



Environmental, Social and Governance Report 2016/17



G-Vision International (Holdings) Limited
環 科 國 際 集 團 有 限 公 司

Stock Code 股份代號: 657

Environmental, Social and Governance Report

TABLE OF CONTENT

Scope and Reporting Period	2
Stakeholder Engagement and Materiality	2
Stakeholders' Feedback	2
Commitment on ESG	2
A. Environmental	3
1. Emissions	3
(i) Air Pollutant Emission	3
(ii) Greenhouse Gas (GHG) Emissions	3
(iii) Non-hazardous Waste	4
2. Use of Resources	4
(i) Energy Consumption	4
a) Electricity	4
b) Town Gas	4
(ii) Water Consumption	4
(iii) Packaging Material	4
3. The Environment and Natural Resources	5
B. Social	5
1. Employment	5
(i) Employment	5
(ii) Employee Health and Safety	6
(iii) Development and Training	6
(iv) Labour Standard	7
2. Operating Practices	7
(i) Supply Chain Management	7
(ii) Product Responsibility	7
(iii) Anti-corruption	8
3. Community Investment	8

Environmental, Social and Governance Report

SCOPE AND REPORTING PERIOD

This is the first Environmental, Social, and Governance Report (the “ESG Report”) for G-Vision International (Holdings) Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) which has been prepared in accordance with the ESG Reporting Guide contained in Appendix 27 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The Group is principally engaged in the operation of a management office and two Chinese restaurants in Hong Kong specialising in Chiu Chow Cuisine. This ESG report mainly covers the environmental and social aspects of the Group’s performance for the period from 1 April 2016 to 31 March 2017. For corporate governance, please refer to the Corporate Governance Report in the Group’s Annual Report 2016/17.

STAKEHOLDER ENGAGEMENT AND MATERIALITY

The Group’s ESG Report was prepared based on the four reporting principles (materiality, quantitative, balance and consistency) as stipulated in the ESG Reporting Guide. In order to identify the most significant aspects for the Group to report on its ESG performance, the interests and influences the Group places on different key stakeholders would be considered. The Group’s stakeholders cover a diverse group of parties including but not limiting to its employees, customers, suppliers, investors, shareholders, industry regulators and other governmental and community groups. Communication with stakeholders would normally be conducted via our day-to-day interaction with them or during the annual general meeting. Announcement and publications relevant to the Group would also be issued on the Company’s or the Stock Exchange’s websites. To further enhance its ESG reporting work, the Company has also engaged an independent professional firm to assist in data collection and to perform materiality analysis. Qualitative and quantitative measures were introduced. Recommendations were highlighted for the continued improvement of our ESG work.

STAKEHOLDERS’ FEEDBACK

The Group welcomes stakeholders’ feedback on our ESG approach and performance. Please give your suggestions or share your views with us via email at info@g-vision.com.hk.

COMMITMENT ON ESG

Mission and Vision on Sustainability Commitment

The Group regards sustainability as an integral part of our business objective. We care about climate change, social welfare and development, living standards as well as our future generations. The Group commits to integrate sustainability mindset into its business operation and continues to make its workplace more environmentally and socially oriented.

Environmental, Social and Governance Report

A. ENVIRONMENTAL

Total floor area coverage for the Group is approximately 3,530 m². Types of emissions that the Group accounted for during its course of operation within the reporting period mainly include air and greenhouse gas emissions and the generation of non-hazardous waste.

1. Emissions

(i) Air Pollutant Emission

Gaseous Fuel Consumption

Consumption of town gas has been the biggest source of emission from the Group's kitchen operation. A total of 202,146 unit of town gas was used during the reporting period, contributing to 39.01 kg of nitrogen oxides (NOx) emission and 0.19 kg of sulphur oxides (SOx) emission. Consumption of town gas also contributed to 516 tonnes of carbon dioxide equivalent emissions within Scope 1 and 121 tonnes of carbon dioxide equivalent emissions within Scope 2. There were 1,272.45 tonnes of carbon dioxide equivalent greenhouse gases (mainly carbon dioxide, methane and nitrous oxide) generated in the reporting period:

(ii) Greenhouse Gas (GHG) Emissions

Scope of Greenhouse Gas Emissions	Emission Sources	Emission (in tonnes of CO ₂ e)	Total Emission (in percentage)
Scope 1			
Direct Emission	Town gas used for gas stoves	516.08	40.56%
Scope 2			
Indirect Emission	Purchased electricity ²	601.68	56.80%
	Purchased town gas ³	121.09	
Scope 3			
Other Indirect Emission	Paper waste disposed at landfills	0.42	2.64%
	Electricity used for processing fresh water	25.00	
	Electricity used for processing wastewater	8.18	
Total		1,272.45	

Note 1: Emission factors were made reference to Appendix 27 of the Rules Governing the Listing of Securities on the Stock Exchange and their referred documentation as set out by Hong Kong Exchanges and Clearing Limited, unless stated otherwise.

Note 2: Emission factor of 0.54 kg CO₂e/kWh for purchased electricity is used, according to the latest figure from CLP's 2015 Sustainability Report.

Note 3: Emission factor of 0.599 kg CO₂e/unit for purchased town gas is used, according to the latest figure from Towngas' Sustainability Report 2016.

The Group adopts a proactive approach in order to minimize the environmental impact of gas emissions. We strive to lower the consumption of town gas by upgrading of our kitchen equipments on a regular basis; turning off the gas stoves and water heaters when not in use as well as providing training to staff on the appropriate use of the kitchen facilities and equipments. The chief chef has an overall responsibility to ensure the rules and guidelines are strictly adhered to by the kitchen staff.

Environmental, Social and Governance Report

(iii) **Non-hazardous Waste**

Non-hazardous waste from the Group was mainly food waste and waste paper from the restaurants and the offices. A total of 87.33 kg of paper has been consumed during the reporting period, contributing to 0.42 tonnes of carbon dioxide equivalent.

To minimize food waste, the management team (floor manager and chief chef) closely monitors the purchase, usage and storage of food and other inventory items on daily basis. All the food waste and used oils are collected and handled by licensed waste disposal companies. To control waste paper, office staffs are encouraged to use recycled papers for draft works; to print on both side of papers and to save e-copies of documents instead of printing out.

2. **Use of Resources**

(i) **Energy Consumption**

The Group's business operations resulted in the consumption of electricity and town gas.

a) Electricity

The electricity consumed by the Group was 1,114,216 kWh, contributing to 601.68 tonnes of carbon dioxide equivalent emissions. Currently the Group mainly uses compact fluorescent light bulbs (CFL) which was part of the Group's energy saving initiatives. In recent years, the Group has been replacing all broken light bulbs with LED lights to further maximize energy conservation. Employees are trained to switch off lights and air conditioners for vacant areas. Regular maintenance also helps to improve the energy-efficiency level of the Group's air-conditioning and refrigeration systems, thus reducing the consumption of electricity in the long run.

b) Town Gas

During the reporting period, 202,146 units of town gas were used for restaurant operations. Please refer to part 1 above on the various measures put in place to reduce the use of town gas.

(ii) **Water Consumption**

Water consumption by the Group was 61,479 m³, contributing to 25.00 tonne of carbon dioxide equivalent emissions. The operation of restaurants requires the use of water for food processing and cleaning purposes. To maximize water saving, the Group has implemented certain water conservation measures. Low flow fixtures were installed to control water flow from the main switch. Employees are trained to turn off all water taps when they are not in use. Water pipes are checked on a regular basis to prevent water leakage. Waste water generated from the Group during the reporting period was discharged to and treated by the Drainage Water Department.

(iii) **Packaging Material**

The Group uses packaging materials such as plastic takeaway boxes and bags in its day-to-day operation. As part of the Environmental Levy Scheme on Plastic Shopping Bag, the Group charges customer HKD 5 for each takeaway box. There was a significant decrease in the annual purchase of plastic takeaway boxes and bags after such charges were imposed.

Environmental, Social and Governance Report

3. The Environment and Natural Resources

The Group realizes that the restaurant and the office operations have continuously consume energy resources and inevitably led to certain extent of gas and waste emissions, which ultimately have a negative impact on the environment. In view of the risks associated with the pollution and the global warming effect, the Group is committed to promote environmental protection awareness and to minimize its environmental impact. More Eco-friendly work practices and policies are introduced and implemented in the Group's day-to-day operation with the aim to achieve a higher standard in the work of energy saving and emission reduction.

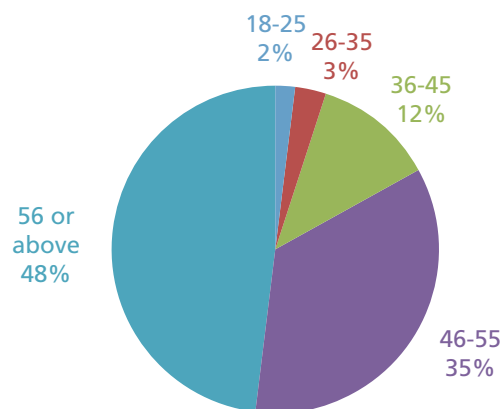
B. SOCIAL

1. Employment

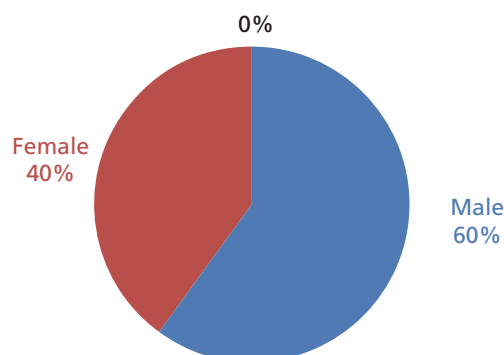
(i) Employment

The Group had a total number of approximately 150 employees as of 31 March 2017, and all employees were Chinese. Management male-to-female ratio was 3:1. Turnover rate has been high and increasing due to the shortage of labour and the lack of new interest in the industry.

WORKFORCE BY AGE GROUP



WORKFORCE BY GENDER



Environmental, Social and Governance Report

Employment contract has listed out all information and entitlement regarding probation period, payment term, mandatory pension fund (MPF), rest days and public holidays, rules and conditions on leave application, internal transfer, termination and dismissal, reward or penalty. Management reviews employees' remuneration from time to time and makes reference to market average and trend. Employees are also entitled to meals provided at work and revenue bonus.

The Group understands its operating environment may induce longer working hours at work, thus temporary workers will be hired to lower the workload of permanent employees and lessen their necessities of working overtime.

Equal Opportunity

The Group commits to be an equal opportunity employer and will not tolerate any illegal discrimination or harassment based on religion, disability, gender, family status, ethnic, marital status, pregnancy or any other discrimination prohibited by applicable law. The Group has hired deaf-mute candidates as employees, and provided training to them on communication with other employees.

(ii) Employee Health and Safety

As stated in the code of practice in the employment contract, the works of the Group's employees are governed by the Occupational Safety and Health Ordinance (Cap. 509). All the restaurant staffs are required to attend safety and workplace hygiene training relevant to their job duties. They are also provided with accident and/or medical insurance coverage. The Group's occupational safety and health policy is implemented and closely monitored by employees at supervisory level.

There was no work-related fatality case during the reporting period. 90 working days were lost due to self-reported work injury cases (see below graph):



(iii) Development and Training

On the job training is provided for every newly employed staff, whether with previous experience or not, and for those being relocated to new post, to ensure each of them is familiar with the working conditions; the job requirements as well as all other safety and environmental conservation practices at the workplace. The intensive training is usually taken out during the probation period and lasts from approximately 2 weeks to 1 month.

Environmental, Social and Governance Report

(iv) Labour Standard

All employment and recruitment shall strictly abide by the Employment Ordinance (Cap. 57) of the Laws of Hong Kong. Child labour, illegal labour and forced labour are strictly prohibited in the Group. All employees must show original personal identification documents during interview. Further checking on identification and personal information may be arranged with the Hong Kong Immigration Department to ensure no illegal workers are hired by the Group.

2. Operating Practices

(i) Supply Chain Management

The Group has a standard procurement procedure, which is implemented and reviewed by the management (comprised of three parties: floor manager, business manager and chief chef). We have contracted with approximately 60 long-term reputable suppliers during the reporting period in order to maintain a high standard of food quality and the most reliable supply chain. The Group actively supports local farm industry within a radius of 50 km, thus reducing carbon emission by avoiding air transport of food. The Group encourages the suppliers to make use of reusable plastic baskets for food delivery instead of boxes made with cardboard or polystyrene.

(ii) Product Responsibility

Food Safety and Quality

Employees are trained on food safety by chief chef. All the food dishes are freshly made in the kitchen. This practice reduces the risk of food contamination with harmful bacteria during delivery. Also, separated storage of raw and cooked food is strictly controlled and monitored to avoid cross-contamination. Regular sampling and inspection of food delivered by suppliers is carried out to safeguard food quality.

Customer Service

The Group has a standard practice for handling customers' complaints. The floor manager will actively communicate with the customers to resolve the matter to the satisfaction of the customers as well as to the best interests of the Group.

Customer Privacy

The Group places great emphasis on customer privacy. Our employees are trained to handle all sensitive personal information provided by our customers during the course of the business with due care. This involves the exchange or use of data electronically or by any other means, including telephone, fax, written correspondence, and even direct word of mouth.

Intellectual Property Rights

The Group has standard practice that only genuine software can be installed on computers to avoid security vulnerabilities and legal disputes arising from software copyright.

Environmental, Social and Governance Report

(iii) Anti-corruption

The Group is committed to conducting its business with honesty, integrity and in accordance with all applicable anti-corruption rules and guidelines. The Group strictly implements various operating procedures and codes of conduct to regulate the work ethic of its employees. Individual staff must read and sign to agree with the codes as outlined in his/her employment contract. There are also clear guidelines for the Board members on how to deal with price-sensitive and insider information. All internal or external complaints or allegations will be documented and directed to the senior management for independent and confidential investigation. During the reporting period, the Group was not aware of any legal cases regarding corrupt practices brought against the Group or its employees.

3. Community Investment

The Group has not established a specific policy on community investment but is committed to contribute to the society. The Group is willing to sponsor functions of charitable organizations, especially those focusing on elderly support. The Group also believes education is the key to saving the environment. The best way we can counteract climate change is to educate the people about it and learn what measures can be done to prevent it from deteriorating. Thus, the Group has been sponsoring high school student school fees annually via U-Hearts charity group and also offer discounts for schools holding functions in our restaurants.



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