

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

REPORT 2018



PERFECT SHAPE MEDICAL LIMITED
(FORMERLY KNOWN AS PERFECT SHAPE BEAUTY TECHNOLOGY LIMITED)
(INCORPORATED IN THE CAYMAN ISLANDS WITH LIMITED LIABILITY)
STOCK CODE: 1830

Table of Contents

Approach	2
About This Report	3
About Perfect Shape	4
Our Stakeholders	5
Section A: Environmental	6
Section B: Social	12
ESG Reporting Guide & Reference	19

Approach

Perfect Shape Medical Limited (formerly known as Perfect Shape Beauty Technology Limited) (“Perfect Shape” or the “Company”) and its subsidiaries (the “Group”) are principally engaged in the operation of slimming and beauty service centers in Hong Kong, People’s Republic of China (“PRC”) and Macau. The Group is committed to promoting the integration of science, technology, slimming, beauty services and environmental protection, improving the quality of services in order to become the leading slimming and beauty service provider in Hong Kong, while minimizing its adverse impact on the environment.

For the sake of providing high quality body slim and beauty services, especially on tailored slimming, skin beauty, body care and health care treatment for orient women, we have a team of authoritative experts who are rich in beauty technology experiences to support our different kinds of services. We also focus on bringing in new talented employee and advanced technology into our beauty service to achieve sustainable development.

When considering our approach to sustainability, we take a number of short and long-term factors into account, including business related challenges, accountability to stakeholders, work ethics, global trend, laws and regulations and risk management practice. We are constantly seeking opportunities to grow our business that will also be beneficial to our suppliers, consumers and the environment.

We believe that a successful enterprise should not maximize its profits at the costs of the environment or society but should endeavour to balance stakeholder’s interest and social responsibility for maintaining an enterprise’s sustainable development. We care about climate change, social welfare and development, living standards as well as our future generations. The Group commits to integrating sustainability mindset into its business operation and continuing to make its workplace more environmentally and socially oriented.

The Group’s stakeholders cover a diverse group of parties including but not limited to its employees, customers, suppliers, investors, industry regulators and other governmental and community groups. In order to promote mutual understanding and better understand the needs and expectation of our stakeholders, we communicate with our stakeholders via our day-to-day interaction to receive feedbacks and we also continuously monitor the risks and opportunities which exist in our daily operation.

In addition, the Group adopts the top-down and influence approaches for the following sustainability strategies:

1. To achieve environmental sustainability
2. To respect human rights and social culture
3. To engage with stakeholders
4. To support our employees
5. To sustain local community

About This Report

Perfect Shape and our subsidiaries are pleased to present our Environmental, Social and Governance (“ESG”) Report. The content contained herein focuses on providing an overview of the environmental, social and governance performance of our major operations in Hong Kong, PRC and Macau for the period from 1 April 2017 to 31 March 2018. It allows us to conduct thorough performance review and evaluation for enhancing results in the future. The reporting period is consistent with our financial year.

Scope of the Report

This report has been prepared in accordance with the “Environmental, Social and Governance Reporting Guide” in Appendix 27 to the Rules Governing the Listing of Securities (the “Listing Rules”) on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The two ESG subject areas, namely Environmental and Social, are disclosed separately, highlighting the impacts of the operations of the Group in Hong Kong, PRC and Macau for the period from 1 April 2017 to 31 March 2018.

For this year, the material ESG issues are those which have or may have a significant impact on:

- The Hong Kong, PRC and Macau’s business;
- The environment or society now or in the future;
- Our financial performance or operations; and/or
- Our stakeholders’ assessments, decisions and actions.

The data and information used in this report are referenced from our archived documents, records, statistics and research. Financial data is extracted from or calculated based on the Group’s audited annual financial statements for the year ended 31 March 2018.

Feedback

For details in relation to our financial performance and corporate governance, please visit our website on <http://www.perfectshape.com.hk> and our Annual Reports. We also treasure your feedback and comments on our sustainability performance, please send your feedback and other sustainability enquiries to our Company Secretary at ir@perfectshape.com.hk.

About Perfect Shape

Our Business

Established in 2003 and listed on the Main Board of HKEx in February 2012, we are principally engaged in the operation of slimming and beauty service centers in Hong Kong, PRC and Macau under the well-recognized brand name “Perfect Shape”. By devoting ourselves to provide tailor-made quality, effective slimming and beauty services, complemented by slimming and beauty products to deliver better results, we have a strong presence throughout Hong Kong, Macau and PRC which including major cities such as Shanghai, Guangzhou, Shenzhen and Beijing.

Vision

To become the leading slimming and beauty services provider in Hong Kong, PRC and Macau.

Mission

To continue to secure the slimming and beauty services market in Hong Kong, PRC and Macau and expand more of our services providing centers.

Goals

Maintain high quality slimming and beauty services and provide the best tailor-made services to meet our customer’s expectation and create the maximum sustainable value for our shareholders and investors.

Board of Directors

As of the date of this report, the Board consists of:

Executive Directors

Dr. Au-Yeung Kong
Ms. Au-Yeung Wai
Ms. Au-Yeung Hung

Independent Non-Executive Directors

Ms. Hsu Wai Man, Helen
Mr. Chi Chi Hung, Kenneth
Ms. Cho Yi Pang

Our Stakeholders

Perfect Shape actively strives to better understand and engage our stakeholders to ensure continuous improvements. We strongly believe that our stakeholders play a crucial role in sustaining the success of our business in the challenging market.

Stakeholders	Possible concerned issues	Communication and responses
HKEx	Compliance of listing rules, timely and accurate announcements.	Meetings, training, roadshows, workshops, programs, website updates and announcements.
Government	Compliance of laws and regulations, preventing tax evasion, and social welfare.	Interaction and visits, government inspections, tax returns, application and other information.
Suppliers	Payment schedule, stable demand.	Meetings, phone, email and site visits.
Shareholders/ Investors	Corporate governance system, business strategies and performance, investment returns.	Organizing and participating in seminars, interviews, shareholders' meetings, financial reports or operation reports for investors, media and analysts.
Media & Public	Corporate governance, environmental protection, human right.	Issue of newsletters on the Company's website.
Customers	Product quality, delivery times, reasonable prices, service value, labour protection and work safety.	Customer feedbacks and comments by verbal, phone, email or messages.
Employees	Rights and benefits, employee compensation, training and development, work hours, working environment.	Conducting union activities, trainings, interviews for employees, issuing employee handbooks, internal memos, employee suggestion boxes.
Community	Community environment, employment and community development, social welfare.	Developing community activities, community welfare subsidies and donations.

Section A: Environmental

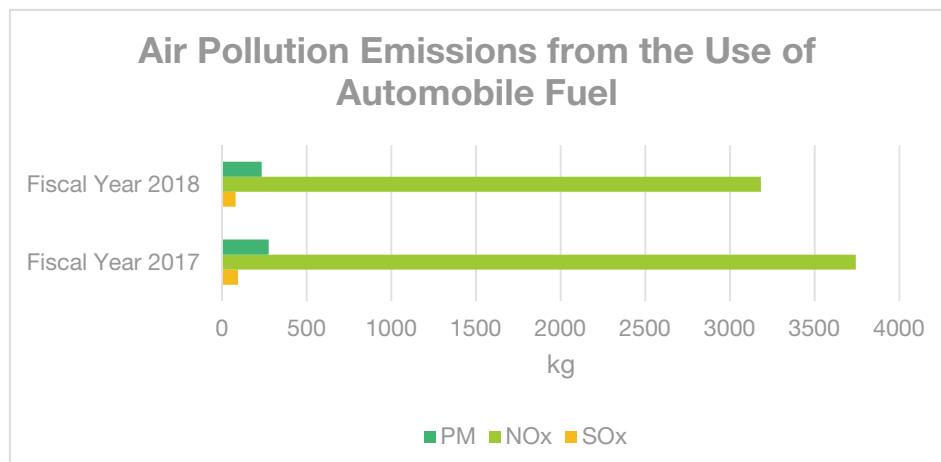
The Group aimed at building a sustainable green community with our stakeholders. For the sake of maintaining our leading position in beauty industry, we strived for influencing the whole society by implementing eco-friendly measures to reduce our carbon and emission footprints in our daily operation. For the fiscal year 2018, the Group was not aware of any material non-compliance issue with relevant laws and regulations related to the environment. The Group will continue to further reduce any negative impacts on the environment in the future. To present a comprehensive emission overview, we compared the emission figures and emission intensity in the fiscal year 2018 to the fiscal year 2017. Emission intensity in this section were calculated per number of shops.

A1: Emissions

The emission factors used for calculation were based on the Appendix 2: Reporting Guidance on Environmental KPIs of *How to Prepare an ESG Reports*. However, the emission factors from the Appendix 2: Reporting Guidance on Environmental KPIs are specific to operations in Hong Kong. Due to the limitation in data collection, emission factors for PRC and Macau may various from different areas or cities, therefore, the emission factors for PRC and Macau are presumed to be the same as Hong Kong's unless otherwise specified.

Air Pollution Emissions

As the Group's main business activities focused on the provision of slimming and high technology beauty services, there was no material gaseous fuel consumption involved. The major pollutants of air emission came from the use of automobile fuel of the company cars in Hong Kong. The three main kinds of air pollutants were classified as sulphur oxides (SO_x), nitrogen oxides (NO_x) and particulate matter (PM). During the fiscal year 2018, the total weight of air emission in Hong Kong was amount to 3,496 kg, which was 159 kg per shop. Compared to the fiscal year of 2017 which was 4,112 kg in total and 179 kg per shop, the total weight of emission amounts has been successfully reduced by approximately 616 kg, which was a decline of approximately 15%.

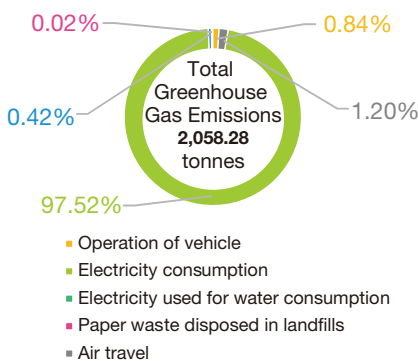


Section A: Environmental

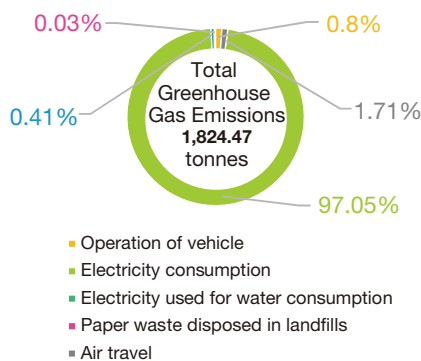
Greenhouse Gas Emissions

Greenhouse gas emissions were the key culprits of the global warming, greatly threatening the current climates as well as the global eco-system. Besides the direct greenhouse gas emissions from the usage of automobiles, there was still significant indirect emission of greenhouse gases through the consumption of the electricity¹ and water resources². During the fiscal year of 2018, the total amount of greenhouse gas emissions including both direct and indirect aspects was approximately 1,824 tonnes, which was approximately 1.85 tonnes per employee. Compared to the fiscal year 2017 which were approximately 2,058 tonnes in total, the total weight of greenhouse gas emission has been successfully reduced by approximately 234 tonnes, which was a decline of approximately 11%.

**Greenhouse Gas Emissions
(Fiscal Year 2017)**



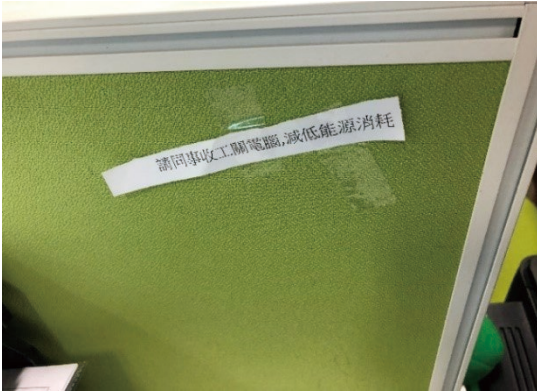
**Greenhouse Gas Emissions
(Fiscal Year 2018)**



¹ The power supply discharge coefficient in the PRC is set at 0.71 kg/kWh.

² The per unit electricity consumption for treatment of drinking water and sewage in the PRC was set at 0.6 and 0.28328 kWh respectively, while the preset discharge coefficient for purchased electricity in the PRC is set at 0.8 kg/kWh.

Section A: Environmental



Label reminding for switching off idle electrical appliances

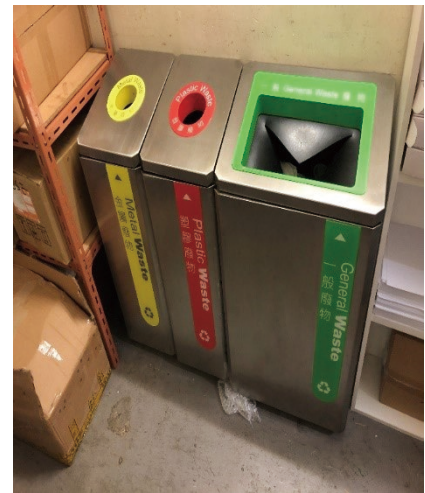


Label reminding for switching off idle lighting

In order to further reduce the carbon and greenhouse gas footprints, the Group has encouraged all employees to treasure electricity and water resources by posting up labels to remind the employees to switch off any idle electrical appliances and lighting and use less water.

Waste Management

There was no hazardous waste being involved in the Group's operation. The main non-hazardous waste produced by the Group was paper waste at office. The total weight of non-hazardous waste produced during the fiscal year 2018 was approximately 6.48 tonnes, which was around 0.12 tonnes per shop. To maintain our determination of environmental sustainability, there were several measures implemented to reduce waste. For instance, paper saving memo has been posted to encourage our employee to use paper resources wisely. There were also recycling bins and bags placed in the office for collecting metal, plastic and paper waste for recycling.



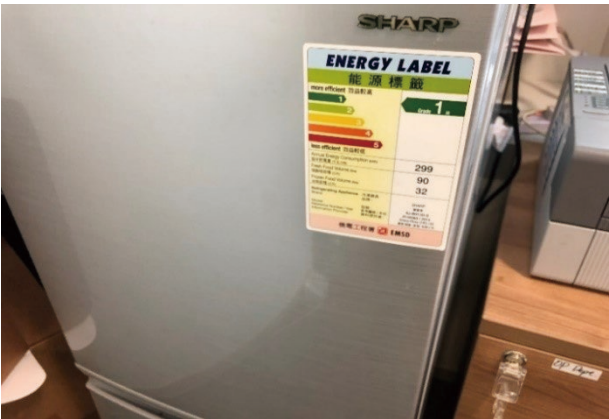
Recycling bins placed at office

A2: Use of Resources

The Group aimed at becoming an environmentally sustainable enterprise contributing to environmental protection by conservation of energy and the natural resources.

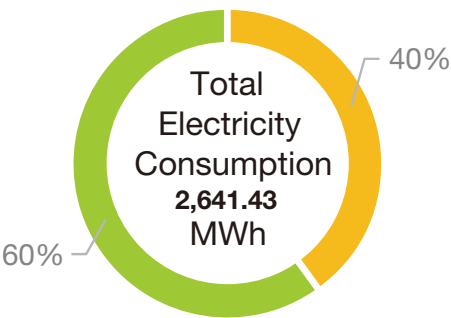
Electricity Consumption

One of the Group's major energy consumption arose from the electricity consumption. By our successful promotion of energy saving in the office and shops, for the fiscal year 2018, our electricity consumption drops for approximately 314 MWh, representing a year-on-year decline for approximately 12%. In consideration of energy use intensity, in the fiscal year 2018, the energy use intensity was approximately 43 MWh per shop in Hong Kong, PRC and Macau and 48 MWh in the fiscal year 2017.



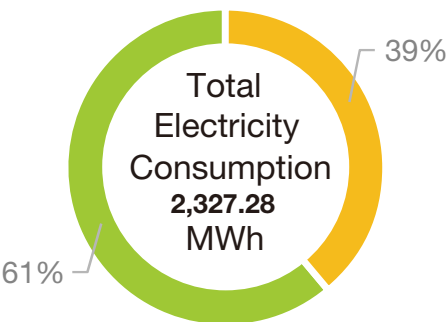
Grade 1 Energy Label

Use of Electricity
(Fiscal Year 2017)



■ PRC and Macau ■ Hong Kong

Use of Electricity
(Fiscal Year 2018)



■ PRC and Macau ■ Hong Kong

Section A: Environmental

To minimize the use of electricity, natural lighting was used at office instead of switching on lights to save energy. Labels were posted at office to alert our employee to switch off any idle electrical appliances.

We also advocated the use of electrical appliances with Grade 1 Energy Label at office. We will continue to enhance our effectiveness of electrical energy conservation, as well as the efficiency of electrical energy consumption.

Paper Usage

The total weight of non-hazardous waste produced during the fiscal year 2018 was approximately 6.5 tonnes³, which was around 0.118 tonnes per shop for paper waste intensity. Compared to the fiscal year 2017 with approximately 9.5 tonnes of paper waste, it had dropped for approximately 3 tonnes of paper waste, with an 31% decrease.

Packaging material

The Group's main business activities was for the provision of slimming and beauty services. Hence, no significant usage of packaging materials could be identified.

Water Resource Consumption

Water resources has always been one of the most invaluable natural resources on the Earth. Hence, saving water resources was one of our most essential promises as an environmental pioneer in the industry.

Thanks to our water resource consumption management, for the Group's operation in PRC and Macau during the fiscal year 2018, the Group was able to reduce the total consumption of water resource for approximately 3,224 cubic meters, which was approximately a 17.8% reduction, comparing to the fiscal year 2017. With regard of water resource consumption intensity, we had tried to reduce the intensity by approximately 11.3%.

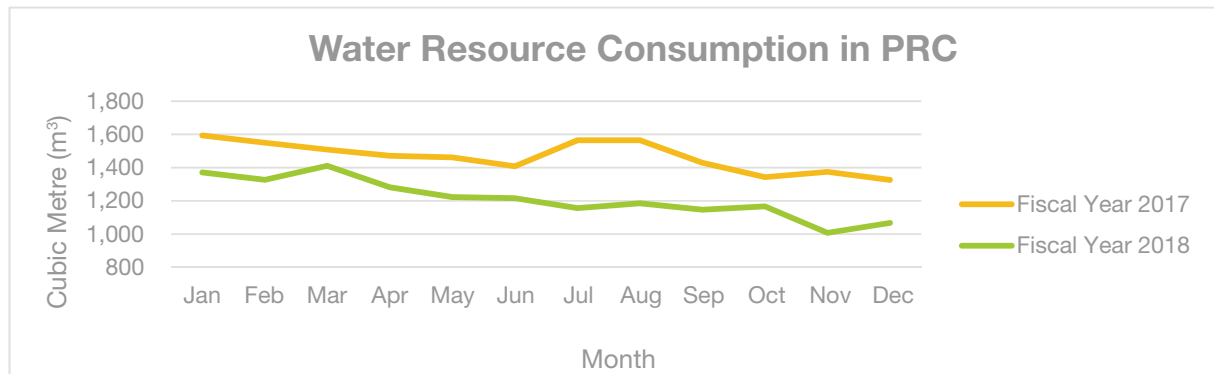


Natural lighting at office

³ The paper usage is based on the calculation of each month meter charge and the unit price of \$0.132 for Kyocera Document Solutions Hong Kong Ltd and \$0.0491 for Ricoh Hong Kong Ltd. Then for each piece of paper weighing 5g to calculate the total weight of the paper usage.

Section A: Environmental

The details are as follows:



Water resource consumption data (PRC and Macau)	Fiscal Year 2017	Fiscal Year 2018
Water resource consumption in PRC and Macau (m³)	18,080	14,856
Water resource consumption per shop in PRC (m³/shop)	547.88	450.18

For the Group's operation in Hong Kong office, the water resource consumption was amounted to approximately 530 m³ during the current fiscal year.

A3: The Environment and Natural Resources

As an environmentally sustainable enterprise, the Group believes that the invaluable and precious environment should not be used to compensate our business activities. Instead, we had established environmentally friendly practice and management procedures to eliminate our negative impacts on the aforementioned aspects.

With the Group's continuous efforts, we have successfully achieved the following results:

Aspects	Results
Greenhouse Gas Emissions	Reduced total greenhouse gas emission by approximately 11%
Electricity Consumption	Reduced total electricity consumption by approximately 12%
Water Resource Consumption	Reduced total water resource consumption in PRC and Macau by approximately 17.8%
Paper Waste	Reduced total paper waste by approximately 31%

Not only focusing on the internal control of natural resources usage, but the Group also participated in global environmental protection programs. The Group had taken part in the tree planting program held by the World Wildlife Fund (WWF).

For the sake of maintaining the leading position in the industry, the Group had already affiliated various environmentally friendly practice with the current business operation. In the upcoming future, we will continue to raise the awareness and address the importance of environmental protection, as well as reinforce the positive behavior, at all cost.

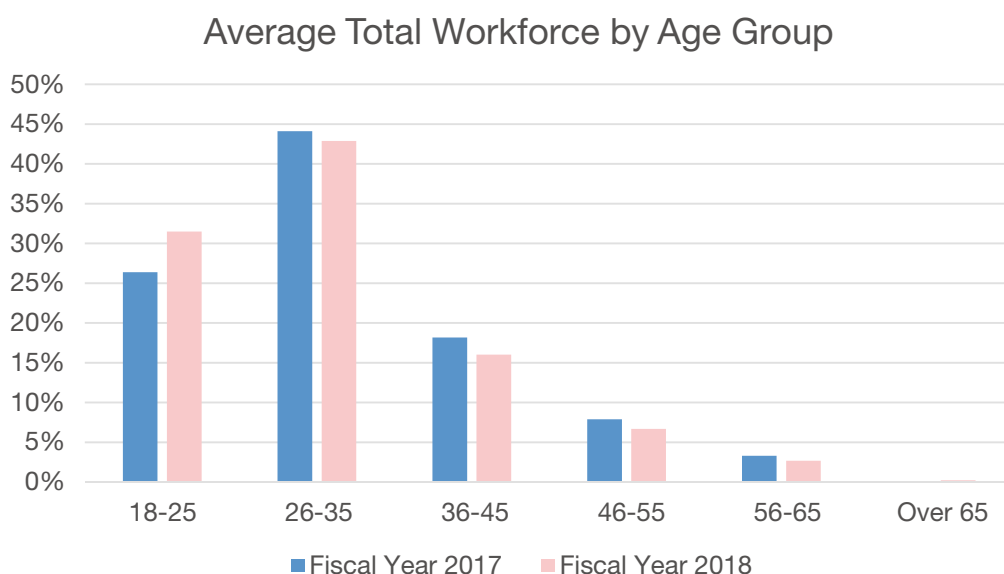
Section B: Social

B1: Employment and Labour Practices

As we were mainly providing services to our customers, we believe that our business's success lies on our team spirit, enterprise cohesion and most importantly our skilled employees. Therefore, we adopted a people-oriented approach to attract and retain our employees such as offering employee benefits and career training. The employee benefits we offered include but not limited to bonus, commission, annual assessment and salary increments, overtime working allowance, transportation allowance, full attendance rewards, shoes allowance and group medical insurance. We also complied with the law and regulation issued by the local government such as contribute to the employment compensation insurance and Mandatory Provident Fund for our Hong Kong employees, and social insurance and housing fund for our PRC employees.

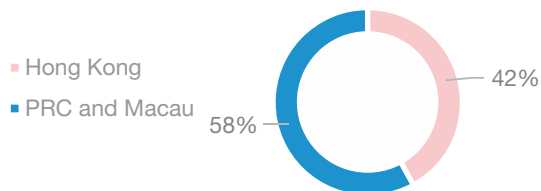
Workforce

We have a total number of 1,271 employees as at 31 March 2017 and 987 employees as at 31 March 2018 among Hong Kong, PRC and Macau. In order to keep our employee's loyalty to the Group and maintain our employee's quality of work and their responsibility, we hired 100% of full-time employees for both financial years.

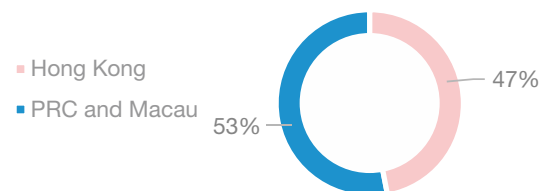


Section B: Social

Average Total Workforce by Geographical Region in the Fiscal Year 2017



Average Total Workforce by Geographical Region in the Fiscal Year 2018



Due to the Group was providing slimming and beauty services for women, and we had approximately 90% front line employees who need to provide therapy services to our women customers with direct contact. Therefore, the workforce by gender may not be a good indicator to reflect our Group's practice in gender equality.

Equal opportunity and diversity

We strive to provide an equal opportunity working environment for our employees and we promise that we only hire our employees based on their skills, education, potentials, experience, working performance and their personal character. There will be no discrimination in our recruitment process. When talking about equal opportunity and no discrimination, we focus on the areas such as age, gender, race/ethnic, national origin, sexual orientation, disability and religion.

However, it is not enough to achieve the equal working environment if there is only effort from the management of the Group, we also require our employee's action. By setting up a policy of Code of Conduct ("CoC"), we require our employees to comply with the Sex Discrimination Ordinance (Cap. 480), Disability Discrimination Ordinance (Cap. 487), Family Status Discrimination Ordinance (Cap. 527) and if any of our employees or management participate in any discrimination, defamation or sexual harassment activity, disciplinary hearing will be given to the corresponding employee or management and follow-up action will be considered after the hearing.

Benefits and Welfare

After three months' probation period and became our permanent employee, he/she can enjoy all our employee benefits. We offered a comprehensive employee benefits package for our extraordinary and talented employees which are, including incentive bonus and commission for our front-line employees, attendance bonus for all employees, travelling allowance, shoe allowance, group medical scheme and etc. Also, our employee's performance was reviewed and assessed annually around April to June, promotion and salary adjustment would be considered for the employees who had outstanding performance during the year.

Besides, we contributed to the Mandatory Provident Fund, employees' compensation insurance and the PRC employees' social insurance and housing funds with reference to the Employment Ordinance of Hong Kong and the Labor Law of the People's Republic of China.

Section B: Social

Work-life Balance of Employees

Standing in the position of the Group, hardworking is necessary for every employee in order to achieve the maximized profit of the Group. However, we understood that taking a break was also important and necessary for



our employees to reach the work-life balance condition, and this could make themselves positive and full of enthusiasm into their work. A comprehensive vacation and leave policy had been set up and written in the Staff Hand Book. Aside from legal paid holidays, every employee got to enjoy from 9 – 21 days of annual leave according to their job position. Overtime compensation was given to front-line employee based on their overtime working hours and basic salary. Our employees were also entitled to special leaves to meet their family and social needs, such as maternity leave, paternity leave, marriage leave, compassionate leave, birthday leave, and jury service leave etc.

B2: Health and Safety

Providing a safe, vibrant and comfortable working environment to each and every employee was essential and vital. A favorable working environment could retain and strengthen both our employee's mental and physical health, so that he/she can perform at their maximized working efficiency. To achieve this, we maintained a high standard of health and safety. The most likely industrial accident or injury happen regarding to the Group's business would be the inappropriate use of the beauty equipment. Inappropriate use of the beauty equipment would be our greatest concern. To mitigate the risk, each of newly joined therapist would be given training on how to use the beauty equipment by senior staff or team leader. Also, the operation manual of the equipment would be placed in each shop for our employee to study.

Employee could choose to join the Group Medical Inpatient Insurance Plan which covered the medical or hospitalization cost in case of any accidents occur. Our medical insurance plan also included dental benefit, clinical benefit and worldwide assistant which offer medical help in oversea.

We strictly followed the requirements of Employees' Compensation Ordinance (Cap.282) to acquire insurance for our employees. The team leader of each shop would provide first aid in due course on occurrence of any accident or injuries. During the fiscal year 2018, there were no cases of injury and no fatal cases had been reported to Commissioner for Labour. As such, no working hour was lost due to work injury. However, in case of occurrence of any injury case, sick leaves would be granted to the employee who suffered from the work injury.

B3: Development and Training

As we were mainly providing services and treatments for our customers, the quality of the services from our employee became the key to our success. The Group had set up an Employee Training Manual which included the topics of brand concept, treatments techniques, sales procedure and etc. Every new front-line employee was required to attend induction training before serving the customer. Besides, each department head was responsible to provide on-job training to their team member based on the judgement on their work ability and job function.

Employees were welcomed to give their comments and feedbacks directly to their supervisors, team leaders or district directors. We will listen carefully to our employees' feedbacks so that we could develop a better working place for them. In case of any complaints received from employees, his or her direct supervisor was responsible to investigate and appropriate follow-up actions would be taken if necessary.



The Group had provided regular training to our frontline employees every time there was new equipment or updates. Total 40 hours of induction training would be given to the new joined Therapist and 8 hours induction training for others frontline employees. In addition, the Group arranged for our employees to receive different types of trainings, including in-house training programs, seminars and on-the-job coaching. The Group believes the above activities will not only enhance employees' professional knowledge and improve their efficiency and executive capacity on the technical level, but also increase their sense of belongings and reduce employee turnover rate.

B4: Labour Standard

Respecting human rights had contributed towards the sustainability of the Group. Our recruitment staff would ensure all the employees were legalized for work and not child labour by checking their valid identification and working visa (if needed) while recruiting externally. We had also monitored the relevant regulations of minimum wage which was specified by the government continuously in order to ensure all employees are legally paid. The Group guaranteed that no violent measures, such as deliberately creating difficulties, threatening and physical punishment, shall be taken by anyone to force the employee to work.

For the fiscal year 2017 and 2018, the Group had not employed any person below the age of eighteen for all its workplaces. Moreover, there was no material non-compliance with applicable laws and regulations in relation to labour standards.

Section B: Social

B5: Supply Chain Management

The Group believed that maintaining good cooperate relation with suppliers would contribute to getting the preferential price and high quality of supplies and conducive to the development of the group. Hence, we had a strong operation team which was leaded by the Group Operation Manger to manage our daily demands for supplies. Our daily purchase of supplies included common consumables for the use of treatments such as cotton swab and facial tissue, different kinds of essential oil and cream for treatment, special needles and etc. In order to make sure we purchased the products with high-quality and favourable price, the Operation Department had set up a List of Vendors/Suppliers which listed all the existing suppliers that have long relationship to the Group and with qualified products. Each time we needed to make purchase of consumables, an appropriate supplier would be selected from the List of Vendors/Suppliers for the procurement, or at least three suppliers will be chosen from the market to perform competitive bids for the purchase. During the cooperation with the existing suppliers, if the supplier's performance was not meeting our expectation or if we found out any misfeasance by the supplier, the cooperation would be terminated immediately.

B6: Product/Service Responsibility

The Group strived to provide services and treatments with high standards of quality and reliability. When the Group needed to purchase new consumables from existing or new suppliers, our Operation Team would obtain samples from the suppliers and pass to the Therapist for experimental testing. We would only use the new consumables if the testing feedback is positive. All of the consumables were properly stored in the warehouse and shops with a proper inventory list which include the expiry dates. We adopt the First In First Out policy in managing our inventory to avoid any slow moving consumables and our Operation Team member would closely monitor the inventory list to avoid any misuse of expired consumables.

The Group was dedicated to data protection and privacy. The Code of Conduct which was set up by the Group states that either current or previous employees were not allowed to disclose any confidential information to a third party without the permission of the Group. Each and every employee shall strictly abide by the Personal Data (Privacy) Ordinance and protect the personal information of the customers. Customer's personal data could only be used in appropriate circumstances and in authorized business activities.

The CoC also states that all employees should avoid, as far as possible, any situations that may lead to actual or perceived conflicts of interest. Employee should use the Application Form of Conflict of Interest to make declaration to their supervisor or manager in case of any conflict of interest. Apart from employees, directors shall also report any potential case of conflict of interest to the board of director in a timely manner. The Group stipulated that our Treatment Consultants or Managers are not allowed to force the customer to purchase the treatment package.

We understood that customer's complaints help us to better improve our quality of services. Therefore, various channels had been set up for customers to express their views and opinions. Our well-trained customer service representatives were required to promptly respond to enquiries, requests and complaints from customers. During the fiscal year 2017 and 2018, we did not receive any material complaints.

B7: Anti-corruption

There is no doubt that corruption and bribery have always brought negative impacts and reputation towards the Group, as a result, the Group had written and implemented a Code of Conduct (“CoC”) which applied to all employees and directors. Our CoC includes a number of rules and policies which was regarded to anti-corruption:

- **Prevention of Bribery Ordinance:**

Under the clear guidance by the Prevention of Bribery Ordinance (Cap. 201), the Group is strictly prohibited from any bribery and embezzlement behaviour.

- **Self Interest:**

Employees are not allowed to claim or receive any form of benefit or gift from any business partner, unless such benefit or gift are symbolic or cashless (e.g. promotional or advertising souvenirs). In case of the value of the benefit or gift are higher than its symbolic value, we require the employee to disclose the details in the Personal Interest Declaration Form and report to his or her supervisor.

- **Relationship with suppliers and contractors:**

The Group advocate fair and open competition and aims to develop long-term relationships with our suppliers and contractors on the principle of fair trade. Procurement procedures for all products and services must be carried out in a manner that meets the highest ethical standards to ensure quality products and to maintain the consistent confidence of customers, suppliers and the public in the Group.

- **Whistle-Blowing Procedures:**

Employees were able to report any suspicious activities through various channel, i.e. emails, hotline, in person. Human Resource Department would take immediate action to investigate on the issue.

- **Guidance on Acceptance of “Lucky Money”:**

Employees are not allowed to ask for “Lucky Money” from our business partners in any circumstances. Also, the Group does not encourage our employees to receive any “Lucky Money” from a third party.

During the fiscal year 2018, there was no concluded legal case regarding corruption or bribery against the Group or its employees.



Section B: Social

B8: Community Investment

The Group embraced social responsibility by encouraging our employees to volunteer and to contribute to good cause, particularly dedicated to advocating elderly through community services. The Group had always sought for any suitable opportunities to support community and environmental programmes that align with the Group's missions and values.

The Group had been supporting the Community Chest of Hong Kong and donated HKD218,000 for the year ended 31 March 2018.

Furthermore, we had set up a donation box and all the donations from our employees will go to Banyan Services Association ("榕光社") to support their community services.



Gold Award by the Community Chest



Donation box for Banyan Services Association

ESG Reporting Guide & Reference

A. Environmental		Reference in this report
A1. Emissions		Page #
Policies and 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.		6-8
KPI A1.1 The types of emissions and respective emission data.		6-8
KPI A1.2 Greenhouse gas emission in total (in tonnes) and where appropriate, intensity (e.g. per unit of production volume, per facility).		7-8
KPI A1.3 Total hazardous waste produced (in tonnes) and where appropriate, intensity (e.g. per unit of production volume, per facility).		N/A No hazardous waste is produced
KPI A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).		8
KPI A1.5 Description of measures to mitigate emissions and results achieved.		7-8
KPI A1.6 Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.		8
A2. Use of Resources		Page #
Policies on the efficient use of resources, including energy, water and other raw materials.		9-11
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).		9-11
KPI A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).		10-11
KPI A2.3 Description of energy use efficiency initiatives and results achieved.		10-11
KPI A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.		N/A No sourcing problem in HK, PRC and Macau
KPI A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.		N/A No packing involved
A3. The Environment and Natural Resources		Page #
Policies on minimizing the issuer's significant impact on the environment and natural resources.		11
KPI A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.		11

ESG Reporting Guide & Reference

B. Social		Reference in this report
B1. Employment		Page #
Policies and compliance with laws and regulations relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.		12-14
KPI B1.1 Total workforce by gender, employment type, age group and geographical region.		13-14
B2. Health and Safety		Page #
Policies and compliance with laws and regulations relating to providing a safe working environment and protecting employees from occupational hazards.		14
KPI B2.1 Fatality number and rate.		14
KPI B2.2 Lost days due to work injury.		14
KPI B2.3 Description of occupational health and safety measures adopted how they are implemented and monitored.		14
B3. Development and training		Page #
Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.		15
B4. Labour standards		Page #
Policies and compliance with laws and regulations relating to preventing child and forced labour.		15
KPI B4.1 Description of measures to review employment practices to avoid child and forced labour.		15
KPI B4.2 Description of steps taken to eliminate such practices when discovered.		15
B5. Supply chain management		Page #
Policies on managing environmental and social risks of the supply chain.		16

ESG Reporting Guide & Reference

B6. Product responsibility		Page #
Policies; and compliance with laws and regulations relating to health and safety. Advertising, labelling and privacy matters relating to products and services provided and method of redress.		16
KPI B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.		N/A No recall cases
KPI B6.2 Number of products and service related complaints received and how they are dealt with.		16
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.		16
KPI B6.5 Description of consumer data protection and privacy policies, how they are implemented and monitored.		16
B7. Anti-corruption		Page #
Policies and compliance with laws and regulations relating to bribery, extortion, fraud and money laundering.		17
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 No legal cases regarding corrupt practices
KPI B7.2 Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.		17
B8. Community investment		Page #
Policies on community engagement to understand the needs of the communities where we operate and to ensure that our activities take into consideration the communities' interests.		18
KPI B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).		18
KPI B8.2 Resources contributed (e.g. money or time) to the focus area.		18