



CHINA LEON INSPECTION HOLDING LIMITED

# 2016 Environmental, Social and Governance Report

Hong Kong Stock Code : ( HK.1586 )

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## ABOUT CHINA LEON

### Introduction

China Leon Inspection Holding Limited (the “Company”) with its subsidiaries (“China Leon” or the “Group”) is the largest coal testing and inspection services provider in People’s Republic of China (“PRC”). The Group offers customers comprehensive services through the nine service centers strategically positioned at major coal trade ports in China, which collectively accounted for more than 80% of the total trade volume of seaborne coal in PRC in 2016.

Due to the outstanding performances of the Group in operation, innovation and development, company governance, social responsibility, etc., China Leon won the Most Potential Listed Company Award of the 2016 Listed Company Award of China Financial Market, which was established by China Financing - the famous financial periodical in Hong Kong and undertaken by the Wonderful Sky Financial Group.



China Leon, as the leading enterprise in coal testing industry in China, can mostly ensure that, by applying high-level coal testing technology, the trace elements tests for coal used for electricity generation could reach the highest standards. This is beneficial for the sustainable development of the entire green industry.

## Vision and Mission

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Looking forward to the future, China Leon will create long-term values for shareholders by aiming at advocating integrity and justice, effectuating impartial and justice, achieving quality future; taking sustainable development as premise; and practicing corporate social responsibilities as strategic target of the Group. Therefore, the Group will be committed to protecting natural resources, caring for employees' health and working environment, actively participating in community projects, improving the life condition of people in poverty and encouraging suppliers to practicing a series of policies of sustainable development together with the Group. The Group will devote itself to establishing a benchmark for its industry and become one of the world's most credible third-party quality assurance service providers.

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公平是我们坚守的原则 公正是我们如一的品德  
公开是我们始终的风格 诚信是我们永恒的承诺

## ABOUT THIS REPORT

This is the first Environmental, Social and Governance (“ESG”) Report (the “Report”) released by the Group. The Report mainly discloses policies, measures, practical actions and specific outcomes of sustainable development of the Group.

### Reporting Period and Boundary

The Report covers the reporting period from 1 January 2016 to 31 December 2016, which is consistent with the fiscal year of 2016 Annual Report of the Company. The reporting boundary of the Report includes the Company and its subsidiaries.

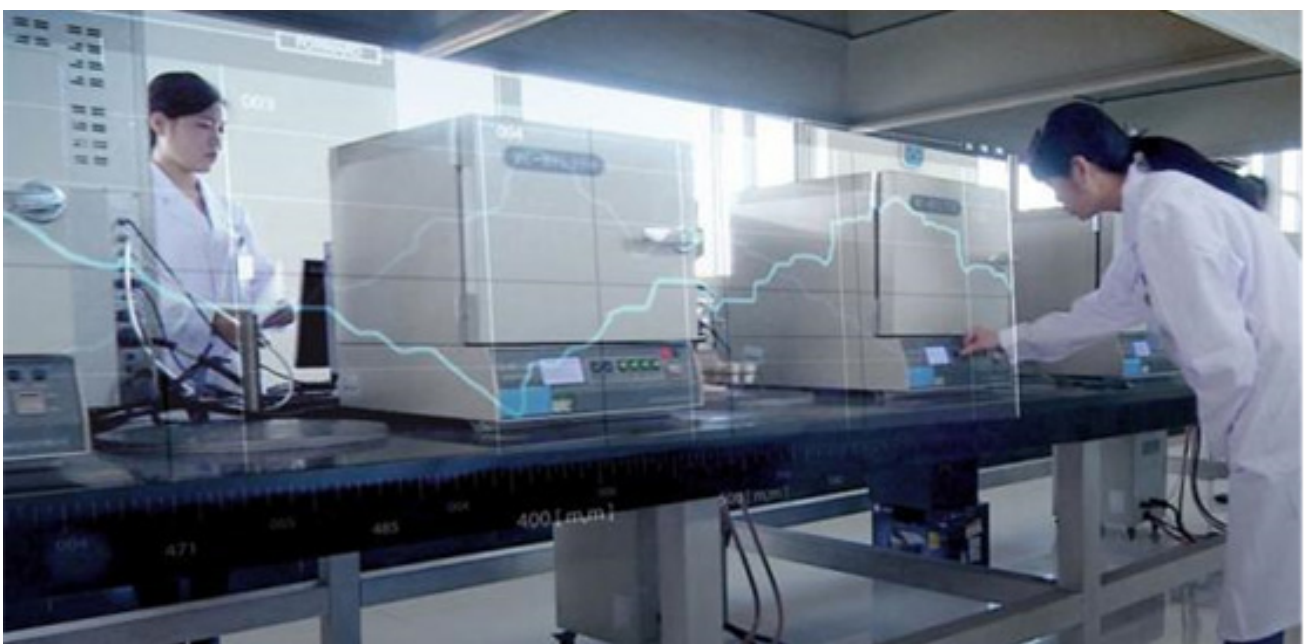
### Basis for Preparation

The Report is in accordance with the requirements of Appendix 27 “Environmental, Social and Governance Reporting Guides” of the Main Board Listing Rules issued by the Hong Kong Exchanges and Clearing Limited (“HKEx”).

The data disclosed in the report is sourced from the official documents and statistical reports of the Company and its subsidiaries.

### Reliability Assurance

The Report is prepared by CECEP Environmental Consulting Group Co., Ltd as an independent consultant appointed by the Company. The Report contains forward-looking statements that are based on certain assumptions and expectations at the time of its publication, which China Leon has deemed to be reliable after careful consideration. These statements involve known and unknown risks and uncertainties, which means that actual results may differ from the expectations, forecasts or conclusions made herein.





## GREEN OPERATION

The Group strictly complies with the Environmental Protection Law of the PRC, the Environmental Impact Assessment Law of the PRC, Regulations on the Administration of Environmental Protection of Construction Projects and relevant national and local laws and regulations. The Group also accordingly developed measures to control environmental pollution generated from the operation. China Leon is keenly aware that it is necessary to take a sustainable path to achieving continuous development. For this purpose, the Group will establish an environment-friendly business model as the development target and take steps to minimize the possible impact on environment arising from its production and operation activities, especially in Greenhouse gas (GHG) emissions and waste generation.

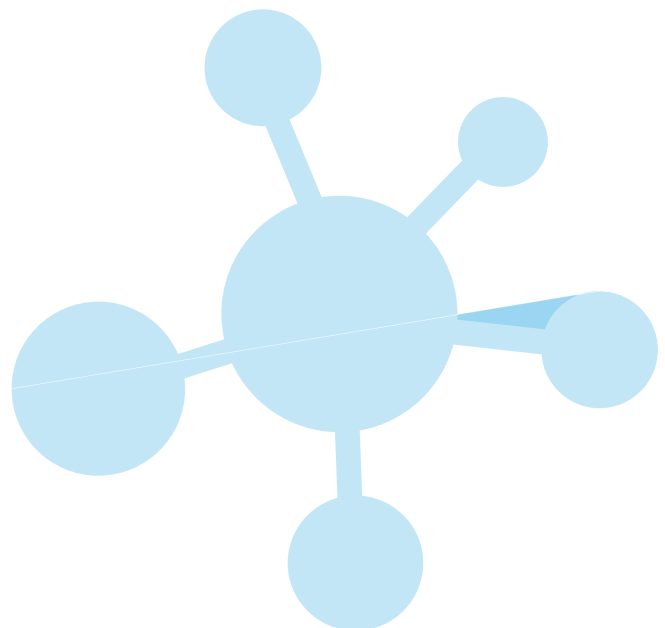
The Group, as a socially responsible corporate, is actively exploring new production mode and increasing investment in environmental protection and technology, so as to turn the effort of environmental pollution management into an effective investment. For example, the Group strives to develop a more effective and environment-friendly production mode and effectively manage the use of energy as well as pollutants emissions.

### Low-carbon Emission Reduction

The Group understands that GHG emissions have a certain impact on the global environment. The Group plans to quantify its GHG emissions through certification authority and formulate relevant emission improvement plans and measures in the future with the aim of reducing the impact on global warming. For the sake of protecting the ecosystem environment, the Group puts the Enterprise Energy Saving Action Plan issued by the National Development and Reform Commission into practice. The Group carries out clean production and carbon emissions reduction in a more effective way, such as reducing power consumption of air conditioning, heating in winter, energy consumption of equipment in inspection workshops and employee canteens, etc.

Wastewater and waste residuals are the primary wastes from operations of the Group. As a standard internal procedure, the Group's technicians working at sampling workshops and laboratories are responsible for collecting wastewater and waste residuals on a timely basis. These wastes and household wastes are separately stored in waste containers for an appropriate period of time and then processed with neutralizing chemicals to dissolve the polluting components before disposal. In addition, the Group has obtained the Laboratory Accreditation Certificate and the Inspection Body Accreditation Certificate from the China National Accreditation Service for Conformity Assessment (CNAS), which represents our compliance with the requirements of CNAS on environmental protection measures. CNAS requires the adoption of specific internal policies on pollution control and installation of relevant anti-pollution equipment in all of the laboratories in operation.

China Leon will strictly follow the 13th Five-Year Plan for ecological and environmental protection issued by the State Council of the PRC and effectively deal with the relationship between business operations and ecological and environmental protection.



## Energy Conservation and Environmental Protection

The Group pays high attention to the efficient use of resources and is committed to reducing energy consumption and ensuring the rational use of natural resources. To build a green office, the Group actively promotes environmental protection management in daily business activities and insists on making the best use of materials. Specific measures have been implemented as follow:



Install energy-efficient light tubes and use natural daylight for office as far as possible



Use audio/video conferences to reduce business travels



Reduce the use of disposable paper cups and remind employees to switch off all equipment when not in use



Promote paperless office and implement Office Automation (OA) system



Encourage employees to read and send documents electronically to reduce printing and to print documents on both sides

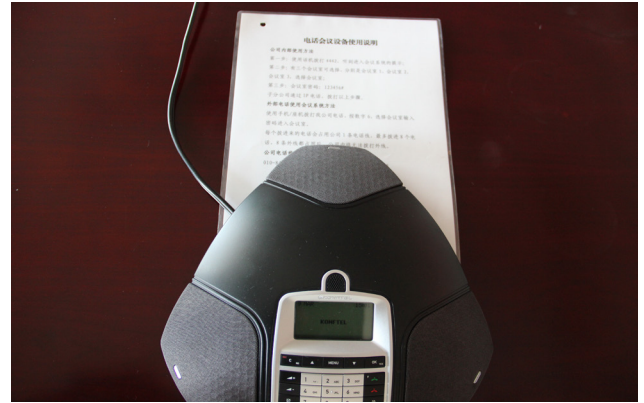


Collection of waste paper and toner cartridges for recycling

## Energy Conservation and Environmental Protection ( Continued )



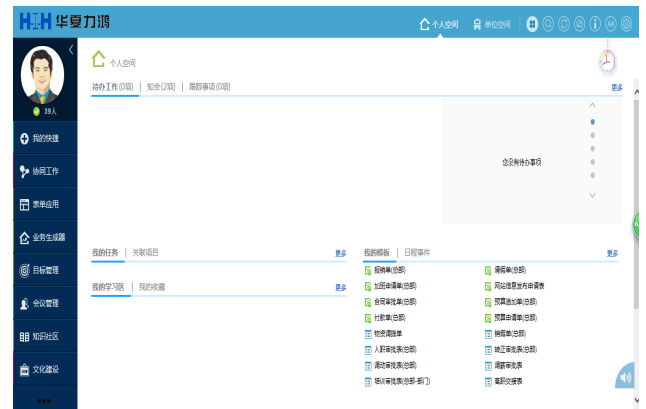
An environmental-protection tip “Secondary paper collector” used for collecting one-sided printed paper is placed near the printer to encourage employees to reuse those papers when printing informal documents or drafts.



Audio conference has been used in the daily meetings of the Group. As a result of reducing exhaust emission from transportation, it is not only immediate, efficient and convenient, but also environmentally friendly.



In order to minimize the use of disposable paper cups and raise awareness of environmental protection, the Group provides porcelain cups for employees.




The Group uses Office Automation (OA) systems to facilitate paperless office and convert documents into digital format as many as possible.





## Green Development

China Leon knows the fundament of the business operation is pollution control, environmental protection and sustainable development in addition to pursuit of profit. The Group will persistently devote itself to building and improving the soundness of environmental protection system. For example, in addition to considering the impact of its own operations, the Group will endeavor to ensure the high standards and quality of coal testing services and contribute to reducing the emissions of air pollutants from downstream power plants. Meanwhile, the Group will strengthen the resource conservation and environmental protection and environmental-protection technology research and introduction, and develop more stringent technical standards of environment, safety, energy and water consumption and resource utilization.

In the future, China Leon will operate business in a more environment-friendly way so as to further reduce environmental impact arising from operation. In order to achieve the goal, the Group also provides regular education courses to its employees, and creates action plans on environmental protection, including but not limited to:

 Limit the use of chemicals, and register each use for monitoring purposes.

 Eliminate equipment with low technical content.


 Provide environmental courses and training for employees to raise the awareness of environmental protection

## OUR EMPLOYEES

Employees are one of the key stakeholders of the Group. Therefore, the Group is committed to making every effort to provide a safe and comfortable working environment for each employee. In the pursuit of the Group's core value, the Group strives to build up employee cohesion and give employees a sense of commitment through the implementation of the human resources policies, employee benefits, occupational health training and related activities.

## Employment Practices

China Leon established administrative measures and system standards based on the human resource policies of the Group conforming to relevant Chinese labor regulations. For example, under the guidance of the Labor Law of the PRC, the Labor Contract Law of the PRC, the Regulations of Paid Annual Leave of Employees, the Regulations on the Administration of Housing Provident Fund and the Social Insurance Law of the PRC, China Leon continues to consolidate its human resources management. During the year of 2016, the Group has improved the Recruitment Management System of Beijing Huaxia Lihong Commodity Inspection Co., Ltd.,



Welfare Management System of Beijing Huaxia Lihong Commodity Inspection Co., Ltd. and other systems and achieved remarkable results which provided advantageous guarantee of the talent incentive system of the Group.

## Employment Status

China Leon is committed to creating a fair working environment which helps employees to play the most of their own value, and building a warm and harmonious family atmosphere through identifying, hiring and cultivating talents. Therefore, the Group rigorously ensures compliance with laws, such as the Labor Contract Law of the PRC and Labor Law of the PRC. The Group selects applicants on the basis of morality, professional orientation, proactiveness, honesty and trustworthiness; the Group insists on the principles of open recruitment, equal competition and merit-based employment selection; The Group applies more scientific and proper way of employment. The Group also formulates employment policies in a diverse manner and treats employees equally regardless of their genders, ages, ethnicities, religions and any other factors.

The Group strictly prohibits and rejects the child and forced labors in any forms. The Employment Manual of Beijing Huaxia Lihong Commodity Inspection Co., Ltd clearly states that: "Only those who meet the age of over 18 years and compliance with the qualifications of basic requirements in their positions are qualified to apply the positions." The Group requires new employees to provide accurate and real personal information before they start their jobs. For applicants or employees who provide fake material or information, the Group will definitely either decline to employ or terminate their probation period or labor contracts.

By 31 December 2016, the aggregate number of permanent employees of the Group was **836**, of which 77% were male and 23% were female. Since most of the business of the Group is open-air and labor intensive, and all the inspectors are composed of men, and also because of the two-way choices, the number of male employees is thus higher than female employees in the Group. However, the proportional distribution of gender is more balanced in the headquarter in Beijing.

The number of new employees is **455** in 2016 which includes 30 from the headquarter in Beijing, 1 in Qinhuangdao branch office, 35 from Tangshan branch office and 140 from Cangzhou branch office. The data reflects the expansion of the number of employees and the continuous innovation of recruitment method. The business of the Group mainly consists of coal testing services, surveying services, marketing, quality management etc., and subsidiaries of the Group are located throughout the country, thus the recruited employees are more diversified. At the same time, the Group focuses on enhancing talent training to encourage each employee to release their potential.

## Remuneration and Welfare

The Group has taken the principle of “distribution according to employees’ performance” as well as employees’ job responsibilities and personal comprehensive competence into consideration during establishing the remuneration system. The standard of remuneration in the Group includes base salary, bonus and cash subsidies as well as performance pay, academic allowance and other benefits. The Group has implemented performance management based on remuneration of each position, and performance pay indicates work performance of employees. The Group also issues human resources policies in accordance with the relevant provisions of the Labor Law of the PRC and the Labor Contract Law of the PRC, which states that annual bonus will be given in comprehensive consideration of the annual business income, the performance of the subsidiaries and the employees’ evaluation results.

The Group pursues “people-first” philosophy and concerns about physical and mental health of all employees. The Group also organizes various

cultural activities and sports competitions to improve employee’s capabilities of managing their families and enhancing team cohesion within the Group. For example, the Group provides basic pension insurance, basic medical insurance, unemployment insurance, maternity insurance, work injury insurance and housing fund for employees in formal employment relationships. The Group also provides night work allowance, annual medical examination and allocation of labor protection appliances for the front-line employees. The Group also ensures that the employee’s working hours are in line with requirements of domestic laws and regulations and prohibits any forms of forced labor. The Group has conscientiously abided by the Labor Contract Law of the PRC and formulated its internal employees’ leave regulation. Employees can enjoy fringe benefits including sick leave, casual leave, marriage leave, maternity leave, paid annual leave, funeral leave, work-related injury leave, and statutory holidays, etc.

In the evening of February 4, 2016, the Beijing Huaxia Lihong Company organized the “Chinese Spring Festival” activities. Chairman Li Xiangli, who is the leader of the company, and the employees participated in the activities of the party. Chairman Li Xiangli sent new year greetings to all staffs, and general manager Kang Aiyun spoke and awarded prizes to employees.



For celebrating the Mid-Autumn Festival, enriching employee’s recreational and sports life and presenting the spiritual appearance of the staff of Zhuhai Company, the Company organized employees to participate in the Mid-Autumn Recreational and Sports Activity held by Shenhua Gaolan Agency in the afternoon of September 14th. This activity included numerous sports events including basketball, Ping-pang ball and badminton competitions, etc. The friendship between the staff of Zhuhai Company and Shenhua Gaolan was further consolidated through this activity.



The Group believes that we have maintained good relationships with our employees. Employees in the Group have never negotiated their terms of employment through labor union or by way of collective bargaining agreements. The Group has not experienced any strike, malignant labor dispute, or any other issues that might have material adverse effect on its business operation.



## Occupational Health and Safety

The Group has always considered its employees as its most precious asset. Over the years, the Group has striven to create a happy and comfortable working environment for employees. The Group dedicates to improve the safety training mechanism to ensure that employees can keep physically and mentally healthy in the process of their works in our every business field.

### Safe Working Environment

The Group strictly adheres to the PRC laws and regulations regarding health, safety and work-related labor incidents. The Group has gained certification of work safety standardization issued by the Hebei Province Administration of Work Safety and is Level II work safety standardization enterprise. All employees of the Group and dispatched contract workers receive safety training and education on a regular basis. The Group also periodically conducts regular rescue and fire drills for employees. In addition, the Group has designated field safety inspectors to conduct real-time inspections and oversee the operation of the Group's workshops and laboratories to maintain proper and safe working environment.

The Group's safety inspectors are generally experienced field employees or technicians who have in-depth knowledge of safety protocols as applied in practice. To ensure the safety and improve the work conditions of the Group's employees, field inspectors are required to wear safety helmets and reflective vests when conducting on-site sampling, and employees working at workshops and laboratories are required to wear necessary protective gears such as dusk masks and work gloves. During the reporting period, the Group did not experience any material accident that caused injury to our employees or damage to the Group's properties. During the reporting period, no administrative sanctions or penalties that had a material adverse effect on our financial condition or business operations had been imposed upon the Group for the violation of environmental protection or safety laws or regulations.

In order to further improve the development of work safety standardization and strengthen the safety education on dangerous equipment, as well as improving employees' safety awareness and the ability of the emergency handling, the Group standardized workplace safety identification of hazardous chemicals, according to the Regulations on the Control over Safety of Dangerous Chemicals, Warning Signs for Occupational Hazards in the Workplace (GBZ158), Risk Pre-control Management System of Safety in Coal Mine and other national standards and regulatory requirements. The Group has made improvements to standardize the safety signals in workplace with dangerous chemicals as the following:

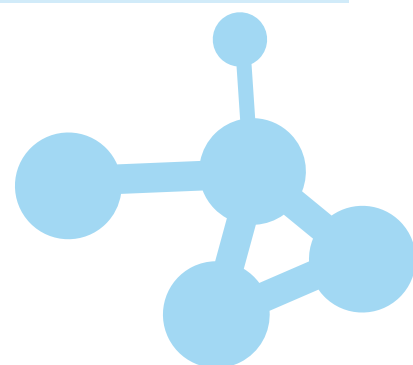
In the striking locations of operation where are likely to cause serious occupational hazards, warning signs are posted in accordance with Warning Signs for Occupational Hazards in Workplace (GBZ158). The signs for occupational hazards, which are likely to occur, are announced and posted to warn the workers. Meanwhile, an occupational hazard billboards are set to remind workers about the types of occupational hazards, their consequences, preventions as well as emergency and rescue measures.



Employees were trained in safety education and conducting fire drills



Signs of occupational hazards and tips of treatment measures are set in the operation workshop of the Group.





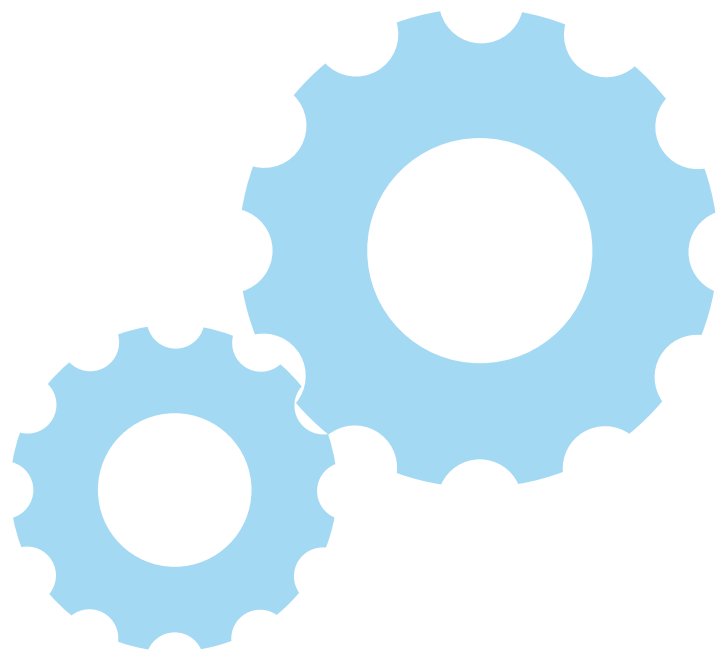
## Methods for Supervision

The Group has invited occupational health technology service institutions with testing qualification to test the occupational hazardous factors in various workplaces and made related declarations since 2015. The Group has distributed the labor protection appliances with national standards to employees who are exposed to occupational hazards. In addition, the Group regularly makes occupational health physical examinations on employees yearly and no patient with occupational diseases is found through testing during the reporting period.

## Growth Platform

China Leon, based on absorbing the internationally advanced talent cultivation experience and combining with its own development features, has established an independent talent cultivation system as well as standard and effective training management system.

In 2016, under the active cooperation and supports from the leaders and employees, the Company conducted employee trainings with exploring new ideas, standardizing the training management, enhancing the training effect and enriching the training methods and means. These measures play important roles in promoting talents exploration, reservation and their value enhancement. Up to December 31 2016, the Group has 84 employees with qualification certificates of personnel proficiency test of related import and export of commodity testing and identification institution. Wherein, 30 of them come from testing team, 26 of them come from sampling team, 19 of them come from quality control team and 9 of them come from sample preparation team. The holders with certificates conform to the national industrial criteria in quality testing and inspection, which shows that the Group carries on the businesses more professionally and makes every employee fully display their talents. It shows their professional advantages and better reflects the professionalism and service feature of China Leon.



## Case

From October 21 to October 22, 2016, the Human Resource Department of Beijing Huaxia Lihong Commodity Testing Co., Ltd. held a management skill training activity. Foreman, director, department manager and the management in Cangzhou Branch participated in this activity. The Cangzhou Branch paid high attention to the activity and the participants positively performed and studied carefully. The activity achieved a good result by the joint efforts between the Branch and participants.

The training contents consist of two parts including course learning and outdoor training. The management cadres above the foreman level in Cangzhou Branch independently studied the video course How to Lead the Foreman and collectively learnt the course How to Enhance the Leadership Effectiveness for Middle-level Directors, with submitting and sharing the learning experience. 28 managers participated in the outdoor training, such as ice-breaking, bridge cutoff, gone in sixty seconds, square matrix for blind persons and crossing of graduation wall. These trainings aimed to explore the potentials of employees, challenge themselves and promote communication and coordination as well as the team spirit cultivation.

This training activity was an effective trial on talent cultivation conducted by the Human Resource Department of Cangzhou Branch. Its successful experience will be promoted in other subsidiaries and functional departments so as to build high-quality teams for China Leon and enhance the enterprise core competitiveness.



Training activities held by the Human Resource Department of Cangzhou Branch of Beijing Huaxia Lihong Commodity Testing Co. Ltd.

## OPERATION ROUTINE

Based on the principle of integrity in the business operation, relied on technique and service, the Group persists in the agreed technology standards and highest service standards, requiring all employees to strictly obey the various technical specifications and operation processes in the business activities. The Group keeps a partnership with mutual trust and cooperation with the customers and suppliers, and stimulates the customers and suppliers to participate in the continuous improvement model of mutual benefit and synergetic development through various channels.

### Management of the Suppliers

China Leon has established a standard operation procedure and regularly revises it thus to standardize the management of the suppliers. Before establishing cooperation relationship with the product or service suppliers, the Group will sign formal contract with eligible suppliers, listing all laws, regulations and various additional demands related to sustainable development and anti-commercial bribery in the contracts.

The Group treats every product or service supplier in an equal way thus to establish a long-term cooperation relationship. The purchases of equipment, products and services are all conducted in a fair, open and competitive environment thus to ensure the product or service supplier to meet with the demands of the Group.

In order to better promote the sustainable development, China Leon will firstly consider the environment-friendly products and the product or service suppliers positively fulfilling the social responsibilities. In addition, the Group will regularly check the selected product or service suppliers based on their price, quality and service to ensure the Group can continuously obtain qualified product and service and fulfill the social responsibilities constantly.

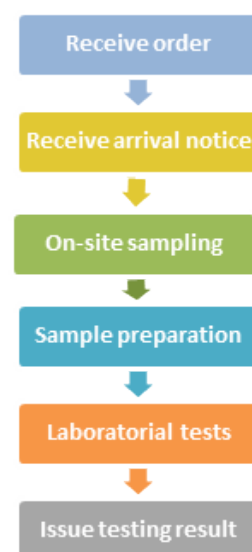
## Product Responsibilities

### Blind Sample Testing

In the whole service process, it is needed to implement the blind sample tests, quality control measures and standard operation procedures thus to ensure all the service centers of the Group to provide consistent, fair and qualified services. China Leon has gained the laboratory accreditation certificate and testing institution accreditation certificate issued by CNAS, proving that the professional capability of the Group, as a testing and inspection institution, reaches an authoritative level.

The Group has formulated standard operation procedures and regulations to promote the service professionalization. The Group owns its internal information management system for tracking and recording the service orders, on-site samplings, sample preparation, testing, checking of testing results, certificates and activities related to other services. The Group has strict blind sample testing policies to monitor the service process and prevent from falsifying the testing results of the Group.

The following diagram illustrates the typical service process of the Group's testing services:



In order to ensure the authenticity and uniqueness of the test results and to eliminate the impact of human factors on the results, all tests are performed and processed strictly in accordance with the Group's blind sample testing policy. The samples prepared blindly are taken into tests as a blind sample. Specifically, the gross samples are enclosed with security seals marked with a uniform security code for identification purposes when collected from on-site sampling. Upon arriving at the Group's premises, the Group replace those seals by seals with randomly assigned numbers before delivering the gross samples to our sampling workshops. The Group's technicians at the workshops or laboratories have no acquaintance of, or access to, the identity and source of the coal samples. In addition, on-site sampling, sample preparation and laboratorial testing are operated by different work units which are isolated from each other to prevent collusion from manipulating the test results. The Group's General Business Departments at each service center, which does not participate in the sample preparation or testing process, translates the security code and issues the final test certificates or reports. Strictly on a need-to-know basis, the Group only grants access to testing data or results of a certain customer stored in the Group's information system to employees who have need to obtain these information, and all hardcopies and electronic copies of such data will be removed upon the completion of the relevant work assignment.

## The Protection Practices of Intellectual Property Rights

The Group has established an institution for intellectual property rights management. The institution is mainly responsible for setting up the policies of intellectual property rights protection. The principal roles of the institution are researching, leading and coordinating the work of intellectual property protection. The institution approves various regulations and plans of the intellectual property management in order to study and solve the significant problems.

China Leon has developed detailed and normative intellectual property rights management system, in accordance with the Company Law of the PRC, Patent Law of the PRC, Law of the PRC on Technology Contracts, Copyright Law of the PRC, Trademark Law of the PRC, Law of the PRC on Anti-Unfair Competition. The Group has frequently organized intellectual property rights training and study for employees, and greatly encourage them to come up with new intellectual property proposal to apply for patents, copyright registration and proactively protect intellectual property of the company. Generous rewards are offered to employees who have made outstanding contributions to the intellectual property protection and maintenance work.

## Anti-Corruption

The coal industry in China poses aggravated risks of anti-bribery violations. The Group has adopted internal policies and procedures designed to ensure compliance with relevant anti-bribery laws of the PRC. Such policies and procedures include organizing internal training programs conducted by in-house or external experts to educate our employees on ethical business practice, including anti-bribery practice and initiating an investigation if we receive a report, and to promote awareness of improper or suspicious conduct by our employees. In addition, the Group recently adopted a comprehensive anti-bribery policy and code of conduct for employees to further improve our anti-bribery practice. In accordance with our internal policy, our internal audit department is responsible for carrying out our daily anti-bribery measures stipulated thereunder, such as assessing bribery risks within the Group on an annual basis, educating our employees on anti-bribery practice, investigating improper or suspicious conduct by our employees and proposing counter-measures against any bribery conduct. The Group has also set up a whistle-blowing channel to allow our employees to report internal bribery by telephone or email.

In addition, the Company general manager office required all employees to sign "Integrity Agreement" in response to the complex industry environment, improving the integrity and honesty awareness of employees and enhancing their anti-corrosion resistance, aiming to prevent the occurrence of non-clean behaviors of employees. During the reporting period, the Company formally issued the "Integrity Agreement" and requested the heads of the subsidiaries to organize and complete the signing work. Honesty and integrity are the basis of the survival and development of a third-party inspection institution, as well as the cores of the company's credibility. Any employee's dishonest behavior will directly affect the survival of the Company.

During the reporting period, none of the Group's directors, employees and dispatched workers involved in any bribery affairs.

## COMMUNITIES INVOLVEMENT

As a responsible corporate citizen, the Group has been actively involved in the community project at where operations are located. Therefore, the Group plans to cooperate with other non-profit organizations to set up strategies for improving the living quality of the poor and promoting the awareness of environmental protection.

In the future, the Group will continue to promote environmental protection and public welfare activities. China Leon keeps paying close attention to social care and promoting employees' social participation through relationship maintenance with stakeholders thereby fulfilling its social responsibility into practice with concrete actions.



# HKEx “Environmental, Social and Governance Reporting Guides” Indices

HKEx ESG Guideline Description		Page Reference
<b>A. Environmental</b>		
<b>Aspect A1: Emissions</b>		
<b>General Disclosure</b>	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 air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	P5
<b>Aspect A2: Use of Resources</b>		
<b>General Disclosure</b>	Policies on the efficient use of resources, including energy, water and other raw materials.	P6
<b>Aspect A3: The Environmental and Nature Resources</b>		
<b>General Disclosure</b>	Policies on minimizing the issuer’s significant impact on the environment and natural resources.	P8

## HKEx “Environmental, Social and Governance Reporting Guides” Indices (Continued)

HKEx ESG Guideline Description		Page Reference
<b>B. Social</b>		
<b>Aspect B1: Employment</b>		
<b>General Disclosure</b>	<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</p> <p>relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.</p>	P8
<b>Aspect B2: Health and Safety</b>		
<b>General Disclosure</b>	<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</p> <p>relating to providing a safe working environment and protecting employees from occupational hazards.</p>	P11

## HKEx “Environmental, Social and Governance Reporting Guides” Indices (Continued )

HKEx ESG Guideline Description		Page Reference
<b>B. Social</b>		
<b>Aspect B3: Development and Training</b>		
<b>General Disclosure</b>	Policies on improving employees’ knowledge and skills for discharging duties at work. Description of training activities.	P13
<b>Aspect B4: Labour Standards</b>		
<b>General Disclosure</b>	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.	P9
<b>Aspect B5: Supply Chain Management</b>		
<b>General Disclosure</b>	Policies on managing environmental and social risks of the supply chain.	P15

## HKEx “Environmental, Social and Governance Reporting Guides” Indices (Continued )

HKEx ESG Guideline Description		Page Reference
<b>B. Social</b>		
<b>Aspect B6: Product Responsibility</b>		
<b>General Disclosure</b>	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.	P15
<b>Aspect B7: Anti- corruption</b>		
<b>General Disclosure</b>	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.	P17
<b>Aspect B8: Community Investment</b>		
<b>Community Investment</b>	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.	P17