

# Vanke Group Health and Safety Policy

## 1. Objective

As a leading real estate developer in China, China Vanke Co., Ltd. (hereinafter referred to as “Vanke”) places the employee health and safety the top priority of the business operation. To this end, Vanke has developed the Health and Safety Policy with an aim to popularising Vanke’s health and safety awareness among all the employees, partners, contractors and suppliers.

## 2. Scope of Application

This Policy is applicable to all the business activities of Vanke and its subsidiaries and branches. Meanwhile, Vanke also advises and encourages our partners and suppliers to adopt similar policies and measures.

## 3. Health and Safety Management Concept

Vanke Group is dedicated to:

- Strictly abiding by national and regional laws, rules and regulations concerning health and safety, including the *Law of the People’s Republic of China on Work Safety*, the *Construction Law of the People’s Republic of China*, the *Regulations on the Reporting, Investigation and Disposition of Work Safety Accidents*, the *The Administrative Regulations on the Work Safety of Construction Projects*, and the *Standard for construction safety inspection*;
- Establishing a top-down health and safety management system, and integrate health and safety into the system when drafting, planning and conducting all business activities;
- Identifying, assessing and managing business safety risks and hidden hazards and reviewing and monitoring them regularly;
- Passing ISO 45001 Occupational Health and Safety Management System certification by CQC China Quality Certification Centre;
- Creating a safe, civilised and harmonious working and living conditions and humanistic environment for employees, tenants/clients, suppliers/contractors, partners and other related parties, and establishing a sound cultural atmosphere for health and safety;
- The Group requires all suppliers and contractors to comply with the Group’s safety management measures.

## 4. Management Structure and Responsibilities

Vanke has established the three-level safety management structure of “Group-Regional

Companies-Projects”. The Board of Directors of Vanke is responsible for supervising and coordinating the work on occupational health and safety production and has a production safety committee under it. The Board member acts as the chairman of the committee, and safety management experts from the engineering departments of the development and operation headquarters act as members. The committee reports health and safety performance to the Board of Directors regularly.

- Group Level:
  - o The Group’s production safety management team: Composed of senior safety experts from the Group and regional BG.
  - o The team holds monthly safety production meetings to standardise the safety management system guidelines and bottom-line standards, conducts enhancement training for safety pain points, participates in accident investigation and handling, and carries out iterative enhancements on safety management measures.
- Level of Regional Companies:

Production safety management committee: Established by each regional and grassroots company, it designates persons in charge of safety management in seven subordinate regional companies, carries out full-cycle safety management and performance management for each stage of the project, and clarifies the responsibilities, obligations, rewards and penalties of the Company’s project personnel, supervisors, general contractors and other entities.
- Level of Projects:

Production Safety Team: Composed of the construction project manager, the project manager of the contractor, and the superintendent engineer of the supervisory unit, it is responsible for preparing and approving the production safety planning of new projects and projects under-construction, and conducting the on-site production safety control and management in accordance with requirements of the production safety planning, so as to ensure the fulfilment of production safety targets.

## **5. Health and Safety Management Objectives**

Vanke firmly believes that safety is the cornerstone of corporate development. We undertake that we will spare no efforts to maintain a safe and healthy working environment to ensure the well-being of each employee and partner. We have set the following production safety objectives:

- No production safety accidents with a general or above grade under our responsibility; maintain a low occurrence rate of production safety accidents with a general or above grade under the responsibility of related parties (including contractors);
- Maintain the lost time injury rate (LTIR) caused by employees’ occupational injuries at 1.2 or lower and continuously track employees’ LTIR.

## 6. Our Measures

Vanke continues to track the health and safety indicators and performance of employees and related parties from the four aspects of improving assurance measures for construction safety, intensifying production safety inspections, carried out routine health and safety management of related parties, and strengthened the safety awareness of employees and related parties, in order to ensure improvements in our production safety capacity. Meanwhile, Vanke expects all employees and contractors to take responsibility for their own health and safety, as well as others' health and safety.

- Vanke ensures that various stakeholders such as employees, suppliers/contractors, tenants/clients and communities are aware of this Policy and implemented it in their operation.
  - o The management at all levels are obliged to ensure that employees and relevant workers fully understand health and safety risks involved in their work, formulate and effectively implement relevant training programmes. Each business unit carried out safety guarantee measures according to their business characteristics, and ensured the project safety and quality from four aspects as iterative assessment system, capacity building, standardised behaviour, and closed-loop system;
  - o The Group incorporates safety management requirements into the scope of suppliers'/contractors' contracts, managed and supervised safety risks during on-site operations, and conducted regular safety inspections on projects under construction. The Group also included construction safety management in the scope of key inspections and conducted regular unannounced inspections so as to minimise all safety risks.
- It establishes appropriate monitoring procedures, conducted regular safety inspections, audits and evaluations, and reported results and take improvement measures in a timely manner to minimise the possibility of accidents.
  - o Vanke strictly conducts audits the safety qualifications, professional technical capabilities and project performance of suppliers including general contractors and subcontractors, and selected well-qualified suppliers and contractors for cooperation;
  - o Vanke formulates the *Comprehensive Inspection and Inspection Workbook* and conducted comprehensive online and offline inspections, including quarterly safety compliance inspection for all projects. Additionally, safety evaluations of all projects were conducted every quarter, and full-coverage inspection on major risk points and on the implementation of safety management in the construction process.
  - o We continues to update and adopt safety management tools such as the *Safety Rating Scale* and the *Traffic Light Mechanism Checklist*, and engaged professional third-party organisations to conduct scientific assessments of different risk points at stages of main construction and decoration. We urged rectifications of any identified risks;
  - o Vanke promotes safety target management to reduce the occurrence rate of

accidents in accordance with the production safety targets covering contractors, and summarised the number of annual safety accidents and other relevant data.

- It ensures that all employees and contractors had undergone necessary safety training and had the necessary safety-related professional qualifications;
- It encourages the reporting of any health and safety risks, accidents, provided communication channels, and handled whistleblowers' information in strict confidence to avoid retaliation.

## **7. Appraisal and Assessment**

The region carries out semi-annual appraisal and assessment of safety specialists and project engineering managers of the region, and links the results of the appraisal and assessment to semi-annual performance;

The Engineering Project Department carries out safety appraisal and assessment of suppliers of the supervisory and construction units in the charge every six months, and applies the appraisal and assessment results practically to optimise the supplier organisation and improve the safety management capability.

Ensure the provision of an effective safety rewarding and punishing mechanism, and conduct safety management for relevant personnel of projects under construction.

## **8. Deliberation and Review Policies**

Vanke will regularly review this Policy, and update its contents as appropriate according to the safety and civilisation assessment and accident investigation.