs.

 See page [24](#) for more details.



STAKEHOLDER ENGAGEMENT

102-37 102-40 102-43 102-44

Stakeholders	Significance	Engagement Methods	Frequency	Issues of Concern												
 <p>Investors</p>	Regardless of the size of their capital contributions, all investors are funders of this company, and thus all deserve equal treatment so that the information collected from them is, as far as possible, consistent with that of management.	Shareholder's general meetings, online corporate presentations, company annual reports, telephone calls with spokespeople or acting spokespeople, mail or investor mailbox, investor information website, Audit Committee complaints mailbox, and stakeholder mailbox.	Immediate	<table border="1"> <tr><td>1</td><td>2</td><td>3</td></tr> <tr><td>4</td><td>5</td><td>6</td></tr> <tr><td>7</td><td>8</td><td>9</td></tr> <tr><td>10</td><td></td><td></td></tr> </table>	1	2	3	4	5	6	7	8	9	10		
1	2	3														
4	5	6														
7	8	9														
10																
 <p>Colleagues</p>	Talent is the foundation of business and staff are partners in business, not simply assets. As such, a company must provide a safe employment environment that absolutely respects and cares about employees, giving them the means to grow together with the company. We provide competitive levels of compensation and a comprehensive system of benefits, attracting outstanding talent and continuing in our efforts to achieve our goals.	Various internal meetings, internal communications platform, staff communications mailbox, departmental service hotline, labor-management meetings, EAP staff assistance program, 1234 sexual harassment prevention hotline, course opinion surveys, internal questionnaires and surveys.	Immediate	<table border="1"> <tr><td>11</td><td>12</td><td>13</td></tr> <tr><td>14</td><td>15</td><td>16</td></tr> <tr><td>18</td><td>19</td><td>20</td></tr> </table>	11	12	13	14	15	16	18	19	20			
11	12	13														
14	15	16														
18	19	20														
 <p>Customers</p>	Customers are a company's major source of revenue, and so Sinyi strives to serve the public with strength, knowledge, and professionalism, promoting safe, fast, and reasonable real estate transactions while also maintaining a level of profit appropriate for the ongoing survival and development of the company.	Sinyi Realty/Sinyi Living/Sustainability websites, Sinyi Realty/Sinyi Living Facebook fan pages, community housing seminars/activities/fairs, Sinyi Bimonthly, outbound customer care, Social Monitoring Systems, customer opinion channels.	Immediate	<table border="1"> <tr><td>3</td><td>21</td><td>22</td></tr> <tr><td>23</td><td>24</td><td>25</td></tr> <tr><td>26</td><td>27</td><td>28</td></tr> </table>	3	21	22	23	24	25	26	27	28			
3	21	22														
23	24	25														
26	27	28														
 <p>Community</p>	As the main economic entities in society, companies are both economic citizens and social citizens. Companies have no reason to divorce themselves from society, as this would leave them with no room for development. In addition to creating profits, there is one other element of business that is indispensable—upholding social responsibility. Promoting corporate development with a focus on giving back to society and promoting a jointly beneficial relationship between corporate social responsibility and stakeholders, thus furthering our positive influence on society.	Corporate sustainability website, Community Capacity Building Project / Sinyi Lecture Hall websites, Facebook fan pages, corporate ethics teaching camp, Community Capacity Building Project, CSR reports, Taiwan Real Estate Almanac, industry-academia-government conferences, public hearings on regulations, conferences on real estate taxation, official Sinyi recruitment website/hotline and mailbox, press releases, press conferences	Immediate	<table border="1"> <tr><td>5</td><td></td><td></td></tr> <tr><td>29</td><td>30</td><td>31</td></tr> <tr><td>34</td><td>35</td><td>37</td></tr> </table>	5			29	30	31	34	35	37			
5																
29	30	31														
34	35	37														
 <p>Environment</p>	Striving for carbon reduction and energy savings, which is the duty of all responsible corporate citizens. Businesses should operate from a perspective of treasuring the Earth's resources and giving back to the	Green purchasing, corporate sustainability mailbox and website, Sinyi Lecture Hall, Sinyi volunteers, carbon management disclosures	Immediate	<table border="1"> <tr><td>39</td><td>41</td><td>44</td></tr> </table>	39	41	44									
39	41	44														
 <p>Suppliers</p>	Ensuring all suppliers are providing services in compliance with our commitment to good faith and that satisfy customers.	Supplier meetings, supplier risk assessment, supply chain management processes and forms, Sinyi Lecture Hall, Community Capacity Building Project	Occasional	<table border="1"> <tr><td>45</td><td>47</td></tr> </table>	45	47										
45	47															



◀ Sinyi Realty 2017 Annual Report

- 📄 For more details on engagement methods, please refer to p. 41-42, [2017 Annual Report](#)
- 📄 For the contents on issues of concern, please refer to [p. 95](#)

Engagement Results	Our Responses	Response Mechanisms
<p>We communicate to investors the current status of the company through a variety of methods, as well as collecting feedback from investors at any time and using that to improve corporate governance. We received a total of 1,019 responses from credit rating agencies and investor engagement; in 2017, at the stockholder meeting, stockholders put forward their hopes that Sinyi would expand beyond Taiwan and create even greater value.</p>	<p>Sinyi Realty responded to our commitments to our stakeholders and investors, receiving the best rating available in the Taiwan Stock Exchange's Corporate Governance Systems Evaluation System for the fourth consecutive year and ranking among the top 5% of listed companies in Taiwan with regard to corporate governance.</p> <p>In response to investors' proposals, we expanded into Malaysia in 2017 and will set up in Hong Kong in 2018.</p>	 <p>Corporate Governance chapter</p>
<p>Full communication with staff at any time, including collecting their feedback, enabling us to adjust policies and related guidelines/regulations. We collected 89,032 comments, most of which were recommendations for training and salary incentives.</p>	<p>We have expanded our education and training so that staff at all levels have the opportunity to systematically improve their professional skills. For stage two, we hope to further reinforce concepts of corporate ethics, using intensive high-level training of middle and senior management in an effort to foster a corporate culture of "the wisdom and willingness of the collective."</p> <p>In addition, Sinyi also looked into adjustments of the relevant regulations pertaining to salaries and benefits, adjusting salaries across the company in early 2018.</p>	 <p>Caring for Staff chapter</p>
<p>Through online, face-to-face community work, and customer service surveys, we seek out customer feedback and expectations in order to continue refining and improving our customer service.</p> <p>We collected a total of 122,670 comments and found that a trend toward increased demand for leasing and residential services.</p>	<p>We continue to introduce innovative services that are ahead of the curve, as this is key to improving customer satisfaction. The entire staff of Sinyi Realty is committed to actively developing a variety of innovative services that will satisfy a range of customer demands. In response to the increasing demand for residential, leasing, and community services, we launched community lifestyle O2O services.</p>	 <p>Customer Care chapter</p>
<p>Through the Creating Communities Action Plan and assisting government agencies with seminars and questionnaires, of which we collected a total of 37,642, we are able to learn what issues concern the public and determine appropriate responses and feedback methods.</p>	<p>Sinyi continues to make use of our core competencies to solve social problems, further expanding our influence. Our community building efforts are entering their second stage, not only increasing our social media presence, but also expanding into new groups, including primary and tertiary education groups, engaging in wider and deeper communication with the community.</p>	 <p>Social Engagement chapter</p>
<p>Every year, we carry out inventories of the carbon footprint and GHG emissions of our services, monitoring the effectiveness of our carbon reduction efforts, while also furthering awareness of environmental issues through Sinyi Lecture Hall seminars. We collected 6,580 environmental responses. In addition to carbon and greenhouse gases, stakeholders also indicated a belief that we should expand our attention to following a more diverse range of environmental issues.</p>	<p>In order to optimally reduce carbon emissions, we have reduced our usage of paper-based direct-marketing materials, moving toward digital dispatches. In 2017, we have further applied for sustainable stores certification, embedding sustainability concepts more deeply and concretely into our over 400 stores around Taiwan and their surrounding communities. With regard to water resource and environmental management issues, we also apply for relevant certifications, responding to the concerns of our stakeholders.</p>	 <p>Environmental Protection chapter</p>
<p>In addition to implementing human rights clauses and purchasing ethics in our purchasing and supply chain management policies, we also continue to communicate with our suppliers to bring to life Sinyi Realty's operating philosophy. With regard to our suppliers, we collected a total of 1,408 responses. Sinyi Realty has always been active in bringing together community awareness through the holding of events and activities together with our suppliers, working to have a positive impact on society, the environment, and the economy.</p>	<p>Our supply chain management efforts continue to involve sampling of over 70% of our suppliers, with Sinyi's business philosophy securely at the heart of our supply chain management culture.</p> <p>We have introduced ISO 20121 and hope to establish a unified management mechanism and process for event sustainability that will provide a means to mitigate the negative impacts of such events and reinforce the positive ones with regard to long-term sustainability. Based on a principle of sustainable procurement, we strive for sustainable supply chain management and to provide mechanisms for such that are easy for suppliers to adhere to.</p> <p>In the future, we hope more and more people will be willing to join the festivities and commit themselves to our philosophy.</p>	 <p>Supply Chain Management chapter</p>

RISKS AND OPPORTUNITIES 102-15

What matters to our business

The UN's 17 Sustainable Development Goals raise the issues that all countries or companies may face. We strive to stay on top of the opinions and ideas of stakeholders and global trends, as well as gathering sustainability issues from global and industry norms and standards. Using these, we analyze the impact of our business model on the environment, society, and economy through the lens of material topics, and from there, identify business opportunities.

Identifying Potential Opportunities and Risks

Main Opportunities/Risks Corresponding Material Topics	Changes in 2017	Sinyi's Impact on ESG	Response Mechanisms
Continuous Technological Advancement  416 Customer Health and Safety 418 Customer Privacy	Technology is constantly being put to use in the service processes of various industries	Technological progress opens the door to greater efficiency; eliminates social, economic, and geographic barriers; accelerates service efficiency; and makes services deeper and broader. As we expand our operational footprint, our growth may well come at a cost to the planet, and if we do not properly protect personal information and our trade secrets, we may have a negative impact on society.	Sinyi continues to develop new innovative digital services as technology develops, while at the same time striving to be respectful of the planet and its limited resources, boosting our competitiveness while also strengthening the protection of personal information and trade secrets. Sinyi Realty 2017 Report, p. 110 Sinyi Corporate Sustainability Website
Labor-Employer Relations  203 Indirect Economic Impacts 401 Employment	Focusing on and listening to the opinions of staff	A lack of appropriate labor-employer relations can create social problems. Good relations, meanwhile, can not only attract more outstanding talent and provide more job opportunities, but also create positive impacts on society.	We have set up unhindered communications channels and listen to the opinions of our staff, thus maintaining a positive labor-employer relationship. Colleagues Chapter p. 40 Colleagues Chapter p. 46
Water Resource Management  303 Water	The threat of a water scarcity crisis is increasing	The wastewater our service processes create can have an impact on the environment.	With awareness of water scarcity rising, Sinyi has begun taking measures to monitor our water footprint and the impact of our water consumption on the environment. Colleagues Chapter p. 40
Diversity and Equality of Opportunity  405 Diversity and Equal Opportunity	Society is increasingly focusing on diversity and equality of opportunity	Failure to provide diversity and equality of opportunity has an impact on society, affects labor-employer relations, and creates social problems.	We have put in place equal employment policies to help ensure that different groups have equal opportunity to work. Colleagues Chapter p. 44
Fair Purchasing  203 Indirect Economic Impacts 205 Anti-Corruption Promotion in Business Ethics	Society places an emphasis on opposition to corruption, and our suppliers particularly focus on opportunities for fair competition	We adhere to principles of integrity and fairness in our purchasing and strive to eliminate the possibility of corruption. This way, we can give different suppliers equal competitive opportunity and create a positive influence on society. Where there is no fairness in purchasing or there is corruption, this can, on the other hand, have a negative impact on society.	We have set out guidelines for fair purchasing to keep competition fair, as well as adding a Code of Business Integrity to contracts to eliminate the possibility of corruption. Sinyi Corporate Sustainability Website
Supply Chain Management  414 Supplier Social Assessment	Human rights issues in supply chains are something that has attracted the attention of society	Improper supply chain management will have a negative impact on the brand and affect the sustainable development of the company.	Stronger supply chain management and working together with suppliers will, on the other hand, improve the effectiveness of brand management. Supply Chain Chapter p. 82
Information Security Risk  201 Economic Performance 418 Customer Privacy	Risks of information disruption or damage and leaking of trade secrets or personal information	With the Internet booming, viruses and hackers are proliferating. Without proper information security, social problems may arise, while strong protection of personal information and trade secrets can help in the ordinary operation of society and have a positive impact.	To address growing information security risks, we have sought external consultants to conduct reviews in line with ISO 27001, improving our protective measures. Customers Chapter p. 53 Sinyi Corporate Sustainability Website
Climate Change  303 Water 305 Emissions	Risks associated with climate change continue to rise	Energy consumption in the course of business, as well as the carbon emissions, waste, and wastewater generated, have an impact on the environment.	In response to climate change, we have established a new sustainable real estate business model and launched innovative low-carbon services, boosting our competitiveness. Environment Chapter p. 69 Environment Chapter p. 71
Customer Privacy  416 Customer Health and Safety 418 Customer Privacy	Regulations have raised the standards for protection of customer privacy	In the course of serving our customers, we collect a substantial amount of personal information. Without rigorous protection of such information, social problems may arise, while strong protection of personal information and trade secrets can help in the ordinary operation of society and have a positive impact.	We have sought external consultants to conduct reviews in line with ISO 27001, reviewing the maturity of our various controls and improving our protective measures where any areas in which personal information security could be improved are pointed out. Customers Chapter p. 53

Analysis Results and Response Measures

Analyzing the main risks and opportunities we face, we see the importance of technological development, climate change, water, and supply chain management increasing. As such, we will continue to work on launching innovative technological and environmentally friendly services, as well as on improving our supply chain management, responding to its impacts and optimizing our service processes. As for the impacts of Sinyi's business model on the environment, society, and the environment, the influence of issues around labor-employer relations, diversity and equality of opportunity, and water resource management continues to increase. We have laid out the risks and opportunities associated with these above, and through adjusting our material topics management priorities and business strategies accordingly, we have developed the necessary response measures. Additionally, we have integrated the results of the above analysis with the results of stakeholder engagement to enable more advanced management of material topics.

Main Opportunities/Risks Corresponding Material Topics	Changes in 2017	Sinyi's Impact on ESG	Response Mechanisms
Health and Safety 403 Occupational Health and Safety 409 Forced or Compulsory Labor	Protecting and managing the travel and transport safety of staff	Staff in the real estate industry face a long-term challenging and high-stress working environment, and if we are unable to take care of their physical and mental well-being in a comprehensive way, we run the risk that they will succumb to injury.	We have therefore developed a comprehensive program to promote healthy lifestyles. Colleagues Chapter p. 49
Housing Market / Financial Policy 201 Economic Performance Industrial Development and Policy Communication	Impacts on trading volume in the real estate market	Our industry is greatly affected by the national housing market and financial policies. If we do not adapt appropriately, this can lead to losses for the company and have a negative impact on the economy.	We have a research office that conducts full-time market research to develop appropriate response measures. Sinyi Realty 2017 Report, p. 111
Staff Identity and Retention 416 Customer Health and Safety	The nature of work in the real estate business is that of long hours and high pressure to perform	If a company cannot get staff to identify with it and stay on board, not only will this result in a loss of talent that will affect the business, it may also create social problems.	We have established a friendly working environment and an excellent system of benefits and incentives, boosting staff identification and retention. Colleagues Chapter p. 48
Recruiting and Cultivating Multilingual Talent is Not Easy 404 Training and Education	Demand for overseas talent development	Insufficient talent demand can affect operational performance.	We provide good compensation and benefits, and actively recruit outstanding talent through a range of channels. Sinyi Realty 2017 Report, p. 111
Land Costs in China Rising and Not Conducive to Follow-up Development 201 Economic Performance	The excessive cost of overseas expansion	A lack of proper cost management will lead to operating losses and a negative impact on the economy.	We actively seek out suitable development partners to manage costs. Sinyi Realty 2017 Report, p. 112
Reputation (Media) Risk 201 Economic Performance 417 Marketing and Labeling	The risks of aberrant online voices, negative media reporting, consumer disputes, and labor disputes	Reputation and media risk control has an impact on sustainable corporate development as well as on the stability of staff lives, and can create negative impacts on society.	We disclose information through a variety of channels to ensure that our various stakeholders are kept up-to-date on the company and clarify things in the event of non-factual reportage. Sinyi Corporate Sustainability Website
Housing Justice Housing Justice Industrial Development and Policy Communication	Society's focus on housing justice is growing by the day	Rising house prices and insufficient information disclosure have had a negative impact on the perception of the real estate industry among the public, which in turn impacts the company's sustainable development.	By promoting the active development of the industry and the maintenance of information transparency in transactions, we are able to reduce inequalities and promote housing justice. Community Chapter p. 63
Corporate Social Responsibility in Practice Promotion in Business Ethics	Society expects companies to actively shoulder more social responsibility	Ignoring ESG management will not only lead to a loss of customers, but also to impacts on both the environment and society.	We place our commitment to integrity at the core of Sinyi's business culture and strive to promote the same among society more broadly. Community Chapter p. 61



2017 MATERIAL TOPICS

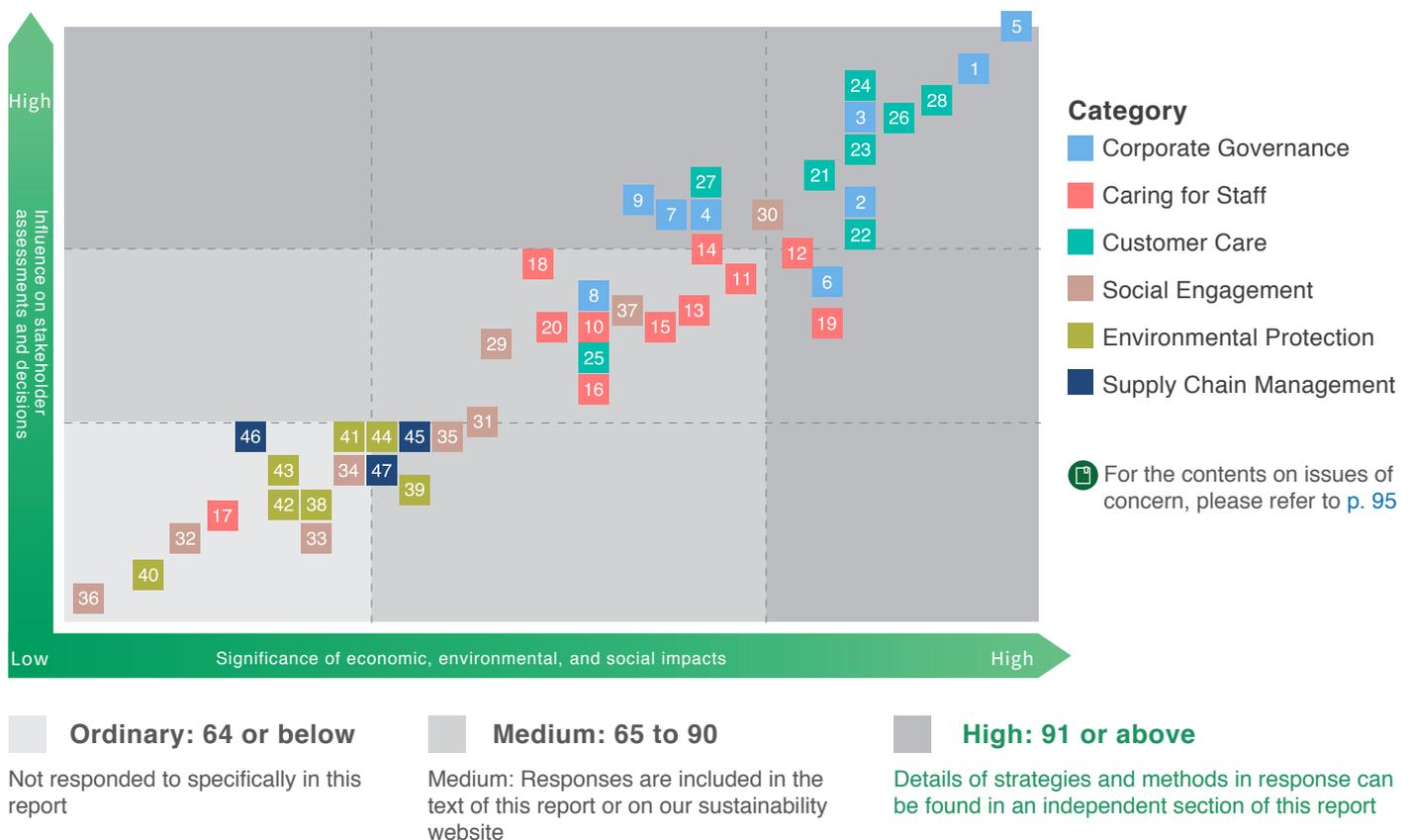
102-42 102-44 102-47

Through analyzing the global situation and conducting observations through social monitoring systems, Sinyi Realty collects information in sustainability issues of concern to stakeholders. Undertaking trends and impacts analysis with internal experts, the Total Ethical Management Committee identifies, prioritizes, verifies, and inspects issues in line with their sustainability context, materiality, thoroughness, and stakeholder tolerance. We communicated with stakeholders through various channels, receiving a total of **258,351** responses.

Deciding our priorities

In 2017, the most material issue for Sinyi remains the core of our business: ethics and integrity. We continue to operate with a focus on trust, working to protect security in real estate transactions and promote ethical values through both internal and external units. Issues pertaining to corporate governance, such as operating performance, corporate image, legal compliance, and the protection of personal information and trade secrets remain key priorities. Furthermore, customer-centric issues such as service quality, customer rights, transaction security, and the protection of personal information and trade secrets, are also essential to the business performance of Sinyi and thus of great import to our stakeholders.

In addition, although the housing industry is not a high-water industry, most of them are used daily by colleagues, but because of the concerns of stakeholders, we have included water resources in important issues in 2017, and added GRI 303 water to our material topics.



Corresponding Material Topics

Stakeholders	Investors	Colleagues	Customers	Community	Environment	Suppliers
Issues of Concern	1 2 3 4 5 6 7 8 9 10	11 12 13 14 15 16 18 19 20	3 21 22 23 24 25 26 27 28	5 29 30 31 34 35 37	39 41 44	45 47
Material Topics (GRI)	201 205	401 403 404 405 409	416 417 418	203	303 305	414
Other Material Topics				Industrial . Residential Ethics		
Sustainable Development Goals (SDGs)	SDG 4 SDG 8 SDG 13	SDG 3 SDG 4 SDG 8	SDG 12	SDG 4 SDG 8 SDG 10 SDG 11	SDG 12 SDG 13	SDG 3 SDG 8 SDG 12
Our Responses	Corporate Governance	Caring for Staff	Customer Care	Social Engagement	Environmental Protection	Supply Chain Management

For more detail, please refers to p. 94-96 of the Appendix, “ Materiality Analysis Process ”

OUR VALUE CHAIN

The Importance of Sustainability for Sinyi 102-44 102-46 103-1

The nature of the real estate agency business is that it starts with people needing to sell or rent real estate and continues through to the final signing of a contract, covering all services in between, as well as pre-commission and after-sales service, community management, and other such services. Each stage in our services has an impact on the environment and on society, impacts that can go far beyond the scope of our day-to-day business activities. Reviewing Sinyi's efforts toward sustainable development from the value chain perspective can not only help us understand the positive and negative impacts of our value chain, but also enable us to focus on the elements most in need of strengthening. The key to sustainable development is making the most of each and every opportunity within the value chain to expand positive influence and reduce negative impact. Through analysis of materiality, we have determined material topics and the boundaries of their impacts on different elements of the value chain. The illustration is as follows:



Impacts of Our Value Chain

Material Issues	Value Chain				
	Raw Materials Service Provision	Commission	Investigation, Paring Up, House Touring, Negotiating	Contracts	After-sales Service Community
201 Economic Performance				●	
203 Indirect Economic Impacts					●
205 Anti-Corruption	●	●	●	●	
303 Water	●	●	●	●	
305 Emissions	●	●	●	●	●
401 Employment	●	●	●	●	●
403 Occupational Health and Safety	●	●	●	●	●
404 Training and Education	●	●	●	●	●
405 Diversity and Equal Opportunity	●	●	●	●	●
409 Forced or Compulsory Labor	●	●	●	●	●
414 Supplier Social Assessment	●				
416 Customer Health and Safety		●	●	●	●
417 Marketing and Labeling		●	●	●	●
418 Customer Privacy	●	●	●	●	●
Industrial Development and Policy Communication					●
Housing Justice					●
Promotion in Business Ethics	●				●

2025 SUSTAINABILITY GOALS: PROGRESS UPDATE

Sinyi Sustainability Principles	2025 Goals	Management Progress		2017
		2015	2016	
Corporate Governance = What Should be Done GRI 201.205 SDG 4 SDG 8 SDG 13	Become the leading housing industry brand in the Chinese-speaking world	NT\$6.14 billion Revenue	NT\$6.123 billion Revenue	NT\$6.886 billion Revenue
Putting People First: Not Just Staff, Partners Also GRI 401.403.404 405.409 SDG 3 SDG 4 SDG 8	Attracting Talent, Establishing a Healthy and Safe Workplace > 18% Percentage of Female Management > 4.2 points Staff Satisfaction Surveys Average Score < 33% Turnover	13.95 % Percentage of Female Management 3.92 points Staff Satisfaction Surveys Average Score 35% Turnover	15.08 % Percentage of Female Management Annual Change by Company in Regard to Survey Results 34.9% Turnover	16.36 % Percentage of Female Management 4.05 points Staff Satisfaction Surveys Average Score 34.26 % Turnover
Innovating Service Models and Shaping the Industry's Future GRI 416.417.418 SDG 12	Continuing to pursue innovation in line with corporate ethics and creating new business models > 90 Customer satisfaction rate	94.45 % Customer satisfaction rate	95.55 % Customer satisfaction rate	84.42 %¹ Customer satisfaction rate
Faithful People → Faithful Company → Faithful Society GRI 203 SDG 4 SDG 8 SDG 10 SDG 11	Creating a happy Taiwan 99% Cumulative coverage rate of Community Building proposals Have projects to participate in all 368 townships and districts in Taiwan	96.47 % Cumulative coverage rate of Community Building proposals Cumulative total of 355 township proposals	97.55 % Cumulative coverage rate of Community Building proposals Cumulative total of 359 township proposals	98.37 % Cumulative coverage rate of Community Building proposals Cumulative total of 362 township proposals
Pioneering Environmental Awareness in the Service Industry GRI 303.305 SDG 12 SDG 13	Continuing carbon reduction and energy saving efforts in response to climate change 6% ² Reducing carbon emissions per transaction(Baseline Period: 2017) 4% ² Reducing Carbon Emissions of Electricity Consumption Per Person (Baseline Period: 2017)	Carbon Emissions per Transaction 562.77 kgCO ₂ e Carbon Emissions of Electricity Consumption Per Person 1,464 kgCO ₂ e	Carbon Emissions per Transaction 522.26 kgCO ₂ e Reduction of 7.2% on Previous Year Carbon Emissions of Electricity Consumption Per Person 1,337 kgCO ₂ e Reduction of 8.66% on Previous Year	Carbon Emissions per Transaction 428.46 kgCO ₂ e Reduction of 17.96% on Previous Year Reduction of 23.86% on 2015 Carbon Emissions of Electricity Consumption Per Person 1,296 kgCO ₂ e/person Reduction of 3.07% on Previous Year Reduction of 11.47% on 2015
Building Sustainable and Ethical Supply Chains GRI 414 SDG 3 SDG 8 SDG 12	Strengthening implementation of sustainability standards Implementing inspection mechanism, expanding scope of checks Key Suppliers Inspection Rate 95%	Number of suppliers check 176/239 (73.6%)	Number of suppliers check 213/278 (76.6%)	Number of suppliers check 348/387 (89.9%)

1 Note: In 2017, Sinyi has changed 2-point scale to 5-point scale and used the ratio of 5-point-item to represent customer satisfaction rate.

2 Note: Re-establishing the 2025 target because the goal has achieved ahead in 2017

UN SUSTAINABLE DEVELOPMENT GOALS (SDGs)

Sustainable Strategy Integration: Sinyi Sustainability Principles and the United Nations Sustainable Development Goals

Combining the sustainable strategy goals of Sinyi with the UN's sustainable development goals requires organizational input and support at the executive level. Using the three aspects below, we have conducted a staged analysis:

01

Impact Assessment: Assessing the applicability of SDGs to Sinyi's sustainable strategy goals

We analyze the impact of SDGs on business, operating processes, and the supply chain through overall business activities in the value chain in order to increase positive impacts and reduce/avoid negative ones.



02

Establishment of Assessment Methods

Through analysis and management of material topics, Sinyi selects material topic key performance indicators and defines the scope of goals, ensuring that said goals cover operational priorities and create opportunities in the value chain.



03

Alignment with the SDGs: Achieving Sustainable Development Goals within the Business

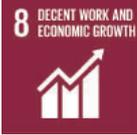
Sinyi Sustainable Goals are formulated and released by the Chairman, and we work to tie together Sinyi Sustainability Principles, the SDGs, and our material topics to ensure consistency in our strategic goals. We also develop specific key performance indicators in order to set goals for each material topic and strategic focus. We then develop action plans and promote relevant actions.

In line with Sinyi's Sustainable Development Principles, key stakeholders, and the SDGs, the sustainable development priorities we have been working on include goals 3, 4, 8, 10, 11, 12, and 13. In addition to issuing annual sustainability reports, we also communicate sustainable development strategies and performance through a variety of other channels, such as our CSR website, social media, events, service announcements, and advertising. In this way, we are able to better communicate sustainability concepts to our stakeholders.



SINYI'S MAJOR CONTRIBUTIONS TOWARD THE SDGS

We have clearly identified the following ongoing development goals that are highly related to Sinyi Realty's principles of sustainable development:

SDGs	Targets	Sinyi's Actions in Response to SDG(s)	Corresponding Chapter
 3 GOOD HEALTH AND WELL-BEING	3.3: Combat Communicable Diseases	<ul style="list-style-type: none"> ■ Set up "Happy Health Management Center" to provide consultation and systematic management ■ Hold regular traffic, fire, and first aid safety training courses ■ Provide maternity benefits and develop a maternal health protection plan ■ Prepare health plans such as the "Sinyi Health Program" for systematic disease prevention 	 Caring for Staff
	3.6: Reducing Road Traffic Casualties		
	3.7: Reproductive Health Care, Family Planning, and Education		
	3.8: Universal Health Care	<ul style="list-style-type: none"> ■ Establish supply chain sustainability terms and standards ■ Promote labor health and well-being with suppliers 	 Supply Chain Management
 4 QUALITY EDUCATION	4.4: Increase Employment and Vocational Skills for Youth and Adults	<ul style="list-style-type: none"> ■ Regularly arrange advanced education for senior management 	 Corporate Governance
	4.7: Promote Sustainable Development Knowledge and Skills	<ul style="list-style-type: none"> ■ Increase real estate professional skills through Sinyi Campus Seeds Project, sales specialist classes, and industry-academia cooperation ■ Promote sustainability concepts and ethics to schools and society through Sinyi Lecture Hall and Sinyi School at NCCU 	 Caring for Staff  Social Engagement
 8 DECENT WORK AND ECONOMIC GROWTH	8.2: Increase Productivity through Diversification, Technological Upgrading, and Innovation	<ul style="list-style-type: none"> ■ Governance demands ethicality and must take into account the interests of all stakeholders as well as naturally pursuing reasonable profits that facilitate the sustainable growth of the company. ■ Continuous R&D in innovative services, introducing O2O to enhance applications of technology and improve operating efficiency 	 Corporate Governance
	8.4: Improve Energy and Production Efficiency while Taking into Account Economic-Environmental Balance		
	8.5: Achieve Full Employment with Diversity and Equal Pay for Equal Work	<ul style="list-style-type: none"> ■ Diversity in employment, providing fair labor-employer relations and adequate job opportunities ■ With regard to long-term development, we have established a salary and incentives system that includes a high-security monthly salary for newcomers and our New Talent Oriented Program 	 Caring for Staff
	8.6: Greatly Reduce the Number of Youth not Currently in Employment, Education, or Training	<ul style="list-style-type: none"> ■ Provide scholarships to children in rural communities ■ Hiring people without real estate agency experience 	 Social Engagement  Caring for Staff
	8.7: Prohibit and Eliminate of Child Labor and Forced Labor	<ul style="list-style-type: none"> ■ Sinyi Realty has comprehensively incorporated human rights conditions into contracts to promote better working environments for both suppliers and labor. ■ Eliminate all forms of forced or compulsory labor 	 Supply Chain Management
	8.8: Protecting Labor Rights and Interests, Promoting Work Safety		

In Response to SDG 8: Good Work and Economic Growth

Selected for Taiwan RAFI EMP 99 Index

The Taiwan Stock Exchange's Taiwan RAFI EMP 99 Index selects component stocks from the 99 biggest employers in Taiwan, with staff number determining weighting. This aims to encourage businesses to employ more local Taiwanese talent, reflecting a deeper commitment to Taiwan, including the creation of employment opportunities and the cultivation of talent. Sinyi Realty places great importance on putting people first and has created a number of employment opportunities with our "NT\$ 50,000+50,000, 30-day Work Appraisal Program," hence our selection for the index.

Significant Salary Increases, Annual Increase of NT\$130 million to Invest in Talent

Sinyi Realty made a substantial adjustment to salaries at the beginning of 2018, including for executive staff, administrative staff, and front-line agents. The average was an increase of approximately 7.6%, with the average adjustment for sales agents close to 11%, equivalent to an annual increase of NT\$130 million. Offering high salaries, high development, and high care, we are able to increase the positive energy in the industry, promoting inclusive and sustainable economic growth and achieving comprehensive and productive employment.

SDGs	Targets	Sinyi's Actions in Response to SDG(s)	Corresponding Chapter
 10 REDUCED INEQUALITIES	10.3: Ensuring Equal Opportunities, Eliminating Discrimination, and Promoting Appropriate Legislation, Policies and Actions	<ul style="list-style-type: none"> ■ Provide scholarships to ensure that students in rural areas and from underprivileged families have educational opportunities ■ To aid in eliminating unfairness in educational opportunities in society, Sinyi Lecture Hall offers a variety of free lectures 	 Social Engagement
	11.1: Ensure Access to Appropriate, Safe, and Affordable Housing and Basic Services	<ul style="list-style-type: none"> ■ Reflect industry issues by providing recommendations on policy planning, promoting housing justice and the development of the industry ■ Sinyi Charity Foundation provides single-parent new immigrants with monthly rental subsidies 	 Social Engagement

SDGs	Targets	Sinyi's Actions in Response to SDG(s)	Corresponding Chapter
	12.2: Sustainable Management and Efficient Use of Natural Resources	<ul style="list-style-type: none"> R&D in innovative low-carbon services 	Customer Care
	12.6: Adopting Sustainable Practices and Reporting 12.8: Spreading Sustainable Development Information and Awareness	<ul style="list-style-type: none"> Regularly publishing sustainability reports to report on sustainability practices Implement ISO 20121 	Environmental Protection
	12.7: Sustainable Procurement Practices	<ul style="list-style-type: none"> Establish supply chain sustainability terms and standards Educating suppliers and working together toward sustainable operations 	Supply Chain Management

Responding to SDG 12: Responsible Production and Consumption Patterns

First Service Industry Chain Company Worldwide to Pass ISO 20121 Event Sustainability Management Certification

Sinyi is actively responding to this SDG goal, **ensuring sustainable consumption and production patterns, adopting a business model that can develop sustainably, and continuously promoting sustainable development concepts.** We have implemented and passed ISO 20121 - Event sustainability management systems assurance, passing third-party assurance in July 2017 and becoming the first service industry chain company in the world to pass this assurance. Focusing on sustainable development as the main axis of our consideration of the impact of ESG and our supply chain, we use the PDCA approach to achieve the goal of sustainable development when organizing events. In the future, events held by Sinyi branches will adhere to the spirit of sustainability and sustainability terms and standards. In this way, we will respond appropriately to issues of concern to stakeholders throughout the process, from the planning to execution. We also promote sustainable development information and awareness to customers, staff, suppliers, the public, and other stakeholders to ensure sustainable consumption and production models and achieve sustainable development.

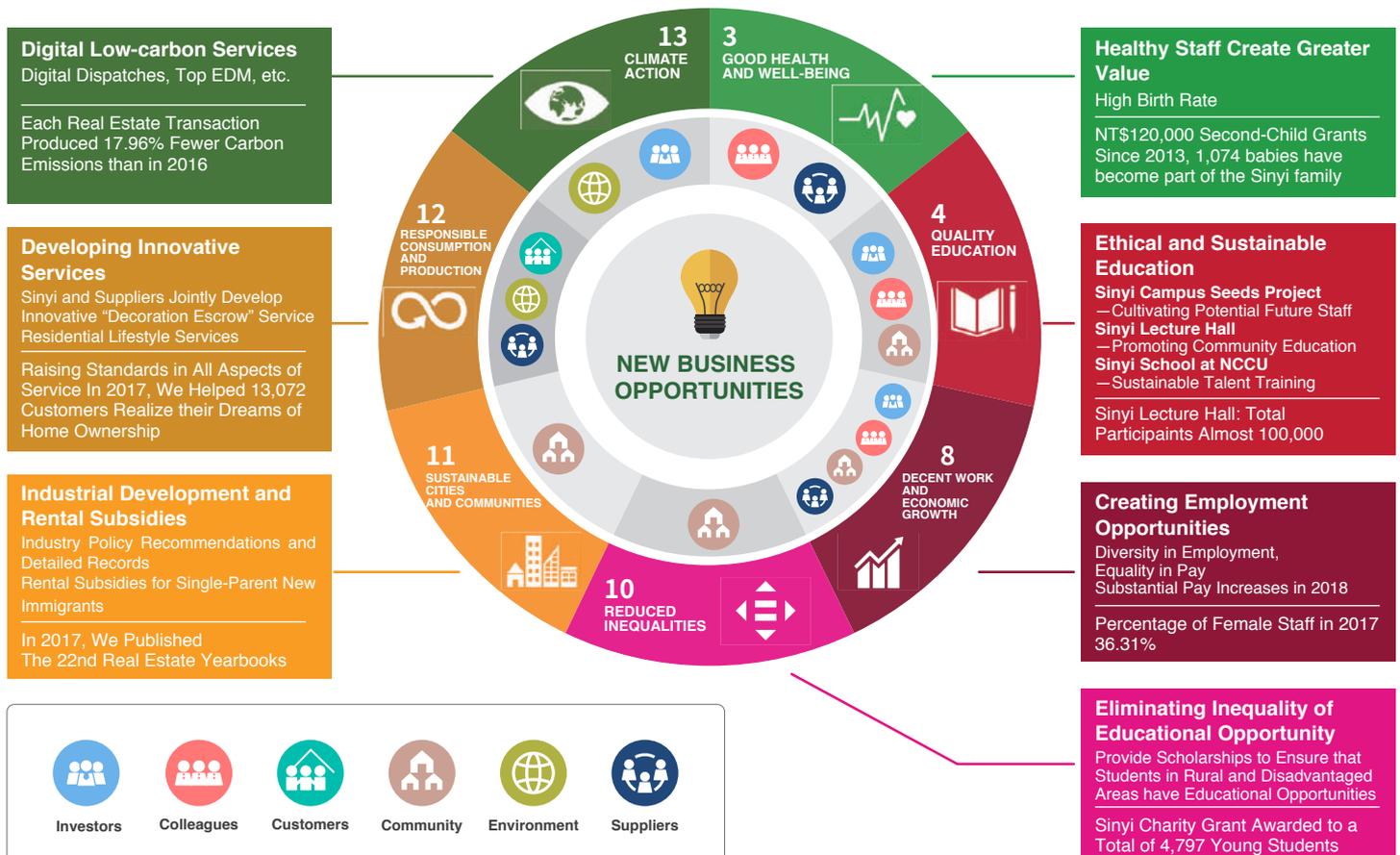


Sinyi Realty Energy Saving No Electricity Experience

	13.1: Strengthening Resilience and Adaptive Capacity to Climate-Related Hazards	<ul style="list-style-type: none"> Develop climate risk recovery and adaptation practices Integrate climate change measures into annual strategic planning Conduct carbon management and pass third-party assurance 	Corporate Governance
	13.2: Integrating Climate Change Measures into Strategies		
	13.3: Climate Change Mitigation and Education	<ul style="list-style-type: none"> Educate employees, customers, and suppliers on effective carbon management measures such as carbon labeling Promote environmental awareness through channels including Sinyi Lecture Hall, Sinyi Volunteers, and Community Building 	Environmental Protection

To learn more about SDG sub-targets, please refer to information from the National Sustainable Development Network at <https://www.un.org/sustainabledevelopment/sustainable-development-goals/>

Business Opportunities Created by Sinyi's Response to the SDGs



01

Corporate
Governance

Material Topics in this Chapter

201 Economic Performance

205 Anti-Corruption

Why It's Material to Sinyi

We have consistently believed that if we can uphold our corporate social responsibility, then profits will follow naturally, and that economic performance will bring corresponding results. Therefore, no matter how the objective external environment changes, integrity, ethics, and the active implementation of corporate social responsibility will remain the company's core values. We put integrity management into action in all aspects of the company's operations and manage any risks of corruption or unethical behavior. The Board of Directors, selected at Sinyi Realty's shareholder meetings, is responsible for supervising the execution of the company's various operations to protect the long-term interests of shareholders and safeguard the interests of all stakeholders, including staff, customers, suppliers, the environment, and society.

HIGHLIGHTS

TOP 5%

Fourth TWSE Corporate
Governance Evaluations
Top 5% of listed companies

2018 World's
Most Ethical
Companies

Female Managers

NO. 1

CommonWealth Maga-
zine CW 2000 Compa-
nies Survey
First Place, Top 50 in
Operating Performance

Transparency and
Integrity Award

2017 Taiwan Corporate
Sustainability Awards
(TCSA)

MANAGEMENT APPROACH 103-1 103-2 103-3 SDG8

Core Targets and Vision

Sustainability Principle / Corporate Governance = What Should be Done

Trustfulness, righteousness, and ethicality are at the core of Sinyi Realty's operations. "Righteousness" is appropriateness of thought and action" and "integrity" is valuing one's commitments and keeping one's word." So "Sinyi" does mean "a man/woman does what to do and keep his/her word". As such, ethical behavior is deeply implanted in Sinyi's business philosophy and reinforces our development goals at every stage. Internally, this creates a focus on talent cultivation and development to foster an outstanding team. Externally, we will not only continue to build the influence of the Sinyi brand and pursue stable expansion of our overseas operations, but also strive to make use of new business models to address the challenges of rapidly developing online and digital technologies, further expanding the scope of the group's operations.

Performance Highlights in 2017

Optimizing Corporate Governance Practices

Establishing a Nomination Committee

Honing our corporate governance team

Top 5% of Listed Companies

Received the best rating available in the Taiwan Stock Exchange's Corporate Governance Evaluation for the fourth consecutive year

Risk Management and Internal Controls

Honing Risk Management and Internal Controls in 2017

92 items
Risk Identification

100%
Implementing management responses
in accordance with risks identified

Information Security Performance in 2017

0 Incidents
of successful attempts to
compromise our systems

0.147%
critical host system failure rate

0.010%
critical online system failure rate



Corresponding to the Sustainable Development Goals (SDGs)

 In-depth reporting: page 24 SDGs

Sinyi supports the SDGs. These SDGs in particular are relevant to our work on Corporate Governance :



SDG4
Quality Education



SDG8
Decent Work and Economic Growth



SDG13
Climate Action

Optimizing Corporate Governance Practices

103-1

103-2

103-3

Material Topics

201 Economic Performance

Meaning to Sinyi

Regardless how the objective external environment may change, integrity, ethics, and the active implementation of corporate social responsibility have been and will always be core values of this company. We will work to deepen our corporate culture of integrity and ethics and embed it into the hearts and minds of every member of our staff. This has become the biggest driving force in our ongoing improvement. Throughout the years, we have insisted on doing what should be done, and as such, we engage in appropriate behaviors with all stakeholders, build reasonable relationships, and fulfill our commitments.

Our Commitments

We adhere to a business philosophy of “good faith to the very end,” implementing integrity management in all aspects of our operations and constantly working to optimize corporate governance. In this way, we ensure that the long-term interests of our shareholders, staff, customers, and suppliers, along with the environment and society, are protected.

2017 Goals

Top 5%

Listed Company Corporate Governance Evaluations Ranking

Established a Subsidiary in Malaysia

Expanding International Presence

Refined Board of Directors' Operations

What We Achieved

Top 5%

Target Achieved

Listed Company Corporate Governance Evaluations Ranking

Establish a subsidiary in Malaysia Established service location in Kuala Lumpur

Target Achieved

Establishing a Nomination Committee

Target Achieved

How We're Doing It

Responsibility

Total Ethical Management Committee - Corporate Governance Group

Resources

2015: 14,759,609

2016: 14,805,745

2017: 14,923,859

Funds Invested in Corporate Governance

Grievance Mechanisms

Stakeholder Engagement section

Evaluation Mechanisms

Corporate Governance Evaluations

Specific Actions

Sustainable Governance

Our long-term sustainable development direction is built around the mission laid out by chairman Chun-chi Chou at the company's founding. Every year, the chairman sets out an overall strategy based on sustainable management and adjusted to fit with the interests of a variety of stakeholders. Corporate Vision 2025: “Be the leading brand in the residential lifestyle industry.” Working with the chairman and the group's general manager, the Total Ethical Management Committee (TEM) has worked to transform this vision into three-year and annual plans, with short-term goals and direction set out. These are then reviewed regularly to see if goals have been achieved. The Total Ethical Management Committee, Sinyi Realty's highest unit for the handling of sustainability matters, is convened and chaired by the chairman of the Board of Directors, with the members drawn from senior management, including the general manager, the chiefs of staff, the VP of sales, and senior departmental managers. The committee meets once a month and whenever otherwise convened, discussing material issues. In 2017, the committee met a total of 27 times to coordinate the company's CSR and sustainable development direction and set relevant goals.

Refining the Board of Directors' Operations

Sinyi Realty has independent directors account for over half the Board, a level rarely seen in the industry. The members of the Board are professional and dedicated, and work with functional committees to help further develop the leadership and operations of the company.

1. Ahead of major Board motions, communications with the independent directors are arranged to ensure said directors understand sufficiently.
2. Each year, visits to major subsidiaries are arranged for independent directors in order to strengthen their understanding of the company's operations and collect their suggestions and recommendations.
3. Arrangements are made for independent directors to communicate with accountants and auditing units.

To improve the functionality of the Board of Directors and reinforce management mechanisms, on October 27, 2017, Sinyi Realty's Board approved the establishment of a Nomination Committee, setting out the “Nomination Committee Organization Rules.” The members of this committee include five directors nominated by the Board, and over half of the committee—a total of four people—are to be independent directors. The committee will meet at least once a year, with good managers paying attention to the faithful performance of relevant duties and submitting recommendations to the Board of Directors for discussion.

Protecting Shareholders' Interests and Increasing Transparency

Sinyi spares no effort in working to safeguard the interests of our shareholders and improving transparency. In addition to disclosing important business information via the Market Observation Post System, we also maintain Chinese- and English-language versions of an investor-focused section of our official website, where we provide timely and important business information. We hold high expectations for the company with regard to letting external shareholders know the latest company information as soon as possible. Through announcements of shareholder meetings and publication of meeting handbooks, we give shareholders early access to information on relevant issues. We also announce quarterly and annual financial reports early and issued in both Chinese and English as close to simultaneously as possible. In addition, important information is published in a bilingual Chinese and English format. We strive to improve transparency in all aspects of our operations, enabling shareholders prompt access to important information in order to protect their interests.

2017 Highlights

In 2017, the company's Board of Directors and functional committees were subject to performance evaluations by the consultancy services department of KPMG Certified Public Accountants, which were completed in January 2018 and the results reported to the Board. The evaluations were conducted through a combination of questionnaires, information analysis, and interviews. The performance of the Board was reviewed in terms of nine aspects, including effectiveness of Board structure, professional development, communication with stakeholders, and creation of corporate culture. The performances of the Audit Committee and the Remuneration Committee were looked at in terms of seven and six major aspects respectively.

Nine Major Aspects of Board Performance Evaluation

Questionnaires

Filled out by all Board members, consisted of self-assessments of Board effectiveness and member effectiveness.

Information Analysis

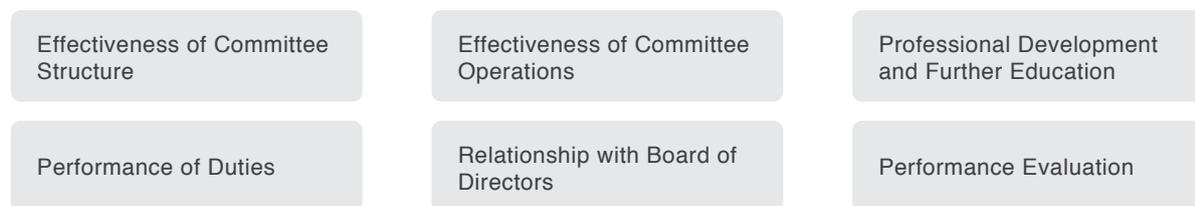
After collection of information provided by the company and public information collected by the assessment team, said information was reviewed and analyzed

Interviews

The assessment team conducted one-on-one interviews with directors by to further understand their views and suggestions regarding the Board and its members.



Six Major Aspects of Remuneration Committee Performance Evaluation



Seven Major Aspects of Audit Committee Performance Evaluation



SINYI'S SUSTAINABILITY VISION AND CORE PHILOSOPHY

The company chairmanship is currently held by Mr. Chou Chun-chi. Each year, with an eye to sustainable management, the chairman sets out a grand strategy for the coordination of the various interests of our stakeholders, while the TEM is tasked with providing crucial guidance on the various particulars of sustainable management. [102-23](#) [102-32](#)

The long-term sustainable development direction of this company, as set down by chairman Chou at the company's founding, is not only to be communicated through the vision of the leadership, but also to grow and evolve with the times. Corporate [Vision 2025: "Be the leading brand in the residential lifestyle industry."](#) Working with the chairman and the group's general manager, the TEM Committee, drawn from senior management, has worked to transform this vision into three-year and annual plans, with short-term goals and direction set out. These are then reviewed regularly to see if goals have been achieved. This vision is as laid out in the graphic to the right. [102-26](#)

CORE PHILOSOPHY

Trustfulness, Righteousness, and Ethics

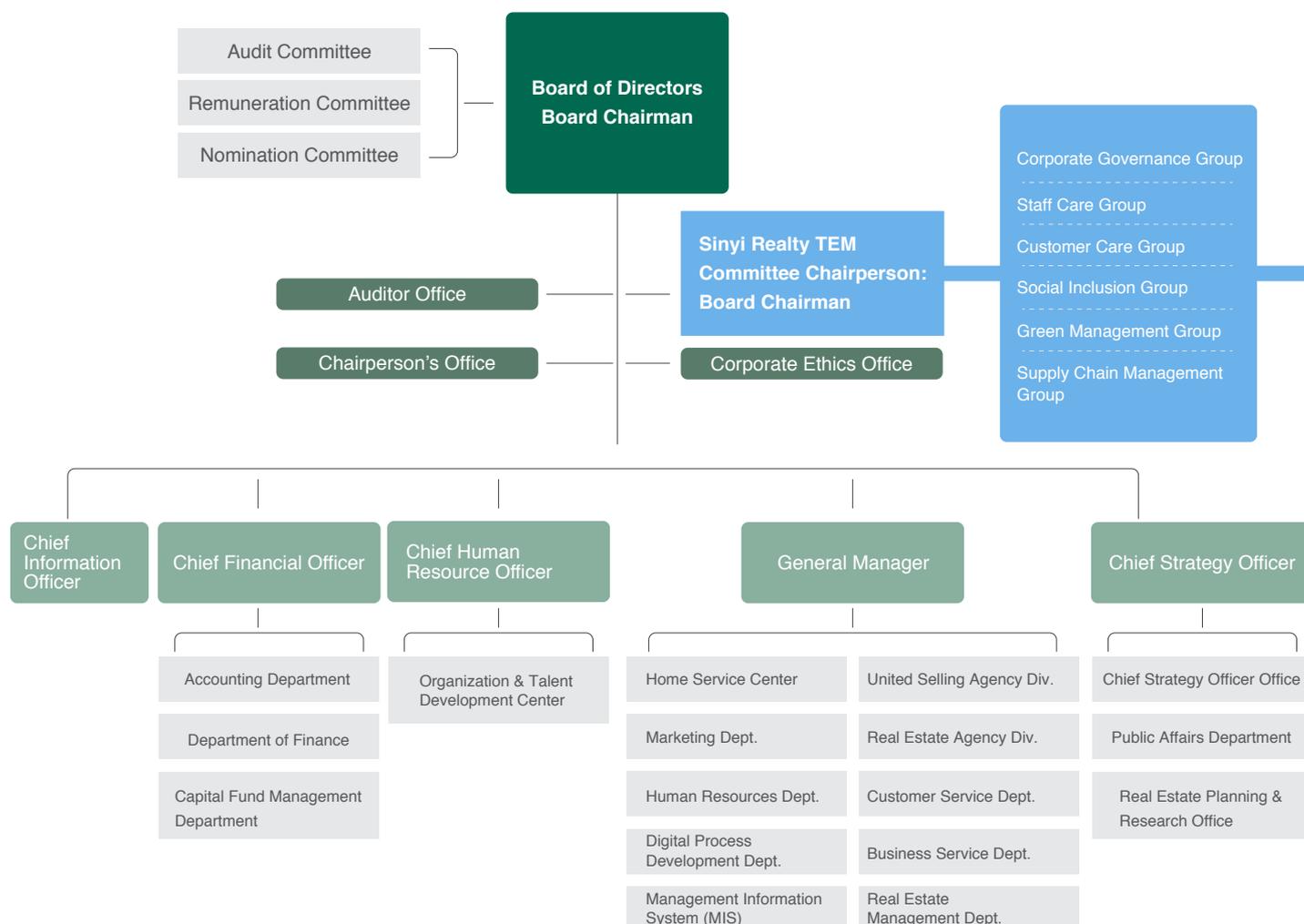
Company founder Chun-chi Chou has decided on three core values for the business, drawn from Confucian thought: trustfulness, righteousness, and ethics. "Righteousness(Yi)" is appropriateness of thought and action and "trustfulness (Sin)" is valuing one's commitments and keeping one's word, and as such, the foundation of Sinyi (the name drawn from the Chinese for the two concepts) is that of doing what should be done and keeping one's word. Ethics, meanwhile, is about acting in a way appropriate to the interests of each of our stakeholders, establishing good relations with them and realizing the concept of corporate social responsibility. Put simply, it is, again, doing what should be done and keeping our word to them. Ethical action is the only true way to both minimize expenses and increase efficiency and competitiveness.

SUSTAINABLE GOVERNANCE STRUCTURE AND PROCEDURES [102-22](#)

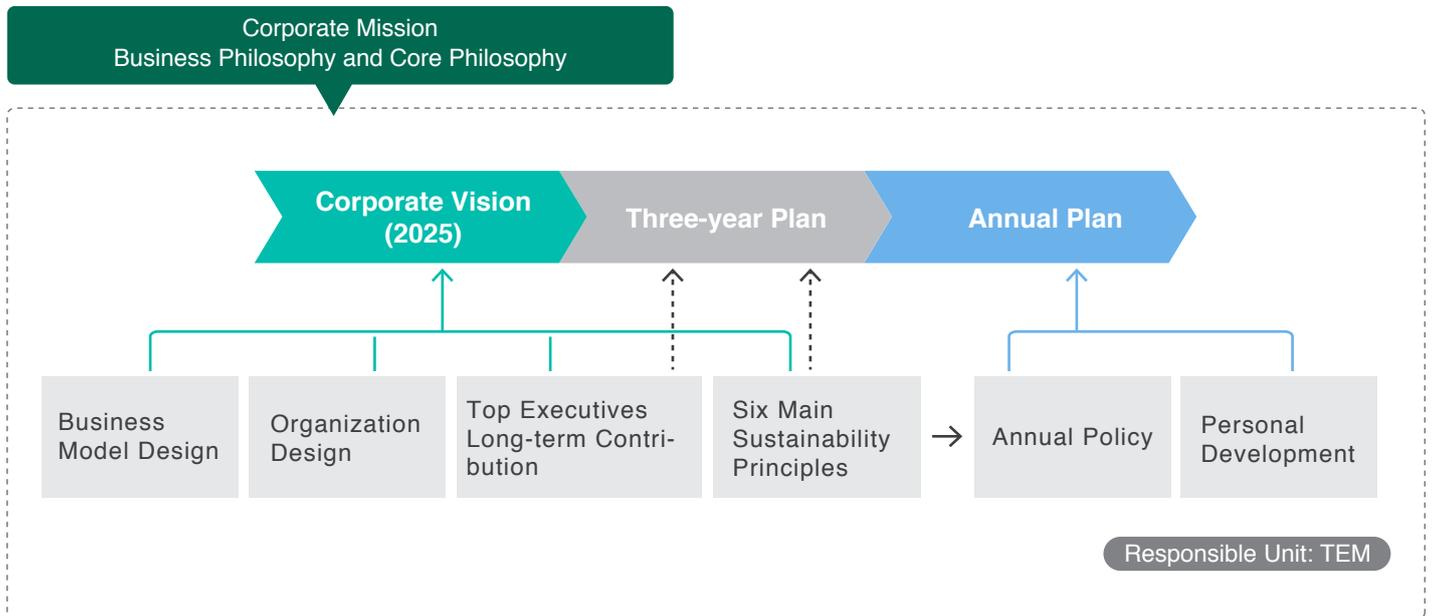
The company views our shareholders as our highest authority, with all business carried out under the management and supervision of the Board of Directors, itself under the leadership of the chairman. At present, the company has no CEO position, with general business planning and interdepartmental coordination undertaken by the general manager in line with market conditions and competition. The chairmanship and general manager position are not held by the same person in Sinyi, nor is the general manager a member of the Board.

Sinyi Realty's Governance Structure [102-18](#)

v.12/31/2017



SINYI'S SUSTAINABILITY VISION AND CORE PHILOSOPHY



For more information on Sinyi's Six Main Sustainability Principles, please refer to "From the Chairman" section.

Total Ethical Management Committee (TEM): Promoting Sustainable Business and Issuing Reports

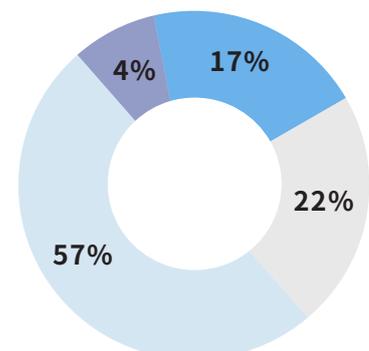
The Total Ethical Management Committee is convened and chaired by the chairman of the Board of Directors, with the members drawn from senior management, including the general manager, the chiefs of staff, the VP of sales, and senior departmental managers. **The committee meets once a month and whenever otherwise convened, discussing material issues. In 2017, the committee met a total of 27 times.** Its goal is primarily to coordinate and regularly review the company's CSR and sustainable development goals, performance, and progress, with different groups addressing different topics and holding their own meetings or projects. In addition, the committee leads in resolving issues of corporate ethics in departments, implementing any necessary transformations of procedures.

Function and Authority:

1. Coordinate company's CSR and sustainable development direction and set relevant goals
2. Report to the Board on Environmental, Social and Governance (ESG) performance and future strategic goals at the end of each month.
3. Responsible for collecting and collating stakeholder views and identifying/managing ESG impacts, risks, and opportunities.
4. Hold quarterly ESG performance and goal fulfillment reviews.
5. Compile CSR report and provide it to the Board for review and issuance.
6. Assist in dialogs with stakeholders
7. Core of group sustainable development

Proportion of Time Spent on Discussion of Topics by TEM in 2017

- Customers
- Colleagues
- Governance
- Community, Environment and Supply Chain



BOARD OF DIRECTORS 102-18

Sustainability Assessment and Management 102-18 102-19 102-20 102-29

Through multiple regular and irregular meetings over the course of the year, the Board of Directors entrusts the chairman to distribute responsibility for economic, environmental, and social issues relating to corporate governance to relevant units. **The general manager is responsible for economic performance issues and the TEM for the promotion of ESG issues and supply chain management, with regular and irregular progress reports made to the Board and the chairman as the materiality of the issues requires.** Relevant decisions shall then be incorporated into the minutes of the meetings, with further follow-up to be reported to the Board at its next meeting.

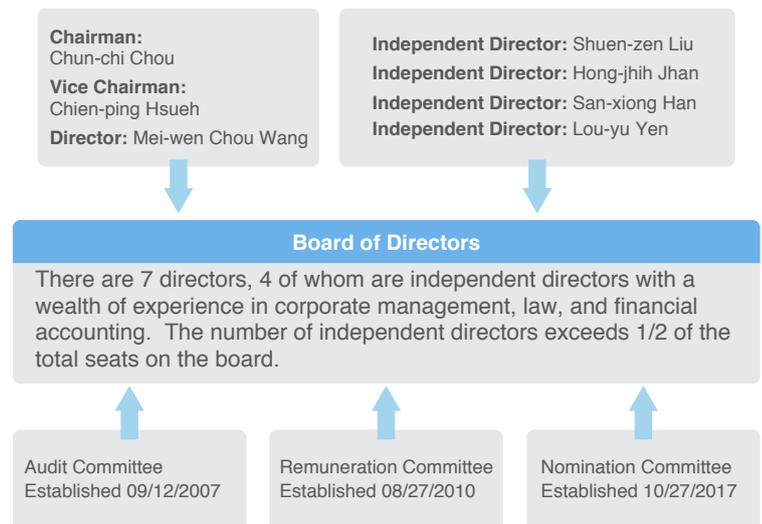
102-25 102-33 102-34 Sinyi Realty convenes meetings of the Board of Directors at least once every two months. In 2017, in order to review business performance and discuss important strategic issues, including economic, environmental, and social impacts, risks, and opportunities, the Board communicated 11 times. After meetings have decided the appropriate unit to be tasked with handling the issue at hand, a follow-up report on progress made is presented to the Board at the next meeting. The Secretarial Unit of the Board provides information and reports on motions to each member of the Board for review ahead of meetings to facilitate understanding of whether said motions touch on stakeholder interests and to remind those involved to recuse themselves where appropriate. **The Group's CSO reported to the Board on the company's CSR situation in December 2017, reporting on the implementation of the company's CSR with regard to all stakeholders in 2017 and putting forward a plan for 2018.**

 For more information on director recusals regarding motions, please refer to Sinyi Realty's 2017 Annual Report, p. 35 <http://img.sinyi.com.tw/u/file/2018/05/2566c8bf123f130a87b5eebb08d6a464.pdf>

BOARD STRUCTURE AND MECHANISMS

On May 20, 2016, the company undertook an election all seven seats of the Board, three of which are ordinary directors and four of which are independent directors. In addition to the various directors having their own particular specialties, over half of the board being independent directors further ensures that proceedings are objective and independent. The 12th Board of Directors is composed as follows: Functional working committees including the Audit Committee and the Remuneration Committee take on decision-making responsibility for economic, environmental, and social impact issues. Major issues, prior to being reported to the Board, also undergo prior review and checking in order to further strengthen the quality of the decisions made by the Board.

 For more information and a list of the directors of the company's 12th Board, please refer to the Board of Directors page of Sinyi's Corporate Sustainability Website. <http://csr.sinyi.com.tw/en/governance/board-of-directors.php>



102-21 In addition, stakeholders may communicate through internal or external channels with the Board of Directors or responsible units as pertains to their considerations of economic, environmental, and social issues. To this end, we have drafted the Rules for Comments and Complaints to the Audit Committee by Stakeholders, with any issues reported to relevant units by stakeholders then followed up on and reported to the Board as appropriate to their materiality.

 For more information, please see the [Stakeholder Engagement](#) portion of the Material Issues Management section

Director Training 102-27 SDG4

In order to boost directors' professional capabilities, the company organizes courses on economic, environmental, and social issues relevant to our operations. In addition, we have joined the Taiwan Corporate Governance Association's Association of Directors and Supervisors, using the TCGA's publications and courses to gather relevant knowledge. The company also regularly issues announcements to independent directors on revenues and other industry information, as well as occasional notices on economic, environmental, and social issues pertaining to the company in order to help ensure our independent directors are up-to-date. Additionally, self-evaluations of independent directors are gathered annually to reinforce the content of the company's reports. For the training of the company's directors, independent directors are asked first, in line with annual development, how we can work with them in line with the annual strategy to deploy platform development and strategy-related courses.

 For more information on directors' education and training, please refer to <http://csr.sinyi.com.tw/en/governance/board-of-directors.php>

PERFORMANCE AND REMUNERATION

Performance Evaluations of the Board of Directors and Functional Committees 102-28

Since 2012, Sinyi Realty has conducted annual performance evaluations of the Board of Directors. After fully evaluating the directors with a focus on aspects including Board and functional committee operations and culture, internal and external relationships, and their own self-evaluations, the Board Affairs Unit conducts a statistical analysis and reports back to the Board at a board meeting on their findings and areas for improvement. In 2015, the company set out the Guidelines for Board of Directors Performance Evaluations, not only setting out the requirement for self-evaluations to be conducted at least annually, but also for independent third-party performance evaluations of the Board to be undertaken at least once every three years. These guidelines have also been disclosed on the company's Investor Relations webpage.

For more information, please refer to http://www.sinyi.com.tw/info/i_1_2_directors_EN.php

Remuneration Mechanism for Board of Directors 102-35

Outside of the independent directors, of the members of the Board of Directors, with the exception of Chien-ping Hsueh who concurrently serves as a senior manager and as such receives a salary in such role (*), no other directors receive remuneration from the company. With regard to the remuneration of independent directors, this is done in accordance with Article 16 of the company charter, which states that "the company's independent directors shall draw remuneration of a level standard for listed companies with regard to their level of participation and value of contribution to the company's operations; the value of such remuneration is to be authorized by the Board of Directors." As such, independent directors receive a set salary. Additionally, in accordance with Article 20 of the charter, director's salaries are variable, as not more than 1% of annual profits shall be set aside for their remuneration. Beyond the above, directors do not participate in other remuneration plans, nor do they have other retirement or benefits systems, severance pay, or recall mechanism. In 2017, our disclosure of individual remuneration of directors in our annual report exceeded legal requirements.

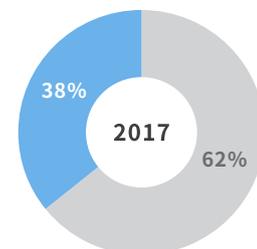
Note: Currently served as Chief Executive of Platform Business.

For more information on directors' remuneration and a remuneration chart, please see the attached. p.88-89

Compensation and Sustainability Performance Relationships 102-35

Senior management is divided into sales and support. In order to encourage senior management to pursue corporate performance goals and profit targets while also considering the company's long-term competitiveness and sustainable development, the Board of Directors and the Remuneration Committee passed the Guidelines for Remunerative Rewards for Senior Management. In addition to their **fixed salaries**, senior sales managers are also eligible for performance bonuses calculated based on performance indicators. **And to encourage them to work toward sustainable corporate development, not only are senior managers rewarded for their short-term performance, we also place an even greater emphasis on their long-term contribution of value through things such as cultivation of talent, improvement of service quality, refinement of procedures, and exercise of corporate social responsibility, receiving bonuses as laid out in the guidelines for their contributions.** For such bonuses to be approved, senior management must provide a "Long-term Value Contribution Plan" report to the Board of Directors, covering aims and accomplishments; interaction regarding this report will help the Board members get a deeper understanding of the operating strategy employed by the manager, their particular skill set, and the results of their implementations of strategies, facilitating effective feedback and accomplishing the goal of cultivating leaders.

Percentages of Salaries of Senior Management (Vice Presidents and Higher)



■ : Fixed Salary (Monthly)

■ : Variable Compensation
(Incl. Long-term Contribution of Value Bonuses)

Protecting Shareholders' Equity and Increasing Transparency

Focusing on Shareholder Equity

The primary principles of sound corporate governance mechanisms are the protection of shareholders' interests and the fair and equal treatment of all shareholders. Protecting the interests of our shareholders has always been one of the company's greatest concerns, and while the company's equity is relatively concentrated, in addition to maintaining close contact with major shareholders, we spare no effort in protecting the interests of shareholders as well. The rights that our shareholders enjoy include:

- The right make proposals at and convene provisional shareholder meetings
- The right to nominate directors and veto Board decisions
- Rights of share disposition and application
- The right to knowledge of the company's situation

Disclosure of Information Beyond Legal Requirements

Quarterly Reports Completed within 30 days
(legal requirement 45)

Annual Reports Completed within 2 months
(legal requirement 3)

Stockholder meetings held by end of May
(legal requirement end of June)

Disclosure of directors' individual salaries
(legal requirement pay grade only)

For more information on the 10 major shareholders, please see Sinyi Realty's 2017 annual report, p. 66
<http://img.sinyi.com.tw/u/file/2018/05/2566c8bf123f130a87b5eebb08d6a464.pdf>

Risk Management and Internal Controls

103-1

103-2

103-3

201-2

Material Topics

201 Economic Performance

205 Anti-corruption

Meaning to Sinyi

Staff at all levels of the company play an important part in risk management. Every one of them may be faced with risks, and by strengthening communication with customers, suppliers, and other stakeholders, when such risks arise, we can put in place appropriate response actions. To this end, we provide stakeholders with a consultation mechanism, put in place processes for the management of risk, and work to minimize operating risk and protect Sinyi Realty's operational sustainability.

Our Commitments

We are committed to ethics and integrity, and as such we work to maintain effective risk management mechanisms and risk information management systems. We are always improving these and creating a culture of optimal risk management to minimize the costs should risks occur and boost the overall value of Sinyi Realty's sustainable operations.

2017 Goals

Implementation and Promotion of Sinyi Group Code of Conduct

Improving Customer Privacy Protection

Actively solving issues through complaints channels

Evaluation Results

100%

Target Achieved

Twice a year, we carry out communications training; 100% have signed on

8

Target Achieved

Complaints of infringement of customer privacy, all fully resolved

789

Target Achieved

789 complaints were sent through the complaints channel, all of which were fully resolved, with relevant policies adjusted in response to the issues.

How We're Doing It

Responsibility

Total Ethical Management Committee - Corporate Governance Group

Resources

2015: 14,759,609

2016: 14,805,745

2017: 14,923,859

Funds Invested in Corporate Governance

Grievance Mechanisms

[Stakeholder Engagement](#) section

Evaluation Mechanisms

Corporate Governance Evaluations

2018 WORLD'S MOST ETHICAL COMPANIES

First Taiwanese Company to be so Honored in 12 Years

2018 WORLD'S MOST ETHICAL COMPANIESTM
WWW.ETHISPHERE.COM

Specific Actions

Ethics and Integrity 102-16 205-2

In order to put our ethical behavior and integrity management into action, and in line with the company's sustainable development goals, we have established the "Sinyi Realty Co., Ltd. Integrity Management Guidelines," "Code of Practice for Corporate Social Responsibility for Sinyi Realty Co., Ltd." and "Sinyi Group Code of Conduct," regularly promoting these among staff. To eliminate corruption, we have set out the "Guidelines for Reporting and Handling Illegal, Unethical, or Dishonest Behaviors" and provide both internal and external complaint channels, aiming to facilitate prompt response and solutions to anything brought up by stakeholders.

Refining Risk Control Operations 102-11 102-15 102-29 102-30 102-31

In 2017, with reference to opinions from external experts and taking into consideration internal implementation, the unit responsible for risk management will implement deeper risk management in a systematic manner and in coordination with annual planning operations. From identification of risks by the responsible unit to analysis of risk impacts and planning improved risk handling, this unit will continue to conduct reviews and refinements of the company's internal risk control processes.

Internal Controls and Auditing 205-1

To assist the Board and management in inspecting and reviewing failures in internal control mechanisms and evaluating their effectiveness and efficiency, and to provide timely recommendations for improvement, verification of internal control mechanisms must serve as a basis for the ongoing implementation of improvements and revisions to said mechanisms. Any irregularities or failures found in these mechanisms by the company will be listed as important elements for performance assessment under their respective departments.

IMPLEMENTING INTERNAL CONTROL SYSTEMS 201-2

Risk Analysis

Possibility /
Impact or Consequences

Original Risk Level
Moderate Risk

Post-Controls Risk Level Low Risk

Possibility /
Impact or Consequences

Residual Risk Analysis



Current Control Mechanisms

- 1. Board of Directors:** Ensure the effective implementation of the company's risk management systems.
- 2. Risk Management Authority:** Responsible for conducting risk identification, analysis, assessment, handling, and other planning and executive operations, along with formulating relevant response/recovery plans and making decisions around improving plans for avoiding, reducing, transferring, or accepting risks and reporting on risk management implementation to the Board of Directors on a regular basis.
- 3. Internal Auditing Unit:** Perform audits on various systems and regularly report the results of such audits and the status of risk management implementation to the Board of Directors.



Risk Handling and Monitoring

Implement corporate ethics to promote and reinforce the company's business philosophy.

Risk Analysis and Control

102-11 102-15 102-29 102-30 102-31

This company has laid out its "Risk Management Policies and Procedures" in order to respond to possible risks that may arise in the course of business both internally and externally in a systematic way and in line with annual plans. From identification and analysis of risks to drafting of concrete management approaches, risk related matters are regularly reported to the Board of Directors. The secretary of the board also communicates with those in charge of administrative functions as needed on issues around social and environmental concerns. At the end of the year, every year, the impact and performance of ESG, along with relevant strategic goals, are reviewed.

For more information, please refer to <http://csr.sinyi.com.tw/en/governance/risk-management.php>

Existing Control Mechanisms 205-1

Should any abnormalities or lapses in internal control systems be found, they are listed as important matters for the relevant department(s) performance evaluations, tracked, and managed.

For more information, please refer to <http://csr.sinyi.com.tw/en/governance/risk-management.php>

Risk Handling and Monitoring 102-16 205-2 Implementing corporate ethics to promote and reinforce the company's business philosophy

Since the company's founding, Sinyi's founding purpose, operating mission, and management approach have driven stable growth, while the actions and decisions of any of our staff in the course of their work will impact how others view and think of Sinyi Realty. To ensure staff have clear direction in their interactions with stakeholders including clients, other staff, others in the industry, suppliers, national society, and the natural environment, Sinyi Realty has, as a pioneer in the industry, set forth and regularly promoted our Code of Conduct. In order to bring an end to incidents of corruption, each month we conduct seminars on business philosophy for all our staff, sharing how we can realize said philosophy in our daily operations, as well as holding Ethics in Action activities with our Chief Ethics Officer. All this is in the hopes of fully and thoroughly integrating corporate ethics into the daily activities of our staff.

For more information, please refer to <http://csr.sinyi.com.tw/en/other/policy.php>

02

Caring for Staff

Material Topics in this Chapter

401 Employment

403 Occupational Health and Safety

404 Training and Education

405 Diversity and Equal Opportunity

409 Forced or Compulsory Labor

Why It's Material to Sinyi

Talent is the foundation of our business, and as such attracting outstanding talent and providing a healthy and safe workplace are both goals toward which we continue to strive. We regard our staff as partners in the business rather than simply assets, placing great importance on labor-employer relations, respecting and caring for our staff, provide a competitive system of overall compensation and benefits, and building a safe and healthy workplace environment. Sinyi cares deeply about the education, training, and development of our staff, respects diversity, provides equal opportunities, and encourages our staff to pursue higher goals. We provide comprehensive communications mechanisms and strive to eliminate all forms of forced or compulsory labor. By creating a happy workplace where all staff can strike a balance between work and life, we then enable our customers and themselves find the homes of their dreams.

HIGHLIGHTS

ASIA'S BEST
WORKPLACE
REPORTING2017 Asia Sustainability
Report Award (ASRA)

16.36%

Female Managers

Total of 366

applications for NT\$120,000
Second-Child GrantsTAIWAN iSPORTS
CERTIFICATIONReceived Ministry of Education's
Sports Administration

MANAGEMENT APPROACH 103-1 103-2 103-3

Core Targets and Vision

Sustainability Principle / Putting People First: Not Just Staff, Partners Also

Sinyi Realty's commitment to providing a good environment to ensure our staff enjoy job safety and professional growth remains constant. Beginning by putting people first, we strive to ensure that our staff enjoy a balance between physical health, mental health, and both financial and personal growth.

Building around the twin pillars of **"attracting great talent"** and **"creating a friendly workplace,"** we continue to enact staff-centered policies that will improve the working environment, making good on our commitment to the principle of **"Putting People First: Not Just Staff, Partners Also."**

Performance Highlights in 2017

Attracting Great Talent

We at Sinyi Realty have always considered our staff to be partners in the business, and we hope that they will be able to grow alongside the company. As such, we provide competitive levels of compensation to attract outstanding talent.

3,000

job openings / year

27.02

average training hours

34.26%

turnover

Creating a Friendly Workplace

We show our care for the physical and mental well-being of our staff through a systematic approach to health management, the building of a system of comprehensive benefits, and the creation of a safe workplace.

Cumulative total of **366**

NT\$120,000 Second-Child Grant applications

55

social clubs

6.54

injury rate



Certification / Ensuring a Friendly Working Environment through External Standards

Executive Yuan Health Promotion Administration's "Healthy Workplace Certification" health promotion label

Committed to promoting a smoke-free environment, implementing health promotion measures, and establishing a good working environment. (Effective 01/2016-12/2018)



Taipei City Government Department of Health "Excellent Lactation Room" certification

Guaranteeing women's right to breastfeed by setting up a lactation room. (Effective 09/2017-08/2020)



Ministry of Education's Sports Administration "Taiwan iSports Certification"

Encouraging staff to establish a habit of regular exercise and promoting a trend toward sports and physical activity. (Effective 10/16/2017-10/16/2019)



Corresponding to the Sustainable Development Goals (SDGs)

 In-depth reporting: page 24 [SDGs](#)

Sinyi supports the SDGs. These SDGs in particular are relevant to our work on caring for staff:



SDG3

Good health and wellbeing



SDG4

Quality education



SDG8

Decent work and economic growth

[p.39](#) Attracting Great Talent

[p.47](#) Creating a Friendly Workplace

Attracting Great Talent

103-1

103-2

103-3

Material Topics

401 Employment

404 Training and Education

405 Diversity and Equal Opportunity

2017 Goals

3000

 job openings/year

Accelerating talent cultivation and growth

40

 hours training on average

Strengthening the passing on of ideas and the training of talent at every level, systematically improving educational quality, expanding education and training, and rooting business philosophies more deeply.

<35%

 turnover

Sharing business results with staff and building staff capabilities

What We Achieved

3000

 job openings/year

Accelerating talent cultivation and growth

Ongoing

27.02

 hours of training on average

Adjusting training structure for new staff and managers

Ongoing

34.26%

turnover

A policy of high salaries, high development, and high care reduces turnover

Target Achieved

How We're Doing It

Responsibilities

Staff Care Group, Total Ethical Management Committee

Resources

HR: Human Resources Department, Organizational and Talent Development Department

Funds: Scholarships, Sowing Seeds on Campus Program, transfer funding, etc.

Grievance Mechanisms

Stakeholder Engagement section

Evaluation Mechanisms

Each year, we undertake organizational approval and job satisfaction surveys, Management Leadership Style Surveys, and policy implementation surveys

Meaning to Sinyi

Harmonious labor relations are the foundation of business development. Through structured training modules, we are able to ensure that our staff can provide an ongoing driving force for the company, tap into their potential, and grow together with Sinyi. By equipping our staff with professional knowledge and skills, we can, in turn, provide the best real estate trading services to the community. In addition, through promoting volunteerism, members of the Sinyi family not only hone their professional skills, but also showcase their warm-heartedness. Such intangible assets also help boost the company's internal cohesion and are the greatest investment in sustainable operations.

Our Commitments

Sinyi views our staff as the company's most important partners, and as such, we seek out outstanding talent, providing an excellent work environment, and treating all staff fairly. To these ends, we employ a policy of high salaries, high development, and high care.

We are committed to corporate social responsibility, raising staff awareness, motivation, and drive for creativity and innovation. In this way, we shape a unique organizational culture, increasing the market value of our staff, attracting and retaining talented people, and increasing competitiveness.

Specific Actions

Talent Development and Cultivation

- **Talent Recruitment** - Recruitment policy, Sowing Seeds on Campus Program
- **Training Programs** - Belief-oriented Talent Cultivation System, training programs at each level
- **Reasonable Remuneration and Promotion** - Salaries, performance bonuses, promotion system

Diversity and Inclusion

- **Diversity in Employment** - Female:Male ratio, hiring people with disabilities, post-retirement re-employment
- **Gender Friendliness** - Friendly and equal environment, elimination of discrimination, childbirth grants

Positive Labor-Employer Relations

- **Employment Overview** - HR structure, overview of new hires and departures
- **Transparent complaints channel and listening strategy**

Takeaways from the Full-time Internship Program



Ho-hsiu Tsai, Feng Chia University

When I started my four-month-plus internship, I was completely unfamiliar with the real estate industry. Now I have some understanding of the business. I am tremendously grateful to Sinyi Realty for their work with Feng Chia University to provide this opportunity. The manager at the branch would often tell me that in this industry, as long as you're not afraid of hard work, you will succeed. I kept that in mind throughout the internship, and whenever a customer needed me, I always worked to put them first. I have always believed that if you work hard to give the best service to every customer, when they need something, they'll think of you.

Responsive Measures

In line with the government's promotion of a plan for one year of industry-academia cooperation at tertiary level, through such cooperation with schools we focus on helping students develop the skills to make them the kind of people the industry needs. To this end, we are investigating lengthening internship periods in the future.

TALENT DEVELOPMENT AND CULTIVATION

Sinyi Realty has always put people first and viewed our staff as important partners, and with our policy of high salaries, high development, and high care, we encourage them to pursue higher goals.

Talent Recruitment

Recruitment Policy

Real estate agency is a job that demands a high level of professionalism and a passion for service, and sales staff make up 80% of our total staff. Every year we continue to attract talented people, aiming to provide the best possible service to our customers.

- **Considered Employment:** Only college graduates with no prior experience in real estate are hired. For their first six months, they receive a guaranteed salary of NT\$50,000 a month, giving them a chance to learn the ropes without worry
- **Innovative Recruitment:** With our 30-day Work Appraisal Program and NT\$50,000 guaranteed salary+NT\$50,000 transfer pay, we have transformed the labor-employer relationship. Even if new staff choose to leave, they can still take away work skills and their transfer pay.
- **Diverse Development Opportunities:** With operations in Taiwan, China, Japan, and Malaysia, the group is developing in diverse directions



For more information, please see the Sinyi Realty Talent Recruitment website at <https://hr.sinyi.com.tw/>

Sowing Seeds on Campus

To help students prepare themselves before graduation while also expanding the pool of potential talent, we work with several colleges to provide internship and scholarship opportunities, cultivating the talent the industry needs through:

Real Estate Practice Course	In cooperation with China University of Technology, we organized a Real Estate Practice Course, with a total of 54 students electing to enroll. In cooperation with Chung Yuan Christian University, we organized a Real Estate Management Seminar, with a total of 15 students electing to enroll.
Industry-Academia Cooperation	In cooperation with National Yunlin University of Science and Technology and Songshan High School of Commerce and Home Economics, we launched a seven-year industry-academia cooperative project, enrolling 43 students through written applications and interviews.
Full-time Internships	We recruit 27 interns from eight schools (Takming University of Science and Technology, China University of Technology, Kun Shan University, Chinese Culture University, Chang Jung Christian University, Southern Taiwan University of Science and Technology, National Pingtung University of Education, and Feng Chia University) through the Full-time Internship Program.
Sales Specialist Class	We provide free licensing classes for college students aged 20 or over, holding 10 such classes for 228 students in 2017.
Sinyi School Scholarships	A full scholarship for two MBA students, as well as the Sinyi Realty Business Sustainability Grant and both domestic and international volunteering grants.

Sinyi Campus Seeds Project

In 2017, the Sinyi Campus Seeds Project organized licensing classes, expanding our full-time internship program to offer opportunities to students from other departments and majors.



1. Expanding Full-time Internship Program

Sinyi offers the full range of training and education opportunities to interns, along with a mentoring system, benefits, and leave, providing them with a strong foundation for their employment after graduation. During their internships, they also enjoy a level of pay better than that offered by the average public or private sector internship.

2. Real Estate Sales Specialist Licensing Courses

Sinyi works with schools and training institutions licensed by the Ministry of the Interior to hold 30-hour real estate sales training courses with an addition 10 hours of simulated workplace training to help students earn their professional licenses and understand the realities of the industry.



For more information, please see the 2017 Sinyi Campus Seeds Project Introduction and Interviews at <https://www.youtube.com/watch?v=ZoRlgE5cchU>

TRAINING PROGRAMS

Belief-oriented Talent Cultivation System

Establishing trust between agent and customer is fundamental to real estate agency, and as such the character of agents is crucial. Sinyi takes a long-term perspective on talent cultivation and development, offering courses in the skills and knowledge needed at each stage in staff careers to help them develop diverse skills and continue to learn and improve.

 For more information, please see the Sinyi Realty Belief-oriented Talent Cultivation System Structure at <http://csr.sinyi.com.tw/en/employee/employee.php>

Training Projects

New Employee Training Program

New employee training runs through the business of Sinyi in full, covering business concepts, professional real estate knowledge and skills, professional attitude, company systems and rules, and more. It includes both coursework and in-branch practical training, providing a solid foundation for newcomers and ensuring that they start out with a strong understanding of what the job entails and how it is to be done. We also provide a diverse guidance system that includes lectures, mentorships, management orientation, EAP staff assistance, and more. In addition, we conduct regular surveys and interviews to see how people are adjusting and give any help they need, personal or professional, in a timely manner.

Regional Service Training Camps

In order to improve the leadership skills of middle and senior management, as well as in anticipation of fostering the idea of “becoming representatives of the company,” every month we organize Regional Service Training Camps for middle and senior management. Over the course of one year, through themed discussions, gatherings, practical exercises, practical sharing, and other forms of interaction and guidance with the chairman and the general manager, the company’s managers are encouraged toward consistency of ideas with those of the company, integrating Sinyi’s philosophy into their management practice.

Branch Management Cultivation and Training

Sinyi is committed to opening as many branches as we have branch managers available. In 2017, we held a two-month branch management cultivation and training program for potential managers, with middle and senior management serving as lecturers and guiding students through lessons, practice sessions, counseling, and a final project exhibition. Through this, we are able to equip staff with basic management skills and ensure they are up to the task of branch management. We also encourage staff to take part in putting forward potential managers, fostering a fellowship of helpful and influential management.

Sinyi Volunteers—Re-learning Empathy in Service

Volunteer service is one of the alternative training methods Sinyi employs, and through it, our staff are able to re-familiarize themselves with what service really means. This also gives each member of our staff opportunities to experience different ways of life and to learn to look at community affairs with empathy. Thanks to this, they are able to rediscover their passion for their work and to experience a different side of society, energizing their service skills.

Training Hours

404-1

SDG 4

SDG 8

In 2017, the number of training hours for base-level, middle, and senior management increased significantly compared with the previous year, primarily through a large number of leadership management training sessions. While the number of training hours for ordinary staff decreased, this was mainly due to the adjustment of newcomer training and teaching models, changing specialist and practical courses to be more appropriate to practical realities. In total, 107,386 hours of training were undertaken, for a per-person average of 27.02 hours.

 For more information on average training hours, please refer to Appendix: “Sustainability Performance Overview”

Lifelong Learning

404-2

In addition to providing internal training courses, the company also encourages staff to take control of their own education and participate in external training. To this end, we provide subsidies for such training and education, including graduate school degrees/credits, language study, and other specialist areas, as well as online learning resources.

In 2017, we helped staff study a total of 581 hours of foreign languages including English and Japanese, 8,005 hours of self-improvement courses, and 3,093 hours of EMBA or similar degree/credit studies, supporting a total of 445 people for 11,679 hours of external training.

Personal Story



EXECUTIVE SENIOR MANAGER HUA-HSIUNG CHANG, A HAPPY POST-RETIREMENT VOLUNTEER

Hua-hsiung Chang, an executive senior manager who retired from the 101 branch after 25 years of service, has continued to participate in Sinyi Volunteer Activities since, such as the Sinyi Charity Foundation/Dr. Red Nose Association “Little Pumpkin’s Spooky Party.” He also took an active part in forming the Sinyi Realty Retirees Club, keeping former staff in contact and working together even after retirement.

 For more information, please see this China Times portrait piece: <http://www.chinatimes.com/realtimenews/20180314001465-260410>

REASONABLE REMUNERATION AND PROMOTION SYSTEM

Salary and Incentives System

102-36

405-2

SDG 8

1. **Sharing the Fruits:** One-third of Net Profits Shared with Employees

2. **Reasonable Remuneration:**

Sinyi Realty hires only those with a college degree or higher and no experience in real estate agency for our sales staff, providing a guaranteed monthly salary of NT\$50,000 for the first six months, a higher starting standard than other industries will offer to newcomers. In 2017, the salary of new secretaries on probation was raised from NT\$28,000 to NT\$29,000, rising to NT\$30,000 on commencement of formal employment. The salary adjustment quotas for each job level were revised, and outstanding retained talents were selected for promotion.

3. **Sales Staff:**

Our remuneration policy is based around a policy of propriety more than profit, and designed to encourage cooperation between members of teams. Newcomers in their six-month training period are provided a guaranteed salary of NT\$50,000, enable them to learn the ropes with peace of mind. Outstanding staff also have the opportunity to earn retention bonuses, encouraging them to work with us to create win-win situations.

4. **Administrative Staff:**

According to the Guidelines for Salary by Job Position, back-office staff receive salaries based on market standards, professional competency, and education. Each March, staff salaries are adjusted in line with market levels and external pay surveys.



For more information of salary and incentives system, please refer to <http://csr.sinyi.com.tw/en/employee/system.php>

Performance Management

404-3

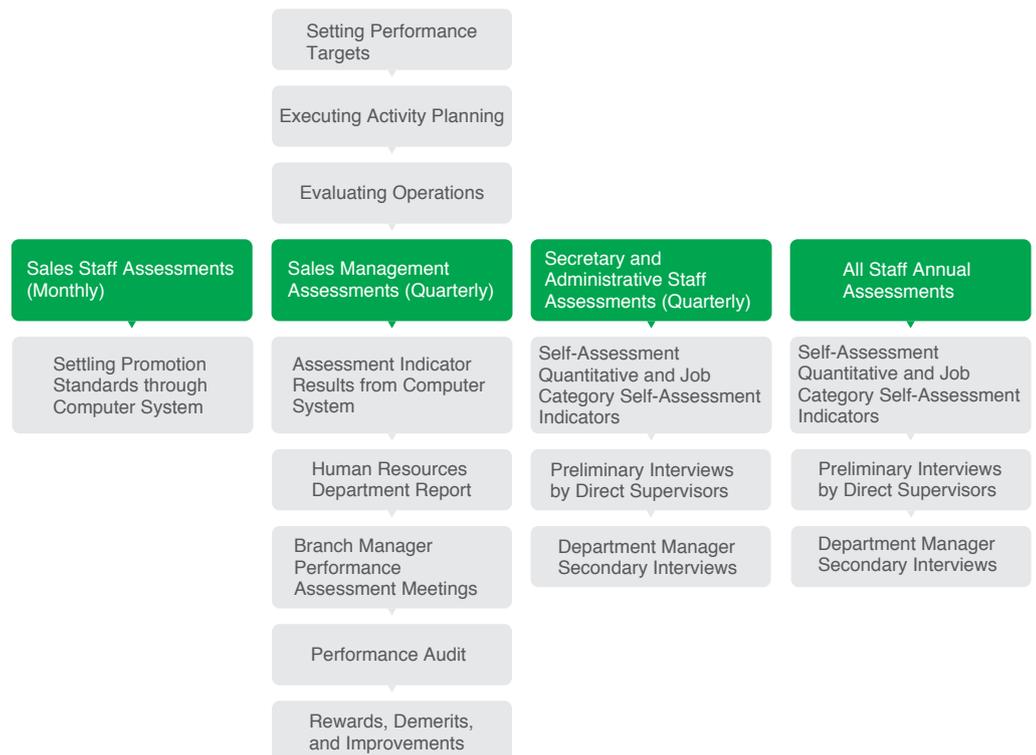
SDG 8

Sinyi Realty has established a comprehensive system of regular performance interviews and evaluations to help staff at all levels continue to grow.

Performance reviews for staff do not differ by gender, and 100% of staff undergo such reviews. Staff dispatched abroad are reviewed in line with local assessment systems, and contracted staff in accordance with their contracts. Managers at all levels undergo full training in performance interviews and assessment in order to provide staff with guidance, support, and career counseling to help them grow. Management regularly conducts performance reviews and improvement reviews with regard to staff, setting goals accordingly. The results of performance reviews are also used as the basis for promotions and salary adjustments.

End-of-year performance reviews vary in accordance with achievement of goals and assessments, with senior management having final say.

Performance Review Procedures



Promotion System

Sinyi takes cultivation of talent seriously, and as such provides a transparent system of promotions and opportunities, employing a “no double yellow lines, passing at any time” policy that does not depend on length of employment. Whether the bonus system, the promotion system, or selection of “Sinyi Gentlepeople,” one of our primary points of reference is the satisfaction of our customers.

Sales

To help staff follow the most appropriate career paths, we provide two tracks of development—one for specialists (sales-focused agents) and one for management (management from branch manager level up). Sales and management alike start from the bottom, rising through the ranks through sufficient management training and as they acquire the skills necessary for each management level. Each year, regular selection of store and regional management is conducted, with Chairman Chun-chi Chou personally participating.

Administration

Administrative staff promotions are done in accordance with the Administrative Staff Salary Adjustment and Promotion Proposal Guidelines and with reference to the Sinyi Group Administrative Staff Employment Standard and Responsibilities, through observations of performance and potential. The skill levels and potential for development are assessed in line with their performance evaluations, length of employment, and merits/demerits, and promotions proposed accordingly.

Selecting “Sinyi Gentlepeople”



Each year, Sinyi Realty holds a “Sinyi Gentlepeople” selection event, displaying the lucky winners’ likenesses on big posters on the company’s “honor roll” wall. Selection for this honor depends not only on job performance indicators like having received zero complaints, being involved in no disputes, and having not been subject to disciplinary action, but also, beyond this basic threshold, on a full 360-degree review that also looks at how they have used their energy and enthusiasm to make the organization better. The standards are high, making this an honor even harder to get than that of top salesperson, and so it is looked upon as the highest honor in terms of service quality at Sinyi Realty. Only one or two people are selected each year—in 2016, two were chosen, in 2017 none, and in 2018, one received the honor.

For more information, please consult this interview with honoree Yu-jung Sung: <https://www.youtube.com/watch?v=qf7wQ7pOWEo>

HR Management Interview: HR Executive Senior Manager Hsu Chang



“SINYI TREATS STAFF LIKE FAMILY.”

~So says Hsu Chang, who has spent over 20 years with the company.

While the market may not look good right now, Sinyi nonetheless announced a full-scale increase in pay in early 2018

For a long time, Sinyi has taken pride in putting people first, caring about balance across all stakeholders, and creating virtuous cycles. We originally carried out salary adjustments every year. The large adjustment in early 2018 aims to attract more talent to the company, not only to supplement our HR needs, but also to create a better working environment and help our staff grow together with the company.

Providing High Base Salary and Building a Brand as a Good Employer to Attract Talent

In the early days, when Sinyi’s popularity was not great, we still provided high salaries, salaries that were quite competitive in the market.

After years of working with customers and among society, we have built a brand image that soars above industry standards. When choosing a job, talented people have long acknowledged the positive brand of Sinyi as an employer. When compared with other companies, we are an excellent company that our staff are proud to be part of and that offers competitive salaries.

Listening to Staff, Developing Innovative Strategies

Sinyi has for several years entrusted National Taiwan University with the task of surveying how our staff approve of the company and their satisfaction with their work, and we always keenly listen to their findings. In the beginning, we also classified management and staff together in the same category. However, many of the issues reflected in the surveys were ones the management themselves had produced, and so special samples were drawn from unit management for review to make the surveys more comprehensive, covering not only task-level issues, but also ones of leadership style.

Many of our new initiatives, such as the “Self Improvement Program” and “Learning Integration,” are the result of these annual opinion surveys. We continue to build and improve policies around these results to create a good working environment for our staff.

Emphasizing Diversity and Inclusion, Providing Equality of Opportunity

The Sinyi Group Code of Conduct contains regulations on diversity and inclusion, requiring that staff respect one another and that the company provide equality of opportunity in development and employment for each staff member with no differential treatment or discrimination. While male staff account for a high proportion of total staff due to the nature of the industry, we have always insisted on giving all staff equal opportunities. The corporate culture of Sinyi is one of openness to all genders, with male staff able to apply for parental leave without being looked at askance by their colleagues, for example. With gender boundaries increasingly blurred in modern society, we continue to take into account the needs of an ever more diverse community.

DIVERSITY AND INCLUSION

405-1

405-2

Sinyi Realty has always adhered to a diverse and inclusive talent strategy, placing great importance on diversity in all aspects of hiring and development, emphasizing work-life balance, and striving for equality of opportunity across genders. Our goal is to enable our staff to build their own dream homes and lives at the same time they help our customers do the same.

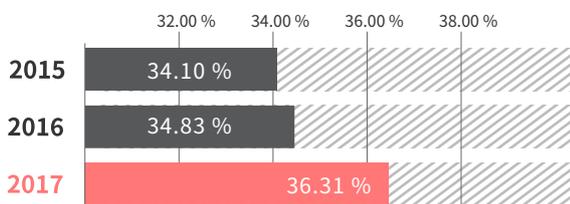
Diverse Employment

Increasing the Female:Male Employee Ratio

At the foundation of Sinyi's recruitment policy is the principle of equal rights, with no differential treatment by gender, ethnicity, age, political alignment, marital status, or family situation. As a result, we boast a diverse assemblage of staff.

Our staff totals 3,974 members, with 36.31% of that total being female. Of our 550 managers, women account for 90, or 16.36%. Due to the nature of the real estate industry, our early staff were primarily male, and as such the proportion of males in management is higher. In recent years, though, not only has the percentage of female staff seen constant growth, the percentage of female managers has also continued to rise.

The Percentage of Female Staff



The Percentage of Female Management



Staff with Physical or Mental Disabilities

We aim to create a workplace where anyone can work with enthusiasm. With consideration of circumstances, we strive to provide people with physical or mental disabilities job tasks that suit their capabilities and enable them to make the most of their potential, such as file management and mail work. We also cooperate with Taiwan Lighthouse, an organization that works with the visually impaired, to employ the services of visually impaired professional masseurs. In addition to providing more job opportunities for these people, their services also serve as a way for our staff to relieve stress while doing a social good.

In 2017, we employed a total of 47 people with physical or mental disabilities (including eight mildly disabled, five moderately disabled, and 17 markedly disabled). According to employment regulations, each markedly disabled person hired is counted as two people, hence the total of 47. Staff with disabilities account for 1.18% (47/3,974) of our total staff.

2017

Number of Staff with Physical or Mental Disabilities	47 people
Total Taiwanese Staff	3,974 people
Number of Atypically Employed Staff / Total Taiwanese Staff	74/3,974=1.86%
Number of Staff with Physical or Mental Disabilities / Total Taiwanese Staff	47/3,974=1.18%

Post-Retirement Rehiring System

404-2

Sinyi endeavors to create a corporate structure brimming with energy and provide a good environment for retired veteran staff members who have the will and the ability to continue to work with us. In our Guidelines for the Rehiring of Retired Staff, we have laid out a system aimed at helping those who have retired but wish to return to do so, providing a mechanism for their rehiring or transfer. In this way, even after retirement staff can make the most of their knowledge and skills, helping the company prosper and promoting the re-entry of retired staff into the workplace. Anyone who meets the criteria and is willing to continue to serve the company may apply.

GENDER-FRIENDLY POLICY

A Friendly Workplace Environment

There are no distinctions in salary by gender across our entire staff, with any differences attributable to difference in job category or level. Support staff salaries vary by expertise, education, and market standards. The larger proportion of the salary structure for sales positions is accounted for by variable pay, while the large proportion of the salary structure for support staff is accounted for by fixed salaries.

Ratio of basic salary and remuneration of women to men 405-2

Rank	Total Salary	Monthly Salary	Variable Pay
Senior Management (Vice Presidents and Higher)	0.77 : 1	0.83 : 1	0.69 : 1
Middle and Base-level Management	0.94 : 1	1.04 : 1	0.86 : 1
General Staff	0.79 : 1	1.08 : 1	0.58 : 1

Note: Statistics for those employed for at least one full year as of 31/12/2017

Performance reviews for staff do not differ by gender, and 100% of staff undergo such reviews. In recent years, through sound training and an objective evaluation system, we have been able to constantly increase the proportion of female staff in management roles. For example, among the 23-person team responsible for sustainability reporting, 12 are female, and 75% of sustainability training hours are accounted for by women.

 For more information, please see the “Remuneration Mechanism for Board of Directors” and “Remunerative Rewards to Senior Management for Sustainable Operations” parts of the Corporate Governance chapter

Measures to Eliminate Workplace Discrimination

Sinyi Realty actively works to eliminate discrimination in the workplace, and so in line with regulations such as the Sexual Harassment Prevention Act and the Act of Gender Equality in Employment, we have set out the “Sinyi Realty Sexual Harassment Prevention, Complaints, and Investigation Guidelines.” We also regularly organize workshops on the prevention of sexual harassment and encourage staff to take part.

Second-Child Grants Program: First and Highest Such Grants in Taiwan

We put in place our Second-Child Grants Program to stimulate the birth rate. This program received a personal letter of appreciation from the Minister of the Interior and words of praise in a Facebook post and Chinese New Year’s Speech by former President Ying-jeou Ma. As of December 2017, a total of 366 staff had applied for these grants, with a total of NT\$43.92 million expected to be paid out. Including first-born children, Sinyi has seen a total of 1,074 new faces join the Sinyi family.

 For more information on the number of “Sinyi Babies,” please refer to [Appendix: “Sustainability Performance Overview”](#)

Statistics on Employees Applications for Parental Leave and their Returns to Work 401-3

The company is in full adherence to all relevant laws and regulations with regard to staff applications for unpaid parental leave, and all staff who apply for such leave may apply for reinstatement to their previous positions upon the completion of their leave period. In 2017, our retention rate for both male and female staff was over 70%, demonstrating that Sinyi Realty supports both genders equally in their family commitments.

 For more information on parental leave and returns to work, please refer to [Appendix: “Sustainability Performance Overview”](#)

Gender Equality in Employment

In line with the Act of Gender Equality in Employment, we provide staff with varying levels of leave and assistance for pregnancy, childbirth, and parenting as needed. Such parental leave is available to both genders, and applicants can retain their job without pay for a set period and apply for reinstatement at the end. We also allow for breastfeeding time and provide lactation rooms, even having received an “Excellent Lactation Room” certification. In addition, we have in place plans and measures to protect maternal health as required by law, ensuring mothers can enjoy physical and mental well-being.

In addition to maternity grants, the company has also reached a cooperative agreement with national childcare organization Hess to provide enrollment discounts, reducing the load on staff raising young children. Our Happy Health Management Center also offers courses for new parents, along with a range of other assistance.



Teaching First Aid for Infants and Young Children

LABOR-EMPLOYER RELATIONS

Employment Overview

Human Resources Structure 102-8 405-1 SDG 8

As of the end of 2017, Sinyi Realty had a total of 3,974 staff, including 14 senior managers, 61 middle managers, 475 base-level managers, and 3,424 general staff. Due to the nature of the real estate agency business, male sales staff were somewhat greater in number than female 2,531 (63.69% to 36.31%). Sinyi only recruits sales staff with at least a Bachelor's Degree and with no prior real estate experience, and as such over 90% of our staff have at least a college education.



For more information on the distribution of employment contract and type, education levels, and age composition, please refer to [Appendix: "Sustainability Performance Overview"](#)

New Hires and Turnover 401-1

Of our total staff, sales staff account for approximately 80%, and while there is no gender bias in hiring, due to the nature of the industry new hires tend to largely be younger males. Departures are similarly structured, with the largest number being men under 30 years of age. In 2017, Sinyi Realty's saw an average turnover rate of 34.26% among overall staff. In order to effectively reduce the turnover rate and respond to environmental challenges, we are developing a coaching program for under-performing sales staff to help them focus on core skills and get mutual assistance through a team setting, regular guidance and care for new staff, and in-depth discussions between management and departing staff to help us understand their reasons and take a scientific approach to evaluating plans for improvement.



For more information on new hires and turnover structure, and annual turnover rate, please see [Appendix: "Sustainability Performance Overview"](#)

Employee Engagement and Communication Policy

Complaints Mechanism and Communication Channels

In order to understand the views and feelings of our staff with regard to organizational development or policy implementation and to provide a work environment free from sexual harassment and discrimination, Sinyi has established a range of channels for communications, continually promoting the use of such.



For more information, please refer to the [Stakeholder Engagement section](#)

1. Official Complaints Mechanisms: (Platform for Sales and Administrative Staff Communication / Mr. Chou's Mailbox)

In 2017, a total of 105 comments submitted to the company, the majority of which were related to HR or IT. Of these, 100% were resolved, with relevant policies adjusted accordingly in light of staff opinions.

2. Labor-Management Organization 403-1

Sinyi Realty strives to protect the rights and interests of our employees, and while we have not unionized, we have established an internal Employee Welfare Committee and hold quarterly labor-management meetings, enabling representatives of each labor and the committee to discuss the rights and benefits due to our staff. The Committee is set up with one chairman, one director, and one deputy director, with a total membership of 29. This figure includes a total of 26 Sinyi Realty staff members, 0.65% of our total employees. Labor-management meetings are made up of 5 representatives from each side, with labor representatives accounting for 0.13% of our total employees.

3. Labor Issues and Complaints

In 2017, a total of four staff not presently working filed for labor dispute mediation with the competent authorities. The company formed a dedicated team to look into the details of the complaints and to represent the company in communicating with the staffers in mediation meetings. After reviewing the content, it was found that the company had handled matters according to rules and regulations and had not violated the relevant laws/regulations. As there were divergent interpretations between the company and the staffers, descriptions of the incidents were not consistent with the facts. Two of these disputes were not settled, while the other two resulted in settlements that took into consideration special circumstances.

Staff Opinion Survey 102-43

Each year, external consultants are commissioned to tailor survey composition and topics to the particular policy priorities of the year. All our staff are able to fully express their suggestions with regard to the organization's operations, their work, and management leadership style through these surveys, and we develop improvement measures to integrate into the next year's plan, ensuring the whole organization grows together.

■ Organizational Approval and Job Satisfaction Surveys:

After collecting opinions from nearly 80% of the group's total staff, we conducted in-depth analysis over the New Year and held workshops to discuss improvement measures. After improvement measures taken through 2016, the 2017 results showed across-the-board improvement.

■ Management Leadership Style and Policy Implementation Surveys:

These encourage managers to review their weaknesses and look at things from a new perspective. 2017, one of our major policy focuses was on making regional managers company representatives, and the results of the survey indicated that our managers had significantly improved their implementation of ideas and policies.



For more information on the results of the Organizational Approval and Job Satisfaction Surveys and Management Leadership Style and Policy Implementation Surveys, please refer to [Appendix: "Sustainability Performance Overview"](#)

Creating a Friendly Workplace

103-1

103-2

103-3

Material Topics

403 Occupational Health and Safety

409 Forced or Compulsory Labor

Meaning to Sinyi

Modern society is fast-paced, with issues like overwork and on-the-job accidents frequent. As we consider talent the foundation of the company and strive to put people first, Sinyi has implemented relevant regulations to promote the health and safety of its staff, encouraging them to achieve work-life balance and work toward lifelong health, happy lives, and ultimately, happiness.

Our Commitments

Sinyi works hard to help our staff seek a balance between their work and home lives, thus helping maintain innovation and development in the company and joyful accomplishment among the staff. In developing our workplace safety rules, we will continue monitoring and improving our actions, promoting ongoing education in health and workplace safety, and seeking to obtain related certifications. In this way, we enable our staff to prosper over the long term in confidence.

2017 Goals

Apply for **Certifications**
to continue to ensure a safe working environment

<5 Injury Rate

Reducing injury rate, ensuring staff safety and health, and reducing accidents

What We Achieved

Received **Certifications** Ongoing
Received "Taiwan iSports" and "Excellent Lactation Room" certifications

6.54 Injury Rate Ongoing

We will continue to reduce injury rate, with a total of 141 people requesting injury leave and 0 cases on occupational diseases

How We're Doing It

Responsibilities

Staff Care Group, Total Ethical Management Committee

Resources

Childbirth grants, Club Subsidies, etc.

Grievance Mechanisms

[Stakeholder Engagement](#) section

Evaluation Mechanisms

Regularly take part in external certification
Continue to monitor labor safety data and working hours / conditions

Specific Actions

Benefits and Retirement System

- Overall benefits system and formal employee benefits
- Retirement system

A Healthy and Safe Workplace

- Occupational safety organization
- Promotion of and training in safety
- Safety management results

Health Planning and Simple

- Dedicated Happy Health Management Center
- Reduce overwork and encourage positive work
- Diverse club activities

2017 Highlight: Honored with Taiwan iSports Certification

Over the past few years, the company has been awarded the Taipei City Government Department of Labor's Three-star Happy Businesses Award and the Ministry of Labor's Work-Life Balance Award for our focus on the physical, mental, and emotional well-being of our staff. In 2017, we also earned the Taiwan iSports certification from the Ministry of Education Sports Administration.

Sinyi long ago realized that the well-being of our staff is among our greatest assets, and to that end, we established the Happy Health Management Center, where health management professionals provide staff with consultations. In addition, every five years we hold a company-wide sports meet, with the most recent one held at the National Taiwan University Sports Center in 2016. This event not only helps our staff improve their physical strength through sporting activities, but also demonstrates the importance of teamwork. Beyond the sports meet, we also host exercise and sports clubs including a yoga club and a core muscle training club, along with a variety of sporting tournaments in which participants can fight for glory, such as basketball and slow-pitch baseball tournaments. With a thriving physical fitness culture, we also make creative use of the spaces available to us, using stairwells to host photography exhibitions to encourage staff to take the stairs more and setting up scales next to photocopiers so they can check up on themselves whenever they want. In addition, we hold regular internal seminars on exercise and fitness, and management leads by example through participating in marathons, hikes, and charity bike rides around Taiwan.

Sinyi Realty is profoundly aware that talent is the foundation of any business, and as such we have always been concerned with the health and well-being of our staff and with leading the way toward creating a company brimming with positive energy.



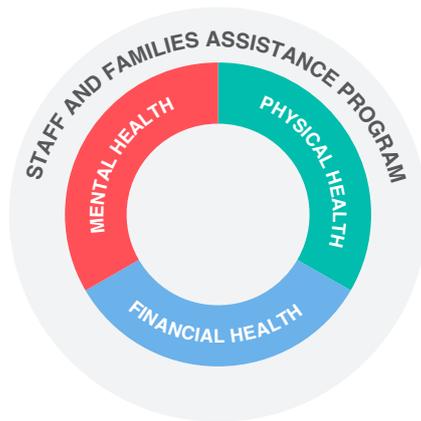
The winning teams from our basketball and slow-pitch softball tournaments received awards from the chairman at the monthly company meeting

Five-yearly Sports Meet

BENEFITS AND RETIREMENT SYSTEMS

Benefits System 401-2 401-3

In order to provide our staff with a better working environment, Sinyi Realty works to meet and surpass legal requirements regarding benefits, including offering discounts on service fees for buying and selling property, an employee stock ownership plan (ESOP), company-funded health checks, and more.



Physical Health

- Labor insurance
- National Health Insurance
- Dedicated Happy Health Management Center
- Full-time health management professionals
- Professional masseurs to provide stress-relieving massages
- Group Insurance
- **Various types of leave**
personal leave, sick leave, maternity leave, paternity leave, menstrual leave, family care leave, marriage leave, bereavement leave, injury leave, special leave, unpaid parental leave, etc.
- Company-funded Health checks
- Automotive Third-party Liability Insurance (limited to field staff)

Financial Health

- Labor pension
- Uniform subsidy
- Club subsidy
- Travel subsidy
- Managers celebratory / bereavement gift subsidy
- Relief aid for staff for weddings, bereavements, births, hospitalization, and emergencies
- Festival/Birthday gifts (vouchers)
- Entertainment fees for managers
- Staff Second-Child Grants
- ESOP
- Discounts on Service Fees for Property Purchases or Sales (incl. dependents)
- Training Subsidies
- Employee Bonuses

Mental Health

- Mental Health Checks
- Employee Assistance Program (EAP) (incl. dependents)

■ Comply with Govt. Regulations

■ Additionally Provided by Sinyi Realty and Applicable to All Staff (incl. fixed-term contract personnel)

■ Additionally Provided by Sinyi Realty and Applicable Only to Full-time Employees

Benefits Provided to Full-time Employees 401-2

 For information on full-time employees benefits, please refer to <http://csr.sinyi.com.tw/en/employee/system.php>



Retirement System 201-3 401-2

Sinyi has set up a Labor Pension Fund Supervisory Committee, monthly pensions, and pension payout standards in accordance with relevant legislation such as the Labor Standards Act and the Labor Pension Act. In addition, the Sinyi Realty Guidelines for Retirement Pensions serve to lay out the appropriate procedures for payments and other related matters, while the Guidelines for the Rehiring of Retired Staff enable retired staff to continue to make use of their knowledge and skills. Starting in 2017, we plan to have the most senior managers of each unit show their appreciation to retiring staff for their service and contribution through the presentation of a souvenir under the Retiring Staff Appreciation Plan.

Labor Standards Act Retirement System:

Each month, in accordance with workers' total wages, a suitable amount is paid into retirement reserves via Corporate Pension Fund Accounts set up with the Bank of Taiwan.

Labor Pension Act:

Each month, the company pays 6% of each individual's wage into individual pension accounts set up by the Bureau of Labor Insurance. Those who wish to voluntarily pay into their pension accounts can also have a specified amount deducted each month from their pay and paid into their individual pension account with the Bureau of Labor Insurance.



■ For more information on the Corporate Pension Fund Accounts, please refer to pages 273 through 274 of the 2017 Sinyi Realty Annual Report <http://img.sinyi.com.tw/u/file/2018/05/2566c8bf123f130a87b5eebb08d6a464.pdf>

■ For information on the retirement system, please refer to <http://csr.sinyi.com.tw/en/employee/system.php>

A HEALTHY AND SAFE WORKPLACE

Occupational Safety and Health Committee

403-1

403-4

The company has set up an Occupational Safety and Health Committee, as well as establishing the roles of Occupational Health and Safety Executive and Occupational Health and Safety Manager. The role of the Occupational Health and Safety Executive is served by HR managers.

The Occupational Safety and Health Committee has organized research, coordination, and recommendations on the subject for the company, as well as on traffic safety. The committee is made up of 10 people, with 4 staff representatives, 40% of the total. The committee meets once every three months.



For more information on Committee makeup and responsibilities, meeting minutes, and other details, please refer to <http://csr.sinyi.com.tw/en/employee/workplace.php>

Safety Promotion and Training

403-3

Key Promotion Project—Traffic Safety:

Some 80% of Sinyi staff are sales staff who work directly with customers. The majority of these use scooters for transport, and as such, the majority of accidental injuries are caused by traffic accidents. To help prevent such accidents, we carry out occasional traffic safety promotions, reminding staff to follow the road code, always wear full-face helmets when riding, to ensure their licenses are valid, and to ride only vehicles they are licensed for.

Disaster Evacuation Education and Drills:

Every six months we hold fire safety seminars and emergency evacuation drills. During said drills, we also provide education on the operation of fire safety equipment along with fire safety seminars, further strengthening fire safety awareness and protecting the safety of individuals and groups.

Equipment Safety Checks and Workplace Safety Education:

Offices also undertake regular power safety checks, checks of air conditioning equipment and monitoring systems, disinfection, cleaning, and reinforcement of non-smoking regulations, helping ensure all staff can enjoy a safe and comfortable working environment. In 2017, our Branch Emergency Response Procedures were also updated to serve as the basis of each branch's safety management. In addition, every month each sales region conducts regular workplace safety promotions.

Setting Up Automated External Defibrillators (AEDs):

We continue to hold training seminars on their operation to help staff understand the correct usage of AEDs and other things to look out for. In this way, should an emergency happen, we can be sure our staff are able to promptly make use of the valuable time available to save lives.

Health Seminars:

In 2017, we held a series of seminars on health topics our staff indicated a greater interest in during 2016 surveys, including handling stress, psychological care, healthy eating, and passion for work. We held a total of 13 sessions of these, with a total of 1,200 participants. We also held seminars on adult and infant CPR, AEDs, and the Heimlich Maneuver for a total of 89 participants.



Emergency Drills



CPR and AED Training



Fire Safety Seminars

Workplace Safety Analytics

403-2

SDG3

When employees are injured on the job, they are granted leave as appropriate in accordance with the relevant guidelines and the particulars of the situation, and we assist them with applying for labor insurance accident compensation. In 2017, a total of 141 people applied for injury leave for a total of 2,385.5 injury days, and there were 0 cases of occupational diseases.

Staff injuries are primarily identified in accordance with definitions by the Bureau of Labor Insurance, including traffic accidents (incl. to work, from work, and during work), falls, injuries while on dispatch, injuries due to impact by objects, etc., and do not include mercurochrome incidents. Injury rate and lost day rate are calculated according to monthly reports to the Bureau of Labor Insurance.

In 2017, injury rate was 6.54, lost day rate was 56.43, and absentee rate was 0.76%.



For more information on accident statistics, injury rate, lost day rate, and absentee rate, please refer to [Appendix: "Sustainability Performance Overview"](#).

HEALTH PLANNING AND LIFESTYLES OF HEALTH AND SUSTAINABILITY (LOHAS) 409-1 SDG 8

The real estate industry is a highly challenging, highly stressful one. As such, creating a healthy and safe working environment is a fundamental requirement of corporate social responsibility. Through practical policies and investments of resources, Sinyi provides concrete evidence of our concern for and value of the health and safety of our staff.

Dedicated Happy Health Management Center to Care for Staff Health

The key to the company's sustainability lies in the happiness of the employees, and the primary foundation of such happiness is being healthy both physically and mentally. In 2015 Sinyi established the Happy Health Management Center, hiring full-time health professionals to strengthen our existing health management platform. By providing our staff with health checks that go beyond the legal requirements, as well as health consultations, tracking of improvement, vaccinations, and an EAP, we have laid out a plan to practically prevent against illness and to promote healthy living for our staff.

In 2017, we launched the "Sinyi Health Program—Protecting Lung Health" program, which included seminars on pulmonary health and smoking cessation, along with providing an internal app to provide staff with a variety of healthcare knowledge and information. Our health management platform saw a substantial increase in usage in 2017, almost tripling to a total of 66,673 uses. Courses for new staff also included stronger education on how to use our health management systems to get information, check health check reports, and book massages. In August we began making use of a depression scale, with new staff signing up on their first day and returning for a check after 30 days; if their scores surpassed a particular level, they were provided with EAP information. In Q2, we began company-funded health checks, with an increased number of partner hospitals (13), with a searchable system and online appointment booking available.



For more information on the Happy Health Management Center's services, please visit <http://csr.sinyi.com.tw/en/employee/workplace.php>



For more information on the usage of the EAP and the health management platform, please refer to [Appendix: "Sustainability Performance Overview"](#)

Shortened Working Hours for Improving Work / Life Balance 409-1

Some 80% of Sinyi Realty's staff are sales staff, and due to the nature of the work, peak service periods tend to be when most people have finished work or during weekends. Long weekends and multiday holidays are also prime service periods. Given these facts, there is a high risk of working in excess of usual hours.

1. Overtime Management Mechanism

There are clear rules and regulations regarding staff attendance and breaks, and we are committed to complying with these. Sales staff and managers, as "professional workers with designated responsibility" as per Article 84-1 of the Labor Standards Act, are required to sign agreements upon commencement of work that are then to be approved by the competent authorities. Leave and overtime conditions are to be in line with said agreements. In addition, we have established the "Program for the Prevention of Diseases Caused by Abnormal Workloads," screening high-risk staff in coordination with the annual health checks and alerting the relevant manager(s), who shall then review the allocation of working hours and make adjustments as necessary.

New Regulations for 2017

In line with 2017 amendments to the Labor Standards Act, specifically Articles 24 (overtime), 36 (regular leave/rest days), and 38 (annual leave), we have made adjustments to our own guidelines accordingly.

2. Adjusting Attendance Time

Sales staff of all branches are subject to the "start an hour later (10 am)" policy for Monday through Thursday, giving them an extra hour in the mornings to be with their families. Through the leave management system, management can get a better understanding of staff leave conditions, helping ensure their staff are striking a suitable work-life balance, preventing forced labor.

3. Optimizing the Leave System

Major Holidays: To encourage staff to go home for the holidays or travel with their families, all staff are given leave for Chinese New Year, and for Dragon Boat Festival and Mid-Autumn Festival, the company ceases operations, setting a precedent for the service industry of closing completely for all three major holidays.

Paid Volunteering Leave: Every person is given one day of paid leave to volunteer, being actively encouraged to get outside of work and involved with the community, experiencing the joy of helping others and fostering a virtuous cycle.

Diverse Club Activities

We have formulated Guidelines for Employee Clubs and Organizations, providing activity subsidies and having the Employee Benefits Committee help fund interdepartmental friendly activities, subsidize travel, and aid with activities budgets. Through such actions, we encourage every unit and its staff to organize and hold a variety of leisure, travel, and club activities. So far, 55 different recreational clubs have been established, with some 82% of them oriented toward fitness and sport.

03

Customer Care

Material Topics in this Chapter

416 Customer Health and Safety

417 Marketing and Labeling

418 Customer Privacy

Why It's Material to Sinyi

Sinyi Realty has since our founding been committed to promoting safe, fast, and reasonable real estate transactions and to making the spirit of justice in word and deed a core part of the company, putting justice before profits. To us, the true key to sustainable development is developing innovative services that are in line with corporate ethics, and that a commitment to doing what's right and to ongoing innovation will bring us long-term profitability.

HIGHLIGHTS

84.42%

Customer Satisfaction Rate

NO. 1

Honored 24 Consecutive Years in Management Magazine Ideal Brands Consumer Survey as 1st, Real Estate Agents Category

First Place

15th Real Estate Agents Category Global Views Five-Star Service Award

NO. 1

Honored in Commonwealth magazine Gold Medal Service Industry Survey 1st, Real Estate Agents Category

MANAGEMENT APPROACH 103-1 103-2 103-3

Core Targets and Vision

Sustainability Principle / Innovating Service Models and Shaping the Industry's Future

In line with the principles of sustainable development, we continue to make strong community service and the protection of customer's rights & interests central to the company. Both our 2025 Vision and Sinyi's Three Core Concepts communicate our commitment to serving more customers and implementing higher quality service to really earn the satisfaction and trust of those customers. With a new service innovation model, we are shaping the future of the industry.

Performance Highlights in 2017

84.42 %

Customer satisfaction rate

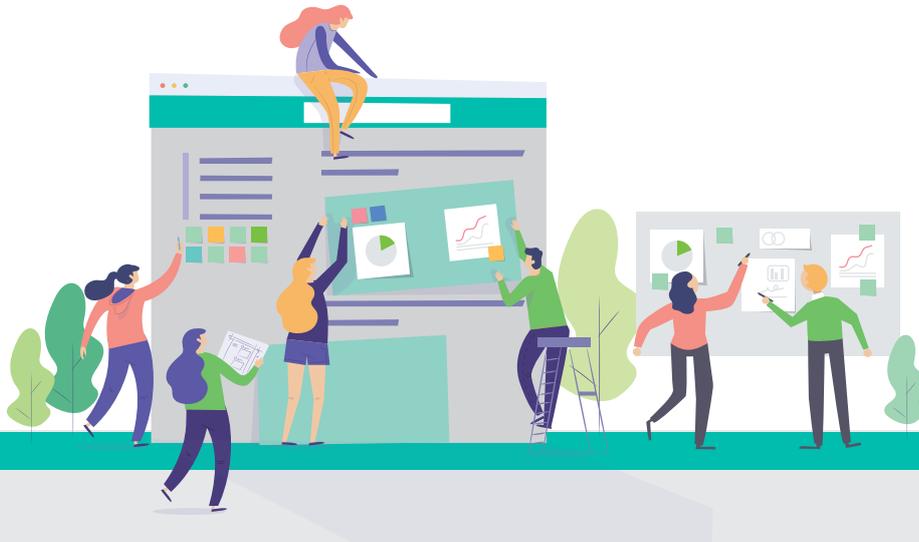
To actively seek out an understanding of how our customers evaluate our services, in 2017 Sinyi Realty changed our formerly two-point evaluation scale to a five-point one. This enables our customers to choose a more representative assessment, and we hope that this more rigorous standard will provide the basis for ongoing improvements, more attentive service, and an overall elevation of service standards in the industry. We successfully interviewed 64,458 customers by telephone in 2017 and continued to promote STM (Siny Touch Moment, STM) and understand customer's needs.

1 Error

Instructions of real estate

In 2017, the number of instructions produced by Sinyi reached a massive 82,098, with only one error found, accounting for just 0.001% of instructions.

Sinyi Realty responded by conducting a two-stage review of the accuracy of real estate instructions, requiring suppliers to conduct initial reviews and secondary reviews by another team and the system's checks, that helped further facilitate the minimization of errors.



Corresponding to the Sustainable Development Goals (SDGs)

Sinyi supports the SDGs. These SDGs in particular are relevant to our work on customer care:

 In-depth reporting: page 24 SDGs



SDG12

Responsible Consumption and Production

p.53 Protecting Customer Rights, In Pursuit of Customer Satisfaction

p.54 Strengthening Community Service, Implementing Service Quality

Protecting Customer Rights, In Pursuit of Customer Satisfaction

103-1

103-2

103-3

Material Topics

416 Customer Health and Safety

417 Marketing and Labeling

418 Customer Privacy

Meaning to Sinyi

Sinyi Realty believes that only by ensuring we protect customers' rights and pursuing improved customer satisfaction & loyalty can we truly win customers' trust, help them realize their dreams of home ownership, and create a virtuous circle that will ensure our ongoing sustainable development.

Our Commitments

Sinyi Realty is insistent in our commitment to ongoing protection of customer privacy and rights, realizing our business philosophy of good faith in action and pursuing robust and sustainable business development.

2017 Goals

0 Errors

Instruction of real estate

To help customers understand the housing situation clearly and avoid sales disputes

>85%

Customer Satisfaction Rate

What We Achieved

1 Error

Target Not Achieved

Instruction of real estate

In 2017, the number of customer instructions produced by Sinyi reached a massive 82,098, with only one customer-reported error found, accounting for just 0.001% of instructions.

84.42%

Target Not Achieved

Customer Satisfaction Rate

In 2017, we adjusted our scoring method to pursue higher service quality.

How We're Doing It

Responsibilities

Total Ethical Management Committee— Customer Care Group

Resources

HR:

Customer Service Department, Sinyi Escrow, Sinyi Appraisal, Personal Data Protection Team

Funding:

Providing guarantee services, producing real estate instructions

Grievance Mechanisms

[Stakeholder Engagement](#) section

Evaluation Mechanisms

Continue carrying out customer satisfaction surveys Conduct mystery shopper checks to ensure service quality

Important Actions 1

Guarantee Services 416-1

1. Four Guarantee Services

In order to more comprehensively protect the rights of consumers, Sinyi Realty continually pursues understanding of and cares about consumers' demand for secure property transactions. To this end, we provide a Watertightness Guarantee System, Existing Home Compliance Guarantee, Guarantee Against High Radioactive Exposure and a Guarantee Against High-Chloride Concrete, helping consumers buy with confidence and create happy homes.



For more information, please refer to our page on "guarantees and services after-sales" at <http://branch.sinyi.com.tw/buyer-service5.php>

2. Guarantee Service of Haunted house

We have introduced the industry's first "Guarantee Service of Haunted house," a systematic protection mechanism that aims to reduce disputes over stigmatized properties and offer systematic protection that will give customers comprehensive peace of mind when buying.



For more information about the Stigmatized Property Guarantee Service, please see <http://www.sinyi.com.tw/knowledge/articleCt.php/179/1>

3. Other Services in Development

Building around concepts of prevention and comprehensive protection, Sinyi Realty continues to work on services, including one that will allay the concerns of landlords with regard to the particular risks of renting or leasing out properties, offering full rental protection that will also help differentiate us in the market. This guarantee product is to be formally launched in 2018. Through these four-fold guarantees and the hard work of our staff, as of 2017, Sinyi offered security assurances to all customers, and there were no incidences of violations.



Important Actions 2

Instruction of Real Estate 417-1 417-2 SDG12

In order to avoid possible risks like buyers not being able to complete transfers of ownership, encountering structural safety issues, having unusual provisions for usage beyond regular usage methods, finding themselves unable to actually use the site, or being unable to secure a loan, or other issues like sellers or agents providing inaccurate information and thus causing disputes, Sinyi Realty became the first real estate business in Taiwan to offer real estate instructions. Each customer that commissions Sinyi Realty also enjoys the production of relevant real estate instructions.

Important Actions 3

Customer Privacy Protection 418-1

In order to protect the personal information of customers, Sinyi has laid out clear procedures for the collection, marketing use, usage, processing, filing, deletion, and destruction of information. In addition, internally the company has set up a Personal Information Protection Organization which specializes in protecting information and enacting concrete measures to ensure compliance with the Personal Information Protection Act. The organization also provides education through courses, conferences, and case studies for all Sinyi staff at all levels, ensuring that everyone is familiar with the relevant regulations, guidelines, and legislation.

Strengthening Community Service, Implementing Service Quality

103-1

103-2

103-3

Material Topics

416 Customer Health and Safety

Meaning to Sinyi

We keep up with the dynamic business world, participate in community activities to understand the needs of our customers, explore potential customer bases, strengthen community services, operate a community-based lifestyle platform, strive to quickly build customer trust.

Our Commitments

Sinyi Realty believes that only through constant innovation in services can we truly achieve improved customer satisfaction, and with that, establish a model for others in the industry to emulate, a high water mark for service standards that will elevate the entire real estate industry.

2017 Goals

In response to trends in society, provide new value-added services
Explore potential sales and promotion models built on new technologies

What We Achieved

Continue to launch innovative community services

Ongoing

Through online and offline service procedures, we explore potential areas of service in the residential lifestyle industry to provide better services for all aspects of customers' lives

How We're Doing It

Responsibilities

Total Ethical Management Committee— Customer Care Group

Resources

HR:
 Customer Service Department, Sinyi Living, nationwide branches, Innovation and Integration Business Group, Digital Intelligence Center

Funding:

Developing Innovative Services

Grievance Mechanisms

[Stakeholder Engagement](#) section

Evaluation Mechanisms

Through STM, we explore the real needs of customers in depth and actively invest in every new service that connects with customers

2017 Highlights

To aid in meeting our customers' renovation needs, in 2017 we worked with suppliers to launch the new Decoration Escrow service. By providing a fair third-party intermediary between consumers and businesses for financial transactions, design or renovation funds can be stored in a bank account that gives the protection of management by a professional team to both parties, creating a win-win situation. The customer needs not pay any additional fee to enjoy the protection of this "dedicated account management," and the third-party will manage the funds through a fixed contract of phased payouts for the renovations, reducing the chance of the consumer disputes once common in the renovation market and protecting the rights and interests of the customer.

Important Actions 1

Providing One-Stop Services of Real Estate

Building on the stable foundations provided by our existing business in real estate agency and overseas operations, we have effectively integrated up- and down-stream specializations. Additionally, through our agency department, we have successfully created all-new sales channels, providing customers with a full suite of property services, consultations, and investment advice. Sinyi brokers bring together a comprehensive skill set in real estate, helping buyers find the properties that best fit their needs. In 2017, they accumulated a total of nearly 9,000 customers, with successful transactions nearly doubling 2015 and accounting for nearly 55% of all transactions. Having created such a strong foundation, our brokers anticipate ongoing growth in 2018.

Important Actions 2

Expanding the Overall Scope of Group Operations

In the short-term, Sinyi Group aims to become the best real estate agency and provide the best service in customer's mind. In the medium and long term, we will work toward becoming the leading real estate industry brand in the Chinese-speaking world. We will transform our business model with open, innovative thinking, integrating "+Internet" operating models to span business operation platforms. In the future, our business will cover real estate agency, renovations, residential services, and more, and we will build on this to accelerate the group's ongoing business expansion.

04

Social Engagement

Material Topics in this Chapter

203 Indirect Economic Impacts

Industrial Development and
Policy Communication

Housing Justice

Promotion in Business Ethics

Why It's Material to Sinyi

For many years Sinyi has promoted the concepts of good faith and justice through cultural promotion and social education. We hold ourselves as models of this, and expand out from there into the public with these ideas. Since the founding of the company, Sinyi has worked to embed business ethics deeply into our daily operations and to promote these concepts among like-minded partners. As an industry leader, we actively promote the development and improvement of the industry, with a particular concern for housing justice and the provision of relevant policy suggestions. Our hope is that our long-term sponsorship of community building will help by expanding the concept of "home" to include neighbors' communities, cities, and even the country, addressing the sense of interpersonal alienation. Assessing infrastructure investment, service development, and both positive and negative impacts on communities and local economies, we hope to invest a variety of resources into community capacity building with their own distinctive cultures and ecologies, bringing together both long-term corporate development and social responsibility.

HIGHLIGHTS

"We are ONE" Project
honored with

9th Presidential Cultural Award

indigenous hope
category

The first selected
corporate in Taiwan

World's Most Ethical Companies

by Ethisphere

Received for the second
year running

Asia Responsible Entrepreneurship Awards

(AREA)
Social Empowerment Award

10th Taiwan Corporate
Sustainability Awards (TCSA)

Social Inclusion Award

MANAGEMENT APPROACH 103-1 103-2 103-3

Core Targets and Vision

Sustainability Principle / Faithful People → Faithful Company → Faithful Society

For a long time, Sinyi has put people at the core of our business philosophy and in our implementation of corporate social responsibility, emphasizing that “they are happiest that live where others care.”

We have brought together internal and external resources to invest in increased corporate and industrial competitiveness, and in deepened ethics and values, across **four pillars: community building, promotion in business ethics, refining industrial development of the real estate industry, and social philanthropy and donations.** All of this is done in the hopes of creating a better society.

In addition to establishing real estate transaction procedures with integrity, and building on the concept of using in the community what we take from it, we are making ongoing efforts to promote corporate social responsibility. **We make use of Sinyi's core competencies to match resources with supply and demand,** promoting ethical values and concepts and exerting our influence to create business opportunities and a competitive edge. Through this use of our core values, we aim to achieve our vision and goal of social integration, “**Faithful People → Faithful Company → Faithful Society.**”

Performance Highlights in 2017

Community Building

Communities are the foundation of society, the base unit of shared lifestyles, and through community building, we can promote collective lifestyles and community harmony.

98 %

Cumulative coverage rate of Community Capacity Building Project proposals: 362 townships across Taiwan

13,782 hours

In 2017, we held volunteer activities with 1,981 participants totaling 13,782 hours

Promotion in Business Ethics

We continually hold ourselves as models in the promotion of the Sinyi culture of integrity and ethics, and strive to build from there by expanding these concepts into the greater public.

16,692 participants

in Sinyi Lecture Hall Lessons

750 student participants

7th National Intercollegiate Business Ethics Case Analysis and Microfilm Competition

Refining Industrial Development of the Real Estate Industry

Sinyi continues to pay close attention to major development topics in the industry and to be involved in joint activities between industry, academia, and government to robust industrial development.

22nd Year

of Publishing Taiwan Real Estate Almanac

2 Industry Issues Conferences

A total of 367 people participated in conferences on issues around residential leases and senior living spaces

Social Philanthropy and Donations

Paying attention to the needs of the community, Sinyi works to bring together limited resources and provide them to those in need and to provide assistance to the underprivileged.

A Total of **4,797** Young Students

received Sinyi Charitable Grants

300 Creative Ideas

for youth-elderly joint project launched through “Better Together Activities,” fostering a new model of cross-demographic cooperation

Corresponding to the Sustainable Development Goals (SDGs)

 In-depth reporting: page 24 [SDGs](#)

Sinyi supports the SDGs. These SDGs in particular are relevant to our work on social engagement :



SDG4
Quality education



SDG8
Decent work and economic growth



SDG10
Reduced inequalities



SDG11
Sustainable cities and communities

[p.59](#) Community Building

[p.63](#) Refining Industrial Development of the Real Estate Industry

[p.61](#) Promotion in Business Ethics

[p.65](#) Social Philanthropy and Donations

COMMUNITY INVESTMENT AND OUTCOMES

203-1

203-2

Industrial

Residential

Ethics

SDG 8

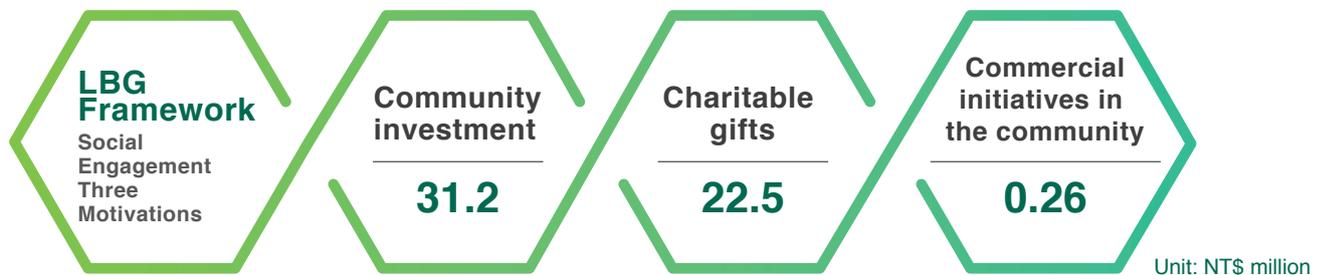
SDG 10

SDG 11

Sinyi Realty has long promoted various projects through for social engagement through dedicated departments such as the Public Affairs Department, Real Estate Planning and Research Office, and Chief Strategy Officer Office. Through cooperative efforts in community building, promotion in ethics, industrial development, charitable donations, and more, we bring together local residents, businesses, and suppliers to give back to the community.



To continuously and effectively manage the resource inputs and outputs involved in this social engagement, we introduced the London Benchmarking Group (LBG) framework¹ in 2018 to facilitate systematic analysis and LBG assurance. Assessing the quantitative effects produced by these social inputs and outputs will contribute to more efficient resource allocation in the future, ensuring planning of such continues to improve. Based on the LBG framework, we pursue and assess contribution to the community (excluding management costs) through three motivations of contribution, “charitable gifts,” “community investment,” and “commercial initiatives in the community.”



Through the four pillars of community building, improving development in the real estate industry, promoting business ethics, and social philanthropy and donations, Sinyi Realty aims to realize our vision and goals for social engagement. In terms of the main contribution inputs under the LBG framework, in 2017 we input a total contribution to the community of NT\$61,864,119 (including management costs).

Unit: NT\$ million

29.2 Community Building

- Financial: [Community Building](#) activity funding, [Sinyi Volunteers](#) Project funding, community service activities
- HR: [Sinyi Volunteers](#), [Community Building](#), and community service activities staffing

4.6 Refining Industrial Development of the Real Estate Industry

- Financial: Sponsoring public associations, funding for industry seminars, funding for the [NCCU College of Commerce Sinyi Research Center for Real Estate](#), funding for the [Taiwan Real Estate Almanac](#), funding for the [Sinyi Realty Price Index](#)

15.3 Promotion in Business Ethics

- Financial: [Sinyi School at NCCU](#), [Sinyi Lecture Hall](#), various industry-academia cooperation development funds, sponsorship of research and education
- HR: Sinyi Lecture Hall staffing
- Physical: Sinyi Lecture Hall venue and equipment

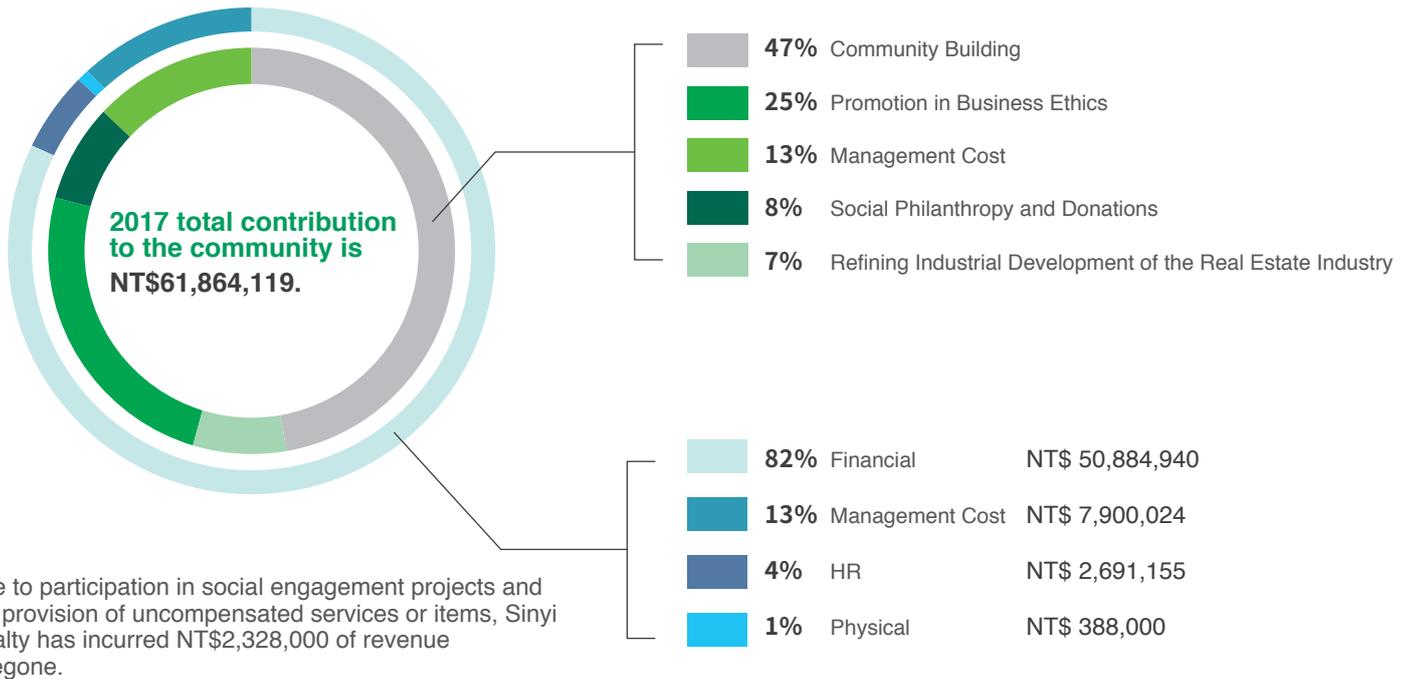
4.9 Social Philanthropy and Donations

- Financial: [Moon Bus](#) and social philanthropy related funding and sponsorship

7.9 Management Cost

- Social engagement and related project inputs, PR and communication costs, operating costs, etc.

¹The LBG framework is a set of metrics that enable companies to understand their contribution to industry and society, providing a strategic assessment mechanism for comparison with other companies and development of social engagement programs.



Outcomes

Benefits to Business

Communicating Brand Values of Putting People First:

We insist on a business philosophy of providing caring, humane service.

Continually Giving Back to and Maintaining Relationships with the Community:

In the provision of our day-to-day services, we build positive relationships with local residents and create a virtuous cycle that gives us a competitive edge.

Encouraging Sinyi Volunteers to Lend a Hand:

By promoting Sinyi Volunteer Activities, we foster among the participant staff a deep appreciation for reaching out and helping others, which also shows through in their customer service.

Retaining and Cultivating Talents:

Through industry-academia cooperation, internships, and scholarships, we not only encourage the passing on of professional knowledge, but also communicate Sinyi Realty's commitment to putting people first, putting duty ahead of profits, and thinking positively to help retain and cultivate talents.



Business:

A total of 2,267 staff participated during working hours, with another 470 using a total of 3,760 personal leave hours to additionally participate.

Benefits to Society

Promoting in Business Ethics and Enhancing International Influence:

Through establishing the Sinyi Center for Culture Studies in cooperation with Peking University, we are able to explore business ethics research and promote the implementation of the spirit of ethics in business. At the end of 2017, a Sinyi Lecture was held with Professors Shi-jun Xu and Wei-ming Du joining chairman Chun-chi Chou to talk about "Confucian Tradition and Entrepreneurship," drawing eager attendance by people from all over.

Refining Industrial Development of the Real Estate Industry:

We continue to publish the "Taiwan Real Estate Almanac," faithfully recording the development of the real estate market in Taiwan. Working with National Cheng Chi University, we have established the Sinyi Research Center for Real Estate, deepening real estate research and holding a number of conferences to share our experience.

Providing Lifelong Learning Opportunities:

We establish the Sinyi Lecture Hall to promote lifelong learning. We are committed to promote business ethics and enable the community towards progressive and more perfect development.

Therapeutic Art Installation:

With Taipei City being a World Design Capital, we worked with the Taipei City Government on creating the Moon Bus, bringing a bit of therapeutic warmth to a corner of Taipei.

Awakening Public Participation in Community Building:

By promoting the Community Capacity Building Project, we promote public participation in community building, benefiting many communities by making them happier and, by doing something for this land of Taiwan, helping bring Taiwan closer to being one happy family.

Driving Stakeholder Participation in Social Engagement:

By coordinating the resources of our branches with those of local leadership and suppliers, we can jointly organize events that make use of our specialist skills to benefit society.



Community and Society:

A total of 174,136 participants and 89 groups participated in these events.

Community Building

Material Topics

103-1 103-2 103-3 203-2 SDG8 SDG10 SDG 11

203 Indirect Economic Impacts

2017 Goals

98%

Cumulative Proposal Coverage Rate

Projects to participate in townships and districts across Taiwan

45%

of Proposals from Tertiary Institutions

Expanding participation across groups and encouraging college student participation

12,000 Volunteer Hours

1,800 participants

What We Achieved

98.36%

Target Achieved

Cumulative Proposal Coverage Rate

Accumulated proposals from 362 of Taiwan's 368 townships and municipalities

49%

Ongoing

of Proposals from Tertiary Institutions

Cumulative total of 79 proposals from 161 colleges and institutions

13,782

Ongoing

Volunteer Hours

In 2017, we held Sinyi Volunteer activities with 1,981 participants totaling 13,782 hours. From 2007 through 2017, we had a total of 18,080 people participate in volunteer activities over 134,508 hours.

How We're Doing It

Responsibilities

Total Ethical Management Committee—Social Inclusion Group

Resources

Annual investment of NT\$20 million in community building

Financial: "We are ONE" Project funding, Sinyi Volunteers funding

Physical: Free sponsored tents for community activities

HR: Sinyi Volunteers, Community Capacity Building Project executive staff

Knowledge: Community Capacity Building Project website, "We are ONE" Project Facebook group

Grievance Mechanisms

Stakeholder Engagement section

Evaluation Mechanisms

Community Building Grants Guidelines: A reasonable allocation of resources will be made based on the result of proposal review by a committee including a judging panel, the proposal maker(s), and members of the public

Meaning to Sinyi

Our hope is that our long-term sponsorship of community building will help make communities and society better by expanding the concept of "home" to include neighbors, communities, cities, and even the country. Through this, we will address the sense of interpersonal alienation, building community capacity with their own distinctive cultures and ecologies.

Our Commitments

Through ongoing community-building efforts, we plant the seeds of care in communities, expanding the scope of each person's attention from the home to the community, and ultimately to the entire nation.

First CSR Impact Award

The "We are ONE" Project was honored at the first CSR Impact Awards in 2017 with an award for Social Contribution and Influence. This award was jointly established by PwC Taiwan and the Cannes Lions International Festival of Creativity, and aims to encourage creative incorporation of CSR into practical actions in order to increase influence. The results and record of Sinyi Realty's work through the Community Family Project over the past 13 years was condensed into a two-minute CSR case film, showcasing the contribution and social influence that earned us this award.



For more information, please see the CSR Impact Awards website at <https://csrconsulting.wixsite.com/csrimpactaward>

Long-term Investment in Community Building Makes Sinyi the Only Private Enterprise to Receive the Presidential Cultural Award



In 2017, Sinyi Realty was honored with the Presidential Culture Award - indigenous hope category for our 13 years of community work with the "We are ONE" Project, **becoming the first Presidential Cultural Award recipient from the private sector.** This is not only an affirmation of the project, but also presents a model for companies to practice charity and give back to Taiwan through action. The Public Television Service dispatched a team to do interviews and shoot a documentary covering the "We are ONE" Project and the stories of what it has done for communities, helping further expand the influence of the project.



For more information, please see the PTS documentary at <https://www.ptsplus.tv/video/2-2018444-1-4>



For more about the "We are ONE" Project, its winning of the Presidential Cultural Award, and its 13 years of sowing hope around Taiwan, please see the website at <http://www.sinyi.com.tw/about/stone-content.php/406>



To learn more, please visit the Presidential Cultural Award Album at <https://www.pts.org.tw/DiChiaLa/P4.html>

Community Capacity Building Project

(2004 - 2014: "We are ONE" Project / 2015 - 2024: Community Capacity Building Project)



Action Plan 1: Launch the second ten-year phase of the Community Capacity Building Project, calling for broad public participation

Encourage the concept of community capacity building to take root from a young age, expanding to elementary school teachers and students

Action Plan 2: Integrate group power, connect public and private sector resources, and strengthen social influence

Work with Soil and Water Conservation Bureau and Youth Development Administration

The "We are ONE" Project is the longest-running and largest corporate-supported action plan for building communities, having been in place since 2004. In 2015, we unrolled Stage 2 of the project, the decade-long Community Capacity Building Project that we hope will help make community building a national movement by building on the accomplishments of the preceding decade.

In 2017, 748 proposals were made to the Community Capacity Building Project, and 221 organizations were selected by the jury to receive substantial sponsorship. As of 2017, a total of 8,799 proposals had been received, covering some 98% of Taiwan's townships and municipalities and 45% of tertiary institutes. Of these, 1,960 had passed jury selection and received sponsorship.

Over the past 13 years, we have seen changes in society as time has progressed, and proposals have evolved from simple improvements to community facilities to promoting human interactions and spontaneous investment into cultural heritage. In recent years, the age group participating in community activity has lowered and ethnic groups more and more diverse. For example, young people returning to their hometowns are using technology to create business opportunities there, immigrants from Southeast Asia are participating in their new communities, and elementary school students are taking practical actions to show their care and concern for the land. Such a richness of results springs directly from the belief that wherever one's heart is, is home. Sinyi Realty will continue to expand the "We are ONE" Project into the future, and hopes that everyone will get involved in building up the soft power of Taiwanese society.

For more information, please see the Community Capacity Building Project website at <http://www.taiwan4718.tw/index.php>

To learn more, please visit the webpage on the press conference for Community Capacity Building Project 2017 at <http://www.sinyi.com.tw/knowledge/newsCt.php/8687/1>

Sinyi Volunteers

Going into Communities Nationwide through Practical Service by Sinyi Staff

Sinyi Volunteer Services began in 2007, inviting our staff to share in social **prosperity by bringing together our core competencies to provide help to society where it is needed**. Such efforts cover a broad range, from computer software and applications, through telling stories to children in remote rural locations and interacting with the elderly, to working on water purification, helping coastal communities with flood control, and assisting in organic harvesting. All of these are concrete actions aimed at bringing the community together as one family. Each month, we hold at least two volunteer activities aimed at serving the needs of society, generally seeing spots fill up almost immediately upon announcement of each new activity.

In 2017, we held a total of 28 volunteer activities with 1,981 participants totaling 13,782 hours. Since 2007, we have had a cumulative total of 18,080 participants in 134,508 hours of volunteer service, and we intend to continue these efforts to give back to the community over the long term.

For more information, please see the [Sinyi Volunteer website](#)



Chiu-si Wang,
Senior Manager,
Guanpu Branch

The work developing the public museum in Zhonghe Community and the surrounding area involved effort and dedication, but through it, the living environment the residents enjoy has been changed for the better. Under the guidance of the community, Sinyi Volunteers repainted the walls of the museum, giving it a whole new look. Hopefully I'll have another chance to work with the community and do more to help build it up.



Ching-chou Liao,
Senior Manager,
Zhongyi District

I'm very grateful to the Chiayi County Everlasting Development Association for giving us at Zhongyi District the opportunity to do something for their community. The Association is committed to serving the elderly, underprivileged, and immigrant mothers of the community, and over the past few years, we have all been moved to have been able to work on establishing more care centers for their elderly residents. We want to keep reaching out to the people of Chiayi, giving back to the community, and we will keep giving our all for the April carnival activities.

Promotion in Business Ethics

103-1 103-2 103-3 **Ethics** **SDG 4** **SDG 10**

Material Topics

Promotion in Business Ethics

Meaning to Sinyi

For several years, we have not only strived to uphold a high standard of business ethics in our own operations, but also to harness the wisdom and power of the crowd to bring like-minded groups on board and jointly work to plant strong roots of business ethics in Taiwanese society, realizing that commitment to justice.

Our Commitments

In line with SDG 4, we aim to ensure inclusive and quality education for all and promote lifelong learning. Through cultural promotion and community education, we aim to reinject a sense of trust and duty back into the community, businesses, and individuals, further promoting an upright social atmosphere and elevating quality of life.

2017 Goals

100 Seminars for **16,000⁺** People

Sinyi Lecture Hall aims to hold 100 seminars for over 16,000 participants each year, increasing our influence

80 Teachers

National Business Ethics Teachers Summer and Winter Target Training Camps

What We Achieved

97 Free Seminars

Ongoing

Sinyi Lecture Hall provided seminars for a total of 16,692 participants in 2017

65 Teachers

Ongoing

2017 National Business Ethics Teachers Summer and Winter Camps

How We're Doing It

Responsibilities

Total Ethical Management Committee—Social Inclusion Group
Sinyi School at NCCU, Sinyi Lecture Hall, Chinese Business Ethics Education Association

Resources

Financial:
Sinyi School at NCCU, Sinyi Lecture Hall, various industry-academia cooperation development funds, sponsorship of research and education

Physical:
Publishing books on business ethics, developing research and teaching materials

HR:
Sinyi School at NCCU, Chinese Business Ethics Education Association executive staff

Grievance Mechanisms

[Stakeholder Engagement](#) section

Evaluation Mechanisms

Sinyi Lecture Hall Satisfaction Survey (per class)

2017 Highlights

"Deepening Business Ethics, Building a Society of Trust and Justice" wins at 2017 Asia Responsible Entrepreneurship Awards



In 2017, Sinyi Realty's "Deepening Business Ethics, Building a Society of Trust and Justice" was brand once again at the "Nobel Prizes of Sustainability," the Asia Responsible Entrepreneurship Awards (AREA), receiving the Social Philanthropy Development Award and becoming the first Taiwanese real estate company to be so honored. This international affirmation highlights our long-term promotion in business ethics, our encouragement of public participation in community affairs, and our realization of the goals of corporate social responsibility.

For more information, please refer to <https://enterpriseasia.org/area/projects/sinyi-realty-inc/>

Sinyi Lecture Hall Wins Social Inclusion Award at 10th Taiwan Corporate Sustainability Awards



In 2017, Sinyi Lecture Hall was honored for its work creating a new era of ethics education and communicating concepts of environmental care through the WildView Film Festival. Ethics has always been at the core of Sinyi Realty, and the Sinyi Lecture Hall has been set up as a platform for promoting exchange around concepts of corporate social responsibility, creating synergy through working with like-minded external partners. Every year, the WildView Taiwan Film Festival strives to elevate the community's awareness of ethical values and environmental issues through world-class films and Sinyi Lecture Hall journeys, echoing Sinyi's sustainability goals and strategies, while also being built around low-carbon innovation in recent years.

To learn more, please see the WildView Film Festival page at <http://www.wildviewtaiwan.org.tw/festival>

Sinyi Lecture Hall

Expanding Influence of Community Education

Elevating Ethical Consumption through Community Education



Through a series of courses around these six themes, the Sinyi Lecture Hall promotes public awareness of business ethics, humane lifestyles, environmental protection, community care, living spaces, and happy families. Since April 2011, the Academy has gradually grown into an influential community learning brand, and it continues to accumulate results in long-term education in culture and ethics.

In 2017, our efforts continued in cooperation with the WildView Taiwan Nature Communication Society, with the Sinyi Lecture Hall hosting the opening film of the 7th WildView Film Festival, which this year was themed around "parents and children." In addition, building on 2017's theme of "Looking to the Future of Happy Communities through Design," we worked with the Chinese Society of Interior Design (CSID) on a series of six events over two quarters focusing on popularizing design knowledge. Over the course of the year, we held 97 seminars (including two concerts), with 16,692 people attending. This averaged out to nearly 200 attendees per seminar. Overall, there have been 613 events with almost 100,000 attendees.



For more information, please see the Sinyi Lecture Hall website at <http://www.sinyischool.org.tw/index.php>



Sinyi School at NCCU College of Commerce

Deepening Ethical Education

Increasing the scale of Students Taking Part in Courses and the Levels Available



In 2012, Sinyi Realty and the NCCU College of Commerce joined forces to launch the business ethics focused Sinyi School at NCCU, using education, research, and promotional efforts to nurture future business talent with a grounding in ethics.

Education: The Sinyi School at NCCU assists the NCCU College of Commerce in planning specialist courses in ethics across all areas, making NCCU the first school where business ethics is a compulsory subject. At the end of 2017, the curriculum resources and depth of the curriculum were improved by adjusting the number of compulsory ethics courses at doctoral level from 0 credits to 1 credit, a change that will go into action in 2018.

Research: We assist domestic scholars in writing research papers and case studies on business ethics, systematically improving the quality of said research. In 2017, a total of 5 papers, 7 cases, and 1 Ministry of Science and Technology Project were subsidized. We also send teachers abroad for intensive studies, hold workshops, and set up events to share and refine teaching methods. Research teams also write up their results and submit them for journal publication.

Promotional Efforts: Working with international schools and departments, including Cambridge University and the Chinese University of Hong Kong, we hold exchanges, cooperation with other businesses, organize seminars and fora, offer special internships, visits, and career activities. In 2017, our external influence grew, with many external organizations such as Greenpeace, Unilever, and Global Views Monthly actively consulting and cooperating with us.



For more information, please see the Sinyi School at NCCU website at <http://www.syschool.nccu.edu.tw>



Chinese Business Ethics Education Association

Accumulating Educational Resources in Business Ethics

Cultivating Teachers of Business Ethics, Creating a Platform for Exchange among Teachers, and Elevating the Quality of Research



Each year, we hold national teachers' camps on business ethics, taking an interactive and shared approach to education in order to stimulate innovation in the teaching of business ethics. In 2017, the summer and winter camps saw some 65 teachers take part. Teachers have engaged in a cumulative total of 129 educational cases, 263 teaching demos, and 24 experience sharing conferences.

In 2017, we worked with Chang Jung Christian University to hold the 7th National Intercollegiate Ethics Case Study Analysis and Microfilm Contest, using pre-contest workshops and the shooting of microfilms to help students get a more practical understanding of how business ethics are put into action. A total of 138 teams signed up for the contest, 68 teams in the case analysis group and 70 teams in the microfilm group, for a total of 750 students participating. In the end, the top three teams in the former group were named, and six teams in the latter given commendations.



For more information, please see the CBEEA website at <http://www.cbeea.org.tw/>
For video, see the contest website at <http://sites.cjcu.edu.tw/2017be/home.html>



Refining Industrial Development of the Real Estate Industry

Material Topics

Industrial Development and Policy Communication
Housing Justice

103-1 103-2 103-3 Industrial Residential SDG 4 SDG 8 SDG 10 SDG 11

Meaning to Sinyi

Even before the government launched an effort to record and disclose actual housing prices, Sinyi has been at the forefront of disclosure of transaction records in the real estate industry, keeping comprehensive information on property rights to ensure that consumers are well aware of their rights. With regard to major developments in the industry, Sinyi will continue to focus on and be involved in joint activities between industry, academia, and government, with the hope of providing the government with reliable policy recommendations that will help foster robust industrial development.

In response to SDG 10, we promote appropriate legislation, policy, and action that will foster housing justice and industrial development, reducing inequality. Similarly, with reference to SDG 11, we are working hard to provide appropriate, safe, and affordable housing and basic services.

Our Commitments

With high real estate prices having attracted much attention among society in recent years, the holes in the market system are being highlighted, and a number of related issues have come to the fore. Industry policy plays a vital role in leading the way toward a safer, more reasonable, and more efficient environment for both providers and consumers of real estate services.

2017 Goals

Regularly Publish Taiwan Real Estate Almanac

Continue to faithfully track and record the real estate market each year

Participate in Major Policy Exchange Activities

Assist the Construction and Planning Agency in conducting surveys of residential demand trends, participate in Ministry of the Interior policy symposia, and hold conferences

What We Achieved

22nd Year

of Publishing Taiwan Real Estate Almanac

In 2017, we again published our Almanac, collecting developments and key issues in real estate for the year

Ongoing

2 Industry Issues Conferences

We assisted the Research Center for Real Estate in holding conferences on leased housing and senior living spaces, with a total of 367 people attending

Ongoing

How We're Doing It

Responsibilities

Total Ethical Management Committee—Social Inclusion Group
Sinyi Realty Corporate Research Office
CNCCU-Sinyi Research Center for Real Estate

Resources

Financial:

Sponsoring various associations, funding industry research activities

Physical:

Taiwan Real Estate Almanac

HR:

Sinyi Realty Real Estate Planning and Research Office, CNCCU-Sinyi Research Center for Real Estate executive staff

Grievance Mechanisms

Stakeholder Engagement section

Evaluation Mechanisms

Seminar Questionnaire Feedback

2017 Highlights

Global Chinese Real Estate Congress (GCREC) and Asian Real Estate Society (AsRES) 2017 Joint Conference



In July 2017, the Asian Real Estate Society (AsRES) and the Global Chinese Real Estate Congress (GCREC) held their joint conference in Taichung. This conference is a major event for the global real estate industry, with industry experts, government officials, and scholars giving talks, participating in roundtables, and holding doctoral fora. This year, 2013 Nobel Laureate in Economics Professor Robert J. Shiller of Yale University was specially invited to serve as keynote speaker. Chair of the CNCCU-Sinyi Research Center for Real Estate Professor Ming-chi Chen also chaired AsRES for 2017 and hosted the annual conference and accompanying international academic conference. The Center was responsible for recruiting volunteers, planning work and providing training, and coordinating timetables with researchers for submission of articles and press releases. In addition to sponsoring the event, Sinyi Realty also took part in a discussion on “The Compilation and Application of Housing Price Indexes.” Top scholars in the field from dozens of countries took part this year, with almost 500 overseas experts making their way to Taiwan. This was an outstanding opportunity for Taiwanese researchers to share in their guests’ wealth of experience and to exchange ideas and information, boosting the industry and research while also establishing a network for future exchange.



To learn more, please see the September 2017 Global Chinese Real Estate Congress Newsletter at http://www.gcrec.net/doc/GCREC_2017_Newsletter.pdf

Taiwanese Journal of Housing Markets and Analysis

Continue to Publish Taiwan Real Estate Almanac and Sinyi Realty Price Index

Taiwan Real Estate Almanac

Entering its third decade, the Taiwan Real Estate Almanac brings together pieces by government, industry, and academic experts to present a rigorous, objective, and detailed record of the Taiwanese housing industry and key issues in current real estate development. As such, it serves as a vital reference for such experts looking for an understanding of trends in the industry. In 2017, we published the 22nd edition of the Almanac, gifting copies to the libraries of real estate studies related departments at tertiary institutes for reference and research purposes.

 For more information, please see the Almanac listing at the CNCCU-Sinyi Research Center for Real Estate webpage, <http://www.ncscre.nccu.edu.tw/index.php?controller=yearbook&action=index>

Sinyi Realty Price Index and Sinyi Real Estate Review

Each quarter, Sinyi Realty publishes the **National Housing Price Index for Major Cities**, providing objective indicators regarding actual trends in housing prices. This is the only collection of long-term data on the second-hand market from the private sector. In the wake of the 2007 Financial Crisis, urban housing prices have experienced rapid and violent fluctuations. In response, we launched the **Greater Taipei Metropolitan Area Housing Prices Monthly Index**, helping those interested stay on top of changes in the housing market as a supplement to the quarterly index.

In addition, we also publish the “**Sinyi Real Estate Review**” each quarter, including macroeconomic indicators, real estate industry indicators, housing market analysis, trends in the real estate market, and news summaries, giving access to all this to clients, the industry, academia, and the government.

 For more information, please see the website at <http://www.sinyi.com.tw/knowledge/newslist.php/99/99/>

Policy Communication

Provide Professional Recommendations to Help in Policy Formulation

Surveys and Policy Discussion on Trends in Residential Housing Demand

In 2017 we assisted the Construction and Planning Agency in conducting surveys of housing demand trends, collecting over 400 individual surveys each in January and June, the content of which reflected the nature of the demands of home buyers and serves as a reference for government policy formulation and industrial analysis. We also participated in the Ministry of the Interior’s Property Information Platform project review and policy discussion, reflecting issues of concern in the industry and providing recommendations for future policy and project adjustments.

Representation in Industrial Organizations

Sinyi has participated in the Chinese Association of Real Estate Brokers, playing an important role and representing the industry in providing professional recommendations and fighting for stakeholder interests.

1. Member of the Executive Council of the Complaints Review Committee: Arbitrated in real estate purchasing or leasing disputes, assisted city government in resolving a variety of consumer disputes. In order to protect both the cityscape and the purchasing rights of consumers, we assisted members in communications with the city government to coordinate safe, thorough advertising principles, resulting in a marked reduction in penalties and greater protection of consumer rights.
2. Member of the Joint Regulatory Committee and Deputy Chair of Taipei City Association Legal Committee: Assisted brokerage industry in researching remuneration methods for services and representing industry to legislators and Executive Yuan in fighting for related rights. Also worked with Ministry of the Interior to update brokerage industry service systems and design new measures. Represented Joint Committee in meetings with the Ministry of Justice, helping with consultation and confirmation on applicable methods for prevention of money laundering in the industry and the scope of said methods. Represented Association in meetings on amendments to the Real Estate Broking Management Act.

Conferences on Popular Topics

We helped the CNCCU-Sinyi Research Center for Real Estate hold “Promoting Residential Leasing Market Upgrades” and “Welcoming an Aging Society: New Ways of Thinking about Residential Environment Planning” fora, attracting 193 and 174 attendees respectively. The two both covered topics of substantial attention and important policy in 2017, and these conferences helped promote industry-academia-government communication on them, with major abstracts and recommendations recorded in the Almanac.

Deepening Industry-Academia Cooperation

Continuing to work with various schools on corporate internships and courses

Industry-Academia Cooperation

Sinyi Realty continues to work with a number of schools and departments, setting up internship programs, working together to design real estate industry courses, providing speakers from the industry, and offering corporate visits. Through this effective integration of research resources, we are able to improve research into the industry and promote the development of both the study of the industry and new techniques.

 For more information, please refer to p.40, the “**Talent Development and Cultivation**” part of the Caring for Staff chapter



Social Philanthropy and Donations

Material Topics

Housing Justice

103-1 103-2 103-3 Residential **SDG 4** **SDG 10**

Meaning to Sinyi

In response to these social changes, Sinyi actively works to provide assistance to the underprivileged, caring for those on the margins while also alleviating the burden on the government, society, and families. Bringing together resources is one means of transforming concern into action, and as such we provide oft-overlooked rural communities and underprivileged groups that suffer from social structural conflicts with timely help and care, realizing our principle of giving back to society what we take from it.

Our Commitments

Corporate social responsibility demands above all paying attention to the needs of the community, using the power of the company and teamwork to bring together limited resources and provide them to those in need. In recent years, changes in the social environment, including Taiwan’s aging population and growing numbers of new immigrants, have created new challenges that we need to face together.

2017 Goals

Helping the Underprivileged

Providing lifestyle and emergency assistance to the elderly, children, women, new immigrants, and other such groups.

Scholarship and Grant Programs

Providing Sinyi Charitable Grants and Shiner Foundation Scholarships to help students successfully complete their studies

What We Achieved

300 Creative Ideas Ongoing
for youth-elderly joint project launched through “Better Together Activities,” fostering a new model of cross-demographic cooperation

4,797 Rural Sinyi Students Ongoing
Over 18 years we have provided 4,797 children with Sinyi Charitable Grants

How We’re Doing It

Responsibilities

Total Ethical Management Committee—Social Inclusion Group
Sinyi Charity Foundation

Resources

Sinyi Charitable Grants: Annual sponsorship of NT\$525,000

Financial: Funding for Sinyi Charity Foundation activities, academic grants and scholarships, rental subsidies for single-parent new immigrants, emergency relief funds

Physical: Donations of items, medical equipment, and baking equipment

HR: Dr. Red Nose Association and other partner organizations

Grievance Mechanisms

[Stakeholder Engagement](#) section

Evaluation Mechanisms

Based on program application guidelines

2017 Highlights

“Little Pumpkin’s Spooky Party” Halloween Party

For Halloween, the Dr. Red Nose Program organized “Little Pumpkin’s Spooky Party,” with Sinyi Volunteers joining the Dr. Red Nose Program in entertaining the children, as well as collecting a variety of Halloween props through the Internet to help create an unforgettable experience.



[Party Report](#)

Mr. Hung Hsun Memorial Park: Promoting environmental sustainability and planting the seeds of a green community



On 2017’s International Day of Forests (March 21), Sinyi Charity Foundation and National Chiayi University’s Department of Horticultural Sciences jointly inaugurated the Mr. Hung Hsun Memorial Park in Guye Borough, Xinying District, Tainan City. Covering just under 1,200 square meters, the park sits on land provided free of charge by chairman of the Sinyi Charity Foundation Hsin-ho Lin. With the university’s horticulture specialists invited to participate in the planning, a park focused on community building and caring for the elderly was created, giving residents a place to plant, protect, and use trees, encouraging greater community involvement in tree planting. The hope is that the land will become a unique local forest park and a new place for elderly residents to be active, creating a model for senior-friendly, low-carbon, sustainable community.

[Event Report](#)

Other Charitable Activities

Stress Relief and Charity, Moon Bus, Senior Citizen Friendly Stations

[Other Charitable Activities](#)



Sinyi Charity Foundation

In response to changes in social structure, the Sinyi Charity Foundation provides new immigrants, the elderly, rural students, children with rare diseases, and other underprivileged groups with assistance and support. This takes many forms, including rental subsidies, depression prevention efforts, educational support for the impoverished, and emergency rescue efforts.

We have a variety of projects and programs to address the particular needs of various different groups, including:

 For more information: [Foundation Website](#)

Action Plan 1: Caring for new immigrants and providing financial support

Rental Subsidies for Single-Parent New Immigrants

 For more information: [Subsidies Program](#)

We provide short-term relief of some of the financial pressures that changes in family circumstances can create through rental subsidies.

Stakeholders' Feedback / Case Subject / Social Worker Feedback

"I'm an immigrant from Vietnam. I left my marriage because of domestic violence, and have had to raise my daughter by myself. My job doesn't pay much, but I'm lucky to have such an understanding and caring daughter. I work hard to give us a better life, and I tried applying for government support, but I kept encountering problems. I'm very grateful to the Foundation for helping us with a rental subsidy, and I hope that the subsidy will continue so that I can continue to raise my daughter."

- A 39-year-old divorced mother from Taitung (applied twice, currently in proceedings to secure custody from her husband)

"Single parents raising children alone can face all kinds of financial and health pressures, but thanks to Foundation subsidies they can continue to pay their rent and have a stable home. This, in turn, means they can find stable work and their children can enjoy a stable education, helping the families move in a positive direction."

- Tzu-jung Tseng, Volunteer, Pearl S. Buck Foundation Taipei Taiwan

Action Plan 2: Caring for the Elderly, Gung Ho

Gung Ho Activities

Seeks out creative ideas and action plans from the public for handling issues related to the elderly and new immigrants, providing funding for the implementation of 13 projects.

 For more information: [Project Page](#)

Elderly Depression Prevention Project

In cooperation with the John Tung Foundation, we organize lessons wherein elementary school children join elderly people, learning about aging. We also publish regular articles.

 For more information: [Project Page](#)

Stakeholders' Feedback / Gung Ho Activities



"I'm very happy that our 2017 proposals have been more diverse, with a number of cross-generational, cross-ethnic cooperations. It is obvious that through the competition design of the Gung Ho Activities, we are stimulating more creativity, sparking dialogue and participation between different groups and breaking through stereotypes of old age. We are seeing positive movement in projects for Taiwan's elderly, helping them recover their self-esteem and dignity and seeking new models of cross-community cooperation."

- Hsin-ho Lin, Chair, Sinyi Charity Foundation

Action Plan 3: Caring for Children's Health, Sponsoring Academic Growth

Sinyi Charitable Grants

Supporting outstanding students from elementary and junior high schools in Sinyi Township, Nantou, that were affected by the 1999 Jiji Earthquake.

 For more information: [Grants Report](#)

Shiner Foundation Scholarships

Providing scholarships to vocational high school students from grandparent family or single-parent immigrant families.

Dr. Red Nose Program

Together with the Dr. Red Nose Association, we send two-person groups to National Taiwan University Children's Hospital to give improv performances twice a week, bringing some joy into the lives of the young patients and their families and promoting child-friendly medical treatment.

 For more information: [Project Page](#)

Stakeholders' Feedback / Parent Feedback on the Dr. Red Nose

"My son has been hospitalized because of illness. I happened to encounter the troupe yesterday, when they had chosen my son to perform for. While at the time he didn't really have much of a reaction, once it was done, he kept talking about how much he wanted to see it again. I'm very touched by what they did, and would like to thank them very much for it."

~ Ms. Wu

"My little one absolutely loves you! Thank you so much for your company, you've brought color and joy to my child's life, and I want to thank each and every one of you!"

~ Ms. Yeh

05

Environmental Protection

Material Topics in this Chapter

303 Water

305 Emissions

Why It's Material to Sinyi

In the face of climate change and daily environmental deterioration, Sinyi Realty believes the best response is to use in society what we take from it. At the same time as pursuing reasonable profits for our real estate brokerage services, we should also value the resources the planet provides us and do all we can to promote climate action and innovative green services. In addition to raising awareness among consumers of carbon reduction and energy saving, such efforts also help us reduce our operating costs and strengthen competitiveness, making a concrete contribution to the sustainable development of Sinyi Realty.

HIGHLIGHTS

Model Award, Environmental Friendliness Group

First in the Real Estate Industry
14th Corporate Social Responsibility Awards

Climate Leadership Award

2017 10th Taiwan Corporate Sustainability Awards (TCSA)

Enterprises Environmental Protection Award

Awarded by the Environmental Protection Administration
26th Enterprises Environmental Protection Award

Carbon Reduction Label

Received Carbon Reduction Label

MANAGEMENT APPROACH 103-1 103-2 103-3

Core Targets and Vision Sustainability Principle / Pioneering Environmental Awareness in the Service Industry

Sinyi Realty has long viewed sustainable development as a responsibility. In implementing CSR, we have focused on **two major topics** on the environmental side, namely **low-carbon services and eco-efficiency**. By integrating internal and external resources, we can boost corporate competitiveness while also doing our part for the planet through sustainable development.

Performance Highlights in 2017

Low Carbon Services SDG 12 SDG 13

Climate change is one of the most pressing issues facing the planet, but along with it have come opportunities. We are working to lead our customers through a transition to a low-carbon economy, aiming to mitigate the impact of climate change.

17.96% Reduction

Carbon Emissions of per Real Estate Transaction
(Baseline Year: 2016)

Eco-Efficiency 303 305 SDG 12 SDG 13

Eco-efficiency is a concept that is built around seeking economic and environmental win-win situations, and presents an opportunity for businesses to turn the current crisis into an opportunity for transformation. By understanding the risks and returns involved in eco-efficiency initiatives, we strive to build a new model of sustainability for the real estate industry.

-3.07%

Carbon Emissions of Electricity Consumption per Person

-1.34%

Greenhouse Gas Emissions (Scope 1 & 2)

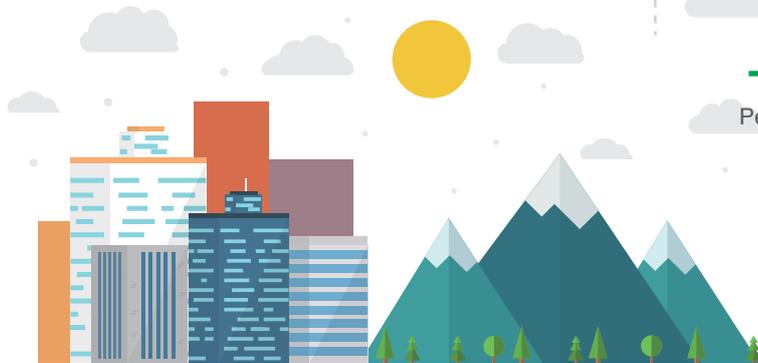
-32.82%

Paper Usage of per Real Estate Transaction

-2.36%

Per-Capita Water Consumption

(Baseline Year: 2016)



Corresponding to the Sustainable Development Goals (SDGs)

 In-depth reporting: page 24 [SDGs](#)

Sinyi supports the SDGs. These SDGs in particular are relevant to our work on Environmental Protection:



SDG12

Responsible consumption and production.



SDG13

Climate Action

Low Carbon Services

103-1

103-2

103-3

305

SDG 12

SDG 13

Material Topics

305 Emissions

Meaning to Sinyi

Climate change is directly related to the sustainable development of every country and to humanity's ongoing existence as a species, and as such, it is the most pressing challenge facing the global community and will have a direct impact on people's everyday lives.

While the real estate industry is not a major producer of carbon emissions and regulations, agreements, and laws regarding greenhouse gas emissions generally don't address our industry; nonetheless, as an industry with small consumption but substantial marketing, we have begun to attract more attention in this regard. As such, Sinyi Realty has in recent years not only established a basic foundation in carbon reduction internally, we have also begun to actively promote green services in the hopes of having a positive influence on the industry as a whole.

Our Commitments

Sinyi Realty places great importance on environmental sustainability. Through our development of low-carbon services, we are setting out to develop an operating model that reduces carbon dioxide emissions from each individual in the company and each time we provide a service. This model, which includes green services and energy conservation, will see us take on more social responsibility as we work to reduce our impact on the environment.

2017 Goals

-2%

Carbon Emissions of per Real Estate Transaction

Baseline Year: 2016

What We Achieved

-17.96%

Target Achieved

Carbon Emissions of per Real Estate Transaction

Baseline year 2016, reduction of carbon emissions per real estate service of 17.96%

How We're Doing It

Responsibilities

Total Ethical Management Committee—Green Management Group

Resources

HR:
Real Estate Management Department, "We are ONE" Project, Sinyi Volunteers, Digital Intelligence Center, General Affairs Administration Group

Knowledge:
Sinyi Lecture Hall Environmental Care courses

Grievance Mechanisms

Stakeholder Engagement section

Evaluation Mechanisms

Obtaining ISO certification and setting annual goals.

2017 Highlights

Drafted world-first real estate operation services product category rules (PCR) and applied for Carbon Reduction Label.

SDG 12 SDG 13

A carbon footprint is the sum total of greenhouse gas emissions produced directly and indirectly in the lifecycle of a product or activity, including the extraction and manufacture of raw materials, assembly, transportation, all the way to usage and waste processing or recycling.

In view of the lack of PCR documentation pertaining specifically to real estate business services, Sinyi Realty set out to draft the first such rules in the world, providing a resource for others in the industry to refer to when calculating the carbon footprint of real estate business services.



For more information, please see our Real Estate Product Category Rules (PCR) at <http://csr.sinyi.com.tw/environment/PCR.pdf>



Carbon Footprint Label
No.1616812001
per real estate transaction
<http://www.epa.gov.tw>

Carbon Reduction Label

In 2014, the Environmental Protection Administration launched their Carbon Footprint Reduction Label (also known as the Carbon Reduction Label), an advanced version of the Carbon Label.

The product carbon footprints of Sinyi Realty's real estate transaction that has received the Carbon Label was taken as the baseline for further reductions, and we were actually able to achieve our reduction targets ahead of time, receiving Carbon Reduction Label certification in 2017.



Carbon Reduction Label
No. R1716812001

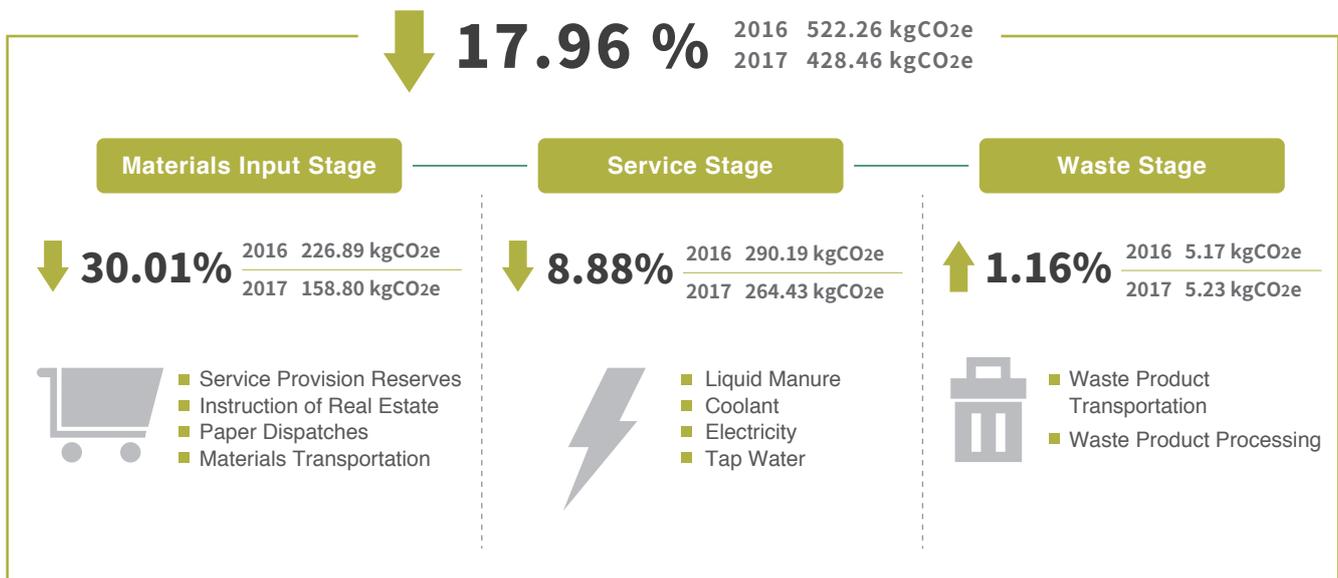
SPECIFIC PLANS

Build Sustainable Real Estate Brokerage and Respond to Climate Change SDG 13

Responding to Climate Change

Sinyi has incorporated climate change into our major risks to sustainable operations. Not only do we pay close attention to trends in global climate change and analyze the attendant risks, we also take active measures in response to customer demands, developing a variety of innovative green services. We undertake a systematic analysis of environmental and economic benefits associated with green services, quantifying their impact on the company. We also conduct annual inventories and set carbon reduction targets in hopes that our actions will contribute to the achievement of global targets.

Carbon Emissions of per Real Estate Transaction in 2017



Note 1: Production demands made with commissioned actors are considered personal behavior of clients and thus not within the scope of the inventory
 Note 2: Should an aforementioned service not provide service items, it is unnecessary to include it within the scope of the inventory

Sinyi Realty’s “per real estate transaction” inventory scope covers real estate purchases, sales, and rental demand and went through the entire service process to final contract signing. Emissions of greenhouse gases thus produced and released into the atmosphere then serve as reference data for future efforts and plans to reduce GHG emissions. This inventory includes all GHGs set out in the IPCC 2013 Fifth Assessment Report and compounds controlled by the Montreal Protocol.

2017 Inventory Results

Each real estate transaction generated 428.46kgCO_{2e}, of which 158.80kg-CO_{2e} (37.06%) is from the raw materials input stage, 264.43kgCO_{2e} (61.72%) from the service stage, and 5.23kgCO_{2e} (1.22%) from the waste stage.

Original 2017 goal

Reduce service carbon footprint by 2%. We actually reduced emissions by 17.96%, achieving our target early. Baseline Year: 2016

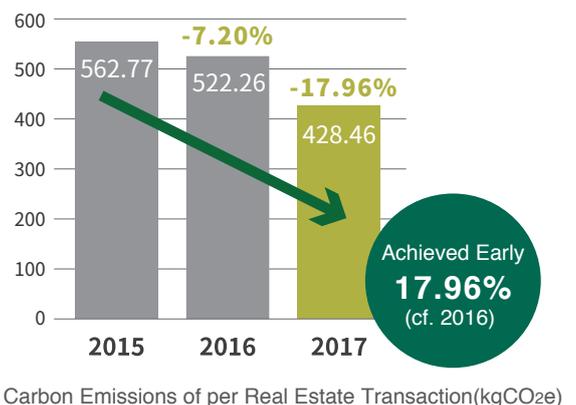
As such, we redefined our goal, aiming for a further per real estate transaction reduction of 6% by 2025 (baseline year: 2017), and we hope that our continued efforts in this direction will bring positive change in terms of creating a “low carbon society.”

Original Target

2017 reduction in carbon emissions of per real estate transaction: 2%

2020 reduction in carbon emissions of per real estate transaction: 5%

(Baseline Year: 2016)



Eco-Efficiency

Material Topics

103-1 103-2 103-3 303 305-6 305-7 **SDG 12** SDG 13

303 Water

305 Emissions

Meaning to Sinyi

As the global economy continues to grow, energy demands follow suit, which means energy costs have continued to rise. This has a substantive impact on the economic development of nations, and coupled with the pressure to reduce carbon emissions in the face of climate change, energy conservation has become an important development issue internationally.

Based on our implementation of corporate social responsibility in response to the issue of global climate change, Sinyi Realty continues to actively launch climate sustainability policies in hopes of providing our customers with even more innovative green services.

Our Commitments

Since 2016, Sinyi Realty has put in place ISO 50001 Energy Management Systems, aiming to implement effective management of energy resources. In 2017 we continued to undertake assurance with regard to said energy management systems, with the management scope of such broadened from energy resources to other environmental issues. We have further implemented ISO 14001 Environmental Management Systems, with accompanying assurance, to serve as the basis of sustainable development strategy planning.

2017 Goals

Implement ISO 14001 Environmental Management Systems

Set out programs and targets for environmental management to reduce environmental impact.

Continue to pass ISO 50001 Energy Management Systems Audits

Forging ahead in efficient energy management

What We Achieved

Received ISO 14001 Environmental Management System Certificate of Registration

Ongoing

Planned for ISO 14001 implementation in 2017, received certification in 2018

Passed ISO 50001 Energy Management Systems

Ongoing

Continue to forge ahead in efficient energy management

How We're Doing It

Responsibilities

Total Ethical Management Committee—Green Management Group

Resources

HR: General Affairs Administration Section, branches Taiwan-wide, Real Estate Management Department

Grievance Mechanisms

Stakeholder Engagement section

Evaluation Mechanisms

Obtaining ISO certification and setting annual goals.

2017 Eco-efficiency Performance

Action Plan 1: Reduce Energy Usage



3.07% ↓

Carbon Emissions of Electricity Consumption per Person

Action Plan 2: GHG Inventory



1.34% ↓

Greenhouse Gas Emissions (Scope 1 & 2)

Action Plan 3: Reduce Paper Usage



32.82% ↓

Paper Usage of per Real Estate Transaction

Action Plan 4: Reduce Water Usage



2.36% ↓

Per-Capita Water Consumption

REDUCE ENERGY USAGE

Continuing ISO 50001 Energy Management Systems audits

In 2016, Sinyi Realty introduced ISO 50001 Energy Management Systems (including at both head office and showroom locations), and in 2017, we continued conducting assurance on these systems. During this, we not only reviewed our related energy policies and management systems, but also undertook a full-scale review of our energy and air conditioning equipment in the hopes that through the PDCA process we would be able to hone our energy management effectiveness and be better positioned to achieve our energy and cost reduction goals.

Energy Management Measure: Introducing Japanese Ubiteq Energy Management System at Main Building

As the global economy continues to grow, energy demands follow suit, which means energy costs have continued to rise. This has a substantive impact on the economic development of nations, and coupled with the pressure to reduce carbon emissions in the face of climate change, energy conservation has become an important development issue internationally. In order to more fully exercise our commitment to corporate social responsibility, Sinyi Realty has introduced the Ubiteq Be Green Next (UGS) energy management system, with planning beginning in August 2012 and the system going into use in Q2 2013.

Implementation Method: Introduce visualizable services and transparency in energy information regarding air conditioning and lighting systems to optimize energy usage.

Energy-saving, Green Mark Certified Products Used at Branches

- Purchasing Green Mark or Energy Label IT equipment
- Using green building materials or Green Mark certified materials
- Renting Green Mark certified photocopiers
- Using environmentally friendly toner cartridges
- Using environmentally friendly variable frequency drive air conditioners at all operating locations
- Installed energy saving lights
- Reducing lighting usage and using high natural



Implement ISO 14001 Environmental Management Systems

Environmental problems come hand-in-hand with economic development. As humanity has created ever more prosperous economic conditions and enjoyed ever greater material wealth, we have also created ever more serious destruction to the environment that we depend upon for survival. Sustainable development is something to which Sinyi Realty has always been committed, and so we take environmental protection seriously. In 2017, we implemented ISO 14001 Environmental Management Systems, and in 2017 we passed the associated certification. Though methodical efforts to understand both internal and external situations and the demands of our stakeholders, we have transformed our evaluation of environmental aspects, looking for both risks and opportunities for the company and setting out environmental management plans and targets that will reduce our impact on the environment. ISO 14001 is a common requirement put forward for organizational environmental management from the governmental, societal, and purchaser perspectives. It aims to aid businesses in effectively preventing and controlling pollution and in improving the efficiency of their resource and energy usage. It is also one of the main standards in Sinyi Realty's pursuit of green goals.

Amending Sustainable Development Policy

Considering the ever more significant impacts of climate change, Sinyi Realty has worked to implement ISO 50001 Energy Management Systems, ISO 14001 Environmental Management Systems, and ISO 20121 Event Sustainability Management Systems in an effort to mitigate our environmental impact and adapt to the current situation. To this end, we have launched innovative green services that have not only raised customer awareness of energy conservation and carbon reduction, but also lowered operating costs, boosted competitiveness, and helped us in achieving our sustainable development goals. Sinyi Realty has recalibrated the group's energy, environmental, and sustainability management philosophies, setting out a "Sustainable Development Policy" to serve as the basis of management and goal-setting and to communicate the company's core values of sustainable operations.

GREENHOUSE GAS INVENTORY

305-1

305-2

305-3

305-4

305-5

SDG 13

In terms of energy information, we are actively introducing GHG inventory and management approaches. In 2014 and 2015, we undertook GHG inventories of our head office, and from 2017 we are expanding 2016's inventories to all branches, carrying out full GHG inventory and management across Sinyi Realty.

Sinyi Realty (Head Office and Operating Locations) Greenhouse Gas Inventory

In accordance with ISO/CNS 14064-1 requirements, the company's inventory includes direct (Scope 1) GHG emissions, energy indirect (Scope 2) GHG emissions, and other indirect (Scope 3) GHG emissions. In 2017, Sinyi Realty's total GHG emissions were 6,613.075 tonCO₂e.

For more information, please see the Sinyi Realty Greenhouse Gas Inventory Boundaries and Results and chart of Total Emissions of Seven Major Greenhouse Gases at <http://csr.sinyi.com.tw/environment/greenhouse-gases.php>

Reductions Performance

Sinyi Realty (Head Office and Operating Locations) Carbon Emissions from Electricity Consumption

As Sinyi Realty's electricity usage (Scope 2) accounts for nearly 90% of the total, we thus use carbon emissions of electricity consumption per person as our standard performance indicator for carbon management by the organization.

Compared with 2016, we have reduced carbon emissions by 3.07%, 11.47% down on 2015. We achieved our 2017 goal of a 2% reduction (baseline year: 2016) in carbon emissions of electricity consumption per person early, as well as our goal of a 10% reduction by 2025 (baseline year: 2016).

Re-set 2025 Emissions Reduction Goals

We have redefined our green targets in 2017, aiming for a further reduction in carbon emissions of electricity consumption per person of 4% by 2025 (baseline year: 2017).

Note 1: In 2015, 0.528kgCO₂e/kWh; in 2016 and 2017, 0.529kgCO₂e/kWh.

Note 2: Greenhouse gas emissions were calculated in line with the GWP values used in ver. 6.0.3 of the Environmental Protection Administration's Greenhouse Gas Emissions Factor Management Chart.

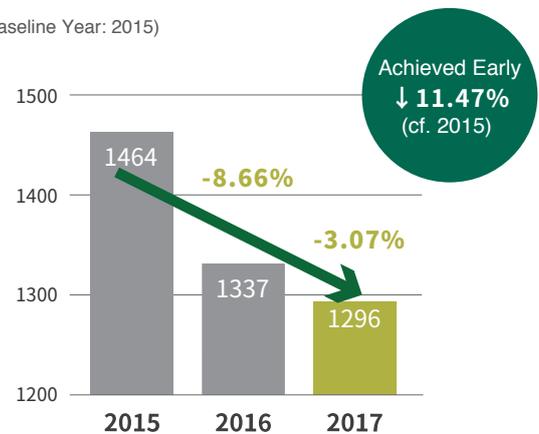
Note 3: GWP values are mainly drawn from the IPCC's 2007 Fourth Assessment Report.

Original Target

2017 reduction in carbon emissions of electricity consumption per person: 2%

2020 reduction in carbon emissions of electricity consumption per person: 10%

(Baseline Year: 2015)



Carbon Emissions of Electricity Consumption per Person (kgCO₂e)

Carbon Neutrality

In June 2008, the Executive Yuan passed the "Energy Sustainability Policy Guidelines," not only setting out carbon reduction and energy saving targets, but also advancing the demand that policy planning take into account carbon neutrality. Sinyi Realty has long promoted plans for carbon management and reduction, and in line with both national policy and international standards, in 2017 we launched a project to make our Tianmu East Road branch in Taipei, Chongde Branch in Taichung, and Chenggong Hanshin Branch in Kaohsiung carbon-neutral model stores. Using offset credits to offset whatever carbon emissions we could not reduce, and through passing third-party PAS 2060:2014 verification, in 2018 we were able to announce our successful achievement of carbon neutrality.

Sinyi Realty actively works to implement concepts of sustainable operation, and in the future, we will continue to make the most of our expertise and influence in an effort to inspire the business world to focus more on saving energy, reducing carbon emissions, and fostering a sustainable environment.

To learn more, please see our verification report statement at <http://csr.sinyi.com.tw/en/other/verification-report.php>

REDUCE PAPER USAGE

In the course of calculating Sinyi Realty's carbon footprint of per real estate transaction in 2017, we found that service-related paper usage accounted for the largest proportion of the carbon footprint at 31.26% of total emissions. This could have a substantial impact on the environment, and so we made reducing service paper consumption one of our green targets. To this end, we continue to introduce innovative green services, such as digital dispatches and social platforms, effectively reducing paper usage by turning to digital tools.

1. Expanding Social Platforms

In 2017, we had 136 applications to run a Line@ account and 125 for Facebook fan pages, a total of 261. In 2018, we will continue to assist sales staff in familiarizing themselves with running such digital tools, boosting their ability to make effective use of them.

2. The Next Evolution of Digital Dispatches

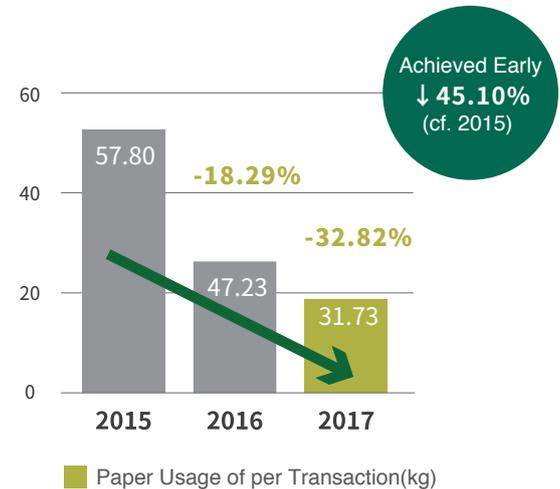
2017 saw the completion of the second stage of our trial run and system optimizations. Starting from the user perspective, the trial run process enabled us to troubleshoot the system and make corrections. In 2018, we plan to expand the use of digital dispatches to all branches across Taiwan, accomplishing a green service goal.

Original Target

2017 reduction in paper usage of per transaction: 20%

2020 reduction in paper usage of per transaction: 50%

(Baseline Year: 2015)



WATER FOOTPRINT

303-1

303-2

303-3

The real estate industry is not a high-water-use one, but in response to stakeholder concerns, we have included water resources in important issues in 2017 and added corresponding material topics. Regular tracking and management of water use data will be the basis for responding to future droughts or stakeholder requirements, as well as showcasing the results of the company's environmental protection efforts.

Most of the water resources consumed by Sinyi Realty were through everyday usage. In 2017, we began doing a water footprint inventory in accordance with ISO 14044 Environmental management—Life cycle assessment and ISO 14046:2014 Environmental management—Water footprint—Principles, requirements, and guidelines. In 2018, we passed ISO 14046 verification, with audit result showing a 1.32% reduction in water consumption in 2017 compared with 2016, including a 2.36% reduction on 2016 in per-capita water consumption (16.37% down on 2014).



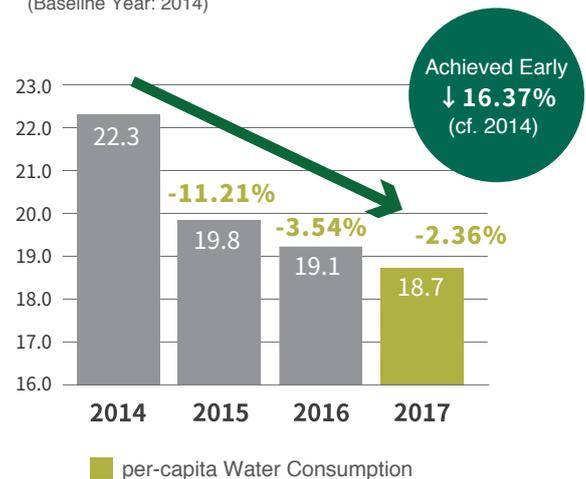
For more information, please see the website at <http://csr.sinyi.com.tw/en/environment/water-resources.php>

Original Target

2017 reduction in per-capita water consumption: 5%

2020 reduction in per-capita water consumption: 20%

(Baseline Year: 2014)



Waste Management

Waste product management is not a material issue for Sinyi Realty. More information is available on our Sustainability Website.



For more information, please see the website at <http://csr.sinyi.com.tw/en/environment/waste.php>

06

Supply Chain Management

Material Topics in this Chapter

414 Supplier Social Assessment

Why It's Material to Sinyi

Sinyi Realty considers our suppliers as an extension of the company. We clearly understand that working together with suppliers is key to advancing our sustainability goals. As such, we strive to extend our philosophy to our suppliers, jointly setting sustainability goals and introducing sustainability codes and bringing together relevant standards for supplier social assessments and procurement. This way, we can ensure our entire supply chain has corporate ethics guidelines to follow. We hope that in this way they will be able to work with us from a basis of shared core values toward a better world.

HIGHLIGHTS

100%

Signed Procurement Ethics Standards

100%

New Suppliers Inspection Rate

89.9 %

Key Suppliers Inspection Rate

239

On-Site Audit

MANAGEMENT APPROACH 103-1 103-2 103-3

Core Targets and Vision

Sustainability Principle / Building Sustainable and Ethical Supply Chains

By adhering to Sinyi Realty's business philosophy of excellence, we hope to deepen our building of sustainable and ethical supply chains, making strong supply chain management one of our goals. Through this, we aim to work with suppliers in supplying products and services that create, protect, and promote long-term economic, social, and environmental development. To achieve this, we will continue to communicate our values through both official and unofficial channels, providing suppliers with flexible means to share our corporate ethics and values philosophy as we work together toward our shared goal of sustainability. In terms of management, we will strengthen the implementation of supplier management procedures and ISO 20121 Event Sustainability Management, increase the rate of unscheduled supplier inspections, and continue to deepen the implementation of human rights provisions. In addition to our existing anti-corruption and human rights-oriented provisions, we will further introduce a CSR Code for suppliers focusing on environmental and social aspects, realizing our goal of building sustainable and ethical supply chains through sustainable supply chain management.

Performance Highlights in 2017

01 Signed Human Rights Terms



02 Signed Procurement Ethics Standards



03 Key Suppliers Inspection Rate



04 New Suppliers Inspection Rate



05 Existing Suppliers Inspection Rate



06 Key Suppliers Work-Related Injury Investigation



Corresponding to the Sustainable Development Goals (SDGs)

 In-depth reporting: page 24 [SDGs](#)

Sinyi supports the SDGs. These SDGs in particular are relevant to our supply chain management:



SDG3

Good health and wellbeing



SDG8

Decent work and economic growth



SDG12

Responsible consumption and production.

Sustainable Supply Chain Management

103-1 103-2 103-3

Material Topics

414 Supplier Social Assessment

Meaning to Sinyi

We consider our suppliers an extension of Sinyi, as well as key partners in advancing our sustainability goals. Since the founding of the company, suppliers have had a tremendous impact on our operations, products, and services, working together with us on supply chain management to create economic, social, and environmental benefits and push toward a more sustainably developing world.

Our Commitments

We are committed to responsibility in our screening, training, auditing, and guidance of suppliers, helping both sides grow together.

2017 Goals

100%

Signing of Human Rights Terms

All Suppliers Signed on to Human Rights Terms

75%

Implementation of Existing Suppliers Inspection Rate

Percentage of Existing Suppliers Inspected

Working with Suppliers to Implement Corporate Ethics

What We Achieved

100%

Target Achieved

Signing of Human Rights Terms

All Suppliers Signed on to Human Rights Terms

88%

Target Achieved

Implementation of Existing Suppliers Inspection Rate

Percentage of Existing Suppliers Inspected

Working with Suppliers to Implement Corporate Ethics

Suppliers Spontaneously Participating in Charitable Activities

How We're Doing It

Responsibilities

Total Ethical Management Committee— Supply Chain Management Group

Resources

In 2017, a total of 60 people were involved in supply chain management affairs for a total of 1430.5 person-days.

Grievance Mechanisms

Stakeholder Engagement section

Evaluation Mechanisms

Refer to 2017 Supplier Management Performance and 2018 Goals section

Specific Actions

Developing Sustainable Supply Chains

In 2017, we strengthened our on-site audit of key suppliers, increasing the number of unscheduled visits and expanding the scope of our reviews to cover our entire supply chain, ensuring more thorough implementation.

We have also added a CSR self-assessment form, and through the site visits and inspections, we can gain a clearer understanding of suppliers' grasp of sustainability standards and their implementation in the economic, social, and environmental aspects of corporate social responsibility. After visits, we provide a feedback form to discuss ways to refine practices and share our business philosophy. We strive to help suppliers to integrate the ideas and spirit of corporate ethics into their daily operations and to work together to develop sustainable supply chains.



Supplier Site Visits

We visited supplier Fuji Xerox, exchanging information on their practical implementation of CSR, learning about the benefits of new photo-copiers with regard to carbon reduction, and jointly developing plans for future cooperation.

Gung Ho with Suppliers

We consider our suppliers an extension of Sinyi, developing plans for growth with them and building consensus through sharing ideas. We also offer our own practical experience and provide assistance as needed, helping suppliers identify more with our conception of corporate ethics.

In the process of cooperating with suppliers in 2017, our staff actively share their own lessons from charitable work, and the emotional effect of such lessons can be contagious. Through our efforts toward consensus, we have built a team ready and able to assist Sinyi Living and to spontaneously develop charitable activities, as well as working like Sinyi to develop innovative services built on a foundation of corporate ethics.



From a Beneficiary of Supplier Charitable Activities

"In a clean space, the kids will learn to value the things. This change is less for me than for them, so thank you all for helping me take care of this home!"

- Miss Lee

SINYI REALTY'S SUPPLY CHAIN SYSTEM 102-9

In adhering to the Sinyi Realty business philosophy, we understand that working with our suppliers is key to advancing our sustainability goals. In our supply chain management, we see suppliers as an extension of our workforce and our community, and as such work with them to develop truly sustainable supply chains. At present, Sinyi Realty's supply chain system is as below:



Office Services Procurement Supplier

- Newspaper & Magazine
- Stationary
- Printing
- Others



Support Service Provider

- S/W & Network
- Satisfaction Survey
- Decoration Works
- Property management
- Others

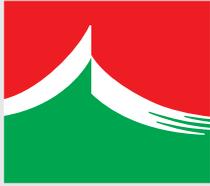


Real estate service provider

- Property Investigation & Evaluation



Pre-owned house
Sinyi Realty



Real Estate Broking Service



New/presold house
Sinyi REMA



Real Estate Sales Supplier

- Media procurement
- Internet media
- Internet Marketing
- Printing
- Others



Real Estate Service Provider

- Land Agent Services
- Escrow



Living Service

- Living Service Center



Living Service Provider

- Interior Design
- Turn-key Project
- Repair Works
- Peripherals
- Peripheral service
- Water Leakage
- Warranty Service

SUSTAINABLE SUPPLY CHAIN MANAGEMENT STRATEGIES

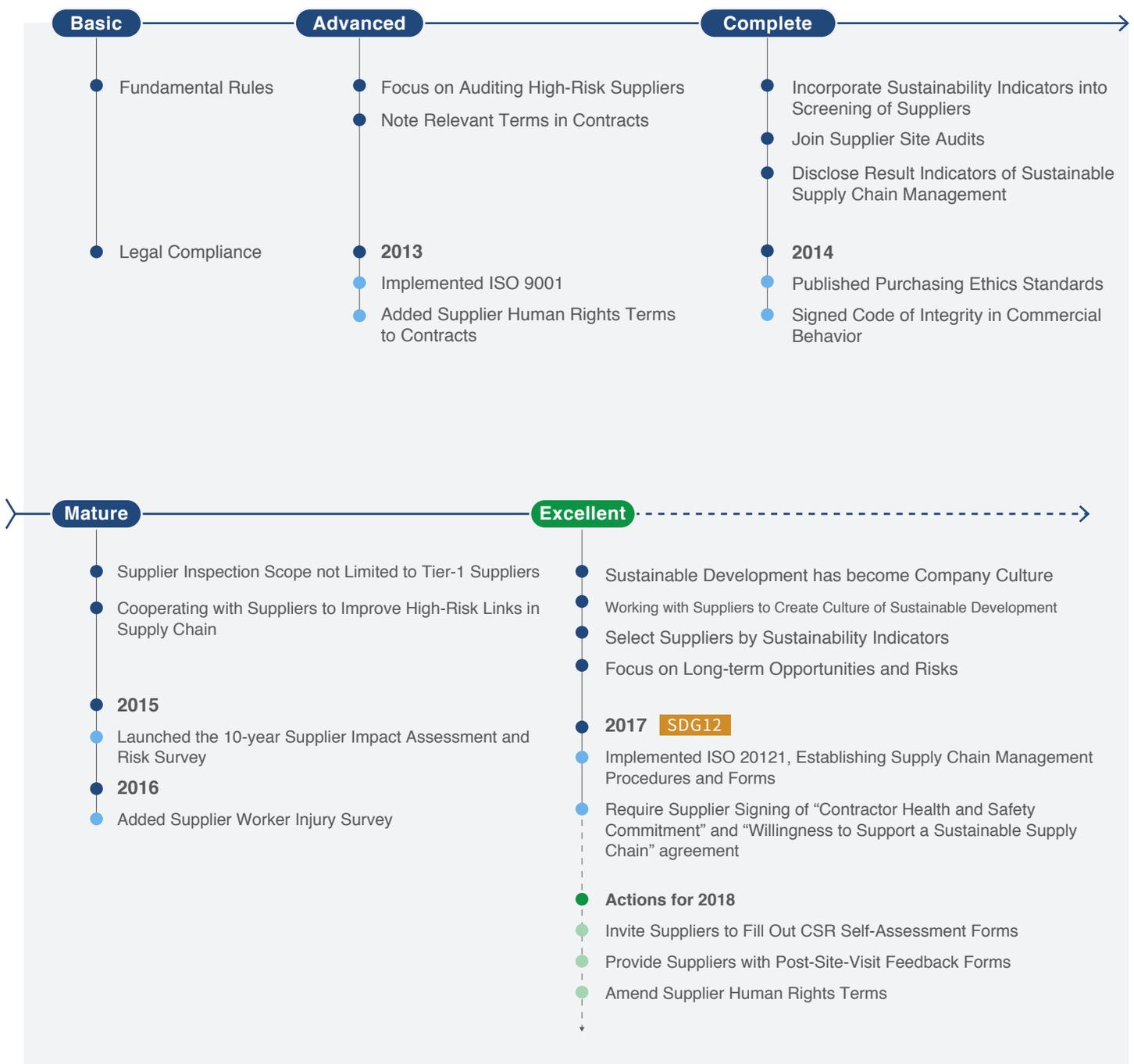
Our supply chain management strategy is to start from traditional supply chain management (QA, shipping, etc.) and develop a sustainable supply chain. Starting from fundamental legal compliance, we have then set to working on ongoing refinement in four stages of supply chain management, namely signing of sustainability principles, risk assessment and management, management systems, and ongoing improvement or termination of contracts. With all suppliers having comprehensively introduced sustainability terms and standards, we are now going on to identify key suppliers (those from whom single purchases of NT\$50,000 or more are made, or as identified by departments), working with them to deepen management. Suppliers are divided into two categories, existing and new, each with a corresponding management mechanism, with management being refined and deepened over time, ultimately leading to shared growth as the company and our suppliers cooperate on both regular and unscheduled inspections. Sinyi's process for strengthening supply chain management is laid out below:



For more information, please refer to <http://csr.sinyi.com.tw/en/supplychain/aims.php>



Sinyi's Process for Strengthening Supply Chain Management



SUSTAINABLE SUPPLY CHAIN MANAGEMENT CYCLE



- 01** Setting Goals Sustainability Principles
- 02** Risk Assessment and Management
- 03** Management Mechanism - Sustainability Performance Assessment
- 04** Ongoing Improvement or Contract Termination
- 05** Training, Capacity Building, and Cooperation
- 06** Supervision, Evaluation, Responsibility and Education

01. Setting Goals Sustainability Principles

ISO 9001 Quality Management Systems, ISO 20121 Event Sustainability Management, supplier human rights terms, Procurement Ethics Standards, Code of Business Integrity

02. Risk Assessment and Management

Risk Assessment: Site visits help with understanding operational conditions and implementation of human of human rights terms, while supplier evaluations help with understanding of service quality, and in line with status, risk assessments will be undertaken.

Risk Management: To ensure purchasing liaisons adhere to the Procurement Ethics Standards, we have established a complaints mechanism, providing our Corporate Ethics Office as a channel for complaints in order to facilitate supervision and management.

03. Management Mechanism - Sustainability Performance Assessment

ISO 9001: Routine and spot checks of supplier performance as regards quality, cost, and delivery performance, along with guidance where necessary.

Supplier Human Rights Terms: Where there are concerns about possible violations of labor practices or human rights terms by a supplier, spot checks and improvement guidance will be enacted, and should a serious contravention of human rights terms arise, a direct, in-person site check will be conducted.

Procurement Ethics Standards: Internal audit staff will conduct regular checks of purchasers.

04. Ongoing Improvement or Contract Termination

Deadlines for Improvement: When there are concerns of possible breaches of labor practices or human right terms have been identified at a supplier, they will be given a deadline for taking measures to address them, provide a written report, and undergo spot checks and guidance.

Termination of Contract: If concrete improvements are not made by the deadline, the contract with the supplier will be terminated.

05. Training, Capacity Building, and Cooperation

Share training resources and successful market experience with suppliers

Working together with suppliers, we have together to formed the Supplier Education and Evaluation Promotion Committee, facilitating the sharing of outstanding cases

Invite suppliers to participate in a seminars participate corporate ethics relating to corporate ethics, strengthening sustainability awareness

Discussing challenges of sustainability promotion in face-to-face talks on site and jointly developing solutions

06. Supervision, Evaluation, Responsibility and Education

Through post-visit feedback forms, we provide suggestions for potential improvement directions

Through supplier CSR self-assessment forms, we provide suppliers with a way to review their own implementation of sustainability and set out their own improvement goals

SUPPLY CHAIN MANAGEMENT STANDARDS

Consumers are increasingly demanding sustainability, with the demand of younger consumers particularly for sustainable products constantly on the rise. Moreover, when products are sustainable, consumers show a willingness to pay a higher price for them. With regulations on environmental protection becoming ever more robust and NGOs working to promote awareness and action, the company has seen that we need to go beyond traditional supply chain management in terms of disclosing social and environmental issues and of increasing transparency. As such, we pay a greater level of attention to balancing the economic, social, and environmental, and ensuring that we are able to work together with suppliers to achieve sustainability goals through contracts that incorporate sustainability standards.

SUPPLY CHAIN AND PROCUREMENT ETHICS STANDARDS

To deepen the implementation of corporate ethics, in 2013 Sinyi Realty implemented ISO 9001 and strengthened contracts with suppliers by adding human rights and purchasing ethics terms. In 2014, we followed this up with the announcement of **Procurement Work Ethics Standards, linking supply chain standards with procurement**, and inviting suppliers to sign a Code of Business Integrity. In 2017, we will further begin **implementing ISO 20121 Event Sustainability Management Systems**, continuing our ongoing refinement of supply chain management and aiming to put Sinyi's business philosophy into action and effectively control purchasing costs and quality. We will also use suppliers' human rights and labor terms to further ensure suppliers comply with our standards regarding areas including health and safety, environmental protection, legal compliance, and business ethics.



Sinyi Realty Supplier Management Standards

- ISO 9001 Quality Management Systems
- ISO 20121 Event Sustainability Management Systems
- Supplier Human Rights Terms
- Procurement Ethics Standards
- Integrity in Commercial Behavior

For more information, please refer to <http://csr.sinyi.com.tw/en/other/policy.php>



SUPPLIER RISK ASSESSMENT

409-1

414-2

SDG3

SDG8

With regard to our supplier risk/impact assessment mechanism, after careful verification of potential supplier-created risks, we have found that there are three major sources of risk, specifically forced labor, work environment safety, and corruption-related sources. For example, suppliers of security operations or janitorial operations face a higher possibility of forced labor occurring, and thus we need to pay attention to ensure there are no violations of the Labor Standards Act's provisions for upper limits on working hours. Suppliers from whom larger purchase quantities are obtained and through whose hands larger sums of money pass, meanwhile, have a larger corruption risk. Consignment suppliers, with their larger number of sign holding staff, may not have their staff work in temperatures over 32 degrees and relative humidity of over 80%, have them stand at major traffic points that may constitute dangers, or continue working during natural disasters, and so there is a greater risk among them of work environment safety issues; Suppliers of residential services such as those that provide decoration services may not work without protective equipment, in dusty areas or those subject to toxic gases, or during natural disasters. We undertake risk assessments of all suppliers in our supply chain, as laid out below, and work with all suppliers to not only require them to sign on to relevant sustainability terms in cooperative contracts, but also to carry out spot site checks and provide management guidance. In this way, we are better able to ensure our suppliers adhere to corporate ethics and to realize our corporate social responsibilities.

Supplier Risk Assessment

Supplier Category	General Affairs Purchasing Suppliers	Support Services Suppliers	Real Estate Service Suppliers	Real Estate Consignment Suppliers	Residential Service Suppliers
Risk Source					
Forced Labor		●	●	●	
Work Environment Safety		●	●	●	●
Corruption	●		●	●	●

SUPPLY CHAIN MANAGEMENT PERFORMANCE AND GOALS 102-17

To continue promoting our core value of corporate ethics, not only do we work to lead by example, we have also expanded these efforts to Sinyi's supply chain. In addition to establishing quality, cost, and delivery management standards for suppliers under ISO 9001, we also work with suppliers to facilitate the in-depth incorporation and implementation of human rights contract terms. We also hope that through our commitment to excellence in business, we will be able to effectively keep purchasing costs and quality under control, ensuring our purchasing staff uphold ethics in purchasing from suppliers and inviting suppliers to sign on to our Code of Business Integrity. We also provide a window for complaints and to play a third-party supervision role, effectively eliminating the occurrence of purchasing problems and avoiding harm to our stakeholders' interests. Through regular monthly meetings with suppliers, as well as talking with them both in person and by telephone, we work to reinforce in them the importance of those human rights terms to which we require suppliers sign. In order to achieve our sustainable supply chain goals and targets, in 2017 we laid out an intensive action plan, with the results of such laid out below:

2017 Supplier Management Performance and 2018 Goals

✔ Target Achieved ⬆️ Ongoing

Item No.	2017 Goals	2017 Performance	2018 Goals
01	Signed Human Rights Terms	✔ 100%	100%
02	Signed Procurement Ethics Standards ※ All purchasers must sign onto Procurement Ethics Standards. ※ Suppliers from whom single purchases of NT\$50,000 or more are obtained must sign the Code of Business Integrity.	✔ 100%	100%
03	Implementing New Supplier Management Mechanism ※ Existing suppliers shall adhere to signed human rights terms and be subject to spot checks, deadlines for improvement, and contract termination mechanisms. ※ New suppliers shall be approved through the new supplier evaluation mechanism.	⬆️ Existing Suppliers: 88% (291/330) ————— ✔ New Suppliers: 100% (57/57)	Existing Suppliers: 90% ————— New Suppliers: 100%
04	Supplier Inspection Pass Rate	✔ 100%	100%
05	Supplier Risk Assessment ※ Human rights related risk identification is undertaken of key suppliers that have signed the relevant terms.	✔ No relevant negative impacts	No relevant negative impacts
06	Key Suppliers Work-Related Injury Investigation *Investigate the work-related injuries in the key suppliers that are under the controllable scope of Sinyi Realty.	✔ 100%	100%
07	Ongoing Refinement of Supply Chain Management Procedures	Implement ISO 20121 Event Sustainability Management Implement Supply Chain Management Procedures and Forms Promoting Supplier Signing of "Contractor Health and Safety Commitment" and "Willingness to Support a Sustainable Supply Chain" agreement	Introduced supplier CSR self-assessment forms Introduced supplier site audit forms Updated human rights terms



GUNG HO WITH SUPPLIERS

Sharing Experience



The operating scope of Sinyi Realty is somewhat larger than that of our suppliers, and as a result, we have a wealth of experience in areas such as human resource management. For example, our recruiting and training systems are more mature, and our organizational atmosphere and culture, as well as our teamwork, can serve as benchmarks to be learned from. In addition to arranging specialist courses, we also supplement that with experience sharing, providing a reference that we hope will help in working together with suppliers to jointly provide customers with outstanding service on a shared value chain.

Case Study: Sinyi Sharing Experience in HR with Suppliers

We at Sinyi Realty have learned a great deal about HR related issues, and have summarized those lessons into open and shareable resources. Through lessons, workshops, and discussions, we share the concentrated essence of our experience with relevant suppliers. We hope that through such interaction and sharing with suppliers, we will be able to brainstorm with them and create even greater shared value.

Working with Suppliers on Charitable Activities



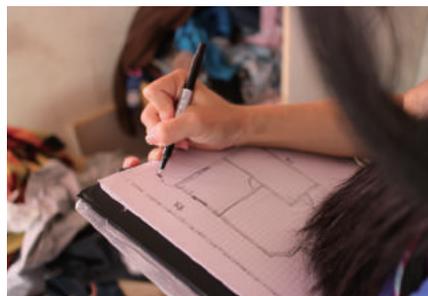
Sinyi Realty has over a decade of experience in community building, not only through providing dedicated funding through the Creating Communities Action Plan, but also through our “volunteer days” system, through which we encourage staff to take part in volunteer service, further inculcating the spirit of learning and giving into the hearts of our staff through active contribution to charitable action. In 2017, the Sinyi Living Subcontractor Committee again took the initiative in seeking out partners for charitable projects. Here we will share an experience working with the Taiwan Fund for Children and Families, demonstrating how with the expertise of suppliers and subcontractors, we can help families return to normal lives.



Video link: https://www.youtube.com/watch?time_continue=144&v=0py3bJL_igl



Case Study



Sinyi Home Service Center Harnesses Professional Help for Communities through “Partner Companies Contributing Care”

Accompanying the Taiwan Fund for Children and Families into this home, it is hard not to be shocked by what one sees. Not only is the mess worryingly unhygienic, the family also sleeps crammed onto one bed, reducing sleep quality. On top of that, the school-age children have no separate place to study. Clearing everything out is the first stage of this task. To speed things up and deal with the narrow pathway in front of the house, Sinyi Realty summoned a team of volunteers from a nearby branch. Together with the Sinyi Living volunteers, the 40-plus cleaning team lined up in sweltering heat and passed items down the line one by one, clearing everything out in preparation for the next stage. Our subcontractor partners put their expertise to use, from moving and cleaning through floor planning, plumbing, wiring, carpentry, and painting, to finally cleaning everything up. With the limited time they had, they were able to massively transform this home. In addition to hard work and expertise, second-hand furniture companies also donated a sofa set, beds, closets, and a dining table and chairs to round the space out. Most importantly, desks were provided so that the children finally have a study space!

2017 Highlights

Sinyi and Suppliers Jointly Develop Innovative “Decoration Escrow” Service, Receive TCSA Growth Through Innovation Award

Starting with Corporate Ethics

We believe that a man’s word should be his bond and that it is no different for companies. Integrity is not just a core element of Sinyi’s corporate ethics, but also one of the greatest issues in real estate corporate social responsibility, as well as a fundamental part of sustainable business. Since chairman Chou Chun-chi founded Sinyi Group, the group has been committed to upholding its social responsibility to all five categories of major stakeholder, namely customers, staff, shareholders, society, and the environment. On the journey of realizing corporate ethics we need to work together with other businesses, and so we work to leverage our influence and cooperate with our suppliers, sharing our values and inviting suppliers to take part in Sinyi Academy seminars on corporate ethics. Building from there, we also work with our suppliers to develop innovative business models that not only pass on our faith in corporate ethics, but also help realize that faith.

Understanding Consumer Needs and Providing Innovative Solutions with Suppliers

When it comes to interior decoration, one of consumers’ greatest worries is that the company will take their money and not do a good job. This is, in fact, the most commonly seen source of consumer disputes in the interior decoration market. Sinyi has worked with suppliers to launch the Decoration Escrow service, enabling consumers to make use of providers at no extra cost who have signed agreements through the Sinyi Living platform to offer interior design and turnkey projects. Thanks to this, consumers can enjoy design services with a guarantee of professionalism, including the signing of standardized, official, third-party contracts and professional payment management, lifting from them the worry about paying for service they won’t receive. At the same time, the providers can rest assured that they will receive due payment. In this way, what was once the most common source of consumer disputes in the decoration market is reduced.



DECORATION ESCROW

The Three Guarantees and Five Services of Decoration Escrow

Three Guarantees: Security (Decoration Escrow manages all renovation payments), peace of mind (contracts clearly state the rights and obligations of both parties), and thoughtfulness (quality loan options that help you readily reach your dreams).

Five Services: Excellent providers, renovation loans, professional customer service, payment management, standardized contracts.



Excellent Providers

Selecting only the best providers in the industry



Renovation Loans

Preferential interest rates with banks to help you make your house into a home



Professional Customer Service

All decoration information at your fingertips with just one phone call



Payment Management

Professional, transparent payment management



Standardized Contracts

Right and obligations of consumers and providers are set out clearly

Creating Winning Situations with Suppliers and Stakeholders

Customers: Providing a renovation cash flow service platform for customers with renovation needs. They can obtain an array of helpful information and services, no longer having to confront the challenges of renovation alone.

Staff: Improving staff service quality and planning capabilities, putting people first and creating opportunities for new value and accomplishment for customers.

Shareholders: Boosting the differentiation and innovation skills of the company makes the company more competitive, increasing revenue items and product lines.

Society: Reducing disputes and the need for courts, mediation, or the involvement of design associations and creating trading procedures that ensure appropriate renovation performance leads to a better industry and better standards.

Environment: Establishing a renovation market consumers can trust, reducing the costs of communication and expenses incurred by materials wasted due to knowledge issues enables us to do our part for the environment.

SUSTAINABILITY PERFORMANCE OVERVIEW

SDG 8 **201-1**
 : target achieved  : target not achieved

Note	Measures	2015 Result	2016 Result	2017 Result	2017 Target	2018 Target	Read more on page
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Governance Performance

Corporate Governance Evaluations		Top 5%	Top 5%	Top 5%	 Top 5%	Top 5%	29
A.B.C Number of Board Members		7	7	7			33

Economic Performance

Consolidated Revenue (NT\$ thousands)	7,523,143	7,588,820	17,806,781				5
Taiwan Core and Related Business Group Revenues	6,400,890	6,351,506	7,245,388				5
China Business Group Revenues	785,867	938,298	10,302,195				5
Japan Business Group Revenues	336,386	299,016	259,198				5
Sinyi Realty Revenues (NT\$ thousands)	6,140,394	6,123,679	6,886,597				9
Sinyi Realty Operating Net Profit (NT\$ thousands)	624,499	837,764	1,082,720		Be profitable	Be profitable	9
Operating Costs (NT\$ thousands)	5,723,628	5,900,494	12,037,165				5
Taiwan Core and Related Business Group Costs	4,340,879	4,782,644	5,238,325				5
China Business Group Costs	1,117,449	882,023	6,783,277				5
Japan Business Group Costs	265,300	235,827	15,563				5
Staff Remuneration and Benefits (NT\$ thousands)	4,603,719	4,741,833	5,097,542				5
Dividends and Interest Expenses (NT\$ thousands)	508,974	497,619	711,155				5
Tax Payment Value (NT\$ thousands)	197,665	163,838	1,802,437				5
After-Tax Earnings (NT\$ thousands)	586,361	924,588	2,827,115				5
Paid-in Capital (NT\$ thousands)	6,318,398	6,318,398	6,515,000				5
Liabilities (NT\$ thousands)	11,449,626	14,480,875	15,526,128				5
Equity (NT\$ thousands)	9,322,378	9,388,389	11,429,988				5

Consolidated Revenue (NT\$ thousands) : Including consolidated revenues and non-operating revenues

Operating Costs (NT\$ thousands) : Consolidated Operating Costs

Staff Remuneration and Benefits (NT\$ thousands) : Consolidated Financial Statement Personnel Expenses

Dividends and Interest Expenses (NT\$ thousands) : Payment of Dividends and Loan Interest to Company Owners

Tax Payment Value (NT\$ thousands) : Income Tax Expenses

Social Performance (Internal)

Number of Operating Locations							
Taiwan	435	433	431				5
China (Company Operated)	119	140	113				5
Japan	7	9	9				5
Malaysia	0	0	1				5
Total Number of Employees							
Sinyi Group	5,662	5,728	5,684				5
Taiwan Core and Related Business Group	491	492	476				5
China Business Group	1,175	1,219	1,128				5
Japan Business Group	87	95	106				5
Sinyi Realty	3,909	3,922	3,974				46
D Number of Permanent Employees	3,841	3,849	3,891				46
E Ratio of staff above bachelor's degree	93.2%	93.1%	94.1%				46
F Percentage of employees under 30 years old	50.9%	48.1%	40.84%				46

● : target achieved ● : target not achieved

Note	Measures	2015 Result	2016 Result	2017 Result	2017 Target	2018 Target	Read more on page
Social Performance (Internal)							
G	Number of New Hires	1,287	1,403	1,396			46
H	Turnover Rate by Year	35%	34.9%	34.26%	● <35%	<34%	46
I	Average Training Hours	22.31	37.83	27.02	● >30	>30	41
J	Percentage of Female Staff	34.1%	34.83%	36.31%			44
J	Percentage of Female Managers	13.95%	15.08%	16.36%	● >16%	>17%	44
K	Number of Employees Applying for Parental Leave	34	71	69			45
L	Number of Staff Applied for Second-Child Grants	84	97	76			45
M	People Requested Injury Leave	114	122	141			49
N	Injury Rate	4.79	5.26	6.54	● <5	<5	49
O	Lost Day Rate	52.48	66.36	56.43			49
P	Absentee Rate (%)	0.64%	0.65%	0.76%			49
	Use EAP Service Times	380	241	168			50
Q	Online User Statistics for Health Management System	26,805	24,367	66,673			50
	Labor Issues Complaints	3	3	2			46
	Human Rights Issues Complaints	0	0	0			46
R	Organizational Approval and Job Satisfaction Surveys (Average Score)	3.92	-	4.05	● >4	>4	46
S	Management Leadership Style and Policy Implementation Surveys (Average Score)	3.82	4.11	4.19	● >4	>4	46

Injury Rate = (Total No. of Injury Incidents / Total Working Hours) x 1,000,000

Lost Day Rate = (Lost Work Days / Total Work Hours) x 1,000,000

Absentee Rate = (Days Absent / Total Work Days) x 100%

In 2016, we implemented a one-year enterprise transformation work, so there was no Organization Approval and Job Satisfaction Survey analysis in 2016.

Social Performance (External)

Community							
	Community Investment (NT\$ thousands)	65,014	61,784	61,864		62,400	57
	Cumulative Coverage Rate of "We are One" Project Proposals	96.47%	97.55%	98.37%	● >98%	>98%	59
	Participants of Sinyi Lecture Hall	18,587	16,428	16,692	● 16,000	17,000	61
	Sinyi Lecture Hall Lessons	95	95	97	● 100	100	61
	Participants of Sinyi Volunteer	1,993	1,674	1,981	● 1,800	2,000	60
	Hours of Volunteer Service by Sinyi Staff	17,850	14,335	13,782	● 15,000	15,000	60
Customers							
	Value and Number of Fines Issued for Breaches of Regulations (NT\$ thousands; No.)	No major fines	230 : 1	No major fines			8
	Customer Satisfaction Rate	94.45%	95.55%	84.42%	● 85%	85%	52
	Complaints of Infringement of Customer Privacy	N/A	3	2 [1]	● 0	0	53
	Errors in instructions of real estate	1	0	1 [2]	● 0	0	52

Community Investment (NT\$ thousands): Includes "We are One" Project, Sinyi Volunteers, Sinyi Lecture Hall, Sinyi School of NCCU, and Promotion of Business Ethics. By 2016, the community investment will be included in the resources of the Foundation of the Sinyi Group. In 2017, the LBG (London Benchmark Group) model was introduced and verified; the community investment calculation scope only counts into the resources invested by Sinyi Realty.

Fine: more than 100 thousand NT dollars.

The result of customer satisfaction survey: We changed 2-point scale to 5-point scale and used the ratio of 5-point-item to represent customer satisfaction rate in 2017.

[1] : Two colleagues violated the company's operating regulations. They market the customers who has been set no disturb. In addition to penalties imposed by the regulation, a personal data protection organization is also established within the company.

[2] : Please refer to page52 for details and corresponding practices.

● : target achieved ● : target not achieved

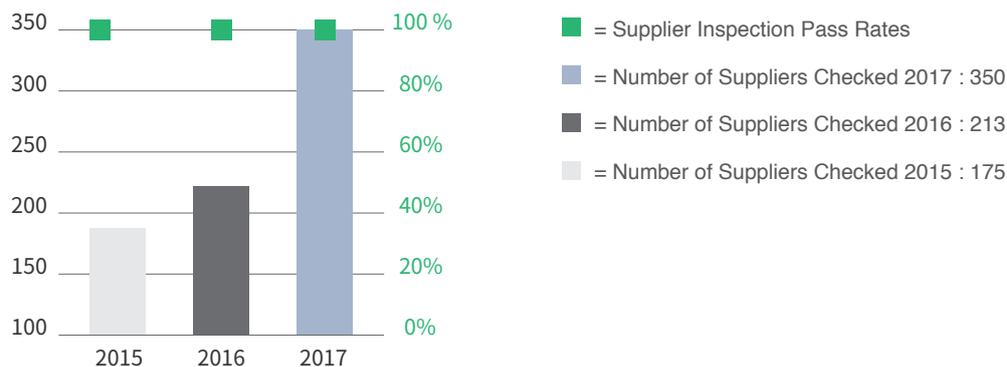
Note	Measures	2015 Result	2016 Result	2017 Result	2017 Target	2018 Target	Read more on page
Environmental Performance							
	Carbon Emissions of Electricity Consumption for a Year (kgCO _{2e})	5,723,063	5,244,752	5,151,113	● ↓ 1%	↓ 1%	72
	Carbon Emissions of Electricity Consumption per Person (kgCO _{2e} / per person)	1,464	1,337	1,296	● ↓ 1%	↓ 1%	73
	Water Consumption for a Year	77,228	75,102	74,111	● ↓ 2%	↓ 2%	74
	Paper Usage of per Transaction	57.80	47.23	31.73	● ↓ 20%	↓ 22%	74
	Waste : food waste and recycle	13,244	12,307	12,494	● ↓ 2%	↓ 2%	74

Supply Chain Management Performance

	Signed Human Rights Terms	100%	100%	100%	● 100%	100%	82
	Signed Procurement Ethics Standards	100%	100%	100%	● 100%	100%	82
	Number of Key Suppliers	239	278	387			82
T	Number of Suppliers checked	176	213	348			82
	Existing Suppliers Inspection Rate	65%	73%	88%	● 75%	90%	82
	New Suppliers Inspection Rate	92%	94%	100%	● 95%	100%	82
U	Key Supplier Work Injury Rate	-	5.3	6.95			82

Injury Rate = Total No. of Injury Incidents / Total Working Hours x 1,000,000

Note T Number of Suppliers Checked and Pass Rates



Note U 2016-2017 Supplier Work Injuries 403-2

Indicator	Male		Female		Total	
	2016	2017	2016	2017	2016	2017
Annual Labor Hours	394,351	385,508	548,495	621,672	942,846	1,007,181
Deaths Caused by Work-related Injuries	0	0	0	0	0	0
Injury Incidents	0	0	5	7	5	7
Average Injury Rate	0	0	9.12	11.26	5.3	6.95

Note: Injury rate = Total No. of Injury Incidents / Total Working Hours x 1,000,000

Note A Remuneration for Directors 102-35

Title	Name	Remuneration for Directors								Ratio(%) of the Aggregate Amount of A, B, C and D to the Net Income After Tax		Remuneration Received by Concurrent Employees								Ratio (%) of the Aggregate Amount of A, B, C, D, E, F and G to the Net Income After Tax [Note 5]		Whether Receiving Remuneration from any Companies (Indicate by the Company "Yes" or "No")						
		Compensation (A)		Pension (B)		Remuneration (C) [Note 1]		Fees for Performance of Business (D) [Note 2]				Wages, Bonus and Special Disbursement, etc. (E) [Note 2 and 3]		Pension (F)		Employee Remuneration (G) [Note 4]							Number of Shares Granted under the Share Subscription Warrants for Employees (H)		Number of the Restricted Shares for Employees (I)			
		The Company	All Companies Specified in the Financial Statements	The Company	All Companies Specified in the Financial Statements	The Company	All Companies Specified in the Financial Statements	The Company	All Companies Specified in the Financial Statements	The Company	All Companies Specified in the Financial Statements	The Company	All Companies Specified in the Financial Statements	The Company	All Companies Specified in the Financial Statements	Bonus Cash	Share Bonus	Bonus Cash	Share Bonus	The Company	All Companies Specified in the Financial Statements		The Company	All Companies Specified in the Financial Statements	The Company	All Companies Specified in the Financial Statements		
Chairperson	Chun-Chi Chou	-	-	-	-	-	-	1,262	1,280	0.05%	0.05%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.05%	0.05%	-
Vice Chairperson	Sinyi Co., Ltd.	-	-	-	-	1,040	1,040	-	-	0.04%	0.04%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.04%	0.04%	-
	Legal representative of Sinyi Co., Ltd.: Chien-Ping Hsueh	-	-	-	-	-	-	-	-	0.00%	0.00%	11,256	13,301	-	-	29	-	29	-	-	-	-	-	-	-	0.40%	0.48%	-
Director	Sinyi Co., Ltd.	-	-	-	-	1,040	1,040	-	-	0.04%	0.04%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.04%	0.04%	-
	Legal representative of Sinyi Co., Ltd.: Mei-Wen Chou Wang	-	-	-	-	-	-	236	260	0.01%	0.01%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.01%	0.01%	-
Independent Director	Shuen-Zen Liu	1,200	1,200	-	-	700	700	45	45	0.07%	0.07%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.01%	0.01%	-
Independent Director	San-Xiong Hong	1,200	1,200	-	-	700	700	50	50	0.07%	0.07%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.07%	0.07%	-
Independent Director	Hong-Chih Jhan	1,200	1,200	-	-	700	700	35	35	0.07%	0.07%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.07%	0.07%	-
Independent Director	Jyun-Bin Su [Note 6]	481	481	-	-	339	339	25	25	0.03%	0.03%	-	-	-	-	-	-	-	-	-	-	-	-	-	0.07%	0.07%	-	
Independent Director	Lou-Yu Yen [Note 6]	719	719	-	-	361	361	25	25	0.04%	0.04%	-	-	-	-	-	-	-	-	-	-	-	-	-	0.03%	0.03%	-	

Note 1: As officially resolved by the Board of Directors Meeting on February 26, 2018, the remuneration to directors for 2017 was NT\$4,880 million. The resolution will be reported in the general shareholders' meeting on May 23, 2018.

Note 2: The aforementioned expenses include rental or depreciation expense, fuel expense and maintained expense of the cars used by the Company's Non-Independent Directors.

Note 3: The aforementioned expenses include rental, fuel expense and maintenance expense of the cars used by the Company's Director concurrent employee and house rental provided to him.

Note 4: Employee Remuneration allocated to the director who is a concurrent employee is one part of the amount NT\$30,313 of employee remuneration resolved by the Board of Directors Meeting on February 26, 2018. The resolution shall be reported in the general shareholders' meeting on May 23, 2018.

Note 5: The term "net profit after tax" as set forth herein denotes the net profit after tax as shown through the individual financial statements 2017.

Note 6: Mr. Su Jyun-Bin resigned from independent director on May 25, 2017. The Company had by-elected Mr. Yen Lou-Yu, as our new independent director at the 2017 Annual General Shareholders Meeting on May 26, 2017.

Note 7: The aforementioned expenses include the relevant remuneration NT\$2,338 thousand paid to the chauffeurs to the Company's Non-Independent Directors

Note B Ages and Genders of Board Members

Age Group			Gender	
30 and under	31-50	51 and over	male	female
-	-	7	6	1

Note C Remuneration Listed by Range of Directors 102-35

2017

Range of the Remuneration Paid to the Company's Directors	Aggregate Amount of A, B, C and D		Aggregate Amount of A, B, C, D, E, F and G	
	The Company	All Companies Specified in the Financial Statements (I)	The Company	All Companies Specified in the Financial Statements (J)
Below \$2,000,000	Chun-Chi Chou, Shuen-Zen Liu, San-Xiong Hong, Hong-Chih Jhan, Jyun-Bin Su, Lou-Yu Yen, Sinyi Co., Ltd, legal representative of Sinyi Co., Ltd.: Chien-Ping Hsueh, legal representative of Sinyi Co., Ltd.: Mei-Wen Chou Wang,		Chun-Chi Chou, Shuen-Zen Liu, San-Xiong Hong, Hong-Chih Jhan, Jyun-Bin Su, Lou-Yu Yen, Sinyi Co., Ltd, legal representative of Sinyi Co., Ltd.: Mei-Wen Chou Wang,	
\$2,000,000 (inclusive)~\$5,000,000 (exclusive)	-	-	-	-
\$5,000,000 (inclusive)~\$10,000,000 (exclusive)	-	-	-	-
\$10,000,000 (inclusive)~\$15,000,000 (exclusive)	-	-	Legal representative of Sinyi Co., Ltd. : Chien-Ping Hsueh	
15,000,000 (inclusive)~\$30,000,000 (exclusive)	-	-	-	-
\$30,000,000 (inclusive)~\$50,000,000 (exclusive)	-	-	-	-
\$50,000,000 (inclusive)~\$100,000,000 (exclusive)	-	-	-	-
Above \$100,000,000	-	-	-	-
TOTAL		9	9	9

Note: The Company has 7 directors, in aggregate total of 9 directors, with respective disclosure remuneration of the Company's juristic person director Sinyi Co., Ltd. and its legal representative, and the 1 independent director discharged on May 26, 2017.

 For more information on directors' remuneration and a remuneration chart, please see Sinyi Realty's 2017 annual report, p. 28 <http://img.sinyi.com.tw/u/file/2018/05/2566c8bf123f130a87b5eebb08d6a464.pdf>

Note D Distribution of Contract Types 102-8

Year		2015				2016				2017			
Region	Employment Contract	Permanent		Temporary		Permanent		Temporary		Permanent		Temporary	
		Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
Taiwan	Total	1,292	2,549	40	19	1,314	2,535	51	16	1,385	2,506	57	14
	Part-Time	0	0	12	13	0	0	15	10	0	0	48	11
	Full-Time	1,292	2,549	28	6	1,314	2,535	36	6	1,385	2,506	9	3
China (Abroad)	Total	1	8	0	0	1	5	0	0	1	11	0	0
	Part-Time	0	0	0	0	0	0	0	0	0	0	0	0
	Full-Time	1	8	0	0	1	5	0	0	1	11	0	0
TOTAL		1,293	2,557	40	19	1,315	2,540	51	16	1,386	2,517	57	14

Note: Temporary Staff—Personnel on contracts of designated term. Part-time Staff—Masseurs, nighttime/holiday operators, customer and information services holiday phone staff, agency services (incl. handling water, power, gas, and phone transfer applications). China region middle management dispatched from Taiwan.

Note E Educational Levels

	2015		2016		2017	
	Number of Directors	Percentage (%)	Number of Directors	Percentage (%)	Number of Directors	Percentage (%)
Total Employees	3,909	100.0%	3,922	100.0%	3,974	100.0%
Pre-Bachelor's	266	6.8%	271	6.9%	236	5.9%
Bachelor's Degree	3,321	85.0%	3,324	84.8%	3,426	86.2%
Master's Degree	319	8.2%	324	8.3%	310	7.8%
Doctorate	3	0.1%	3	0.1%	2	0.1%

Note: Pre-Bachelor's (incl. high school and vocational school graduates)—specialist staff (masseurs, drivers, operators, etc.) or senior staff (hired prior to the 1986 adjustment of employment policy to hiring only college graduates or higher) Bachelor's Degree—Includes both two-year (post-Associate's) and four-year programs.

Note F Employees Age Group 405-1

	Senior Management (VP or higher)		Middle Management (Regional managers)		Base-level Management (Store managers)		General Staff		Total
	Female	Male	Female	Male	Female	Male	Female	Male	
2015									
Total Employees	4	13	2	47	72	421	1,255	2,095	3,909
30 and under (incl.)	0	0	0	0	14	38	742	1,196	1,990
Percentage (%)	0.0%	0.0%	0.0%	0.0%	19.4%	9.0%	59.1%	57.1%	50.9%
31-50 (incl.)	2	4	1	43	57	376	508	880	1,871
Percentage (%)	50.0%	30.8%	50.0%	91.5%	79.2%	89.3%	40.5%	42.0%	47.9%
51 or over (incl.)	2	9	1	4	1	7	5	19	48
Percentage (%)	50.0%	69.2%	50.0%	8.5%	1.4%	1.7%	0.4%	0.9%	1.2%
2016									
Total Employees	3	11	4	56	77	406	1,282	2,083	3,922
30 and under (incl.)	0	0	0	0	13	37	723	1,112	1,885
Percentage (%)	0.0%	0.0%	0.0%	0.0%	16.9%	9.1%	56.4%	53.4%	48.1%
31-50 (incl.)	0	3	2	48	63	360	547	948	1,971
Percentage (%)	0.0%	27.3%	50.0%	85.7%	81.8%	88.7%	42.7%	45.5%	50.3%
51 or over (incl.)	3	8	2	8	1	9	12	23	66
Percentage (%)	100.0%	72.7%	50.0%	14.3%	1.3%	2.2%	0.9%	1.1%	1.7%
2017									
Total Employees	3	11	6	55	81	394	1,353	2,071	3,974
30 and under (incl.)	0	0	0	0	6	19	648	950	1,623
Percentage (%)	0.00%	0.00%	0.00%	0.00%	7.41%	4.82%	47.89%	45.87%	40.84%
31-50 (incl.)	0	2	3	42	71	358	671	1,088	2,235
Percentage (%)	0.00%	18.18%	50.00%	76.36%	87.65%	90.86%	49.59%	52.54%	56.24%
51 or over (incl.)	3	9	3	13	4	17	34	33	116
Percentage (%)	100.00%	81.82%	50.00%	23.64%	4.94%	4.31%	2.51%	1.59%	2.92%

Note: Total Employees = (Annual Total at Beginning of Year + Annual Total at End of Year) / 2 Staffing statistics listed by end of year.

Note G New Hires and Turnover Structure 401-1

	New staff						Departed staff						
	2015		2016		2017		2015		2016		2017		
Gender	Number of Directors	Percentage (%)	Number of Directors	Percentage (%)	Number of Directors	Percentage (%)	Number of Directors	Percentage (%)	Number of Directors	Percentage (%)	Number of Directors	Percentage (%)	
Male	803	62.39%	904	64.43%	859	61.53%	905	64.92%	922	67.35%	890	66.62%	
Female	484	37.61%	499	35.57%	537	38.47%	489	35.08%	447	32.65%	446	33.38%	
Age Bracket	30 and under (incl.)	1,101	85.55%	1,174	83.68%	1,130	80.95%	1,034	74.18%	1,022	74.65%	887	66.39%
	Over 31 to Under 50 (incl.)	182	14.14%	221	15.75%	259	18.55%	359	25.75%	338	24.69%	438	32.78%
	51 and Over	4	0.31%	8	0.57%	7	0.50%	1	0.07%	9	0.66%	11	0.82%
Region	Taipei/Taoyuan/Hsinchu	856	66.51%	852	60.73%	929	66.55%	932	66.86%	857	62.60%	829	62.05%
	Central Taiwan	222	17.25%	235	16.75%	223	15.97%	243	17.43%	209	15.27%	218	16.32%
	Southern Taiwan	209	16.24%	316	22.52%	244	17.48%	219	15.71%	303	22.13%	289	21.63%
Total	1,287	100%	1,403	100%	1,396	100%	1,394	100%	1,369	100%	1,336	100%	

Note: New hires are cumulative for the year.

Note: Turnover Rate = Cumulative Total of Departures for Year / ((Total Employees at Beginning of Year + Total Employees at End of Year) / 2)

Note: Central Taiwan—Central region and administrative areas. Southern Taiwan—Tainan, Kaohsiung, and administrative areas.

Note H Turnover Rate by Year 401-1

Year	2015	2016	2017
Average Turnover Rate across All Employees	35%	34.9%	34.26%

Note: Turnover Rate = Cumulative Total of Departures for Year / ((Total Employees at Beginning of Year + Total Employees at End of Year) / 2)

Note I Average Training Hours (excl. online courses) 404-1

	2015			2016			2017			
	Number of Directors	Group Total Hours	Average Hours for Group	Number of Directors	Group Total Hours	Average Hours for Group	Number of Directors	Group Total Hours	Average Hours for Group	
Rank	General Staff	3,350	78,425	23.41	3,365	140,283	41.69	3,460	90,248	26.08
	Base-level Management	493	7,792	15.81	483	6,374	13.20	445	11,432	25.69
	Middle Management	49	689	14.06	60	1,484	24.73	55	4,626	84.11
	Senior Management	17	313	18.41	14	233	16.64	14	1,080	77.14
Gender	Male	2,576	57,471	22.31	2,556	96,029	37.57	2,531	62,975	24.88
	Female	1,333	31,539	23.66	1,366	52,345	38.32	1,443	44,411	30.78
	Total	3,909	87,219	22.31	3,922	148,374	37.83	3,974	107,386	27.02

Note—Source: Sinyi e-Schools Training and Education System Data, 2015-2017 (01/01-12/31), include sum of branch training lessons.

Note J Percentage of Female Staff and Management

Year		2015	2016	2017
General Staff	Total	3,909	3,922	3,974
	Female	1,333	1,366	1,443
	Female Percentage (%)	34.1%	34.83%	36.31%
Management	Total	559	557	550
	Female	78	84	90
	Female Percentage (%)	13.95%	15.08%	16.36%

Note K Employees Applications for Parental Leave and their Returns to Work

401-3

Type	Gender	2015	2016	2017
Number of Employees Eligible to Apply for Parental Leave	Male	270	240	349
	Female	146	138	128
	Total	416	378	477
Number of Employees Applying for Parental Leave	Male	26	28	31
	Female	43	44	11
	Total	69	72	42
Employees Eligible to Return Returning to Previous Positions after Unpaid Parental Leave (A)	Male	16	33	41
	Female	18	38	28
	Total	34	71	69
Employees Returning to Previous Positions after Unpaid Parental Leave (B)	Male	12	10	19
	Female	10	28	22
	Total	22	38	41
Return to Work Rate (B/A)	Male	75%	30%	46%
	Female	56%	74%	79%
Number of Employees that Returned to Work After Parental Leave in the Previous Year (C)	Male	13	12	10
	Female	16	10	28
	Total	29	22	38
Employees Remaining at Company over 12 Months after Unpaid Parental Leave (D)	Male	12	10	7
	Female	15	8	24
	Total	27	18	31
Retention Rate (D/C)	Male	92%	83%	70%
	Female	94%	80%	86%

Note:

Return to Work Rate = Actual Number of Employees Returning After Parental Leave (B) / Anticipated Number of Employees Returning After Parental Leave (A) x 100

Note:

Retention Rate = Number of Employees Still at Company 12 Months after Returning from Parental Leave (D) / Number of Employees that Returned to Work After Parental Leave in the Previous Year (C) X 100

Note L The Number of "Sinyi Babies"

	2013	2014	2015	2016	2017	Total
Total Number of "Sinyi Babies"	181	211	253	217	212	1,074
First-Born Children	144	139	169	120	136	708
Subtotal of Second-Child or more	37	72	84	97	76	366
Second-Child	33	67	78	82	71	331
Third-Child	3	4	5	15	5	32
Fourth-Child	1	1	1	0	0	3

Note M Accident Statistics 403-2 SDG 3

Year	2015		2016		2017	
Accident Type	General Work Injury	Occupational Disease	General Work Injury	Occupational Disease	General Work Injury	Occupational Disease
Number of Deaths	0	0	0	0	0	0
Lost Work Days	A total of 114 people requested injury leave which totaled leave of 1,693.5 days		A total of 122 people requested injury leave which totaled leave of 1,980 days		A total of 141 people requested injury leave which totaled leave of 2,385.5 days	

Note: Lost work days—Number of work days taken as leave between accident occurrence and return to work.

Note N Injury Rate 403-2 SDG 3

Year	2015	2016	2017
Male	3.79	5.23	6.42
Female	6.72	5.33	6.76
Total	4.79	5.26	6.54

Note: Injury rate = (Total No. of Injury Incidents / Total Working Hours) x 1,000,000

Note O Lost Day Rate 403-2 SDG 3

Year	2015	2016	2017
Male	45.98	74.43	60.19
Female	65.03	51.26	49.83
Total	52.48	66.36	56.43

Note: Lost Day Rate = (Lost Work Days / Total Work Hours) x 1,000,000

Note P Absentee Rate 403-2 SDG 3

Year	2015	2016	2017
Male	0.38%	0.42%	0.45%
Female	1.15%	1.10%	1.30%
Total	0.64%	0.65%	0.76%

Note: Absentee Rate = (Days Absent / Total Work Days) x 100

Note: Includes days absent due to sick leave, menstrual leave, and work injury leave

Note Q Online User Statistics for Health Management System

Year	2015	2016	2017
Cumulative Number of People	48,515	72,882	139,555
People	26,805	24,367	66,673

Note S Average Score of Management Leadership Style and Policy Implementation Surveys

Year	2015	2016	2017
Philosophy practice	3.82	4.03	4.2
Leadership management	4.03	4.31	4.27
Policy enforcement	3.46	4.00	4.16
Talent development	3.95	4.11	4.12

Note: Use the Likert five-point scale. The annual survey facets and items will be slightly adjusted according to the company's policy focus for each year.

Note R Average Score of Organizational Approval and Job Satisfaction Surveys

Year	2015	2017
Value identification	4.31	4.43
Job value	4.12	4.29
Behavioral identity	4.11	4.14
Passion for work	4.09	4.18
Balanced life	3.9	3.99
Growth needs	3.85	4.02
Organizational innovation	3.85	3.97
Department cooperation	3.8	4.11
Business strategy	3.79	3.95
Internal communication	3.65	3.84
Incentive mechanism	3.63	3.61

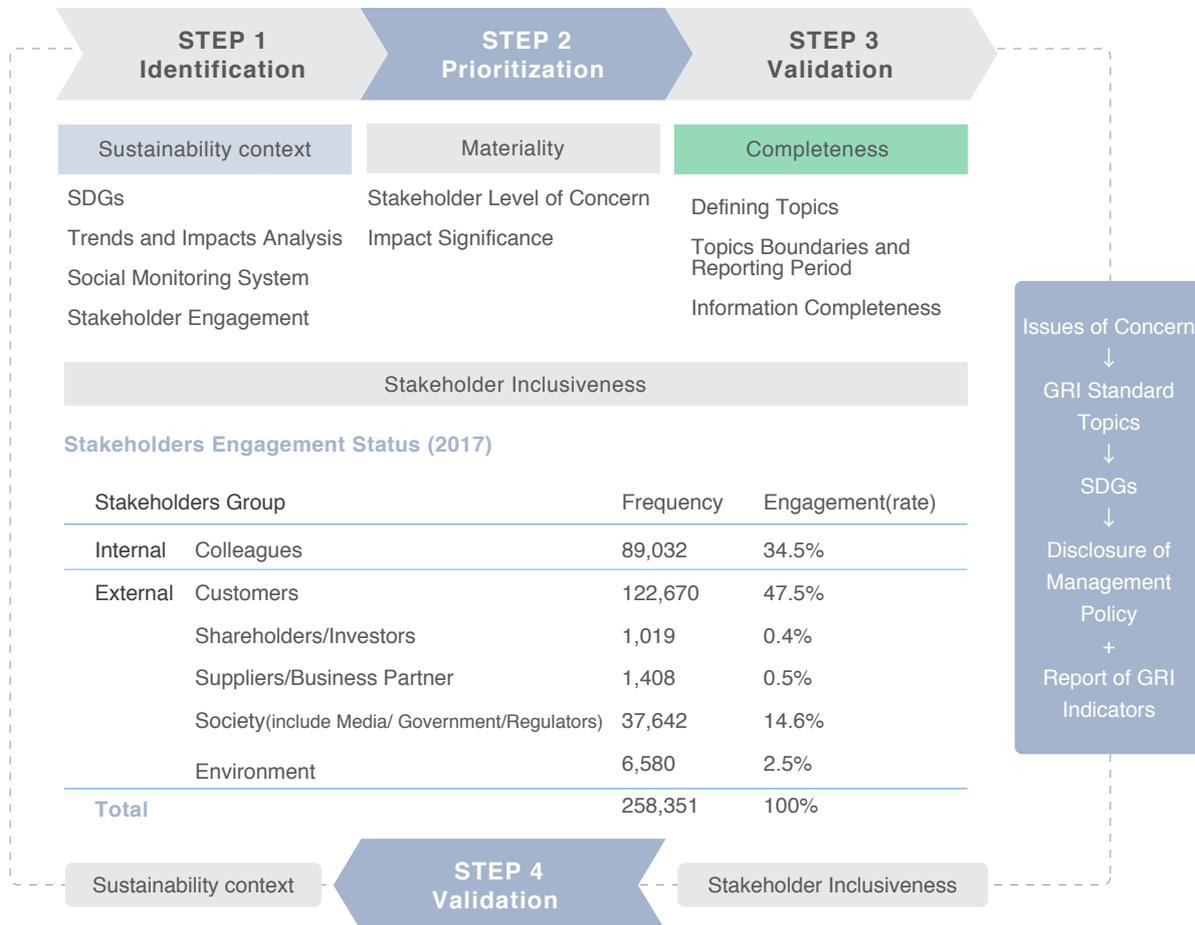
Note: The questionnaire used Likert five-point Scale.

Note: In 2016, we implemented a one-year enterprise transformation work, so there was no Organization Approval and Job Satisfaction Survey analysis in 2016.

MATERIALITY ANALYSIS PROCESS

102-42
102-44

First, we identify the major stakeholders, and through both internal and external channels including global and industry standards, social monitoring systems, and internal experts, collect relevant information on issues of concern to them. Next, these issues are prioritized and analyzed for level of concern and level of impact significance, evaluated in light of the principles of sustainable development, and then identified as material topics. After this, these issues are verified and categorized under appropriate SDGs, defined through the value chain. Finally, we inspect their content for consistency with principles.



STEP 1: Identification

01 Identifying Stakeholders — 6 Stakeholders

In accordance with the five principles of the AA1000 SES-2011 Stakeholder Engagement Standard (SES), we identified a total of 6 stakeholders with whom we aimed to communicate in the 2017 CSR Report.

02 Collecting Issues of Concern — 47 Issues of Concern

In line with global guidelines and standards, the **United Nations Sustainable Development Goals (SDGs)**, industrial guidelines and standards, benchmarks from within the industry and from other industries, and annual organization goals, Sinyi collected sustainability-related issues. Through feedback collected via questionnaires distributed among internal experts regarding issues of concern, we conducted **trends and impacts analysis**, while also collecting a broad range of opinions from stakeholders and information from media reports through social monitoring systems. In addition, we use online surveys, telephone surveys, in-person surveys, mail, and seminars to collect **stakeholder feedback** on sustainability issues.

■ Understanding the Sustainable Development Goals (SDGs)

Conducting in-depth analysis of the 17 goals and 169 targets of the United Nations Sustainable Development Goals, we can better understand the content of each of these targets, their benefits to the company, and how they help companies meet the necessary basic standards for responsibility.

■ Trends and Impacts Analysis

Issuing questionnaires to senior management from the Total Ethical Management Committee and to staff responsible for the promotion of corporate social responsibility, we asked internal experts to identify topics and other related issues with regard to their impact on Sinyi Realty services. Thus we were able to get an understanding of these experts' assessments of our ability to respond to these issues, of the issues' possible impact on the company, and of future trends.

Social Monitoring Systems

When identifying material topics, we also undertake further statistical analysis of online opinion and related media reports. In 2013, Sinyi Realty established our Social Monitoring Systems, which are used to collect an expanded range of stakeholder opinion and media reporting information online. Analyzing this, we can further identify the degree of concern and impact of sustainability issues among stakeholders.

Stakeholder Engagement [102-37](#) [102-40](#) [102-43](#)

Through online surveys, telephone interviews, in-person interviews, mail, and seminars, we collect and analyze the level of concern among stakeholders with regard to sustainability issues.

Based on the information collected through the aforementioned channels, we have collected a total of **47 issues of concern**, as laid out below:

Corporate Governance

- 1. Operating Performance
- 2. Governance Structure
- 3. Legal Compliance
- 4. Corruption Prevention
- 5. Ethics and Integrity
- 6. Risk control
- 7. Shareholder Equity
- 8. Audit Mechanisms
- 9. Financial Transparency

Caring for Staff

- 10. Stakeholder Engagement and Complaints Mechanism
- 11. Labor Relations
- 12. Talent Training and Development
- 13. Organizational Climate
- 14. Remuneration and Benefits
- 15. Opportunities for Staff Diversity and Equality
- 16. Forced Labor
- 17. Freedom of Association and Collective Bargaining
- 18. Workplace Health and Safety
- 19. Staff Identity and Retention
- 20. Work-Life Balance

Customer Care

- 21. Customer Relations
- 22. Service Innovation
- 23. Protection of Personal Information and Trade Secrets
- 24. Transaction Security
- 25. Marketing Communication
- 26. Quality of Service and Customer Rights
- 27. Information Disclosure and Transparency
- 28. Corporate Image

Social Engagement

- 29. Housing Justice
- 30. Community Building
- 31. Employment Opportunities
- 32. Lifelong Learning
- 33. Anti-Competitive Behavior
- 34. Social Philanthropy and Donations
- 35. Changes in Population Structure
- 36. Promotion of Culture and Creativity
- 37. Industrial Development and Policy Communication

Environmental Protection

- 38. Green Purchasing
- 39. Water Resource Management
- 40. Biodiversity
- 41. Greenhouse Gas Emissions
- 42. Waste Management
- 43. Ecological Protection
- 44. Green Services

Supply Chain Management

- 45. Supply Chain Management
- 46. Fair Purchasing
- 47. Supplier Labor Conditions Assessment

STEP 2: Prioritization

03 Analyzing Issues for Level of Concern and Impact Significance

After listing out the totality of issues of potential concern regarding disclosure in this report among stakeholders and Sinyi Realty, through various channels we communicated with stakeholders on them, receiving a total of **258,351** responses. Surveys were then distributed to the senior managers of the Total Ethical Management Committee and staff involved in the promotion of corporate social responsibility, seeking opinions from 17 internal experts analyzing each issue for the level of significance of their economic, environmental, and social impacts.



Analyzing Significance of Economic, Environmental, and Social Impacts

Surveys were then distributed to the senior managers of the Total Ethical Management Committee and staff involved in the promotion of corporate social responsibility, seeking opinions internal experts analyzing each issue for the level of significance of their ESG impacts.

Risks and Opportunities [p. 19](#)



Surveying Influence on Stakeholder Assessments and Decisions

Through the aforementioned approach, including questionnaires, Social Monitoring Systems, and other channels, we communicated with stakeholders to understand their level of concern regarding each of the sustainability issues and their impact on assessment and decision-making.

Stakeholder Engagement [p. 17](#)

04 Analyzing Sustainable Development Goals (SDGs)

Primary screening of the SDGs and their relationship to Sinyi, along with a review of the value chain and the positive and negative impacts Sinyi's operations may have on the SDGs was conducted, with Sinyi's contributions and value creation in connection to sustainability goals also assessed. This resulted in a prioritization of the issues.

05 Deciding on Issues of Concern **38** Issues of Concern

We convened a **Material Issues of Concern Decision Meeting**, with senior management from the Total Ethical Management Committee analyzing each issue of concern for its impact on stakeholder assessments and decision-making, as well as the significance of its ESG impacts. From there, based on **Sinyi sustainability principles**, their materiality was analyzed.

After completing this, we defined the **lower threshold for materiality as 65 points (total of influence and impact)**, ultimately compiling a list of 38 issues of concern. We draw the matrix of issues of concern according to impact on stakeholder assessments and decision-making and significance of ESG impacts.

For more details of the matrix of issues of concern, please refer to [p. 21](#).

STEP 3: Verification

06 Corresponding Material Topics — 17 Material Topics

Based on the 38 issues of concern selected, the Total Ethical Management Committee determined corresponding material topics to 14 GRI topics and 3 other topics relating to Sinyi Realty's industry for a total of **17 material topics**.

07 Selecting Corresponding SDGs — 7 SDGs

Among the 17 SDGs, we evaluated the material themes selected from the perspective of our value chain, reviewing our own operations and their potential positive and negative impact on the SDGs, prioritizing them accordingly. In evaluating our contribution to and creation of value for sustainability goals, we proposed corresponding management measures. Sinyi has worked hard to respond to the major goals of sustainable development in seven categories, namely health and welfare (colleagues and suppliers), quality education (shareholders, colleagues, and community), employment and economic growth (shareholders, colleagues, community, and suppliers), reducing inequality (community), sustainable cities (community), responsible consumption and production (customers, environment and suppliers), and climate action (environment and shareholders).

08 Defining Topics — Appearance in the Value Chain 102-46 102-47

We evaluated each of the 17 material topics and 7 sustainable development goals in line with the value chain, identifying the scope of conflicts and impacts in terms of Sinyi's participation therein.

Based on the issues of concern identified in 2017 by our stakeholders, we identified corresponding material topics and SDGs as set out in the table below.

Stakeholders	Investors	Colleagues	Customers	Community	Environment	Suppliers
Issues of Concern	1. Operating Performance 2. Governance Structure 3. Legal Compliance 4. Corruption Prevention 5. Ethics and Integrity 6. Risk control 7. Shareholder Equity 8. Audit Mechanisms 9. Financial Transparency 10. Stakeholder Engagement and Complaints Mechanism	11. Labor Relations 12. Talent Training and Development 13. Organizational Climate 14. Remuneration and Benefits 15. Opportunities for Staff Diversity and Equality 16. Forced Labor 18. Workplace Health and Safety 19. Staff Identity and Retention 20. Work-Life Balance	3. Legal Compliance 21. Customer Relations 22. Service Innovation 23. Protection of Personal Information and Trade Secrets 24. Transaction Security 25. Marketing Communication 26. Quality of Service and Customer Rights 27. Information Disclosure and Transparency 28. Corporate Image	5. Ethics and Integrity 29. Housing Justice 30. Community Building 31. Employment Opportunities 34. Social Philanthropy and Donations 35. Changes in Population Structure 37. Industrial Development and Policy Communication	39. Water Resource Management 41. Greenhouse Gas Emissions 44. Green Services	45. Supply Chain Management 47. Supplier Labor Conditions Assessment
Material Topics (GRI)	201 Economic Performance 205 Anti-Corruption	401 Employment 403 Occupational Health and Safety 404 Training and Education 405 Diversity and Equal Opportunity 409 Forced or Compulsory Labor	416 Customer Health and Safety 417 Marketing and Labeling 418 Customer Privacy	203 Indirect Economic Impacts	303 Water 305 Emissions	414 Supplier Social Assessment
Other Material Topics				Industrial Development and Policy Communication Housing Justice Promotion in Business Ethics		
Sustainable Development Goals (SDGs)						
Our Response	 Corporate Governance chapter	 Caring for Staff chapter	 Customer Care chapter	 Social Engagement chapter	 Environmental Protection chapter	 Supply Chain Management chapter

GRI CONTENT INDEX

102-55



GRI Standard	Disclosure	Page number(s) and/or URL(s)	Responding to International Standards
GRI 101 : Foundation 2016			
General Disclosures			
GRI 102 : General Disclosures 2016	Organizational profile		
	102-1 Name of the organization	Sustainable Business Model p. 5	
	102-2 Activities, brands, products, and services	Sustainable Business Model p. 5	
	102-3 Location of headquarters	Sustainable Business Model p. 5	
	102-4 Location of operations	Sustainable Business Model p. 5	
	102-5 Ownership and legal form	Sustainable Business Model p. 5	
	102-6 Markets served	Sustainable Business Model p. 5	
	102-7 Scale of the organization	Sustainable Business Model p. 5 Appendix - Sustainability Performance Overview p. 85 Labor-Employer Relations p. 46	
	102-8 Information on employees and other workers	Appendix - Sustainability Performance Overview Distribution of Contract Types p. 89	SDG8 UNGC Principle 6
	102-9 Supply chain	Sinyi Realty's Supply Chain System p. 78	
	102-10 Significant changes to the organization and its supply chain	No significant changes	
	102-11 Precautionary Principle or approach	Refining Risk Control Operations p. 35 Risk Analysis and Control p. 36	
	102-12 External initiatives	External initiatives p. 4	
	102-13 Membership of associations	Sinyi Sustainability Website http://csr.sinyi.com.tw/en/governance/board-of-directors.php	
	Strategy		
	102-14 Statement from senior decision-maker	From the Chairman p. 1 Sinyi Realty's Core Competencies and Sustainable Innovation p. 6	TWSE/GTSM Chapter 1
	102-15 Key impacts, risks, and opportunities	Risks and Opportunities p. 19 Refining Risk Control Operations p. 35 Risk Analysis and Control p. 36	
	Ethics and integrity		
	102-16 Values, principles, standards, and norms of behavior	Sinyi Sustainability Website http://csr.sinyi.com.tw/en/policy.php Ethics and Integrity p. 35 Risk Handling and Monitoring p.36	UNGC Principle 10
	102-17 Mechanisms for advice and concerns about ethics	Sinyi Sustainability Website http://csr.sinyi.com.tw/en/governance/risk-management.php Supply Chain Management Performance p. 82	
	Governance		
	102-18 Governance structure	Sustainable Governance Structure and Procedures p. 31 Board of Directors p. 33	
	102-19 Delegating authority	Board of Directors p. 33	
	102-20 Executive-level responsibility for economic, environmental, and social topics	Board of Directors p. 33	
	102-21 Consulting stakeholders on economic, environmental, and social topics	Board of Structure and Mechanisms p. 33	
	102-22 Composition of the highest governance body and its committees	Sustainable Governance Structure and Procedures p. 31	
	102-23 Chair of the highest governance body	Sinyi's Sustainability Vision and Core Philosophy p. 31	
	102-24 Nominating and selecting the highest governance body	Sinyi Sustainability Website http://csr.sinyi.com.tw/en/governance/board-of-directors.php	
	102-25 Conflicts of interest	2017 Annual Report p. 35 http://img.sinyi.com.tw/ufile/2018/05/2566c8bf123f130a87b5eebb08d6a464.pdf	
	102-26 Role of highest governance body in setting purpose, values, and strategy	Sinyi's Sustainability Vision and Core Philosophy p. 31	
	102-27 Collective knowledge of highest governance body	Directors Training p. 33	SDG 4
	102-28 Evaluating the highest governance body's performance	Performance Evaluations of the Board of Directors and Functional Committees p. 34	
	102-29 Identifying and managing economic, environmental, and social impacts	Board of Directors p. 33 Refining Risk Control Operations p. 35 Risk Handling and Monitoring p.36	
	102-30 Effectiveness of risk management processes	Refining Risk Control Operations p. 35 Risk Handling and Monitoring p.36	
	102-31 Review of economic, environmental, and social topics	Refining Risk Control Operations p. 35 Risk Handling and Monitoring p.36	
	102-32 Highest governance body's role in sustainability reporting	Sinyi's Sustainability Vision and Core Philosophy p. 31	
	102-33 Communicating critical concerns	Board of Directors p. 33	
	102-34 Nature and total number of critical concerns	Board of Directors p. 33	
	102-35 Remuneration policies	Remuneration Mechanism for Board of Directors p. 34 Remunerative Rewards for Sustainable Operations p. 34 Appendix - Sustainability Performance Overview p. 88-89	
	102-36 Process for determining remuneration	Sinyi Sustainability Website http://csr.sinyi.com.tw/en/governance/committee.php Reasonable Remuneration and Promotion System p. 42	
	102-37 Stakeholders' involvement in remuneration	Sinyi Sustainability Website http://csr.sinyi.com.tw/en/governance/committee.php Stakeholder Engagement p. 17	
	102-38 Annual total compensation ratio	Appendix - Materiality Analysis Process p.95 Sinyi Realty takes Taiwan as the main location, and the personal highest annual income was 8.79 times higher than the median annual income of all employees in Taiwan.	
	102-39 Percentage increase in annual total compensation ratio	The person who has highest annual income in Taiwan didn't get a pay rise, so the ratio of the highest individual annual income to the median annual income of all employees in the country (excluding the highest individual annual income) is zero.	

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Responding to International Standards
	Stakeholder engagement		
	102-40 List of stakeholder groups	Stakeholder Engagement p. 17 Appendix - Materiality Analysis Process p.95	TWSE/GTSM Chapter 2, 6
	102-41 Collective bargaining agreements	Although Sinyi Realty did not set up labour union and has no group agreement, it still holds a labor conference quarterly and has a transparent communication channels.	UNGC Principle 6
	102-42 Identifying and selecting stakeholders	Identifying Material Topics p. 16 2017 Material Topics p. 21 Appendix - Materiality Analysis Process p.94	TWSE/GTSM Chapter 2, 6
	102-43 Approach to stakeholder engagement	Stakeholder Engagement p. 17 Appendix - Materiality Analysis Process p.95 Staff Opinion Survey p. 46 2017 Annual Report p. 41-42 The communication process has been developed and is not specifically carried out for this report.	ISO26000 6.7.1, 6.7.2, 6.7.6 TWSE/GTSM Chapter 2, 6
	102-44 Key topics and concerns raised	Identifying Material Topics p. 16 2017 Material Topics p. 21 Our Value Chain p. 22 Stakeholder Engagement p. 17 Appendix - Materiality Analysis Process p.94	ISO26000 6.7.1, 6.7.2, 6.7.6 TWSE/GTSM Chapter 2, 6
	Reporting practice		
	102-45 Entities included in the consolidated financial statements	2017 Annual Report p. 172-173	
	102-46 Defining report content and topic Boundaries	Our Value Chain p. 22 Appendix - Materiality Analysis Process p.96	TWSE/GTSM Chapter 2, 6
	102-47 List of material topics	2017 Material Topics p. 21 Appendix - Materiality Analysis Process p.96	TWSE/GTSM Chapter 2, 6
	102-48 Restatements of information	No restatements of information	
	102-49 Changes in reporting	There is no significant difference in major topics and boundaries.	
	102-50 Reporting period	About This Report p. 3	TWSE/GTSM Chapter 1, 5
	102-51 Date of most recent report	About This Report p. 3	TWSE/GTSM Chapter 1, 5
	102-52 Reporting cycle	About This Report p. 3	TWSE/GTSM Chapter 1, 5
	102-53 Contact point for questions regarding the report	About This Report p. 3	TWSE/GTSM Chapter 1, 5
	102-54 Claims of reporting in accordance with the GRI Standards	About This Report p. 3	TWSE/GTSM Chapter 1, 5
	102-55 GRI content index	GRI Content Index p. 97	
	102-56 External assurance	About This Report p. 3 Independent Assurance Opinion Statement P.104	TWSE/GTSM Chapter 1, 5
Material topics			
Economic Performance			
GRI 103 : Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Governance - Management Approach p. 27, 29 Our Value Chain p. 22	
	103-2 The management approach and its components	Governance - Management Approach p. 28, 29	SDG8
	103-3 Evaluation of the management approach	Governance - Management Approach p. 28, 29	
GRI 201 : Economic Performance 2016	201-1 Direct economic value generated and distributed	Sustainability Performance Overview p. 85	SDG8 ISO26000 6.8.1, 6.8.2, 6.8.3, 6.8.7, 6.8.9
	201-2 Financial implications and other risks and opportunities due to climate change	Implementing Internal Control Systems p. 36 Responding to Climate Change and Evaluation of Risks and Opportunities p. 68-72	UNGC Principle 7 SDG13 ISO26000 6.5.5 TWSE/GTSM Chapter 2, 3, 6
	201-3 Defined benefit plan obligations and other retirement plans	Retirement System p. 48	ISO26000 6.8.7
	201-4 Financial assistance received from government	Take NTD. 500,000 subsidy from New Taipei City government for power saving activities.	
Indirect Economic Impacts			
GRI 103 : Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Community - Management Approach p. 55, 59, 61, 63, 65 Our Value Chain p. 22	
	103-2 The management approach and its components	Community - Management Approach p. 56, 59, 61, 63, 65	
	103-3 Evaluation of the management approach	Community - Management Approach p. 56, 59, 61, 63, 65	
GRI 203 : Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Community Investment and Outcomes p. 57	SDG11 ISO26000 6.3.9, 6.8.1, 6.8.2, 6.8.7, 6.8.9 TWSE/GTSM Chapter 4
	203-2 Significant indirect economic impacts	Community Investment and Outcomes p. 57 Creating Communities p. 59	SDG8, 10 ISO26000 6.3.9, 6.6.6, 6.6.7, 6.7.8, 6.8.1, 6.8.2, 6.8.5, 6.8.7, 6.8.9 TWSE/GTSM Chapter 4
Anti-corruption			
GRI 103 : Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Governance - Management Approach p. 27, 35 Our Value Chain p. 22	
	103-2 The management approach and its components	Governance - Management Approach p. 28, 35	
	103-3 Evaluation of the management approach	Governance - Management Approach p. 28, 35	
GRI 205 : Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Sinyi Sustainability Website http://csr.sinyi.com.tw/en/governance/risk-management.php Internal Controls and Auditing p. 35 Existing Control Mechanisms p. 36	UNGC Principle 10 ISO26000 6.6.1, 6.6.2, 6.6.3 TWSE/GTSM Chapter 2, 6
	205-2 Communication and training about anti-corruption policies and procedures	Ethics and Integrity p. 35 Risk Handling and Monitoring p. 36 Sinyi Sustainability Website http://csr.sinyi.com.tw/en/governance/risk-management.php	UNGC Principle 10 ISO26000 6.6.3, 6.6.6 TWSE/GTSM Chapter 2, 6
	205-3 Confirmed incidents of corruption and actions taken	Sinyi Sustainability Website http://csr.sinyi.com.tw/en/governance/risk-management.php	ISO26000 6.6.1, 6.6.2, 6.6.3 TWSE/GTSM Chapter 2, 6

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Responding to International Standards	
Water				
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Environment - Management Approach p. 67,71 Our Value Chain p. 22	
	103-2	The management approach and its components	Environment - Management Approach p. 68,71	
	103-3	Evaluation of the management approach	Environment - Management Approach p. 68,71	
GRI 303 : Water 2016	303-1	Water withdrawal by source	Water Footprint p. 74	UNGC Principle 7, 8 ISO26000 6.5.4 TWSE/GTSM Chapter 3
	303-2	Water sources significantly affected by withdrawal of water	Water Footprint p. 74	ISO26000 6.5.4 TWSE/GTSM Chapter 3
	303-3	Water recycled and reused	Water Footprint p. 74	ISO26000 6.5.4 TWSE/GTSM Chapter 3
Emission				
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Environment - Management Approach p. 67,69,71 Our Value Chain p. 22	
	103-2	The management approach and its components	Environment - Management Approach p. 68,69,71	
	103-3	Evaluation of the management approach	Environment - Management Approach p. 68,69,71	
GRI 305 : Emission 2016	305-1	Direct (Scope 1) GHG emissions	Greenhouse Gas Inventory p. 73	SDG3,12,13 UNGC Principle 7, 8 ISO26000 6.5.5 TWSE/GTSM Chapter 3
	305-2	Energy indirect (Scope 2) GHG emissions	Greenhouse Gas Inventory p. 73	SDG3,12,13 UNGC Principle 7, 8 ISO26000 6.5.5 TWSE/GTSM Chapter 3
	305-3	Other indirect (Scope 3) GHG emissions	Greenhouse Gas Inventory p. 73	SDG3,12,13 UNGC Principle 7, 8 ISO26000 6.5.5 TWSE/GTSM Chapter 3
	305-4	GHG emissions intensity	Greenhouse Gas Inventory p. 73	SDG13 UNGC Principle 8 ISO26000 6.5.5 TWSE/GTSM Chapter 3
	305-5	Reduction of GHG emissions	Greenhouse Gas Inventory p. 73	SDG13 UNGC Principle 8, 9 ISO26000 6.5.5 TWSE/GTSM Chapter 3
	305-6	Emissions of ozone-depleting substances (ODS)	There is no ODS emission in Sinyi Realty.	ISO26000 6.5.3, 6.5.5 TWSE/GTSM Chapter 3
	305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	There is no such emission in Sinyi Realty.	ISO26000 6.5.3 TWSE/GTSM Chapter 3
Employment				
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Colleagues - Management Approach p. 37, 39 Our Value Chain p. 22	
	103-2	The management approach and its components	Colleagues - Management Approach p. 38, 39	
	103-3	Evaluation of the management approach	Colleagues - Management Approach p. 38, 39	
GRI 401 : Employment 2016	401-1	New employee hires and employee turnover	Labor-Employer Relations p. 46 Appendix - Sustainability Performance Overview : New Hires and Turnover Structure p. 91	SDG8 UNGC Principle 6 ISO26000 6.4.3
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Benefits and Retirement Systems p. 48 Sinyi Sustainability Website http://csr.sinyi.com.tw/en/employee/system.php	ISO26000 6.4.4, 6.8.7
	401-3	Parental leave	Gender-Friendly Policy p. 45 Benefits and Retirement Systems p. 48 Appendix - Sustainability Performance Overview : Employees Applications for Parental Leave and their Returns to Work p. 92	ISO26000 6.4.4
Occupational Health and Safety				
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Colleagues - Management Approach p. 37, 47 Our Value Chain p. 22	
	103-2	The management approach and its components	Colleagues - Management Approach p. 38, 47	
	103-3	Evaluation of the management approach	Colleagues - Management Approach p. 38, 47	
GRI 403 : Occupational Health and Safety 2016	403-1	Workers representation in formal joint management-worker health and safety committees	Labor-Management Organization p. 46 Occupational Safety and Health Committee p. 49 Sinyi Sustainability Website http://csr.sinyi.com.tw/en/employee/workplace.php	ISO26000 6.4.6
	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	A Healthy and Safe Workplace p. 49 Appendix - Sustainability Performance Overview : Accident Statistics p. 93 Appendix - Sustainability Performance Overview : Supplier Work Injuries p. 87	SDG3 ISO26000 6.4.6, 6.8.8
	403-3	Workers with high incidence or high risk of diseases related to their occupation	A Healthy and Safe Workplace p. 49	SDG3 ISO26000 6.4.6, 6.8.8
	403-4	Health and safety topics covered in formal agreements with trade unions	A Healthy and Safe Workplace p. 49 Sinyi Sustainability Website http://csr.sinyi.com.tw/en/employee/workplace.php	ISO26000 6.4.6
Training and Education				
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Customers - Management Approach p. 51, 53, 54 Our Value Chain p. 22	
	103-2	The management approach and its components	Customers - Management Approach p. 52, 53, 54	
	103-3	Evaluation of the management approach	Customers - Management Approach p. 52, 53, 54	

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Responding to International Standards
GRI 404 : Training and Education 2016	404-1	Average hours of training per year per employee Training Hours p. 41 Appendix - Sustainability Performance Overview : Average Training Hours p. 91	SDG4, 8 ISO26000 6.4.7
	404-2	Programs for upgrading employee skills and transition assistance programs Lifelong Learning p. 41 Post-Retirement Rehiring System p. 44	SDG8 ISO26000 6.4.7, 6.8.5
	404-3	Percentage of employees receiving regular performance and career development reviews Performance Management p.42	SDG8 ISO26000 6.4.7
Diversity and Equal Opportunity			
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary Colleagues - Management Approach p. 37, 39 Our Value Chain p. 22	
	103-2	The management approach and its components Colleagues - Management Approach p. 38, 39	
	103-3	Evaluation of the management approach Colleagues - Management Approach p. 38, 39	
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees Human Resources Structure p. 46 Diversity and Inclusion p. 44 Appendix - Sustainability Performance Overview : Employees Age Group p. 90 Sinyi Sustainability Website http://csr.sinyi.com.tw/en/governance/board-of-directors.php http://csr.sinyi.com.tw/en/employee/appeal.php	SDG8 UNGC Principle 6 ISO26000 6.2.3, 6.3.7, 6.3.10, 6.4.3
	405-2	Ratio of basic salary and remuneration of women to men A Friendly Workplace Environment p. 45	SDG8 ISO26000 6.3.7, 6.3.10, 6.4.3, 6.4.4
Forced or Compulsory Labor			
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary Colleagues - Management Approach p. 37, 47 Supply Chain - Management Approach p. 75, 77 Our Value Chain p. 22	
	103-2	The management approach and its components Colleagues - Management Approach p. 38, 47 Supply Chain - Management Approach p. 76, 77	
	103-3	Evaluation of the management approach Colleagues - Management Approach p. 38, 47 Supply Chain - Management Approach p. 76, 77	
GRI 409 : Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor Health Planning and LOHAS p. 50 Supplier Risk Assessment p. 81 Sinyi Sustainability Website http://csr.sinyi.com.tw/en/employee/workplace.php http://csr.sinyi.com.tw/en/supplychain/achievement.php	SDG8 UNGC Principle 4 ISO26000 6.3.4, 6.3.5, 6.3.10, 6.6.6 TWSE/GTSM Chapter 4
Supplier Social Assessment			
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary Supply Chain - Management Approach p. 75, 77 Our Value Chain p. 22	
	103-2	The management approach and its components Supply Chain - Management Approach p. 76, 77	
	103-3	Evaluation of the management approach Supply Chain - Management Approach p. 76, 77	
GRI 414 : Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria Sinyi Sustainability Website http://csr.sinyi.com.tw/en/supplychain/achievement.php	SDG8 UNGC Principle 2 ISO26000 6.3.3, 6.3.4, 6.3.5, 6.4.3, 6.6.1, 6.6.2, 6.6.6, 6.8.1, 6.8.2, 7.3.1 TWSE/GTSM Chapter 4
	414-2	Negative social impacts in the supply chain and actions taken Supplier Risk Assessment p. 81	SDG8 ISO26000 6.3.3, 6.3.4, 6.3.5, 6.4.3, 6.6.1, 6.6.2, 6.6.6, 6.8.1, 6.8.2, 7.3.1 TWSE/GTSM Chapter 4
Customer Health and Safety			
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary Customers - Management Approach p. 51, 53, 54 Our Value Chain p. 22	
	103-2	The management approach and its components Customers - Management Approach p. 52, 53, 54	
	103-3	Evaluation of the management approach Customers - Management Approach p. 52, 53, 54	
GRI 416 : Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories Protecting Customer Rights, In Pursuit of Customer Satisfaction p. 53	ISO26000 6.7.1, 6.7.2, 6.7.4, 6.7.5, 6.8.8 TWSE/GTSM Chapter 4
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services There is no irregularity.	ISO26000 4.6, 6.7.1, 6.7.2, 6.7.4, 6.7.5, 6.8.8 TWSE/GTSM Chapter 4
Marketing and Labeling			
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary Customers - Management Approach p. 51, 53 Our Value Chain p. 22	
	103-2	The management approach and its components Customers - Management Approach p. 52, 53	
	103-3	Evaluation of the management approach Customers - Management Approach p. 52, 53	
GRI 417 : Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling Protecting Customer Rights, In Pursuit of Customer Satisfaction p. 53	SDG12 ISO26000 6.7.1, 6.7.2, 6.7.3, 6.7.4, 6.7.5, 6.7.9 TWSE/GTSM Chapter 4
	417-2	Incidents of non-compliance concerning product and service information and labeling Customers - Management Performance p. 52	ISO26000 4.6, 6.7.1, 6.7.2, 6.7.3, 6.7.4, 6.7.5, 6.7.9 TWSE/GTSM Chapter 4
	417-3	Incidents of non-compliance concerning marketing communications There is no significant fine (over 100 thousand NT dollars) in 2017.	ISO26000 4.6, 6.7.1, 6.7.2, 6.7.3 TWSE/GTSM Chapter 4
Customer Privacy			
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary Customers - Management Approach p. 51, 53 Our Value Chain p. 22	
	103-2	The management approach and its components Customers - Management Approach p. 52, 53	
	103-3	Evaluation of the management approach Customers - Management Approach p. 52, 53	
GRI 418 : Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data Appendix - Sustainability Performance Overview p. 86	ISO26000 6.7.1, 6.7.2, 6.7.7 TWSE/GTSM Chapter 4

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Responding to International Standards
Other Material Topics			
Industrial Development and Policy Communication	Industrial Development and Policy Communication	Community Investment and Outcomes p. 57 Refining Industrial Development of the Real Estate Industry p. 63	TWSE/GTSM Chapter 4
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Community - Management Approach p. 55, 63 Our Value Chain p. 22
	103-2	The management approach and its components	Community - Management Approach p. 56, 63
	103-3	Evaluation of the management approach	Community - Management Approach p. 56, 63
Housing Justice	Housing Justice	Community Investment and Outcomes p. 57 Refining Industrial Development of the Real Estate Industry p. 63 Social Philanthropy and Donations p. 65	TWSE/GTSM Chapter 4
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Community - Management Approach p. 55, 63, 65 Our Value Chain p. 22
	103-2	The management approach and its components	Community - Management Approach p. 56, 63, 65
	103-3	Evaluation of the management approach	Community - Management Approach p. 56, 63, 65
Promotion in Business Ethics	Promotion in Business Ethics	Community Investment and Outcomes p. 57 Promotion in Business Ethics p. 61	TWSE/GTSM Chapter 4
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Community - Management Approach p. 55, 61 Our Value Chain p. 22
	103-2	The management approach and its components	Community - Management Approach p. 56, 61
	103-3	Evaluation of the management approach	Community - Management Approach p. 56, 61

Note: TWSE/GTSM: Corporate Social Responsibility Best-Practice Principles for TWSE/GTSM Listed Companies

Note: 2017 Annual Report <http://img.sinyi.com.tw/u/file/2018/05/2566c8bf123f130a87b5eebb08d6a464.pdf>

VERIFICATION OPINION STATEMENT / CERTIFICATE OF REGISTRATION

ISO 14064-1
Greenhouse Gas Emissions Verification Opinion Statement

PAS 2050
Product Carbon Footprint Verification Opinion Statement



Opinion Statement



Greenhouse Gas Emissions Verification Opinion Statement

This is to verify that: Sinyi Realty Inc.
No. 100, Sec. 5, Sinyi Rd.
Sinyi District,
Taipei City
Taiwan
110
信義房屋仲介股份有限公司
臺灣
台北市
信義區
信義路五段100號

Holds Statement No: GHGEV 1457

Verification opinion statement
As a result of carrying out verification procedures in accordance with ISO 14064-3:2006, it is the opinion of BSI with reasonable assurance that:

- The Greenhouse Gas Emissions with the Sinyi Realty Inc. for the period from 2017-01-01 to 2017-12-31 is 6,506,895 tonnes of CO₂ equivalent, including scope 1 emissions 620,799 tonnes of CO₂ equivalent and scope 2 emissions 5,886,095 tonnes of CO₂ equivalent.
- No material misstatements for the period from 2017-01-01 to 2017-12-31 Greenhouse Gas Emissions calculation were revealed.
- Data quality was considered acceptable in meeting the principles as set out in ISO/CD 14064-3:2006.
- The emission factor for electricity for the year 2017 is not published by Taiwan government so far, the emission factor used for electricity is 0.525 Kilograms of Carbon Dioxide equivalent per kWh instead which may potentially result in different Greenhouse Gas Emission estimates.

For and on behalf of BSI:

Managing Director BSI Taiwan, Peter Pu

Originally issued: 2018-06-23

Latest issue: 2018-06-23

Page 1 of 13



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PAS 2060
Carbon Neutrality Declaration Verification Opinion Statement



Opinion Statement



Carbon Neutrality Declaration Verification Opinion Statement

This is to verify that: Sinyi Realty Inc.
No. 100, Sec. 5, Sinyi Rd.
Sinyi District,
Taipei City
Taiwan
信義房屋仲介股份有限公司
臺灣
台北市
信義區
信義路五段100號

Holds Statement No: CNCDV 041

Verification opinion statement
As a result of carrying out the verification in accordance with PAS 2060:2014, it is the opinion of BSI that:

- Sinyi Realty Inc. for its subject "2017 GHG emissions in selected branches including Tianmu E. Rd. branch, Chengde branch and Chengong Hanshi branch" (分高北、安泰路、合中、豐盛店、馬路或成發中心 2017 年溫室氣體減量計畫) have been certified as carbon neutral branches for the first application period.
- No material misstatements in this carbon neutrality declaration were revealed.

BSI herewith confirms that carbon neutrality information in above period as follows:
Subject GHG emissions: 39 tonnes CO₂ equivalent
Retired offset carbon credits: 42 tonnes CO₂ equivalent

For and on behalf of BSI:

Managing Director BSI Taiwan, Peter Pu

Originally issued: 2018-07-04

Latest issue: 2018-07-04

Page 1 of 2



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Opinion Statement



Product Carbon Footprint Verification Opinion Statement

This is to verify that: Sinyi Realty Inc.
No. 100, Sec. 5, Sinyi Rd.
Sinyi District,
Taipei City
Taiwan
信義房屋仲介股份有限公司
臺灣
台北市
信義區
信義路五段100號

Holds Statement No: PCFV 208

Verification opinion statement
As a result of carrying out the verification of product life cycle greenhouse gas emissions, it is the opinion of BSI with reasonable assurance that:

- The Product Carbon Footprint with the functional Unit of per real estate transaction service (第一階段交屋件 - 不動產買賣仲介服務) is 426.46 kg of CO₂ equivalent.
- No material misstatements in this product life cycle greenhouse gas emission assertion were revealed. The product life cycle GHG data quality was verified to be acceptable against the requirements of PAS 2050:2011.

This statement shall be valid for a maximum period of two years after the latest issue date on this certificate. Should there be a change in the life cycle of the product whose GHG emissions are being assessed, the validity of this opinion statement will cease.

For and on behalf of BSI:

Managing Director BSI Taiwan, Peter Pu

Originally registered: 2018-06-28

Effective Date: 2018-06-28

Latest Revision Date: 2018-06-28

Expiry Date: 2020-06-17



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ISO 14046
Water Footprint Verification Opinion Statement



Opinion Statement



Water Footprint Verification Opinion Statement

This is to verify that: Sinyi Realty Inc.
No. 100, Sec. 5, Sinyi Rd.
Sinyi District,
Taipei City
Taiwan
信義房屋仲介股份有限公司
臺灣
台北市
信義區
信義路五段100號

Holds Statement No: WFV 020

Verification opinion statement
As a result of carrying out the verification of organizational water footprint assessment, it is the opinion of BSI that:

- This verification is according to the water scarcity footprint assessment report of Sinyi Realty Inc.
- The system boundary is defined as an organizational boundary by operational control approach.
- The organizational boundary is defined as organization of Sinyi Realty Inc. headquarters and its branches (信義房屋總部及各營業據點).
- No material misstatements in this ISO 14046:2014 assertion were revealed.

The data quality of organizational water footprint with water scarcity assessment was verified to be acceptable against the requirements of ISO 14046:2014.

For and on behalf of BSI:

Managing Director BSI Taiwan, Peter Pu

Originally registered: 2019-07-05

Latest Issue: 2019-07-05

Expired by: 2020-07-04



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VERIFICATION OPINION STATEMENT / CERTIFICATE OF REGISTRATION

ISO 50001 Energy Management System Certificate of Registration

Verification Statement from LBG



Certificate of Registration

ENERGY MANAGEMENT SYSTEM - ISO 50001:2011

This is to certify that: **Sinyi Realty Inc.**
 No. 100, Sec. 5, Sinyi Rd.
 Sinyi District
 Taipei City
 110
 Taiwan

信義房屋股份有限公司
 臺灣
 台北市
 信義區
 信義路五段100號
 110

Holds Certificate No: **ENMS 652810**
 and operates an Energy Management System which complies with the requirements of ISO 50001:2011 for the following scope:

The provision of real estate brokerage service.
 房屋仲介服務

For and on behalf of BSI:

Chris Cheung, Head of Compliance & Risk - Asia Pacific

Original Registration Date: 04/18/2016
 Latest Revision Date: 04/18/2016

Effective Date: 04/18/2016
 Expiry Date: 03/18/2019

Page: 1 of 2



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 Please refer to the website at www.bsi-global.com/Certificates in Hong Kong +86 1872034-0222

Sinyi Headquarters: 5th Floor, No. 33, 3rd Rd., Nei-Hu Dist., Taipei 114, Taiwan, R.O.C.
 A Member of the BSI Group of Companies.



Verification Statement from LBG Australia & New Zealand - 2018

The LBG model helps businesses improve the measurement, management and reporting of their corporate community investment programs. It covers the full range of contributions (cash, time and in-kind donations) made to community causes.

As managers of LBG Australia & New Zealand, we can confirm that we have worked with Sinyi Realty Inc to verify its understanding and application of the LBG model with regard to the wide range of community programs supported.

Our aim has been to ensure that the evaluation principles have been correctly and consistently applied and we are satisfied that this has been achieved. It is important to note that our work has not extended to an independent audit of the data.

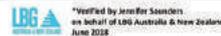
We can confirm that Sinyi Realty Inc has invested the following amounts in the community in the 2018 reporting year as defined by the LBG methodology.

Cash	STWD	\$2,884,940
Time	STWD	2,693,155
In-kind	STWD	388,000
Management costs	STWD	7,900,024
TOTAL*	STWD	63,866,119

In addition to LBG verified figures, Sinyi Realty Inc also reported the following outputs in their submission:

Revenue foregone* STWD 2,328,000

*All revenue foregone for community benefits on fees, products and services provided free or discounted. Please refer to LBG for detailed definitions as required.



ISO 14001 Environmental Management System Certificate of Registration



Certificate of Registration

ENVIRONMENTAL MANAGEMENT SYSTEM - ISO 14001:2015

This is to certify that: **Sinyi Realty Inc.**
 No. 100, Sec. 5, Sinyi Rd.
 Sinyi District
 Taipei City
 110
 Taiwan

信義房屋股份有限公司
 臺灣
 台北市
 信義區
 信義路五段100號
 110

Holds Certificate No: **EMS 693670**
 and operates an Environmental Management System which complies with the requirements of ISO 14001:2015 for the following scope:

The provision of real estate brokerage service.
 房屋仲介服務

For and on behalf of BSI:

Chris Cheung, Head of Compliance & Risk - Asia Pacific

Original Registration Date: 2018-07-03
 Latest Revision Date: 2018-07-03

Effective Date: 2018-07-03
 Expiry Date: 2021-07-02

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Sinyi Headquarters: 5th Floor, No. 33, 3rd Rd., Nei-Hu Dist., Taipei 114, Taiwan, R.O.C.
 A Member of the BSI Group of Companies.

ISO 20121 Event Sustainability Management Systems Certificate of Registration



Certificate of Registration

EVENT SUSTAINABILITY MANAGEMENT SYSTEMS - ISO 20121:2012

This is to certify that: **Sinyi Realty Inc.**
 No. 100, Sec. 5, Sinyi Rd.
 Sinyi District
 Taipei City
 110
 Taiwan

信義房屋股份有限公司
 臺灣
 台北市
 信義區
 信義路五段100號
 110

Holds Certificate No: **SEMS 673609**
 and operates a Sustainability Management System for Events which complies with the requirements of ISO 20121:2012 for the following scope:

The provision of real estate brokerage service.
 房屋仲介服務

For and on behalf of BSI:

Hansung Director BSI Taiwan, Peter Fu

Original Registration Date: 2017-07-04
 Latest Revision Date: 2017-07-04

Effective Date: 2017-07-04
 Expiry Date: 2020-07-03

Page: 1 of 2



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Sinyi Headquarters: 5th Floor, No. 33, 3rd Rd., Nei-Hu Dist., Taipei 114, Taiwan, R.O.C.
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INDEPENDENT ASSURANCE OPINION STATEMENT

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Sinyi Realty Inc. 2017 Corporate Sustainability Report

The British Standards Institution is independent to Sinyi Realty Inc. (hereafter referred to as Sinyi Realty in this statement) and has no financial interest in the operation of Sinyi Realty other than for the assessment and assurance of this report.

This independent assurance opinion statement has been prepared for Sinyi Realty only for the purposes of assuring its statements relating to its corporate social responsibility (CSR), more particularly described in the Scope below. It was not prepared for any other purpose. The British Standards Institution will not, in providing this independent assurance opinion statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used, or to any person by whom the independent assurance opinion statement may be read.

This independent assurance opinion statement is prepared on the basis of review by the British Standards Institution of information presented to it by Sinyi Realty. The review does not extend beyond such information and is solely based on it. In performing such review, the British Standards Institution has assumed that all such information is complete and accurate.

Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to Sinyi Realty only.

Scope

The scope of engagement agreed upon with Sinyi Realty includes the followings:

1. The assurance scope is consistent with the description of Sinyi Realty Inc. 2017 Corporate Sustainability Report.
2. The evaluation of the nature and extent of the Sinyi Realty's adherence to all three AA1000 AccountAbility Principles in this report as conducted in accordance with type 1 of AA1000AS (2008) assurance engagement and therefore, the information/data disclosed in the report is not verified through the verification process.

This statement was prepared in English and translated into Chinese for reference only.

Opinion Statement

We conclude that the Sinyi Realty Inc. 2017 Corporate Sustainability Report provides a fair view of the Sinyi Realty CSR programmes and performances during 2017. The CSR report subject to assurance is free from material misstatement based upon testing within the limitations of the scope of the assurance, the information and data provided by the Sinyi Realty and the sample taken. We believe that the 2017 economic, social and environmental performance information are fairly represented. The CSR performance information disclosed in the report demonstrate Sinyi Realty's efforts recognized by its stakeholders.

Our work was carried out by a team of CSR report assurers in accordance with the AA1000 Assurance Standard (2008). We planned and performed this part of our work to obtain the necessary information and explanations we considered to provide sufficient evidence that Sinyi Realty's description of their approach to AA1000 Assurance Standard and their self-declaration of 'in accordance' with the GRI Standards(2016): the Comprehensive option were fairly stated.

Methodology

Our work was designed to gather evidence on which to base our conclusion. We undertook the following activities:

- review of topics raised by external parties that could be relevant to Sinyi Realty's policies to provide a check on the appropriateness of statements made in the report.
- discussion with managers and staffs on approach to stakeholder engagement. However, we had no direct contact with external stakeholders.
- 18 interviews with staffs involved in sustainability management, report preparation and provision of report information were carried out.
- review of key organizational developments.
- review of the findings of internal audits.
- review of supporting evidence for claims made in the reports.
- an assessment of the organization's reporting and management processes concerning this reporting against the principles of Inclusivity, materiality and responsiveness as described in the AA1000 AccountAbility Principles Standard (2008).

Conclusions

A detailed review against the AA1000 AccountAbility Principles of Inclusivity, Materiality and Responsiveness and the GRI Standards(2016) is set out below:



Inclusivity

This report has reflected a fact that Sinyi Realty has continually sought the engagement of its stakeholders. The participation of stakeholders has been initiated in developing and achieving an accountable and strategic response to sustainability. The reporting systems are being developed to deliver the required information. There are fair reporting and disclosures for economic, social and environmental information in this report, so that appropriate planning and target-setting can be supported. In our professional opinion the report covers the Sinyi Realty's inclusivity issues.

Materiality

Sinyi Realty publishes sustainability information that enables its stakeholders to make informed judgements about the company's management and performance. In our professional opinion the report covers the Sinyi Realty's material issues.

Responsiveness

Sinyi Realty has implemented the practice to respond to the expectations and perceptions of its stakeholders. An Ethical Policy for Sinyi Realty is developed and provides the opportunity to further enhance Sinyi Realty's responsiveness to stakeholder concerns. Topics that stakeholder concern about have been responded timely. In our professional opinion the report covers the Sinyi Realty's responsiveness issues. However, the future report should be further enhanced by the following areas:

- Encouraging to work towards a type 2 of AA1000AS (2008) engagement with a view to providing the reliability of sustainability performance information that stakeholder concerns.

GRI Sustainability Reporting Standards (GRI Standards)

Sinyi Realty provided us with their self-declaration of 'in accordance' with the GRI Standards(2016): the Comprehensive option (For each material topic covered by a topic-specific GRI Standard, comply with all reporting requirements for all topic-specific disclosures). Based on our review, we confirm that social responsibility and sustainable development disclosures with reference to the GRI Standards' disclosures are reported, partially reported or omitted. In our professional opinion the self-declaration covers the Sinyi Realty's social responsibility and sustainability topics.

Assurance level

The moderate level assurance provided is in accordance with AA1000 Assurance Standard (2008) in our review, as defined by the scope and methodology described in this statement.

Responsibility

This CSR report is the responsibility of the Sinyi Realty's chairman as declared in his responsibility letter. Our responsibility is to provide an independent assurance opinion statement to stakeholders giving our professional opinion based on the scope and methodology described.

Competency and Independence

The assurance team was composed of Lead Auditors experienced in industrial sector, and trained in a range of sustainability, environmental and social standards including AA1000 AS, ISO14001, OHSAS18001, ISO14064 and ISO 9001. BSI is a leading global standards and assessment body founded in 1901. The assurance is carried out in line with the BSI Fair Trading Code of Practice.

For and on behalf of BSI:



Peter Pu
Managing Director BSI Taiwan
2018-06-21




AA1000
Licensed Assurance Provider
000-4

Taiwan Headquarters: 5th Floor, No. 39, Ji-Hu Rd., Nei-Hu Dist., Taipei 114, Taiwan, R.O.C.

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Sustainable Development Questionnaire for Stakeholders of SINYI Realty

We hope the questionnaire could enhance interaction with the stakeholders who care about Sinyi Realty. To find out your valuable advice and recommendations on our corporate social responsibility practices. Furthermore, to disclosure with the material topics you are concerned in the next corporate sustainability report.

We welcome and look forward to your valuable advice.

Please select what kind of stakeholders you are. (multiple choice)

Customers	Employee in Sinyi Group	Stockholder/Investor	Community or Local group		
Non-profit Organization	Social Enterprise	Supplier	Government/Academic Unit	Media	Others

Operating Performance	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned	Workplace Health and Safety	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned
Governance Structure	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned	Staff Identity and Retention	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned
Legal Compliance	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned	Work-Life Balance	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned
Corruption Prevention	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned	Customer Relations	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned
Ethics and Integrity	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned	Service Innovation	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned
Risk control	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned	Protection of Personal Information and Trade Secrets	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned
Shareholder Equity	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned	Transaction Security	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned
Audit Mechanisms	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned	Marketing Communication	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned
Financial Transparency	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned	Quality of Service and Customer Rights	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned
Stakeholder Engagement and Complaints Mechanism	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned	Information Disclosure and Transparency	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned
Green Purchasing	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned	Corporate Image	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned
Water Resource Management	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned	Housing Justice	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned
Biodiversity	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned	Community Building	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned
Greenhouse Gas Emissions	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned	Employment Opportunities	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned
Waste Management	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned	Lifelong Learning	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned
Ecological Protection	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned	Anti-Competitive Behavior	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned
Green Services	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned	Social Philanthropy and Donations	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned
Labor Relations	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned	Changes in Population Structure	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned
Talent Training and Development	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned	Promotion of Culture and Creativity	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned
Organizational Climate	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned	Industrial Development and Policy Communication	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned
Remuneration and Benefits	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned	Supply Chain Management	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned
Opportunities for Staff Diversity and Equality	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned	Fair Purchasing	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned
Forced Labor	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned	Supplier Labor Conditions Assessment	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned
Freedom of Association and Collective Bargaining	<input type="radio"/> Not Concerned <input type="radio"/> Normal <input type="radio"/> Very Concerned		

Other Suggestion

After completing this anonymous questionnaire, please send it to "Total Ethical Management Committee":

Fax: +886-2-2722-0515 E-mail: csr@sinyi.com.tw Address: No. 100, Xinyi Rd. Sec. 5, Xinyi District, Taipei City, Taiwan

Alternatively, you can also fill out our questionnaire online: <http://csr.sinyi.com.tw/en/interactive/survey.php>





Corporate Sustainability Report

