

UNITAS HOLDINGS LIMITED

宏海控股集團有限公司

(Formerly known as Chanceton Financial Group Limited)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8020)

2020/2021

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

TABLE OF CONTENT	PAGE
I. PREAMBLE	2
II. REPORTING BOUNDARY & PRINCIPLES.....	2
III. ESG MANAGEMENT STRATEGY.....	4
IV. STAKEHOLDER ENGAGEMENT	5
V. ENVIRONMENTAL SUSTAINABILITY	10
VI. SOCIAL SUSTAINABILITY	13
VII. ENDING.....	19
APPENDIX.....	20
REPORT DISCLOSURE INDEX	24

I. PREAMBLE

The world is changing rapidly in which we, human beings, are at a critical juncture – the balance and creation of an economically viable, socially responsible and environmentally friendly system that supports us and our next generations to thrive in a sustainable manner. Nowadays, the social unrest, ecological devastation, and various types of natural and human-induced disasters are directly or indirectly impacting business operations, and associated supply chains, capital flows, employees and profits. In the beginning of 2020, the outbreak of the COVID-19 Pandemic (the “Pandemic”) led to a dramatic loss of human life worldwide and its knock-on effects are still posing a threat to both public health and the stability of market on which businesses heavily rely. As myriads of implications of sustainability-related challenges are an existential threat to all humanity and accompanied by complex chain reactions and cascade effects, it requires the private sector to take a proactive and holistic approach from a systems perspective in identifying the actual and potential downsides, strengthening resilience to uncertainties and addressing the risks that are not only within its organisational boundary, but expanded to understand and abate the ones along its value chain.

Unitas Holdings Limited (the “Company”) and its subsidiaries (the “Group”) is one of the leading enterprises in Hong Kong that has been principally engaged in the provision of IP automation and entertainment services and the provision of dry bulk shipping and logistic services. Bearing in mind the significance of practising sustainability concepts in operations, the Group focuses its efforts on enhancing its environmental, social and governance (“ESG”) practices as well as its management approach by monitoring, measuring, evaluating and reporting on its performance against internationally recognised sustainability metrics, and benchmarking global best models for continuous improvement.

II. REPORTING BOUNDARY & PRINCIPLES

In strict compliance with the requirements under Appendix 20 – ESG Reporting Guide (“ESG Guide”) of Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Stock Exchange”), the Group is pleased to present its ESG Report for the year ended 31 March 2021 (“FY2020/2021”), which demonstrates the Group’s approach and performance in terms of ESG management and corporate sustainable development for FY2020/2021. For corporate governance section, please refer to the Group’s 2020/2021 Annual Report on page 9 – 21.

The ESG Report has been prepared with reference to the latest enhancements to the ESG reporting regime adopted by the Stock Exchange. A complete content index table is available at the end of the ESG report for readers’ convenience to check its integrity. If there is any conflict or inconsistency, the English version shall prevail.

BOUNDARY SETTING

In FY2020/2021, the Group set aside its dry bulk shipping and logistic business. The Group’s IP automation and entertainment business included the operation of several shops in Hong Kong under the brand name “Ganawawa”, which were thematic experience centres providing different IP products from automation gift machines, thematic game machines, carnival game booths as well as retail outlet, and the sale of medical mask and other merchandise. The IP automation and entertainment business accounted for a large proportion of the Group’s revenues in FY2020/2021. Given the business nature of the Group and factors above, the boundary of the ESG report has been expanded as compared with the previous financial year, to cover the performance and management policies of the Group’s headquarter and three IP automation and entertainment business shops based in Hong Kong under the operational control approach.

REPORTING PRINCIPLES

Materiality

In FY2020/2021, the Group performed a materiality assessment of the ESG-related topics with reference to the recommended procedures of the Stock Exchange around the principle of Materiality. The materiality assessment was based on the interactive communication with its well-selected stakeholders through ongoing exchange of views and online surveys. The assessment outcome was mapped into a matrix with ESG-related topics being ranked in terms of its significance to the Group and the influence on its external stakeholders’ decision-making. Based on the results, the Group can prioritise its resources in the management of relevant ESG issues.

Quantitative

The Group generated its environmental and social profile including the greenhouse gas (“GHG”) emissions, consumption of various energy resources and its quantitative performance against different social Key Performance Indicators (“KPIs”) in the ESG report.

Balance

Sticking to the principle of unbiasedness in the reporting, the Group collected and processed its ESG data in a scientific way according to the requirements of the Stock Exchange, by which the content in the ESG Report unveiled both the achievements and rooms for improvements of the Group’s ESG development.

Consistency

Despite an expanded reporting boundary, the Group based its data collation and disclosure on the reporting principles and requirements set forth in the ESG Guide for better consistency, comparability and benchmarking.

III. ESG MANAGEMENT STRATEGY

From climate change and biodiversity loss, to growing inequality, modern slavery, and scarcity of resources, the top level of the Group is fully aware of the significant challenges that it is facing nowadays and believes that the task of building a sustainable future is a shared responsibility for all enterprises. To be able to respond with the need and scale necessary to address global challenges, the Board of Directors (the “Board”) has been strengthening and giving play to its leadership by taking the lead on and overseeing the management of ESG matters of the Group. The proposed ESG strategy from the top is clearly articulated and communicated throughout the entire organisation where the management team is required to develop plans and set up effective policies while all employees need to work by rule and line.

Meanwhile, to integrate ESG considerations into operations efficiently, the Group also keeps studying and benchmarking global standards and frameworks in sustainable development, which demonstrate the globally agreed goals, challenges and opportunities for building a more sustainable future to the Group that can align its strategy with society’s expectations and environmental ambitions.

IV. STAKEHOLDER ENGAGEMENT



The Group has been undertaking an ongoing engagement with its key stakeholders to identify and address their concerns about the Group’s sustainable development. As the consultation with stakeholders in terms of a variety of ESG-related risks and opportunities is a vital component in the implementation of the principle of materiality, the Group has involved its internal staff as well as external business partners, customers, suppliers and service providers in defining the topics that its stakeholders care most about through the following means, thereby adjusting its sustainability strategies and responding to its stakeholders’ concerns.

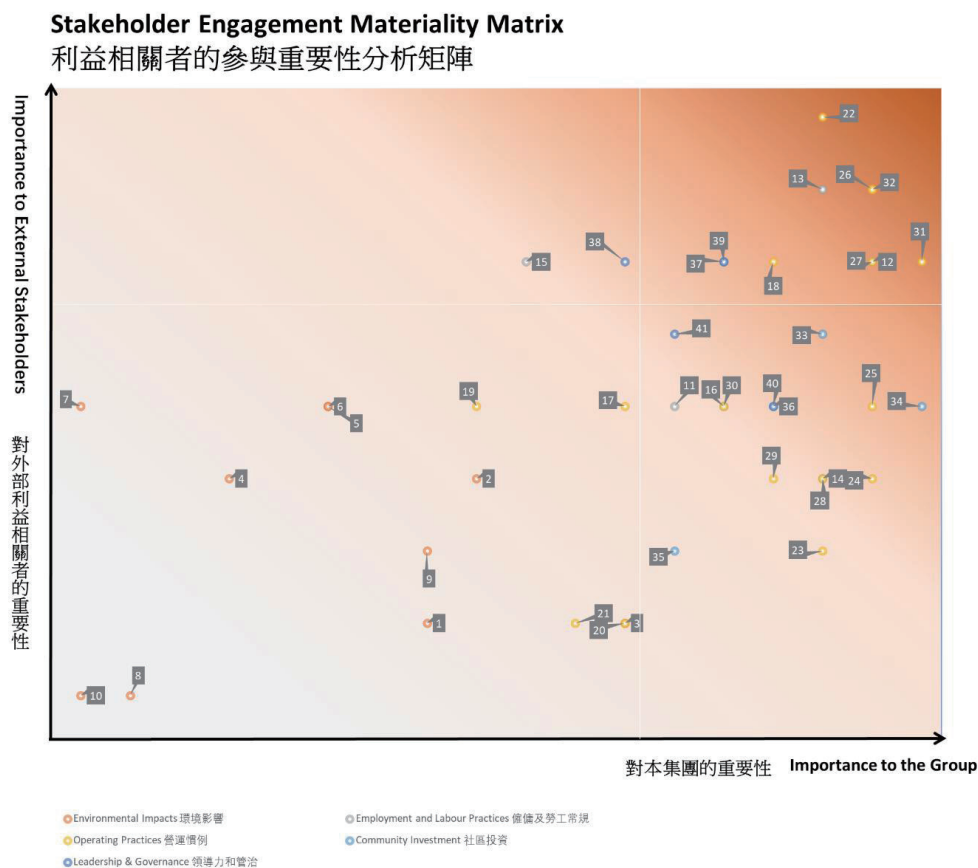
COMMUNICATION WITH KEY STAKEHOLDERS

Stakeholders	Expectations and Concerns	Communication Channels
Government and regulatory authorities	<ul style="list-style-type: none"> – Law and regulation compliance – Anti-corruption policies – Occupational health and safety 	<ul style="list-style-type: none"> – Supervision on the compliance with local laws and regulations – Routine reports and tax payments
Shareholders	<ul style="list-style-type: none"> – Return on investments – Corporate governance – Law and regulation compliance 	<ul style="list-style-type: none"> – Regular reports – Announcements – Annual general meetings

Stakeholders	Expectations and Concerns	Communication Channels
Employees	<ul style="list-style-type: none"> – Employees’ remuneration and benefits – Systematic risk management – Career development – Training opportunities – Occupational health and safety – Sound grievance mechanism and internal communication – Integrate educational elements into shop operations 	<ul style="list-style-type: none"> – Performance appraisal – Regular meetings and training courses – Written comments via emails, notice boards, telephone calls and team building activities
Suppliers and service providers	<ul style="list-style-type: none"> – Protect the rights of partners – Support local economic development – Create a sustainable development model – Participate in philanthropy 	<ul style="list-style-type: none"> – Open tenders – Business meetings, phone calls and on-site visits – Seminars and workshops – Email and circulars
Customers	<ul style="list-style-type: none"> – High-quality products and services – Operation with integrity – Involvement in discussions with the Group about ESG affairs – Cultivation of local employment 	<ul style="list-style-type: none"> – Face-to-face communication with customers

MATERIALITY ASSESSMENT

As ESG risks and opportunities vary among stakeholders of the Group involving different backgrounds, principal activities and business/operating models, the Group identified the ESG topics that were material and relevant to its business in a stepwise manner by performing an annual materiality assessment survey with its selected stakeholder representatives. Specifically, the selected stakeholders were invited to attend an online survey to express their views on a list of ESG issues of the Group. The online survey was comprised of many questions, which were believed to be material and relevant to the Group’s business development. The objective, transparent and decision-useful materiality assessment enabled the Group to prioritise its ESG issues.



1	GHG Emissions	15	Preventing Child and Forced Labour	29	Product Design & Lifecycle Management
2	Air Pollution	16	Labour Practices	30	Access & Affordability
3	Energy Management	17	Green Procurement	31	Business Ethics & Anti-corruption
4	Water & Wastewater Management	18	Communication and Engagement with Suppliers	32	Internal Communication & Grievance Mechanism
5	Solid Waste Stewardship	19	Environmental Risk (e.g. pollution) Management of Supply Chain	33	Community Engagement
6	Materials Management	20	Social Risk (e.g. human rights or corruption) Management of Supply Chain	34	Participation in Philanthropy
7	Land Use, Ecosystem and Biodiversity	21	Supply Chain Materials Sourcing & Efficiency	35	Cultivation of Local Employment
8	Climate Change Mitigation & Adaptation	22	Health and Safety Relating to Products/Services	36	Local Environmental Protection
9	Packaging Material Management	23	Customers Welfare	37	Support of Local Economic Development
10	Renewable and Clean Energy	24	Marketing and Promotion	38	Business Model Adaptation and Resilience to Environmental, Social, Political and Economic Risks and Opportunities
11	Diversity & Equal Opportunity	25	Intellectual Property Rights	39	Management of the Legal & Regulatory Environment (regulation-compliance management)
12	Employee Remuneration and Benefits	26	Product Quality	40	Critical Incident Risk Responsiveness
13	Occupational Health and Safety	27	Customer Privacy and Data Security	41	Systemic Risk Management (e.g. Financial Crisis)
14	Employee Development and Training	28	Labelling Relating to Products/ Services		

Through the materiality analysis, the Group regarded “Employee Remuneration and Benefits”, “Occupational Health and Safety”, “Communication and Engagement with Suppliers”, “Health and Safety Relating to Products/Services”, “Product Quality”, “Customer Privacy and Data Security”, “Business Ethics & Anti-corruption”, “Internal Communication & Grievance Mechanism”, “Support of Local Economic Development” and “Management of the Legal & Regulatory Environment (regulation-compliance management)” as its top ten important ESG topics and will put more focus on the identification, monitoring, evaluation and management of the potential risks and opportunities related to these ESG issues. Meanwhile, the Group engaged with its stakeholders in benchmarking its business strategy against the United Nations Sustainable Development Goals (UN SDGs) and pinpointed Goal 3 – Good Health and Well-Being and Goal 4 – Quality Education as its priority SDGs towards which the Group will particularly make strides.

STAKEHOLDERS’ FEEDBACK

Striving for excellence, the Group welcomes its stakeholders’ feedback and advice on the improvement of its corporate ESG approach and performance, especially the ESG issues identified as the most important ones in the materiality assessment of the Group. Readers are also welcomed to share their views on the ESG matters with the Group at

Email: admin@chanceton.com

Telephone: (852) 2158 9999

Fax: (852) 2543 9311

V. ENVIRONMENTAL SUSTAINABILITY

In pursuit of the incorporation of eco-friendly concepts into its daily operations in order to minimise its environmental footprint while contributing positively to the nature and planet, the Group stringently abided by relevant environmental laws and regulations in Hong Kong in FY2020/2021, including but not limited to the Waste Disposal Ordinance (Cap. 354 of the Laws of Hong Kong).

This section primarily discloses the Group’s policies, practices and quantitative data on emissions, use of resources, the environment and natural resources in FY2020/2021.

EMISSIONS

Given its business nature, the Group did not cause any air emissions. In 2020, the Chief Executive of Hong Kong indicated in the 2020 Policy Address that the Government would strive to achieve carbon neutrality before 2050. In response to the ambitious pledge towards a zero-carbon economy, the Group has been an active supporter and keeps exploring feasible approaches to reduce its carbon footprint. In FY2020/2021, the GHG emissions from the Group were primarily due to the purchase and consumption of electricity in the office and shops. Specifically, the Group’s total GHG emissions amounted to around 24.00 tonnes CO₂e, with an intensity of 0.05 tonnes CO₂e/m² (Gross Floor Area). As the solid waste and wastewater generated by the Group were managed by the property management company of the buildings where the Group operated in a unified manner, the Group did not have a precise record of its waste volume during the year under review. During the year under review, the Group did not generate any hazardous waste. The Group’s GHG emissions by scopes in FY2020/2021 were summarised in Table 1 in the **Appendix**.

GHG Emissions

In response to the government’s plan in slashing GHG emissions, the Group has targeted a gradual cut in rates of carbon emissions by strictly controlling its electricity consumption for operations. Over these years, the Group has been monitoring, recording and evaluating its GHG performance by keeping an accurate record of its electricity consumption, which constituted the majority of its GHG emissions. The Group’s policies in controlling GHG emissions that are closely linked to the energy use will be further described in the next subsection under **Electricity**.

Wastewater & Solid Waste

In FY2020/2021, the waste generated from the Group’s operations was mainly commercial wastewater and solid waste including paper. The wastewater was directly discharged into the municipal drainage system, while the solid waste was handled by the property management company of the buildings. While no accurate information of the volume of solid waste can be obtained from the property management company, the Group has made an assumption about the total amount of its solid waste based on the headcount, which was approximately 100 kg. Since the amount of wastewater highly depends on the quantity of water used, the Group has adopted measures in improving its water efficiency, which will be further described in the next subsection under **Water & Resources**.

Energy & Resources

In FY2020/2021, the major source of energy consumed by the Group was electricity. Table 2 in the **Appendix** illustrates the amount of different resources used by the Group in FY2020/2021. Given the business nature, the Group did not consume any packaging materials during the year under review.

Electricity

The electricity consumed by the Group mainly came from the business operations in the office and shops. In FY2020/2021, the electricity consumption of the Group was 53,403 kWh. The intensity of electricity consumption in FY2020/2021 was slightly higher than that in FY2019/2020, but 5% lower than that in FY2018/2019.

The Group has integrated ‘Saving Electricity’ into its daily operations. In particular, the Group’s employees specifically implemented the following practices during the year under review:

- Switched off all idle lights and air conditioners;
- Turned off all lights, electronic device and other power-consuming equipment at the end of the day;
- Placed “Save electricity and turn off the light when you leave please” stickers to encourage employees to conserve energy; and
- Delegated internal coordinator(s) to collect, evaluate and manage the Group’s electricity consumption data for ESG reporting and improvement.

Water & Resources

Despite not being a water-intensive enterprise, the Group has put forward a number of practical solutions to move towards water conservation. Specifically, the Group has been committed to improving its performance in water efficiency through the measures below:

- Raised the aware of all staff in water conservation; and
- Repaired and reported the dripping taps timely.

The Group has long been promoting the concept of “Paperless Office” and encouraging its employees to use paper smartly in daily operations. Adhering to the “3R” principle, the Group recycled a total of 15 kg paper in FY2020/2021 and particularly implemented the following measures:

- Promoted office automation and encouraged the dissemination of information by electronic means (i.e. emails or e-bulletin boards);
- Set duplex printing as the default mode for most of the network printers;
- Put a single-sided paper collection box near the photocopiers; and
- Encouraged all staff to reuse one-sided printed papers as drafts.

ENVIRONMENT AND NATURAL RESOURCES

While the Group did not generate significant impacts on the environment and natural resources given the fact that most of the Group’s operations were performed in the indoor environment, the Group undertook a thorough review and systematic analysis of its performance in energy consumption patterns, aiming to identify and bridge any loopholes to make its business more sustainable.

In FY2020/2021, the Group’s relatively significant environmental impact was indirect GHG emissions derived from the purchase of electricity. To control its GHG emissions, the Group has implemented a series of measures and environmental policies in conformance to relevant laws and standards, in order to lower its electricity consumption. Looking forward, the Group will delve into more innovative and cost-effective approaches and technologies to improve its energy efficiency.

CLIMATE CHANGE IMPACT

The past decades have shown a sharp rise in levels of atmospheric GHGs caused by anthropogenic activities from the burning of fossil fuels and other human-induced damages to the environment. As a learner and supporter of the Task Force on Climate-related Financial Disclosures (“TCFD”), the Group has carried out a preliminary assessment of its interrelations with climate-related risks and opportunities, in particular from the pillars of governance, strategy, risk management and goals and metrics. The consequences of climate-related risks with higher frequency and stronger magnitude during recent decades including the extreme weather events may dampen stable growth of the shipping industry, thereby bringing further uncertainties and challenges to the Group in business development. Moreover, the transition risks including the stricter regulations on carbon emissions may also increase the operating cost of the Group. The Group will make more in-depth scenario analysis to understand the impacts of climate change on the Group’s business and develop resilience-building plans to adapt to the implications of global warming.

VI. SOCIAL SUSTAINABILITY

EMPLOYMENT AND LABOUR PRACTICES

EMPLOYMENT

The Group pursues the building and promotion of an inclusive corporate culture that respects and cares for its people around the principle of fairness. The Group keeps improving its employment policies and strives to provide its employees with a platform and workplace that supports good career planning and development. As of 31 March 2021, the total number of employees of the Group was 18, who were all based in Hong Kong. The breakdown of the Group’s workforce in terms of age, gender and position levels is detailed in table 3 in the **Appendix**.

Law compliance

The Group’s employment policies and practices abide by the relevant laws and regulations. In FY2020/2021, the Group complied with the relevant laws and regulations, including the following:

- *Employment Ordinance (Cap. 57 of the Laws of Hong Kong);*
- *Employees’ Compensation Ordinance (Cap. 282 of the Laws of Hong Kong);*
- *Mandatory Provident Fund Schemes Ordinance (Cap. 485 of the Laws of Hong Kong); and*
- *Sex Discrimination Ordinance (Cap. 480 of the Laws of Hong Kong).*

Recruitment and promotion

The Human Resources Department of the Group is responsible for formulating, reviewing and revising the Group’s policies on a regular basis in accordance with the latest laws and regulations. The Group’s successful operations are grounded on its principle of maintaining a respectful, inclusive and safe working environment for all. The Group has implemented effective recruitment policies and offered fair and competitive remuneration and benefits in accordance with the applicants’ educational backgrounds, personal attributes, job experiences and career aspirations, in order to attract high-calibre candidates. With reference to market benchmarks, the Group provides equal opportunities of promotion and development opportunities for eligible employees who have shown excellent work performance and potential in respective positions.

Compensation and dismissal

The Group provides its employees with good compensation packages and performs regular appraisals of its employees to ensure that all employees’ efforts and contributions can be recognised by the Group appropriately. The Group strictly prohibits any kind of unfair or illegitimate dismissal and sets up stringent policies standardising the procedures of dismissal.

Working hours and rest periods

The Group has determined clear working hours and rest periods for its employees in its internal policies. As the Group encourages the balance of work and life, the Group’s employees are also entitled to extra leave benefits, such as marriage leave, maternity leave, paternity leave and compassionate leave on top of the basic annual leave and statutory holidays.

Equal opportunity, diversity and anti-discrimination

As an equal opportunity employer, the Group strictly prohibits any discrimination in the workplace and has been committed to creating and maintaining a fair, respectful and diverse working environment. All hiring, training, promotion, dismissal and retirement activities are based on factors irrespective of its employees’ age, sex, marital status, pregnancy, family status, disability, race, colour, descent, national or ethnic origins, nationality, religion or any other non-job-related factors. The Group has zero tolerance in relation to any workplace discrimination, harassment or vilification in accordance with local ordinances and regulations. Employees can report any discriminatory behaviour to the Human Resources Department of the Group that is responsible for substantiating the incident and dealing with the issue.

Other benefits and welfare

The Group gives its priority to the protection and promotion of its employees’ welfare. Over the years, the Group has been committed to boosting the morale of and strengthening the bond between its employees by arranging and participating in a plethora of activities for its employees. In FY2020/2021, given the social distancing rules under the pandemic, only a limited number of activities were organised by the Group for its employees.

In FY2020/2021, the Group was in compliance with relevant laws and regulations in relation to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, welfare and other benefits that have a significant impact on the Group.

HEALTH AND SAFETY

Occupational health and safety remains to be one of the top ESG issues to the Group, which focuses its efforts on creating and maintaining a secure and healthy work environment for all its employees. The Group has established clear and effective health and safety policies with which all employees in the office as well as in the shops should comply. The Group has abided by the applicable laws and regulations in relation to the protection of occupational health and safety in Hong Kong, including Occupational Safety and Health Ordinance (Cap. 509 of the Laws of Hong Kong) and adheres to the recommended practices set forth in Occupational Health and Safety Management Systems (ISO 45001: 2018) for management. In particular, the Group has taken the following measures:

- Maintained and cleaned the air-conditioning systems regularly;
- Promoted “5S” concept in workplace management;
- Disinfected carpets and office equipment regularly; and
- Prohibited smoking and drinking liquor in the workplace.

In 2020, the unprecedented pandemic severely put people’s health at risk. The Group, under the guidance of the Centre for Health Protection, has implemented a series of epidemic prevention and control measures, including requiring all employees to maintain good personal hygiene at all times and distributing a box of masks to all employees on a monthly basis for free. Meanwhile, the Group has set up and implemented several plans and actions to protect both its employees and customers. For instance, the compulsory body temperature checks were performed at the entry of shops and the office. Any person with a body temperature of 37.3 °C or above had the chance to be denied entry to the operating site.

The Group regulates that the employees report on any unsafe practices, injury, accident or safety-related hazard immediately to their supervisor. The managers of shops who are in charge of the operations and the Operation Manager of the Group are responsible for the control and management of the occupational health and safety risks in the Group. During the recent three years, the Group did not record any work-related fatalities or injuries for three consecutive years.

During the year under review, the Group was not in violation of material relevant laws and regulations in relation to providing a safe working environment and protecting the employees from occupational hazards that may have a significant impact on the Group.

DEVELOPMENT AND TRAINING

The Group has invariably been committed to providing suitable training programmes to its employees for their vocational development. To enhance its employees’ professional skills, the Group has formulated and implemented a series of policies that guide and encourage its staff to seek continuous growth through training. All employees are highly encouraged to take professional qualification examinations and enrol in external training programmes. Employees who have taken professional qualification examinations and obtained vocational qualification certificates relevant to their positions will receive reimbursements with due considerations by the Group.

In FY2020/2021, the total training hours of the Group amounted to 53 hours and the average training time per employee was approximately 2.9 hours.

LABOUR STANDARDS

In FY2020/2021, the Group abided by the Employment Ordinance (Cap. 57 of the Laws of Hong Kong) in Hong Kong to prohibit any child and forced labour employment. The Human Resources Department of the Group requires all job applicants to provide valid identity documents and materials including academic transcript and photos to ensure that they are lawfully employable prior to the employment. The Group has followed its internal policies to monitor the practices in relation to recruitment and employment, and to ensure that its corporate policies and practices are in line with relevant laws that prohibit child labour and forced labour. Once the Group finds any case against labour standards, a report will be made to the police and the employment will be immediately terminated.

In FY2020/2021, the Group was not in violation of any relevant laws and regulations, in relation to the prevention of child and forced labour that have a significant impact on the Group.

OPERATING PRACTICES

SUPPLY CHAIN MANAGEMENT

The Group values the sustainable management of its supply chain and has built strong partnerships with its suppliers and service providers. The Group has implemented its internal policies in alleviating the potential social and environmental risks that might be arising from its supply chain. Product/service cost, quality, post-sale service and the capability of the selected suppliers and service provider are vital factors influencing the Group’s decision-making in selecting the suppliers for collaboration as well as the purchase of products, among other standards for evaluation including their environmental management performance and the fulfilment of social responsibilities. The Group has established and implemented its Compliance Manual in supplier management and regulates that all suppliers in collaboration with the Group strictly abide by the relevant policies and guidelines. The Group has put emphasis on the implementation of its green procurement principles, which facilitates the Group to choose the products and suppliers featuring recyclability or other environmentally friendly elements.

In FY2020/2021, the Group’s policies in supply chain management covered all its suppliers.

PRODUCT RESPONSIBILITY

In FY2020/2021, the Group abided by the relevant rules, regulations and standards in Hong Kong that have a significant impact on the Group concerning health and safety, advertising, labelling and privacy matters with respect to its operations, products and services, and methods of redress, including the following:

- *GEM Listing Rules;*
- *Companies Ordinance (Cap. 622 of the Laws of Hong Kong);*
- *Personal Data (Privacy) Ordinance (Cap. 486 of the Laws of Hong Kong);*
and
- *Consumer Council Ordinance (Cap. 216 of the Laws of Hong Kong).*

Given the Group’s business nature and the principle of materiality, the health and safety and labelling-related issues are not significant to the Group, thereby not being discussed in this section.

Maintaining product/service quality

It is the Group’s mission to meet its customers’ requirements and expectations. In line with the requirements of local ordinances and in pursuit of the best quality of products and services provided to customers, the Group requires that all employees stick to a high level of integrity and professional ethics, and continually improve the service quality by addressing any technical or operational risks in a timely and efficient manner. The Group regards customers’ satisfaction as a top priority in seeking success, thereby proactively collecting its customers’ opinions on how to improve their products and services, as well as engaging them in an interactive manner to efficiently address their concerns.

Protecting customer privacy

To protect its customers’ privacy and prevent personal or confidential information from leaking, the Group has taken appropriate actions to safeguard its customers’ interests, of which the principles, requirements and procedures are clearly specified in the Employee Handbook. All customers’ personal data has been securely kept and processed only for the purposes for which it has been collected. During the year under review, there were no substantiated complaints received by the Group concerning the breaches of customer privacy and losses of customer data.

ANTI-CORRUPTION

To foster a fair, ethical and efficient working environment, the Group has abided by the local laws and regulations relating to anti-corruption and bribery including the Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Cap. 615 of the Laws of Hong Kong) and the Prevention of Bribery Ordinance (Cap. 201 of the Laws of Hong Kong).

The Group has formulated and strictly enforced its anti-corruption policies to promote a corporate culture of honesty and integrity, which are communicated and strictly implemented by all including the directors and general staff of the Group. To timely spot the potential inconformity to the requirements and effectively address the risks, the Group has established a sound grievance mechanism that allows whistle-blowers to report verbally or in writing to the Audit Committee of the Group for the suspected misconduct with full details and supporting evidence. Where any serious violation of the Group’s standards or suspected criminality is found, the Group will report the issue to relevant regulators or law enforcement authorities when the management considers it necessary.

In FY2020/2021, the Group arranged one anti-corruption seminar for its internal staff.

COMMUNITY INVESTMENT

Since its establishment, the Group has been laying great emphasis on paying back to the society, holding and participating in a number of meaningful activities for the social groups in need, which reflected the determination and endeavours of the Group in fulfilling its social responsibilities. By leveraging its expertise and knowledge in the industry, the Group participated in the TWGHS 150th Anniversary (Community Day @ Tung Wah Village) at on 27th March 2021, in which the Group designed and arranged a Game Booth game supported by two volunteers and a Clamping Doll Machine. The Group made a donation of approximately HK\$20,000 in total to contribute to the charitable event.



UNITAS

TWGHS 150TH ANNIVERSARY

FY2020/2021



VII. ENDING

FY2020/2021 was a year fraught with calamities and uncertainties. In spite of the market fluctuations and increasingly competitive environment for business, the Group has relentlessly been staying true to its original aspirations and persevering in embedding ESG concepts into its strategic development and daily operations. Looking forward, the Group will continue to benchmark its performance with internationally recommended practices and move towards the goal of being sustainable and resilient to the challenges ahead of us.

APPENDIX

Table 1 The Group’s Total Emissions by Category in FY2020/2021 and FY2019/2020⁵

Emission Category	Key Performance Indicator (KPI)	Unit	Intensity ¹ (Unit/Floor Area m ²)		Intensity ² (Unit Floor Area m ²)	
			Amount in FY2020/2021	in FY2020/2021	Amount in FY2019/2020	in FY2019/2020
GHG Emissions	Scope 1 (Direct Emissions)	Tonnes of CO ₂ e	–	–	–	–
	Scope 2 (Energy Indirect Emissions) ³	Tonnes of CO ₂ e	23.71	0.05	–	–
	Scope 3 (Other Indirect Emissions) ⁴	Tonnes of CO ₂ e	0.29	5.57×10 ⁻⁴	–	–
	Total (Scope 1, 2 & 3)	Tonnes of CO ₂ e	24.00	0.05	26.58	0.11
Non-hazardous						
Solid Waste	Solid Waste	Kg	100	0.19	29.4	–

- Intensity for FY2020/2021 was calculated by dividing the amount of GHG and other emissions respectively by the Group’s floor areas of operations of one office and three shops in Hong Kong in FY2020/2021, which was around 520.3 m²;*
- The amount and intensity in FY2019/2020 were extracted from the data set out in the Group’s ESG report for FY2019/2020;*
- The Group’s Scope 2 (Energy Indirect Emissions) only included only electricity consumption;*
- The Group’s Scope 3 (Other Indirect Emissions) only included other indirect emissions from paper waste disposed at landfill in FY2020/2021, whilst in FY2019/2020 the relevant information was not collected or disclosed; and*
- The methodology adopted for reporting on GHG emissions set out above was based on “How to Prepare an ESG Report? – Appendix 2: Reporting Guidance on Environmental KPIs” issued by the Stock Exchange and Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong.*

Table 2 Total Resource Consumption in FY2020/2021 and FY2019/2020

Use of Resources	Key Performance Indicator (KPI)	Unit	Amount in FY2020/2021	Intensity ¹	Amount in FY2019/2020	Intensity ²
				(Unit/Floor Area m ²) in FY2020/2021		(Unit Floor Area m ²) in FY2019/2020
Energy	Electricity ³	kWh	53,403	102.6	35,551	83.9
	TOTAL ⁴	GJ	192.3	0.4	128.0	0.2
Water	Water ⁴	M ³	290.2	0.6	–	–
Paper	Paper	KG	60.1	0.1	–	–

- Intensity for FY2020/2021 was calculated by dividing the amount of resources that the Group consumed in FY2020/2021 by the Group’s floor areas of operations of one office and three shops in Hong Kong in FY2020/2021, which was around 520.3 m²;*
- The amount and intensity in FY2019/2020 were extracted from the data set out in the Company’s ESG report for FY2019/2020;*
- The total energy was calculated based on “How to Prepare an ESG Report? – Appendix 2: Reporting Guidance on Environmental KPIs” issued by the Stock Exchange; and*
- Given no record of water consumption that was managed by the property management company of the building during the year under review, the amount of water withdrawal was based on the estimation of 65 litres water was consumed by one person per day.*

Table 3 Number of Employees by Age Group, Gender, Employment Type and Position Level of the Group in FY2020/2021¹

Unit: Number of employees	Age group					Total
	Aged below 30	Aged between 30 and 39	Aged between 40 and 49	Aged between 50 and 59	Aged at or above 60	
Male	0	2	3	3	0	8
Female	3	3	2	2	0	10
Total	3	5	5	5	0	18

Employment type				
Full time	Part time			Total
18	0			18

Position Level				
General staff	Middle managerial level	Senior managerial level	Chief Executive Level management	Total
6	3	2	7	18

1 The employment data in headcount was obtained from the Group’s Human Resources Department based on the employment contracts entered into between the Group and its employees. The data covered employees engaged in a direct employment relationship with the Group according to relevant local laws and workers whose work and/or workplace was controlled by the Group. The methodology adopted for reporting on employment data set out above was based on “How to Prepare an ESG Report? – Appendix 3: Reporting Guidance on Social KPIs” issued by the Stock Exchange.

Table 4 Employee Turnover Rate by Age Group, Gender and Geographical Locations in FY2020/20211

Unit: Number of employees		Age group				
Gender	Aged below 30	Aged between 30 and 39	Aged between 40 and 49	Aged between 50 and 59	Aged at or above 60	Total
Male	0	0	0	1	0	1
Employee turnover rate(percentage)	0%	0%	0%	33.3%	0	12.5%
Female	2	1	0	0	0	3
Employee turnover rate(percentage)	66.7%	33.3%	0	0	0	30%
Total	2	1	0	1	0	4
Total employee turnover rate(percentage)	66.7%	20%	0	20%	0	22.2%

Geographical locations		
Locations	Employee turnover	Employee turnover rate(percentage)
Hong Kong	4	22.2%

1 The turnover data in headcount was obtained from the Group’s Human Resources Department based on the employment contracts entered into between the Group and its employees. Turnover rate was calculated by dividing the number of employees who left the Group in FY2020/2021 by the number of employees in FY2020/2021. The methodology adopted for reporting on turnover data set out above was based on “How to Prepare an ESG Report? – Appendix 3: Reporting Guidance on Social KPIs” issued by the Stock Exchange.

Table 5 Number and Percentage of Employees Trained in the Group by Gender and Position Type in FY2020/2021¹

Unit: Number of employees		Position Type			Total
Gender	General staff	Middle managerial level	Senior managerial level	Chief Executive Level management	
Male	1	2	1	5	9
% of employees trained	5.6%	11.1%	5.6%	27.8%	50%
Female	5	1	1	2	9
% of employees trained	27.8%	5.6%	5.6%	11.1%	50%
	General staff	Middle managerial level	Senior managerial level	Chief Executive Level management	Total
Total	6	3	2	7	18
% of employees trained	33.3%	16.7%	11.1%	38.9%	100%

1 The training information was obtained from the Group’s Human Resources Department. Training refers to the vocational training that the Group’s employees attended in FY2020/2021. The methodology adopted for reporting on the number and percentage of employees trained set out above was based on “How to Prepare an ESG Report – Appendix 3: Reporting Guidance on Social KPIs” issued by the Stock Exchange.

REPORT DISCLOSURE INDEX

Aspects	ESG Indicators	Description	Page
A. Environmental			
A1: Emissions	General Disclosure	<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.</p> <p>Note: Air emissions include NO_x, SO_x, and other pollutants regulated under national laws and regulations. Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride. Hazardous wastes are those defined by national regulations</p>	10
	KPI A1.1	The types of emissions and respective emissions data.	20
	KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	20
	KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	10
	KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	20
	KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	10
	KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	10

Aspects	ESG Indicators	Description	Page
A2: Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials. Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.	11
	KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	21
	KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	21
	KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	11
	KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	There is no issues in sourcing water
	KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	11
A3: The Environment and Natural Resources	General Disclosure	Policies on minimising the issuer’s significant impacts on the environment and natural resources.	12
	KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	12
Aspect A4: Climate Change	General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	12
	KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	12

Aspects	ESG Indicators	Description	Page
B. Social			
Employment and Labour Practices			
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, anti-discrimination, and other benefits and welfare.	13
	KPI B1.1	Total workforce by gender, employment type (for example, full-or parttime), age group and geographical region.	21
	KPI B1.2	Employee turnover rate by gender, age group and geographical region.	22
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.	15
	KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year	15
	KPI B2.2	Lost days due to work injury.	15
	KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	15

Aspects	ESG Indicators	Description	Page
B3: Development and Training	General Disclosure	Policies on improving employees’ knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training. It may include internal and external courses paid by the employer	16
	KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	23
	KPI B3.2	The average training hours completed per employee by gender and employee category.	16
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.	16
	KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	16
	KPI B4.2	Description of steps taken to eliminate such practices when discovered	16
Operating Practices			
B5: Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	17
	KPI B5.1	Number of suppliers by geographical region.	N/A
	KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	17

Aspects	ESG Indicators	Description	Page
	KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	17
	KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	17
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.	17
	KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	N/A
	KPI B6.2	Number of products and service related complaints received and how they are dealt with.	18
	KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	N/A
	KPI B6.4	Description of quality assurance process and recall procedures	18
	KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	18

Aspects	ESG Indicators	Description	Page
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	18
	KPI B7.1	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	N/A
	KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	18
	KPI B7.3	Description of anti-corruption training provided to directors and staff.	18
Community			
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.	19
	KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	19
	KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	19