

REF Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1631

2019

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE REPORT

Environmental, Social and Governance Report 2019

INTRODUCTION, ENVIRONMENTAL, SOCIAL AND GOVERNANCE POLICIES

This Environmental, Social and Governance Report (the “**ESG Report**”) summarises the initiatives, programmes and performance of REF Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) as well as demonstrates its commitment to sustainability. It sets out the actions and performance of the Group on sustainability issues in a transparent and open manner with the intention of increasing stakeholders’ confidence in and understanding of the Group.

The Company is an investment holding company and its subsidiaries are principally engaged in the provision of financial printing services, including (i) typesetting, (ii) proofreading, (iii) translation, (iv) design, (v) printing, (vi) web submitting, (vii) newspaper placement, and (viii) distribution.

The Group believes that environmental protection, low carbon footprint, resource conservation and sustainable development are the key trends in society. In order to follow the key trends and pursue a successful and sustainable business model, the Group recognises the importance of integrating environmental, social and governance (“**ESG**”) aspects into its risk management system and has taken corresponding measures in its daily operation and governance perspective.

THE ESG GOVERNANCE STRUCTURE

The Group conducts a top-down management approach regarding its ESG issues. The board of directors (the “**Board**”) oversees and sets out ESG strategy for the Group. The Board is also responsible for ensuring the effectiveness of the Group’s risk management and internal controls.

In order to have a systematic management of the ESG issues, the Group has arranged designated personnel from various departments to handle ESG management as a working group. The working group is responsible to collect relevant ESG data and compile the ESG report. It periodically reports to the Board, assists in the assessment and identifies the Group’s ESG risk management and evaluates of the implementation and effectiveness of internal control system. It also examines and evaluates the Group’s ESG performance, including environmental, labour practices and other ESG aspects.

ABOUT THIS REPORT

SCOPE OF REPORTING

Unless stated otherwise, the ESG Report mainly covers the Group’s business activities in Hong Kong, which contributes to the Group’s major sources of revenue. The ESG key performance indicator (“**KPI**”) data are gathered and are included under the Group’s direct operational control. They are also supplemented by explanatory notes to establish benchmarks. The Group will continue to assess the major ESG aspects of different businesses and to extend the scope of disclosure when and where applicable.

REPORTING FRAMEWORK

The ESG Report has been prepared in accordance with the Environmental, Social and Governance Reporting Guide (the “**ESG Reporting Guide**”) as set out in the Appendix 27 of the Rules Governing the Listing of Securities on Main Board on The Stock Exchange of Hong Kong Limited.

Information relating to the Group’s corporate governance practices has been set out in 2019 Annual Report under Corporate Governance Report on pages 17 to 32.

REPORTING PERIOD

The ESG Report covers the Group’s overall performance in two subject areas, namely, environmental and social of the business operations in Hong Kong offices from 1 January 2019 to 31 December 2019 (the “**Year**” or “**2019**”), unless otherwise stated.

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STAKEHOLDER ENGAGEMENT

The Group values its stakeholders and their feedback regarding its businesses and ESG aspects. In order to understand and address their key concerns, close communication is maintained with key stakeholders, including but not limited to the Board and senior management, investors and shareholders, customers, suppliers and subcontractors, the Group's employees, as well as the community, non-governmental organisations ("NGOs") and media.

In formulating operational strategies and ESG measures, the Group takes into account the stakeholders' expectations and strives to improve its performance through mutual cooperation with the stakeholders, resulting in creating greater value for the community by utilising diversified key communication channels, shown as below:

Stakeholders	Key Communication Channels	Expectations and Concerns
The Board and senior management	<ul style="list-style-type: none"> Regular meetings Trainings, seminars and briefing sessions 	<ul style="list-style-type: none"> Complying with relevant laws and regulations Protection of the Group's rights and interests Economic performance Corporate sustainability
Investors and shareholders	<ul style="list-style-type: none"> Annual general meeting and other shareholder meetings Financial reports Announcements and circulars 	<ul style="list-style-type: none"> Complying with relevant laws and regulations Disclosing latest information of the corporate in due course Economic performance Risk management
Customers	<ul style="list-style-type: none"> Company website Project briefing Customer service hotline 	<ul style="list-style-type: none"> Product and service quality Complaint handling mechanism Timely response
Suppliers and subcontractors	<ul style="list-style-type: none"> Supplier and subcontractor management meetings On-site review Teleconference 	<ul style="list-style-type: none"> Fair and open procurement Supply chain management
The Group's employees	<ul style="list-style-type: none"> Channels for employees to express their opinions (e.g. suggestion box) Regular management communications Regular performance review or appraisal Company's publication (e.g. memo from Human Resources ("HR") Department) 	<ul style="list-style-type: none"> Occupational health and safety Equal opportunities Remuneration and benefits Career development
The community, NGOs and media	<ul style="list-style-type: none"> Community investment Charity events ESG reports 	<ul style="list-style-type: none"> Involvement in the community environment Environmental protection Compliance operations

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The Group aims to collaborate with its stakeholders to improve its ESG performance and create greater value for the wider community on a continuous basis.

MATERIALITY ASSESSMENT

Management and employees who are responsible for the key functions of the Group have participated in preparing the ESG Report, assisted the Group in reviewing its operations, identifying key ESG issues and assessing the importance of these issues to its businesses and stakeholders. Considering the significance of impacts to the economy, environment and society outside the Group and influence on stakeholders' decisions, we have identified and ranked the materiality of the key ESG issues.

The summary of the Group's material ESG issues as set out in the ESG Report is shown as below:

The ESG Reporting Guide	Material ESG aspects of the Group	Materiality to the Group
A. Environmental		
A1. Emissions	Greenhouse Gas ("GHG") Emissions	Low
	Waste Management	Medium
A2. Use of Resources	Energy Consumption	Medium
A3. The Environment and Natural Resources	Indoor Air Quality	Low
B. Social		
B1. Employment	Employment and Labour Practices	High
	Diversity and Equal Opportunities	Medium
B2. Health and Safety	Workplace Health and Safety	Medium
B3. Development and Training	Employee Development and Training	High
B4. Labour Standards	Prevention of Child Labour and Forced Labour	Medium
B5. Supply Chain Management	Supply Chain Management	High
B6. Product Responsibility	Quality Management	High
	Privacy Protection	High
B7. Anti-corruption	Whistle-blowing Mechanism	High
B8. Community Investment	Corporate Social Responsibility	Medium

The Group confirmed that it has established appropriate and effective management policies and internal control systems for ESG issues, and confirmed that the disclosed contents are in compliance with the requirements of the ESG Reporting Guide.

CONTACT US

Comments and suggestions are welcome from all stakeholders. You may provide comments on the ESG Report or towards the Group's performance in respect of sustainable development via the address below:

Address: 6/F & 7/F, Nexus Building, 77 Des Voeux Road Central, Hong Kong
Email: investor@ref.com.hk
Hotline: (852) 3757 8877

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A. ENVIRONMENTAL

A1. EMISSIONS

The Group strives to protect the environment through the implementation of control activities and monitoring measures in its business activities and workplace. The Group is committed to promoting a green environment by introducing environmentally friendly business practices, educating its employees to enhance their awareness on environmental protection and complying with relevant environmental laws and regulations.

The Group's main task is to measure and report the efforts in reducing carbon footprints, promote waste reduction at source, enhance its waste disposal management and set targets on environmental performance. With aims to minimise the environmental impacts concerning its activities, products and services, the Group is committed to:

- Complying with applicable legal and other requirements which relate to the Group's environmental aspects, and to which the Group subscribes;
- Identifying environmental impacts associated with the operations and setting the targets to reduce stress on the environment in consideration of social expectations;
- Preventing pollution, reducing waste and minimising the consumption of resources from all daily operations and actively promoting recycling, reuse and replacement; and
- Educating, training and motivating employees to develop a social viewpoint that enables them to conduct business activities in an environmentally responsible manner.

During the Year, the Group has not identified any material non-compliance with relevant laws and regulations in Hong Kong relating to air and GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous waste that would have a significant impact on the Group. The relevant laws and regulations include, but are not limited to the "Air Pollution Control Ordinance" and the "Waste Disposal Ordinance".

Exhaust Gas Emissions

As a corporation providing financial printing services, the Group does not generate significant exhaust gas emissions, hence this aspect is considered as immaterial to the Group.

GHG Emissions

Given that the Group's operation does not involve any combustion of fuels, the Group did not generate significant amount of Scope 1 GHG emissions. The major sources of GHG emissions are electricity consumption for the office (Scope 2) and wastepaper disposal (Scope 3). The Group has formulated relevant policies and internal control system to reduce electricity consumption and wastepaper disposal. The Group has implemented electricity conservation measures which are described in the section headed "Energy Consumption" under Aspect A2 and office paper reduction measures which are described in the section headed "Waste Management" under this Aspect.

With the above measures implemented, employees' awareness on carbon reduction has been enhanced. There was an increase in the Group's total GHG emissions due to increase in business activities.

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During the Year, the detailed summary of the GHG emissions of the Group is shown as below:

Indicator¹	Unit	2019
Direct GHG emissions (Scope 1)	tCO ₂ e	–
Energy indirect GHG emissions (Scope 2)		
— Electricity consumption	tCO ₂ e	183.48
Other indirect GHG emissions (Scope 3)		
— Wastepaper disposal	tCO ₂ e	225.85
Total GHG emissions	tCO ₂ e	409.33
Intensity ²	tCO ₂ e/square feet	0.02

Note:

1. GHG emissions data are presented in terms of carbon dioxide equivalent and are based on, but not limited to, “The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standards” issued by the World Bank Institute and the World Business Council for Sustainable Development, “How to prepare an ESG Report — Appendix 2: Reporting Guidance on Environmental KPIs” issued by The Hong Kong Stock Exchange of Hong Kong Limited, the “Global Warming Potential Values” from the IPCC Fifth Assessment Report, 2015 (“AR5”) and the 2019 Sustainability Report published by the HK Electric Investments.
2. The total floor area of the Group as at 31 December 2019 was approximately 20,000 square feet. This number would also be used for calculating other intensity data in the ESG Report.

Sewage Discharge

As the Group does not consume a significant volume of water in its business activities, its business activities did not generate material discharges into water during the Year. Moreover, wastewater of the Group is treated by the Drainage Services Department, and the amount of water consumption of the Group represents the wastewater discharge volume. The data on water consumption and corresponding water conservation measures will be described in the section headed “Water Consumption” under Aspect A2.

Waste Management

The Group adheres to the waste management principle and strives to properly manage and dispose wastes produced by its business activities. The Group maintains high standard in waste reduction, educates its employees the significance of sustainable development and provides relevant support in order to enhance their skills and knowledge in sustainable development.

Hazardous Wastes

Due to its business nature, the Group did not generate significant amount of hazardous wastes during the Year. In case there are any hazardous wastes produced, the Group must engage a qualified chemical waste collector to handle such wastes, and comply with the relevant environmental laws and regulations.

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Non-hazardous Wastes

The non-hazardous wastes generated by the Group's operations mainly consist of paper, which involves paper used at the office and printing paper for its customers. As a responsible corporate, the Group values paper saving and regularly monitors the effectiveness of policies implemented relating to office paper. A paperless office is promoted to employees, customers and other stakeholders by encouraging the application of e-files and e-documents via on-screen reviewing and checking. For unavoidable paper printing, the Group encourages employees to use double-sided printing instead of single-sided printing and collect all printed single-sided paper next to each printer for reuse. Reminders about paper reusing is posted around the office. The Group has also been encouraging customers to use Forest Stewardship Council recycled papers to print their financial reports and other documents, extending green practices to its value chain.

The Group has commissioned qualified recycler to collect and recycle non-confidential waste paper to avoid waste paper being sent to landfill. The Group has been participating in a "zero landfill" program organised by its suppliers, which includes returning multi-function devices and consumables such as used toner cartridges to the suppliers for proper recycling.

With the above measures implemented, employees' awareness on wastepaper reduction has been enhanced.

During the Year, the detailed summary of the non-hazardous waste generated by the Group is shown as below:

Types of non-hazardous wastes	Unit	2019
Office paper ³	tonnes	47.05
Intensity	tonnes/square feet	0.002

Note:

3. Actual paper consumption was approximately 9,417,500 sheets during 2019.

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A2. USE OF RESOURCES

The Group continues with initiatives to introduce resource efficiency and eco-friendly measures to the Group's operations, and is committed to optimising the use of resources in all of its business operations.

During daily operation, electricity, water and paper are the major resources consumed. The Group has established relevant policies and procedures in governing the efficient use of resources, in reference to the objective of achieving higher energy efficiency and reducing the use of unnecessary materials.

Energy Consumption

The major source of the Group's energy consumption is electricity consumption in the office. The Group places great emphasis on electricity conservation in order to minimise the impact brought by the Group's operation to the environment.

The Group encourages employees to establish energy-saving habits at the office, such as switching off lights and electronic appliances before leaving the office, as well as maintaining indoor temperature at 25.5°C during working hours. To further conserve electricity, the Group has leased energy-efficient high-speed printers for daily operation. The Group has implemented effective energy control policy and energy saving promotion. Moreover, the Group has adopted the energy saving measures recommended by The Hongkong Electric Company Limited, including:

- Using a variety of lamps and equipment;
- Expediting the replacement and repair processes to avoid possible unnecessary use of energy;
- Labelling all multiple switches to facilitate the energy-saving operation;
- Turning off the lights in office rooms when the users are out of office during lunch hours; and
- Posting "Lighting Zoning Plans" with the switches labelled correspondingly for identification.

During the Year, the Group's electricity consumption was decreased due to the utilisation of LED lighting facilities in office area which demonstrate the effectiveness of energy conservation measures.

Detailed summary of the energy consumption of the Group is shown as below:

Energy	Unit	2019
Electricity	kWh	226,521.00
Electricity intensity	kWh/square feet	11.33

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Water Consumption

The Group's water consumption is mainly water consumed in office. Despite water consumption is insignificant due to business nature, the Group is dedicated in promoting behavioural changes in water usage at offices and encouraging water conservation. Environmental signages on water-saving messages are posted in prominent places to remind employees to conserve water. Due to operating locations, the Group does not encounter any significant issue in sourcing water that is fit for purpose.

With the above measures implemented, employees' awareness on water conservation has been enhanced.

During the Year, the detailed summary of the Group's water consumption is shown as below:

Water	Unit	2019
Water consumption	m ³	252.67
Intensity	m ³ /square feet	0.01

Use of Packaging Materials

As the Group does not involve in any production processes, packaging materials are not consumed, hence this topic is considered as irrelevant.

A3. THE ENVIRONMENT AND NATURAL RESOURCES

The Group focuses on its business impact on the environment and natural resources and pursues the best practice with the environmental protection. Aside from abiding by the relevant environmental laws and regulations and international standards to properly protect the natural environment, the Group endeavours to find ways to integrate environmental considerations into its business decisions and services it provides, so as to achieve environmental sustainability.

Indoor Air Quality

The Group is committed to providing employees with a pleasing working environment to enhance work efficiency. Due to the nature of the Group's business, its employees spend most of their working time in the office, implying that indoor air quality in the workplace is of paramount importance. Therefore, indoor air quality is constantly monitored and improved with several methods. Such measures include installing air purifiers, cleaning air-conditioning systems regularly, choosing products with low or zero volatile organic compounds where applicable. By adopting these measures, indoor air quality of office was maintained.

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B. SOCIAL

B1. EMPLOYMENT

Being a responsible business and employer, the Group is committed to consistently looking for ways to meet the corporate social responsibilities. The Group focuses on its staff, environment and community as well as its business partners. The Group believes that human resources are the foundation to help develop a strong corporate sustainable development. Therefore, the Group is dedicated to improving its employment system in order to attract and retain talents.

During the Year, the Group has not identified any material non-compliance with relevant laws and regulations in Hong Kong relating to employment that would have a significant impact on the Group. The relevant laws and regulations include, but are not limited to the "Employment Ordinance", "Minimum Wage Ordinance" and "Mandatory Provident Fund Schemes Ordinance".

Employment and Labour Practices

Recruitment, Promotion and Dismissal

As a company providing financial printing services, the Group believes that hiring and retaining qualified employees are the keys to its success. "Staff Manual" and "Corporate Social Responsibility Policy" are formulated to regulate and standardise employment related procedures for the HR Department. In line with the need of business development and the principles of fairness and justice, the Group selects the best and suitable qualified candidates through open recruitment or internal promotion process. The Group applies robust and transparent recruitment processes based on merit selection against the job criteria, and recruits individuals based on their suitability for the position and potential to fulfil the Group's current and future needs.

Management carries out staff evaluations to assess performance of all employees on an annual basis. The Group gives priority to internal promotion and encourages employees to compete for internal job vacancies. With effective two-way communication channel, management will discuss with employees on their performances to better understand the employees' expectations.

The termination of employment contract is governed by internal policies including the "Staff Manual" and is based on reasonable and lawful grounds. The Group strictly prohibits any kind of unfair or illegitimate dismissals. For those who have unsatisfactory working performance or repeatedly make mistakes, the Group will give verbal warning before issuing a warning letter. For those who shows no improvement, the Group will consider dismissing the employees according to relevant laws in Hong Kong.

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As at 31 December 2019, the Group had employed a total of 126 staff, including divisions of operational, sales and marketing, and back office. All staff members are situated in Hong Kong. The composition is shown as below:

	2019		2018	
	Male	Female	Male	Female
Total number of employees	126		118	
Gender and age group distribution	Male	Female	Male	Female
0 – 15	–	–	–	–
16 – 18	1%	–	–	–
19 – 30	12%	22%	12%	24%
31 – 45	24%	15%	25%	15%
46 – 60	7%	17%	6%	16%
> 60	1%	1%	2%	–
Total	45%	55%	45%	55%

During the Year, there were 31 employees who left the Group. The turnover rate by age group and gender is shown as below:

Gender and age group distribution	2019		2018	
	Male	Female	Male	Female
0 – 15	–	–	–	–
16 – 18	–	–	–	–
19 – 30	5%	8%	1%	3%
31 – 45	4%	4%	1%	2%
46 – 60	1%	2%	1%	2%
> 60	1%	–	–	–

Gender distribution	2019		2018	
	Male	Female	Male	Female
Resigned staff	42%	58%	31%	69%

The Group will continue to provide a well-structured and caring environment to its employees so as to raise their sense of belonging and work efficiency in the Group.

Remuneration and Benefits

The Group treats its employees as the most valuable asset and crucial part of its business growth. The Group regularly reviews the remuneration policy to ensure its market competitiveness. Employees are recognised and rewarded according to their individual performances, working experience, respective responsibilities, merits, qualifications, competences and time commitments. The remuneration package includes holidays, annual leave, sick leave, marriage leave, maternity leave, paternity leave, compassionate leave, jury leave, medical scheme, group life insurance scheme, mandatory provident fund and discretionary bonus. Being people-oriented, the Group has hosted various social events and activities such as Christmas party and company annual dinner for its employees with the aim of promoting work-life balance.

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Diversity and Equal Opportunities

The Group respects every employee and strives to establish an inclusive workplace. As stated clearly in its internal policies including “Staff Manual” and “Corporate Social Responsibility Policy”, the Group is committed to providing equal opportunities in recruitment and promotion, regardless of age, gender, race, skin colour, religion, nationality, marital status, disability or sexual orientation. The Group makes every effort to ensure that there is no harassment, including sexual harassment in the workplace.

B2. HEALTH AND SAFETY

Management recognises that the operational efficiency of an enterprise and the maintenance of a healthy and safe working environment for all employees are closely related. The Group will continue to maintain a healthy and safe working environment for its employees. Regulatory authorities have established basic requirements for health and safety in the workplace. The Group not only complied with all relevant occupational health and safety regulations, but also provided work safety rules for its employees to follow.

During the Year, the Group has not identified any material non-compliance with relevant laws and regulations in Hong Kong relating to health and safety that would have a significant impact on the Group. The relevant laws and regulations include, but are not limited to the “Occupational Safety and Health Ordinance” and the “Employees’ Compensation Ordinance”.

Workplace Health and Safety

There has been no high-risk or safety-sensitive type of work identified at the Group’s workplace. During the Year, there was no work-related fatalities and lost days due to work injury.

However, the Group understands that employees need to work for long periods daily with personal computers due to the nature of its operation. Hence, the Group provides employees with occupational safety education by circulating office safety guidance which covers the safe use of display screen equipment and correct working postures and encourages workplace stretching exercises to minimise the risk of work-related injuries and strains. Moreover, the Group has posted reminders for its employees to develop healthy working habits in office such as appropriate body working postures, regular exercises in office and appropriate setting of computer monitors.

B3. DEVELOPMENT AND TRAINING

Employee Development and Training

Staff development is recognised as an important aspect of HR management. The Group places a strong emphasis on providing trainings to its employees to retain appropriate and suitable personnel for its long-term development.

Aiming to help employees in continuously developing their capacity through further education, the Group has invested resources and formulated relevant policies to regulate employee training management. Employees are provided with on-the-job training relevant to their current roles. The Group has also encouraged employees to take initiatives to assess and attend relevant job-related courses to enrich their knowledge and skills. With such policy, the Group commits to increase job satisfaction and morale among employees.

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B4. LABOUR STANDARDS

Prevention of Child Labour and Forced Labour

The Group is fully aware that child labour and forced labour violate fundamental human rights and the “International Labour Conventions and Recommendations”, and pose a threat to sustainable social and economic development. Therefore, the Group has strictly complied with relevant laws and regulations.

The Group prohibits the use of child labour by reviewing the actual age of the interviewee during the recruitment process, including the examination of identity documents and detailed records. The Group only carries out the requirements of standard labour contract and does not use any means to unfairly restrict the employment relationship between employee and the enterprise by, for example, withholding a deposit or identity documents.

Furthermore, employees of the Group work overtime on a voluntary basis to prevent any breaches of labour standards. Any punishments, management methods and behaviours involving verbal abuse, physical punishment, physical abuse, oppression, sexual harassment against its employees are prohibited for any reason.

During the Year, the Group has not identified any material non-compliance with relevant laws and regulations in Hong Kong relating to child and forced labour that would have a significant impact on the Group. The relevant laws and regulations include, but are not limited to the “Employment of Children Regulations” and the “Employment Ordinance”.

B5. SUPPLY CHAIN MANAGEMENT

The Group acknowledges its responsibility to monitor ESG performance of suppliers along its supply chain and throughout its service lifecycle. All suppliers and subcontractors are evaluated carefully and are subjected to regular monitoring and assessment. Through standardised procedures, the Group strives to maintain good business relationships with its suppliers and subcontractors.

Supply Chain Management

The Group’s major suppliers are its subcontractors which mainly comprise printing factories and translation companies. In order to maintain high quality of services, the Group selects and maintains a list of approved subcontractors, which is reviewed and updated on a continuous basis. Site visits are arranged by the Group where necessary to ensure the manpower and facilities of the suppliers and thus the overall quality of the printed documents.

In addition to factors such as technical capabilities, delivery times and price competitiveness of subcontractors, the Group also considers extending environmental and safety requirements and focuses along the supply chain, and requires its subcontractors to focus more on sustainability performance. As a provider of financial printing services, the Group is aware that in its supply chain, high-speed printers emit high concentrations of suspended particulates into the air. The Group will continually review the environmental impact along its supply chain and explore environmental-friendly options in its operations. The Group aims to cooperate more with companies which share the common sustainability goals together.

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B6. PRODUCT RESPONSIBILITY

Under the competitive environment nowadays, expectation on the quality of products and services continues to raise. The Group understands that it can only gain, maintain and enhance its customers' trust and support by creating the most value to its customers in a responsible manner.

During the Year, the Group has not identified any material non-compliance with relevant laws and regulations in Hong Kong relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress that would have a significant impact on the Group. The relevant laws and regulations include, but are not limited to the "Trade Descriptions Ordinance" and "Personal Data (Privacy) Ordinance". The Group did not have any recalled products and did not receive any complaint from its customers in relation to the quality of its service and products during the Year.

Quality Management

In the financial printing service sector, responding time and quality of services are critical. The Group commits to fulfilling its customers' satisfaction with timely response and high-quality service. The Group has implemented a quality control system through a thorough proofreading service to ensure the accuracy of the typesetting of documents. Production process is continuously reviewed to enhance the quality of its financial printing services. To further enhance its competitive edge, the Group has also acquired new facilities and equipment to react to the changing needs of its customers.

Privacy Protection

The Group has routinely handled important, confidential and price-sensitive information related to its customers. Securing customers' information is the most essential element for maintaining good corporate governance and building long-term trust with its customers. As a responsible service provider, the Group adheres to the "Personal Data (Privacy) Ordinance" in Hong Kong and expressly reiterates confidentiality obligations in its "Staff Manual". Employees are required to sign a confidentiality agreement and are trained to maintain the confidentiality of customers' information. The Group has engaged a confidential material destruction service provider to collect and handle used papers that could possibly contain customers' confidential information.

Advertising and Labelling

As a company providing financial printing services, the Group has limited issue on advertising and labelling. In the Group's dealings with its clients, information provided should be complete, true, accurate, clear, and comply with all relevant laws and regulations regarding the proper advertising, including but not limited to the "Trade Descriptions Ordinance".

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B7. ANTI-CORRUPTION

Management believes that the integrity of business is the foundation of corporate social responsibility, as well as a fundamental element for a business competitive advantage and sustainability. The Group is committed to the highest possible standards of openness, probity and accountability. Through communication and notification, the Group has provided its employees with "Business Conduct and Conflict of Interest" policy and related instruction.

During the Year, the Group has not identified any material non-compliance with relevant laws and regulations in Hong Kong relating to bribery, extortion, fraud and money laundering that would have a significant impact on the Group. The relevant laws and regulations include, but are not limited to the "Prevention of Bribery Ordinance". There were no concluded legal cases regarding corrupt practices during the Year.

Whistle-blowing Mechanism

A "Whistle-blowing Policy" was put into effect since February 2017 for all levels and operations in the Group to show zero tolerance towards corruption and assist individual employees to disclose malpractice or impropriety within the Group. All employees must fully comply with relevant local laws and regulations as well as the Group's own policies on the prevention of corruption. All employees have a responsibility to raise concerns, confidence, about possible improprieties such as misconduct and malpractice in any matter related to the Group and report any suspected violations to a supervisor or senior management. Such policy also aims at protecting whistle-blowers from unfair dismissal, victimisation and unwarranted disciplinary actions.

B8. COMMUNITY INVESTMENT

Corporate Social Responsibility

As part of strategic development, the Group aims to promote the stability of society and inspire its employees towards social welfare awareness. The focuses of the Group's community investment are education, social welfare and environmental protection. Management believes that it can act effectively to help alleviate social problems and respond positively to charitable programs and volunteering services.

As a role model for the employees, the Group has been committed to participating in charitable activities in order to practice the corporate spirit of repaying society. During the Year, the Group had joined and made donation to the charitable events and organisations, which details have been mentioned in the relevant section in 2019 Annual Report. Through various efforts, the Group hopes to establish a corporate image of sunshine and responsibility, and encourage employees and other stakeholders to give back to society.

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THE ESG REPORTING GUIDE CONTENT INDEX OF THE STOCK EXCHANGE OF HONG KONG LIMITED

Subject Areas, Aspects,

General Disclosures and KPIs

Description

Section/Declaration

Aspect A1: Emissions

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to Exhaust Gas and GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Emissions
KPI A1.1 (comply or explain)	The types of emissions and respective emissions data.	Emissions — GHG Emissions, Waste Management
KPI A1.2 (comply or explain)	GHG emissions in total (in tonnes) and intensity.	Emissions — GHG Emissions
KPI A1.3 (comply or explain)	Total hazardous waste produced (in tonnes) and intensity.	Emissions — Waste Management (not applicable — explained)
KPI A1.4 (comply or explain)	Total non-hazardous waste produced (in tonnes) and intensity.	Emissions — Waste Management
KPI A1.5 (comply or explain)	Description of reduction initiatives and results achieved.	Emissions — GHG Emissions, Waste Management
KPI A1.6 (comply or explain)	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	Emissions — Waste Management

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Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Use of Resources
KPI A2.1 (comply or explain)	Direct and/or indirect energy consumption by type in total and intensity.	Use of Resources — Energy Consumption
KPI A2.2 (comply or explain)	Water consumption in total and intensity.	Use of Resources — Water Consumption
KPI A2.3 (comply or explain)	Description of energy use efficiency initiatives and results achieved.	Use of Resources — Energy Consumption
KPI A2.4 (comply or explain)	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	Use of Resources — Water Consumption
KPI A2.5 (comply or explain)	Total packaging material used for finished products (in tonnes) and with reference to per unit produced.	Use of Resources — Use of Packaging Materials (not applicable — explained)
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	The Environment and Natural Resources
KPI A3.1 (comply or explain)	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	The Environment and Natural Resources — Indoor Air Quality

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Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
Aspect B1: Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, antidiscrimination, and other benefits and welfare.	Employment
KPI B1.1 (recommended disclosure)	Total workforce by gender, employment type, age group and geographical region	Employment — Recruitment, Promotion and Dismissal
KPI B1.2 (recommended disclosure)	Employee turnover rate by gender, age group and geographical region	Employment — Recruitment, Promotion and Dismissal
Aspect B2: Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Health and Safety
KPI B2.1 (recommended disclosure)	Number and rate of work-related fatalities.	Health and Safety — Workplace Health and Safety
KPI B2.2 (recommended disclosure)	Lost days due to work injury.	Health and Safety — Workplace Health and Safety
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Development and Training

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Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
Aspect B4: Labour Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Labour Standards
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Supply Chain Management
Aspect B6: Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Product Responsibility
KPI B6.1 (recommended disclosure)	Percentage of total products sold or shipped subject to recalls for safety and health reasons	Product Responsibility
KPI B6.2 (recommended disclosure)	Number of products and service related complaints received and how they are dealt with	Product Responsibility
KPI B6.5 (recommended disclosure)	Description of consumer data protection and privacy policies, how they are implemented and monitored	Product Responsibility — Privacy Protection

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Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
Aspect B7: Anti-corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Anti-corruption
KPI B7.1 (recommended disclosure)	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases	Anti-corruption
Aspect B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Community Investment — Corporate Social Responsibility