

Sustainable Performance Management

We formulate strategies for sustainable development and regularly review the performance and achievement of goals. Through internal confirmation and external independent third-party verification, the credibility of qualitative and quantitative performance is improved.

Sustainable Affairs Management

Corporate sustainability is part of Sinyi Realty's business strategy. Through a top-down governance structure, it is complemented by various working groups to connect and integrate horizontal organizations, fully demonstrating the importance of corporate responsibility.

ESG Performance Management

The Board of Directors formulates various material strategies on how to reconcile the rights and interests of various stakeholders every year, and provides important guidelines for sustainable management.

The **Total Ethical Management Committee (TEM committee)** is the highest unit for the handling of sustainability matter within Sinyi Realty, with six working groups set up below the committee.

The TEM committee coordinates the company's CSR and sustainable development direction and sets relevant goals, regularly reviewing performance and goal achievement.

Verification statement

- Independent Opinion Statement
- ISO verification statements
- Financial Data: 2019 Annual Report

TEM committee organizational structure and function, please see [p. 34](#)

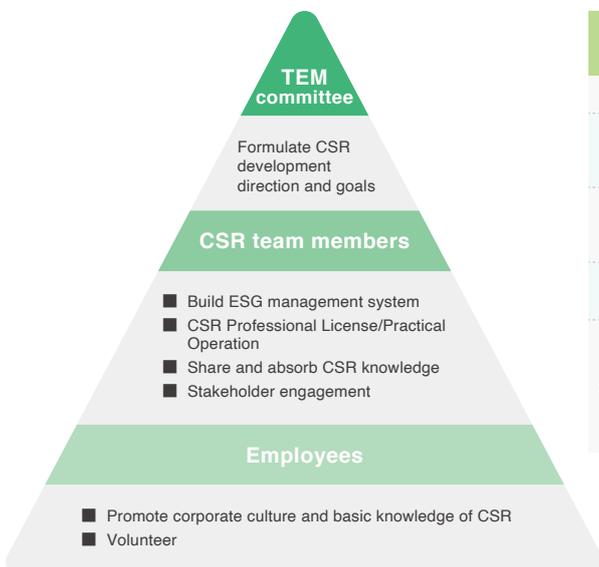
Management of the Sustainability Report

The TEM committee coordinates the direction of the sustainability report, and the Chief Strategy Officer Office collects opinions from stakeholders, and compiles the relevant content of the report and submits it to the Board of Directors for review and issuance. The contents of each chapter of the report are reviewed by the heads of the six working groups to verify the correctness of the content and information, and the Board of Directors reviews the sustainability performance and strategic goals. In addition, the quality of the report may be improved through external independent third party verification.



Sustainability Activity Participation and Training Hours Statistics

Sinyi Realty actively participates in and organizes various sustainable activities, and hopes to exert its influence as an industry leader, and internalize the sustainable spirit with ideas and activities internally. Through various methods such as seminars or lectures, towards the vision of "Sinyi People, Sinyi Company, Sinyi Society" and sustainable literacy. Participation statistics are as follows:



Item	Sustainable Activities	Total Hours	Influence (Number of people)
Sustainable promotion speech	Founder's speech	4	2,500
Vision goal / Senior management training of sustainability	<ul style="list-style-type: none"> ■ TEM committee meeting ■ Training course 	30	800
CSR team knowledge advancement	<ul style="list-style-type: none"> ■ CSR course ■ Seminar / Forum 	320.5	20
Employee sustainable education and training	Internal course	800	400
Social influence	Host / Co-organizer by Sinyi <ul style="list-style-type: none"> ■ Sustainability Workshop ■ Visit ■ Lecture 	160.5	666
	Lecture session	Seminar speech	19

Sustainable Performance Management

Sinyi Sustainable Development Goals and Business Policy

We set short, medium, and long-term strategic goals and confirm the consistency of sustainable development goals, operating policies and performance indicators and manage important sustainable goals, performance achievement status and history in accordance with management policies.

Economic Performance

Through the implementation of transparent, integrity-based corporate governance, we will have become the leading brand in the Chinese-speaking housing services.

The Board of Directors, selected at our stockholder meetings, is responsible for supervising the execution of the company's various operations to protect the long-term interests of shareholders and to safeguard the interests of all stakeholders, including staff, customers, vendors, 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. 31 - 40

Long-term Strategic Goals

Sinyi Sustainability Principles

Corporate Governance = What Should be Done



Mid-term Strategic Goal

2030 Goals

Become the leading brand in the Chinese-speaking housing industry



Short-term Strategic Goals

2020 Goals

Top-level Corporate Governance Evaluation Rating (Top 5%)

2019 Goals and Achievements

Corporate Governance Evaluation

2019 Goal	2019 Performance
Top-level Corporate Governance Evaluation Rating (Top 5%)	Top-level Corporate Governance Evaluation Rating (Top 5%)

Achieved

Since the TWSE Corporate Governance Evaluation began, we have received the highest recognition in them for six consecutive years, ranking among the top 5% of listed companies.

Our Actions

For several years, we have had independent directors account for over half the Board, a level that has rarely been seen in the industry. After the re-election of the board in 2019, we have a new female independent director, who is under the age of 50, with working experiences in foreign bank for many years and having served a director or general manager in other listed companies, she will provide us more innovative and fresh ideas.



TOP 5%

Listed Company Corporate Governance Evaluations Ranking

Profitability

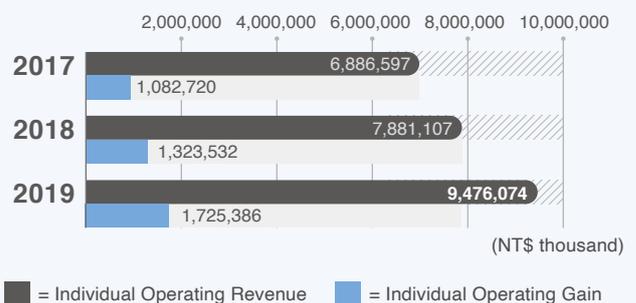
2019 Goal	2019 Performance
Continue to be profitable every year	operating gain of NT\$1.725 billion

Achieved

In 2019, we achieved an operating gain of NT\$1.725 billion and continued to make a profit.

Our Actions

Faced with a changing political and economic situation, we remain united and committed to excellence, working to strengthen our core services and investing in the cultivation of our talented staff. In 2019, in order to continuously optimize the diversity of residential and living services, Sinyi decided to enter the tourism industry. In addition, Sinyi was renamed, removing "brokerage" from the company's Chinese name, and approved this at the shareholders meeting, so that the business scope can be more consistent with the name.



Sustainable Performance Management

Sinyi Sustainable Development Goals and Business Policy

Social Performance(Internal)

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

Sinyi Realty believes firmly that our employees are also important partners. Beginning by putting people first, we strive to ensure that our staff enjoys a balance between physical and mental health, and both financial and personal growth. By creating a happy workplace where all staff can strike a balance between work and life.

Management Mechanism

[Caring for Employees chapter, p. 41 - 54](#)

Long-term Strategic Goals

Sinyi Sustainability Principles

Putting People First:
Employees Are Partners, Not Assets.

Mid-term Strategic Goal

2030 Goals

Attracting great talent and creating a friendly workplace. We aimed to increase female management proportion to 20 % and average training hours to 50 hours.

Short-term Strategic Goals

2020 Goals

- Turnover Rate < 28%
- Female Management > 18%

2019 Goals and Achievements

Turnover Rate

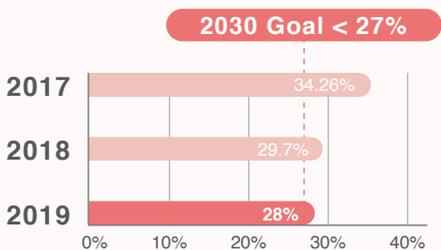
2019 Goal	2019 Performance
<33%	<28%

Achieved

We employed a policy of high salaries, high development, and high care to encourage employees to pursue higher goals. When all the strategies formed a comprehensive workplace, there was a virtuous circle realized in our business culture.

Our Actions

We conduct employee engagement survey annually to find out opinions regarding the organization. According to the result, we sent 10,000 Sinfu coins (a flexible system) to each employee for raising satisfaction, options about physical and mental health, family care, lifelong learning have larger ratio in 2019.



Percentage of Female Management

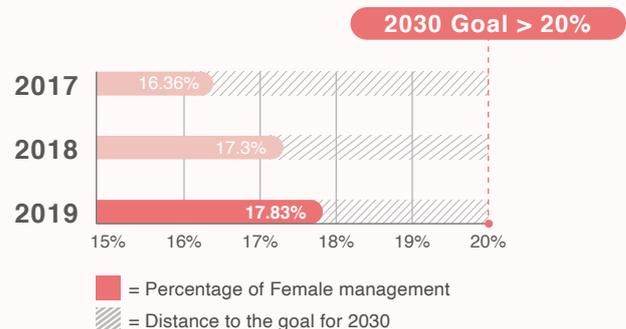
2019 Goal	2019 Performance
>17.5%	>17.83%

Achieved

Due to the nature of the industry, our staff were primarily male; However, 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. Our endeavor was proved by domestic and international awards and participated Gender Equality Index in the Workplace of Taipei City.

Our Actions

Sinyi Realty places great importance on diversity in hiring, training and promotion. Workers have work-life balanced, as well as providing equal opportunities for both genders.



Sustainable Performance Management

Sinyi Sustainable Development Goals and Business Policy

Social Performance(External)

Continuous pursuit of ethical innovation, achieving 92% customer satisfaction rate by 2030

Sinyi Realty has since our founding been committed to promoting safe, efficient, and reasonable real estate transactions and to making the spirit of justice in word and deed which is 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.

Management Mechanism

 Customer Care chapter, p. 55 - 58

Long-term Strategic Goals

Sinyi Sustainability Principles

Where There Is Sinyi, There Is Happiness



Mid-term Strategic Goal

2030 Goals

Pursuing innovation continuously in line with corporate ethics and partnering with communities to foster a better world



Short-term Strategic Goals

2020 Goals

- Customer Satisfaction Rate > 90%
- Innovation Services developed

2019 Goals and Achievements

Customer Satisfaction Rate

2019 Goal	2019 Performance
>88%	88.88%

2030 Goal 92%



✔ Achieved

For striving to improve service quality and experience, we adjusted the method we rate from 2017 to pursue higher service quality. We have only take full marks into counting. The new evaluation system can also reflect the improvement in service quality satisfaction for two consecutive years.

Our Actions

We create innovative services are in line with customer requirements and corporate ethics. Also, Sinyi focused on customers needs precisely by technology developed. For non-stop improvement for safety of real estate transaction, Sinyi launched exclusive Protection Against Pest-caused Timber Decay and Safe Rental Guarantee Project for Commercial Real Estate.

Exclusive Protection Against Pest-caused Timber Decay

The weather is hot and humid in Taiwan, it is the main cause that wooden decorations have insect-related decay easily. However, the current laws do not clearly set related regulations. Therefore, Sinyi launched exclusive protection against pest-caused timber decay. We planed the concepts of "pre-prevention" and "complete protection" including professional inspection for pests: Sinyi took the initiative to check the condition of properties after they are entrusted by the owner. If the property has been inspected for insect-related decay, it will be disclosed in the instructions of the real estate agreement clearly; Complete pest-prevention compensation system: Within six months of the agreed protection deal, if consumers find that the wood decoration and wooden fixtures of the house have insect-related decay, meaning the decay is caused by termites, mealworms and beetles, coverage is provided by Sinyi to provide deworming and compensation services.

Community Service Demonstrated Its Influence Consecutively

In order to make community services more effective widely, we have integrated relevant resources into modules with standard operating processes, customized services for specific communities, and coordination with major events or festivals. There are 54 items in total. Community has changed with time, community services have also evolved and community service projects will be broader and deeper, and connected with the local area.

Sustainable Performance Management

Sinyi Sustainable Development Goals and Business Policy

Social Performance (External)

Create a happy Taiwan and achieve a cumulative coverage rate of 100% for Community Capacity Building Project proposals by 2030

The "community" that connects people and people to the environment, is not only the home, but also the field where many good things happen. Sinyi Realty has involved in community building for 15 years, and we see people from passive observers to active participants. The change of the community has also upgraded from merely hardware to software - the improvement of the relationship between people. We hope to integrate like-minded partner group, begin with homes and bridge out into communities, and take an active role in public affairs, to transform hearts of people and to build a society of trust.

Management Mechanism

Social Engagement chapter, p. 59 - 68

Long-term Strategic Goals

Sinyi Sustainability Principles

Sinyi People → Sinyi Company → Sinyi Society

*"Sinyi" means "trustworthy" in Chinese.

Mid-term Strategic Goal

2030 Goals

To build a better society via four pillars.

Short-term Strategic Goals

2020 Goals

- Cumulative coverage rate of Community Capacity Building Project proposals: 98.91%
- Promote diverse community volunteer services and reach 13,000 hours .

2019 Goals and Achievements

Cumulative coverage rate of Community Capacity Building Project proposals

2019 Goal	2019 Performance
98.91%	98.91%

Achieved

Over the This year made it the 15th year since 2004, we cumulatively received 10,661 proposals and reached 2,376 communities. We even were recognized with the 9th Presidential Cultural Award, the first time for a private enterprise was honored.

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 Taiwan.

3 community building sites were set up to cultivate local talents and connect local organizations, so a mutual assistance network can be formed to promote our concept.



Social Investment as Percentage of Sinyi Realty Individual Operating Gain(%)

2019 Goal	2019 Performance
5%	6.46%

Achieved

Sinyi Realty Social Investment amount in 2019 is NT\$ 111,426 thousands, which is 6.46% of Sinyi Realty individual operating gain. Goal achieved.

	2017	2018	2019
Social Investment Value (NT\$ thousands)	61,864	87,923	111,426
Sinyi Realty Individual Operating Gain (NT\$ thousands)	1,082,720	1,323,532	1,725,386

Our Actions

We achieved our targets and vision through four major pillars: community building, promotion of business ethics, refining industrial development of the real estate industry, and social philanthropy and donations.

In 2019, we integrated resources to improve the efficiency and effectiveness of our services. We used our core skills to provide in-depth knowledge and services to communities, through free real estate and home-living seminars, and community fair.



Sustainable Performance Management

Sinyi Sustainable Development Goals and Business Policy

Environmental Performance

Letting green thinking take root and achieving our 2030 carbon emission reduction goals

In the face of climate change and daily environmental deterioration, Sinyi Realty believes that the best response is to give back to society what we take from it. While simultaneously pursuing reasonable profits for our real estate brokerage services, we should also value the resources that the planet provides us with and do all that 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 can also help us reduce our operating costs and strengthen competitiveness, thus making a concrete contribution toward our sustainable development.

Management Mechanism

 Environment Protection chapter, p. 69 - 76

Long-term Strategic Goals

Sinyi Sustainability Principles

Pioneering Environmental Awareness in the Service Industry

Mid-term Strategic Goal

2030 Goals (Base Year: 2017)

- Continuing carbon reduction and energy saving efforts in response to climate change
- Reduction in carbon emissions per real estate transaction: 35%
- Reduction in carbon emissions per person (category 1+2): 25%

Short-term Strategic Goals

2020 Goals (Base Year: 2017)

- Annual reduction in carbon emissions per real estate transaction: 1%
- Annual reduction in carbon emissions per person: 1%

2019 Goals and Achievements

Carbon Footprint

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

2019 Goal 2% reduction (Compare to 2018)

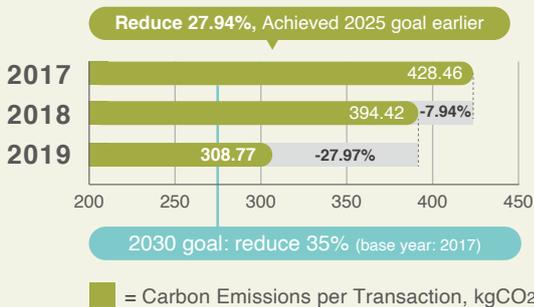
2019 Performance 21.72% reduction (Compare to 2018)

✓ Achieved

Sinyi has reduced emissions by 27.94% compared to 2017, thus achieving our 2025 goals earlier. Therefore, we re-set the carbon footprint reduction goal for 2030.

Our Actions

Our work uses a substantial quantity of paper for documentation and marketing. In 2019, we continued to reduce the use of resources and improved efficiency through digital services, resulting in a reduction in carbon emissions from 136.78kgCO_{2e} to 83.21kgCO_{2e} and decrease rate by 39.17%. Sinyi Realty continually promotes paperless services by improving use of digital tools in marketing, thus reducing our paper usage to make our efforts to protect the planet.



Greenhouse Gas Emissions

Carbon Emissions of Electricity Consumption per Person, kgCO_{2e}

2019 Goal 2% reduction (Compare to 2018)

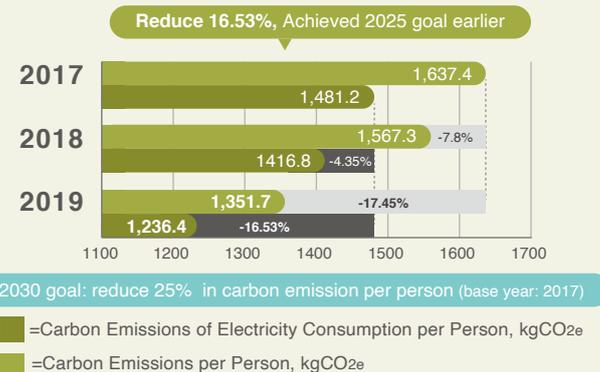
2019 Performance 12.74% reduction (Compare to 2018)

✓ Achieved

Sinyi has reduced emissions of electricity consumption by 16.53% compared to 2017, thus achieving our 2025 goals earlier. Therefore, we re-set the Carbon Emissions per Person reduction goal for 2030.

Our Actions

Sinyi Realty has always placed a great emphasis on sustainable business and development. In addition to applied for ISO14064-1, we have also promote the verification of ISO 50001 and ISO 14001. Sinyi Realty has continually implemented carbon neutrality projects, extending to 15 branches, thus passing the PAS2060 verification to announce our successful achievement of branches' carbon neutrality declaration.



Sustainable Performance Management

Sinyi Sustainable Development Goals and Business Policy

Supply Chain Management Performance

Promote sustainable supply chains and reach key suppliers inspection rate of 95% by 2030.

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. 77 - 83](#)

Long-term Strategic Goals

Sinyi Sustainability Principles

Building Sustainable and Ethical Supply Chains



Mid-term Strategic Goal

2030 Goals

- Promote sustainable supply chain
- First in Community Living Services
- Key Suppliers Inspection Rate to 95%



Short-term Strategic Goals

2020 Goals

- Increase Key Suppliers Inspection Rate to Above 90%
- Develop “Gung Ho” Project with Suppliers

2019 Goals and Achievements

Key Suppliers Inspection Rate

Audit number over of total key suppliers

2019 Goal	2019 Performance
90% above	90% above



✓ Achieved

In 2019, we have a total of 387 key suppliers (including existing and new), of which 232 were audited with an inspection rate of 90.3%, goal achieved.

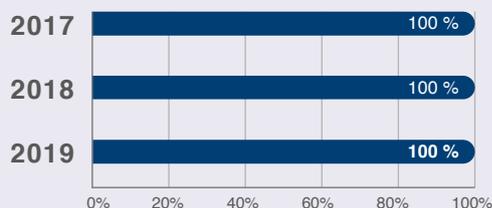
Our Actions

We added the Supplier CSR self-assessment form and invited suppliers to fill the forms before undertaking an on-site inspection to deepen the on-site inspection of key suppliers. We updated the Sustainability Terms to include environmental, social, and other aspects.

	2017	2018	2019
Key suppliers checked	348	347	232
Total key suppliers	387	387	257

Supplier Inspection Pass Rate

2019 Goal	2019 Performance
100%	100%



✓ 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

Through the supplier meetings, we benchmark and share suppliers with excellent service and encourage them to improve and learn from each other. We share our learning resources with our supplier, deepen business philosophy from different perspectives, and innovate with suppliers to upgrade service quality.