



## Roma Group Limited

Incorporated in the Cayman Islands with limited liability

Stock Code: 8072

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 2016/2017

## I. ABOUT THE REPORT

Along with the philosophy of “We value assets, We value our clients”, Roma Group Limited (“ROMA” or the “Company”) is committed to contributing to the sustainable development of society and the environment, and endeavour to embrace these principles as part of its practice and governance which cover the areas of employment and labour practices, business integrity, environment and community.

The Company is pleased to present its first report (the “ESG Report”) on the Environmental, Social and Governance (the “ESG”) aspects in accordance with the guidelines of Appendix 20 (the “ESG Guidelines”) of the Rules Governing the Listing of Securities of the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited.

The ESG Report covers the overall performance, commitment and approaches in workplace quality, environmental protection, operating practices and community involvement of the Company and its major subsidiaries (the “Group”) in relation to the operations during the period from 1 April 2016 to 31 March 2017 (the “Reporting Period”).

During the Reporting Period, the Group is principally engaged in the provision of valuation and advisory services and financing services in Hong Kong.

## II. CORPORATE GOVERNANCE

The management team is fully aware that good corporate governance is extremely important to the Company’s success and sustainable development. The Company always strictly adheres to the laws and regulations concerning governance and implements codes of conduct that is beneficial to corporate governance.

Details of corporate governance aspects have been disclosed in the Corporate Governance Report of the Company which has been included in pages 19 to 28 of the Company’s annual report published on 29 June 2017.

## III. STAKEHOLDER ENGAGEMENT

The Company consistently values its stakeholders, including clients, employees, community groups, government bodies, etc. that are influenced by the Group’s operational activities. ROMA communicates irregularly through various communication channels with its stakeholders in order to build up a mutual understanding on the vision and expectation of each other on environmental and social responsibilities. With reference of these, the Company develops a designated framework in relation to its environmental and social responsibilities and sets long-term objectives for its sustainable development.

#### IV. SUMMARY OF ESG ASPECTS FOR THE GROUP

	ESG Aspects as set forth in the ESG Guidelines	Page
<b>(A)</b>	<b>Environmental aspects</b>	
A1	Emissions	3
A2	Use of resources	4
A3	The environment and natural resources	4
<b>(B)</b>	<b>Social aspects</b>	
B1	Employment	4
B2	Health and safety	5
B3	Development and training	5
B4	Labour standards	6
B5	Supply chain management	6
B6	Service responsibility	6
B7	Anti-corruption	7
B8	Community investment	7

#### V. ENVIRONMENTAL ASPECTS

The Group aims to protect the environment by minimising environmental adverse impacts in its daily operations, such as energy saving and recycling of office resources. The Group will continue to seek for better environmental practices and promote the right environmental attitudes within the organisation. In general, the Group endeavours to:

- Observe relevant laws and regulations and target to achieve beyond minimum requirements;
- Avoid or minimise greenhouse gas emission, discharges into water and land, and generation of hazardous and non-hazardous wastes;
- Make efficient use of resources;
- Minimise negative impact of the Group's activities on environment; and
- Promote to the stakeholders to go green and reassess their operations environmentally.

## A1 Emission

Emissions refer to greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous wastes.

Since the Group is principally engaged in the provision of valuation and advisory services and financing services in Hong Kong, there were neither significant levels of pollutants discharged into water and land nor significant generation of hazardous and non-hazardous wastes during the Reporting Period. The main contributor to the Group's carbon footprint is greenhouse gas emissions caused indirectly from electricity consumption in office, air flight during business trips and the executive passenger vehicles.

The Group promotes energy efficiency and emission reduction in all operation processes and is always committed to protecting the environment. ROMA seeks to reduce the impact on the environment especially regarding the reduction of greenhouse gas emission and preservation of resources.

To achieve this, the Group has adopted various measures to lower waste and consumption levels in its office and other facilities:

- Limit air-conditioning hours and maintain suitable indoor temperature;
- Switch off or to energy-saving mode for photocopiers, printers and computers after working;
- Unplug all equipment chargers and adapters when they are not in use so as to reduce power consumption;
- Clean regularly the air conditioning and ventilation system;
- Install sophisticated telephone and video systems to facilitate the communication of the Group and its stakeholders, which aims at reducing the number of business trips and thus indirectly reducing the corresponding carbon emission; and
- Arrange of use of executive passenger vehicles efficiently.

There are no relevant laws and regulations applicable to the Group's businesses on this aspect.

## A2 & A3 USE OF RESOURCES AND THE ENVIRONMENT AND NATURAL RESOURCES

The environment is everyone's concern. The Group recognises the importance of environmental protection as the starting point for sustainability. As such, it is the Group's principle of reducing the negative environmental impact of its operations and promoting environmental protection practices within the Group and the community.

To achieve this, the Group has adopted various measures to lower waste and consumption levels in its office and other facilities:

- Encourage reduction in paper, water and energy usage such as through recycling of paper and stationery;
- Promote working with electronic documents instead of paper copies;
- Limit air-conditioning hours and maintain suitable indoor temperature;
- Choose dual-sided printing as the default mode for most printing jobs;
- Procure environmentally friendly office equipment such as photocopiers, printers and fax machines with energy efficiency labels;
- Participate in recycling scheme by returning old computers, printers and toner cartilages to suppliers;
- Procure environmentally friendly office consumables like office paper made of recycled materials for printing and copying and LED light bulbs; and
- Replace office equipment only when it is necessary and alternative uses of replaced items like donation.

During the Reporting Period, the operation of the Group does not involve high water consumption, while water usage of the Group is mainly arising from drinking water and for personal hygiene purposes.

The Group will continue to seek opportunities to reduce further wastes and make efficient use of resources.

## VI. SOCIAL ASPECTS

### B1 Employment

As at 31 March 2017, the Group had a total number of 65 full-time employees. The Group is committed to providing a fair and respectful workplace for its employees. The Group ensures its human resources policies in compliance with all applicable domestic and local laws and with reference to the general practice and benchmark of the industry. A comprehensive system of remuneration, incentive and performance management has been established to attract and retain talents for the Group's long-term and stable growth. The system consists of basic salary, legal and extra benefits (i.e. mandatory provident fund, medical and other insurance, annual leave, sick leave and various subsidies), and monetary and non-monetary rewards (i.e. discretionary bonus, sales commission and promotion) for the employees.



The Group participates in the defined contribution scheme (the “MPF Scheme”) under the Mandatory Provident Fund Schemes Ordinance which is available to its employees in Hong Kong. Contributions to the MPF Scheme by the Group and employees are made based on a percentage of employees’ basic salaries. The Group’s employer contributions vest fully with the employees when contributed into the MPF Scheme. In addition, the Group is governed by the Minimum Wage Ordinance as well as the Employee’s Compensation Ordinance.

The Group aims to nurture a discrimination-free culture and protect its staff from discrimination by sex, age, race, disability, marital and family status. All employees share fair and adequate opportunities in respect of recruitment, career development and promotion. In addition, the Company has adopted the board diversity policy as included in the terms of reference of its nomination committee to consider bringing to the board of directors capable people regardless of gender, nationality or races.

During the Reporting Period, the Group is not aware of any non-compliance with relevant laws and regulations that has a significant impact on the Group relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other benefits and welfare.

## **B2 Health and Safety**

The Group always emphasises the importance of occupational health and safety. Workplace health and safety policies have been established in compliance with applicable domestic and local laws. Assessments on these policies are conducted regularly so as to keep its standards updated and practical. For any potential problems that may jeopardise its employees’ health and safety, the Group implements protective and improving measures to minimise any incidents.

During the Reporting Period, there were no material accidents in the course of the Group’s businesses operations which gave rise to any claims or compensation paid to the employees and the Group is not aware of any non-compliance with relevant laws and regulations that has a significant impact on the Group relating to provision of a safe working environment and protection of employees from occupational hazards.

## **B3 Development and Training**

As a company providing professional services, ROMA recognises the importance of professionalism and competence of its staff. The Group has committed to providing on-the-job education and training to its employees in order to enhance their knowledge and skills. All employees are encouraged to enhance their skills and knowledge at every opportunity in order to perform their engagements in an efficient and effective manner, and most importantly in a professional way and to be better prepared for career opportunities which may arise. During the Reporting Period, staff has participated in in-house as well as external trainings such as orientation training, technical training and quality services training.

Recognising the value in the skill and experience of the staff, the Group has adopted a policy that any promotions will be considered internally first before hiring any externally. It is the Group’s policy to select the most suitable candidate for appointment to a higher rank based on merit, rather than on the seniority of the candidates.

#### **B4 Labour Standards**

The Group fully understands that the exploitation of child and forced labour are universally prohibited, and therefore takes the responsibility against child and forced labour very seriously. The Group strictly complies with all laws and regulations against child labour and forced labour. Suppliers of the Group are also not allowed to engage any employee who is younger than the minimum employment age of the relevant country, or the maximum age of compulsory education, whichever is higher. And not under any circumstance should workers be younger than 15 years of age. All works should be voluntary and not performed under threat of penalty or coercion. Forced labour is strictly prohibited.

All employees of the Group are entitled to have sick leave, injury leave and maternity leave with medical proof in accordance with the Labour Legislation of Hong Kong. In addition, all employees are not encouraged to work overtime.

During the Reporting Period, the Group is not aware of any non-compliance with the relevant laws and regulations that has a significant impact on the Group relating to prevention of use of child or forced labour.

#### **B5 Supply Chain Management**

The Group's suppliers include providers of professional and other business services. These are not considered to pose significant social risks to the Group's businesses operations.

The Group has established procurement policy to maintain high level of ethical standards for choosing the right supplier through careful selection and continuous measurement. The Group conducts review on key suppliers annually so as to provide an opportunity to suppliers to enhance their services quality, which then improves both the suppliers and the Group's procurement management effectively.

#### **B6 Service Responsibility**

The Group recognises the strategies involving staff training and enhancement of facilities, equipment and IT systems, which would improve the quality of the professional services provided and efficiency of the daily operations.

To ensure that the staff understands the technical standards and appropriate conduct expected from the Group, the Group provides them with an employee manual setting out guidelines on proper conduct and behavior. If any of the staff violates such guidelines and subject to the circumstances and seriousness of the violation, the Group may provide them with warning or in serious cases and as set out in the employment contracts with them may require them to compensate the Group for any losses and may further result in termination of their employment.

The Group has obtained all material licences, certificates and approvals whenever required for carrying on its businesses activities during the Reporting Period.

During the Reporting Period, the Group is not aware of any non-compliance with relevant laws and regulations that has a significant impact on the Group relating to intellectual property rights, advertising, labeling and privacy matters relating to services provided.

## B7 Anti-Corruption

ROMA aims to maintain the highest standards of openness, uprightness and accountability and all its staff are expected to observe the highest standards of ethical, personal and professional conduct. The Group does not tolerate corruption, bribery, extortion, money-laundering and other fraudulent activities in connection with any of the Group's businesses operations.

The Group adopted a whistle-blowing system for reporting any improprieties in financial reporting, internal control, suspected or actual fraud or other matters. Whistleblower can drop email directly to the chairman of the Company's audit committee. If the whistleblowers prefer, they can choose to use an anonymous email address to report the matters. This reporting channel will also be posted in the company website.

The chairman of the Company's audit committee can call for a meeting with the board of directors of the Company (the "Board") to investigate the reported matters.

The Board may also decide whether the Group needs to appoint external consultant (including but not limited to lawyers, certified public accountants, etc.) to deal with the matters.



During the Reporting Period, the Group is not aware of any confirmed cases regarding corrupt practices brought against the Group or its employees and no whistleblowing disclosures were received.

## B8 Community Investment

The Group is constantly aware of the needs of the community and is ready to try its best to contribute to the community by participating and sponsoring community activities.

In addition, the Group encourages and supports the staff to participate in the volunteer services at leisure times. Meanwhile, the Group is ready to work with other business stakeholders which are committed to being a good corporate citizens by contributing to the community through charity and social services.

During the Reporting Period, the Group has donated HK\$68,000 to Po Leung Kuk, sponsored HK\$24,000 to the Society for the Relief of Disabled Children and sponsored HK\$20,000 to Hong Kong Blind Sports Federation for 2017 Chinachem Run for Brightness.