



Carrianna Group Holdings Company Limited  
佳寧娜集團控股有限公司

# Environmental, Social and Governance Report **2018**

Stock Code : 00126

佳寧娜

# **CARRIANN A GROUP HOLDINGS COMPANY LIMITED**

## **ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2018**

### **CONTENT**

MESSAGE FROM CHAIRMAN	2
ABOUT THIS REPORT	3
ENVIRONMENTAL PROTECTION	4
EMISSIONS	4
USE OF RESOURCES	6
ENVIRONMENT AND NATURAL RESOURCES	7
SOCIAL	7
EMPLOYMENT AND LABOUR PRACTICES	7
EMPLOYMENT	7
HEALTH AND SAFETY	9
DEVELOPMENT AND TRAINING	10
LABOUR STANDARDS	10
OPERATING PRACTICES	11
SUPPLY CHAIN MANAGEMENT	11
PRODUCT RESPONSIBILITY	11
ANTI-CORRUPTION	12
COMMUNITY	12
COMMUNITY INVESTMENT	12
INDEX OF "ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE" BY THE STOCK EXCHANGE OF HONG KONG LIMITED	13

# CARRIANNA GROUP HOLDINGS COMPANY LIMITED

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2018

### MESSAGE FROM CHAIRMAN

As a diversified enterprise which is engaged in restaurant, food, hotel, property development and investment, **Carrianna Group Holdings Company Limited** has been based in both China and Hong Kong for years. In the past year, the results of the Group were promising. Other than external objective factors such as the appreciation of Renminbi, the achievement was also attributable to the persistent effort of the members of the board of directors, management team and all staff which pushed the business growth of the Group. While we strive for better returns for shareholders, we always uphold the philosophy of “Giving back to the Community”, and use the sustainable development approach to put persistent effort in aspects of product safety, supply chain management, environmental protection and energy conservation, staff growth and community affairs, understand the concerns of stakeholders and try our best to balance their interests.

**Quality-oriented.** We believe that a remarkable and reputable branding is crucial to the sustainable development of an enterprise. The prolonged widespread trust of Carrianna’s brand is attributable to our meticulous efforts and sheer persistence on products and services qualities. We ceaselessly improve our upstream and downstream supply chain, build up partnership with high-quality and competitive suppliers and business partners, carry out stringent control on products qualities and safety, adhere the best quality in every detail of the daily operation, be dedicated, devote to offering customers with trustworthy and reliable products and services of high quality.

**Integrity.** Carrianna has several decades of development history, continuously maintained solid relationships with our customers, suppliers and other business partners, mainly because of our persistence in integrity. Not only do we treat clients in an honest manner, we also maintain sincere communication with all clients, suppliers and other business partners and treat the counterparties with respect, honour our contractual obligations and ensure a sound and “win-win” mutual-benefiting relationship between both parties.

**Green Operations.** Given the increasing awareness of the society on environmental protection, we never ignore the possible impact of the business operation on the environment. Through continuously improving our energy saving and environmental policies, raising environmental protection awareness of our staff, and recycling and reusing the wastes generated from our business operation under practicable circumstances, we reduce the negative impact of our operations on the environment.

**People-oriented.** The growth of an enterprise relies on the support from its staff. We advocate equal and harmonious working environment, constantly improve the system of personnel training and promotion so as to provide the employees with comprehensive learning opportunities and more rooms for development. We also highly emphasise the employees’ safety and health in workplace. Through continuous improvement in accident-prevention mechanism and measures, and the provision of occupational safety training, we create a safe and comfortable working environment to our employees. Only by caring, respecting and creating satisfaction can make the employees show the sincere passion and care to our customers, allowing mutual growth of the enterprise and its staff.

**Sense of Appreciation.** As a responsible corporation, we encourage our staff to participate actively in the community events, organise volunteer activities and undertake charity works, carry out practical actions to help the vulnerable groups in order to fulfil the corporate social responsibility and bring positive momentum to the community.

The long-term development of a corporation is closely linked and related to the environment and society. We shall continue to keep steady profit return while taking up our corporate social responsibilities, maintain the sustainability and competitiveness of the business and grow together with the society and environment.

**Dr. Ma Kai Yum**  
*Chairman*

# CARRIANNA GROUP HOLDINGS COMPANY LIMITED

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2018

### ABOUT THIS REPORT

This report was prepared for an overview of the performance of **Carrianna Group Holdings Company Limited** (the “Company”) and its subsidiaries (collectively the “Group”) on environmental, social and governance (the “ESG Report”). The ESG Report has been published in accordance with the “Environmental, Social and Governance Reporting Guide” (the “ESG Guidelines”) as set out in Appendix 27 to the Rules Governing the Listing of Securities on the Main Board (the “Main Board”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and the “comply or explain” provisions contained therein.

Unless otherwise stated, the ESG Report covers the overall performances, risks, strategies, measures and commitments of the Group in four areas, namely, working environment, environmental protection, operation practices and community investment for the year ended 31 March 2018 (“Reporting Period”).

During the Reporting Period, the Group was principally engaged in (i) restaurant, food and hotel, and (ii) property investment and development in the People’s Republic of China (the “PRC”) and Hong Kong. The head office in Hong Kong is also responsible for related compliance issues for listing of the Company on the Main Board. Accordingly, the ESG Report mainly sets forth the aforesaid businesses. All the information in the ESG Report comes from official documents or statistical reports of the Group.

For information about the corporate governance structure of the Group and other related information, please refer to the Corporate Governance Report on page 16 to 29 of the annual report of the Company published on 25 July 2018.

### Mission and Vision of the Group

Carrianna is dedicated to maintaining a balance among business development and economic growth, community investment and environmental protection, while operating our business in a sustainable manner. Given such goal, we stress the importance of the voices of our stakeholders. Through various communication channels, we are able to obtain their views towards the business development of the Company and understand their needs for the community and environment, so that we take these ideas into our consideration during daily operating process. We have formulated strict policies and guidelines for our daily business operations, including environmental protection, employment, supply chain management, customer service and corporate governance, etc. We strive to comply with or even exceed the minimum legal standards in order to achieve best standard.

As a responsible enterprise, while promoting business growth actively, the Group is committed to striking a balance among the interests of different stakeholders in society. We value the communication with stakeholders such as investors, shareholders, customers, staff, business partners and suppliers, society, understand their needs, balance the interests of each party proactively, so as to promote our corporate sustainable development.

### Stakeholders’ Feedback

In addition to reporting our achievements in this ESG Report, we welcome stakeholders’ feedback on our environmental, social and governance policies and performance. Please share your valuable views with us through the followings:

Postal Address: 26/F, Phase II Wyler Centre, 200 Tai Lin Pai Road,  
Kwai Chung, New Territories, Hong Kong  
Telephone: (852) 2426 1021  
Email: info@carrianna.com

## ENVIRONMENTAL PROTECTION

We are committed to the compliance with all applicable environmental laws and industry standards through a series of environmental control measures, with a view to minimising the pollution and damage arising from our daily operations. We review our internal environmental protection policies from time to time, so as to continuously improve our relevant performance. Our green philosophy and principles are conveyed to our staff to raise their awareness and reinforce environmental management, thereby encouraging them to make good use of resources and protect the ecological environment.

During the Reporting Period, the Group had no incident of non-compliance with environmental protection laws and regulations that have a significant impact on the Group relating to exhaust and greenhouse gas emissions, discharge into water and land, and generation of hazardous and non-hazardous wastes. The Group also confirmed that, during the Reporting Period, there was no penalty imposed by relevant government authorities arising from non-compliance with the aforesaid laws and regulations in the course of our operation.

## EMISSIONS

The Group complies with relevant regulations promulgated by the government and applicable to the Group, including the Air Pollution Control Ordinance (空氣污染管制條例), Waste Disposal Ordinance (廢物處置條例), the Environmental Protection Law of the People's Republic of China (中華人民共和國環境保護法), Law of the People's Republic of China on Prevention and Control of Pollution From Environmental Noise (中華人民共和國環境噪聲污染防治法), Law of the People's Republic of China on Appraising of Environment Impacts (中華人民共和國環境影響評價法), Regulations of Environment Protection in Construction Projects (建設項目環境保護管理條例), Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes (中華人民共和國固體廢物污染環境防治法) and Decision of the State Council on Several Issues Concerning Environmental Protection (國務院關於環境保護若干問題的決定).

### Air Pollution – Greenhouse Gas

In the course of daily operations, save for the greenhouse gas emissions generated when vehicles consume fuel, the Group does not generate any other direct greenhouse gas emissions. The Group's indirect emission of greenhouse gas was mainly from the consumption of electricity power and fuel of offices and vehicles. The Group considers that such greenhouse gas emission level is normal.

Despite this, we are still working to reduce our carbon emissions by keeping record of consumption level for each business, closely monitoring emission level and ensure the proper functioning of all machinery and equipment in order to prevent excess emission of exhaust gas caused by malfunction of machines.

As for the real estate construction projects of the Group, we will only engage construction contractors with good environmental and safety record, which are required to strictly abide by all current environmental and safety regulations regarding the use of construction materials and construction methods.

### Hazardous and Non-hazardous Waste Treatment

Handling processes for all waste generated from production and daily operations of the Group are in strict compliance with internal guidelines. Recycling and reusing of waste are encouraged under feasible circumstances.

Food waste and construction materials are the major types of waste for our restaurant and property operations. Food waste is collected and handled by local enforcement bodies. For construction materials used in property projects, including steel, bricks and concrete, some of them are recycled and reused for site levelling works, sub-base layers, landfill of basin and other works. All construction waste will be stockpiled together during the construction process and disposed by municipal administrative department.

Summary of emissions data:

Type of emission	Unit	Quantity
Carbon dioxide		
- Scope 1 – Direct emissions – fuel consumption	Tonnes of carbon dioxide equivalent	325.1
- Scope 2 – Indirect emissions – electricity consumption	Tonnes of carbon dioxide equivalent	12,180.4
- Scope 3 – Other indirect emissions – paper consumption	Tonnes of carbon dioxide equivalent	28.0
Exhaust		
- Nitrogen oxide	kg	102.9
- Sulphur oxide	kg	2.0
- Suspended particles	kg	7.6

Disclosures of the key performance indicators (KPI) of the Group in Aspect A1 of the ESG Guidelines are summarised as follows:

KPI A1.1	The types of emissions and emissions data (if applicable) are set forth in the above data highlights.
KPI A1.2	Emissions of greenhouse gases in total are set forth in the above paragraphs. Greenhouse gases (including sulphur dioxide and carbon monoxide) generated in the course of daily operations did not exceed the highest levels permitted by relevant laws.
KPI A1.3	No hazardous waste is generated in the course of daily operations.
KPI A1.4	There was no applicable data for total non-hazardous waste.
KPI A1.5	Measures to reduce emissions and results achieved can be referred to the above paragraphs.
KPI A1.6	Methods of treating waste and measures to reduce emissions are set forth in the paragraph above headed <i>Hazardous and Non-hazardous Waste Treatment</i> .

## USE OF RESOURCES

We endeavour to lower energy consumption by keeping monthly record of consumption level for each business unit and major energy-consuming department, and closely monitoring emission level. Meanwhile, we also encourage employees to switch off idling lighting and electronic appliances, effectively manage consumption of water, electricity, gas, gasoline and other energy resources during operations, improve efficiency of usage and resource control, as well as reduce waste and energy consumption. During the year, the Group's consumption of resources is shown in the table below.

Resources consumed in the offices were mainly from document photocopying and printing. The Group promotes "paperless office" by encouraging the use of email and electronic documents among employees. Meanwhile, we also implement paper conservation measures, encourage staff to demonstrate a green habit in daily operation, such as applying double-sided printing and photocopying, recycling and reuse of waste paper, in order to control the consumption of paper and toner and reduce waste.

Summary of resource consumption data:

Type of resource consumption	Unit	Quantity
Electricity	kilowatt	
	hours	19,334,012
Gasoline – vehicle	litre	137,774
Gas	litre	1,505,178
Water	cubic meter	559,872
Paper	kg	5,841
Toner cartridge and ink cartridge	item	88
Plastic	tonne	112
Metal box	tonne	758
Corrugated box	tonne	481

Disclosures of the KPIs of the Group in Aspect A2 of the ESG Guidelines are summarised as follows:

KPI A2.1	Direct and/or indirect energy consumption by type and intensity has been set forth in the summary of data above.
KPI A2.2	Water consumption in total has been set forth in the summary of data above.
KPI A2.3	Description of energy use efficiency initiatives has been set forth in the paragraph above.
KPI A2.4	The Group does not have any issues in acquiring appropriate water sources that is fit for purpose, and believes that the water consumption is at a reasonable level. Water efficiency initiatives have been set forth in the paragraph above.
KPI A2.5	Types and data of packaging materials used for finished products have been set forth in the summary of data above.

## ENVIRONMENT AND NATURAL RESOURCES

### Enhancing Environmental Awareness

We consider that in order to save energy and reduce emissions, in addition to requiring our staff to strictly implement the formulated measures on environmental protection, actively promoting the environmental awareness of the staff is particularly important. Accordingly, the Group has been, from time to time, reviewing internal codes, issuing internal environmental guidance and tips, and sharing relevant environmental protection information in relation to green office.

In June 2018, eight restaurants/shops of our Group were awarded Charter on External Lighting Gold Award by the Environment Bureau of the Hong Kong SAR Government as an appreciation of our support to the Charter and fulfilling the pledge to switch off external lighting during the pre-set time. It shows our support for minimising light nuisance and energy wastage arising from external lighting, and building a better environment for Hong Kong.

### Valuing Biodiversity

Biodiversity can increase ecosystem productivity, all types of species, no matter how small, play an important role in the ecosystem. Hence, we value conservation of biodiversity and strive to make our food ingredients sustainable. For example, we try to purchase seafood from sustainable fishery labelled by MSC (Marine Stewardship Council).

Disclosures of the KPIs of the Group in Aspect A3 of the ESG Guidelines are summarised as follows:

KPI	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them have been set forth in the paragraph above.
A3.1	

## SOCIAL

### EMPLOYMENT AND LABOUR PRACTICES

#### EMPLOYMENT

Summary of employment data:

	Unit	As at 31 March 2018
<b>Total number of staff</b>	Number of staff	2,058
<b>By gender</b>		
- Male	Percentage	44.4
- Female		55.6
<b>By age</b>		
- 20-40	Percentage	46.8
- 41-60		47.9
- Above 60		5.3



#### Employment, Remuneration and Benefit Policies

We employed approximately 2,000 employees in and outside Hong Kong. They are critical to maintaining our business competitiveness. We strive to provide them with the working environment where they find respect and satisfaction. We give our staff opportunities to learn, grow and succeed at work, and integrate such philosophy into our human resources policies.

Carrianna complies with the Hong Kong Employment Ordinance, Labour Law of the People's Republic of China (中華人民共和國勞動法), Labour Contract Law of the People's Republic of China (中華人民共和國勞動合同法) and other relevant labour laws and regulations, as well as industry standards. From recruitment, probation, promotion, reward and disciplinary actions, welfare and benefits are all conducted in a fair and just manner. All staff upon joining are given a set of Employee Handbook, which sets out the company policies on employee benefits and code of conduct, and provides clear guidelines for their work ethics and morality norms.

We strictly observe the national social protection policy and regularly pay for social insurance, pension, unemployment insurance, medical insurance, work-related injury insurance, maternity insurance and housing provident fund, etc. for our staff. Meanwhile, the Group has formulated a comprehensive Employee Benefit Scheme according to the Labour Law of the People's Republic of China and other relevant regulations, as well as the industry where our operations are carried out. Such scheme outlines the policies for paid annual leave, paid marital leave, sick leave, maternity leave, leave of absence and other holidays. Each employee is entitled statutory holidays stipulated by the national law.

We offer competitive remunerations, strive to improve our fair remuneration incentive scheme, and link up remuneration and promotion with the competence and performance of our staff. Each department rewards staff of outstanding performance with the "Excellent Staff" title, provide reasonable promotion opportunities and bonus according to their business contributions, research and inventions.

We are devoted to giving our staff a comfortable working and living environment and continuously improving employee benefits. Staff can enjoy work meal, meal subsidies, subsidy based on length of service, and holiday gifts. For hotel staff who had difficulties, dormitory is arranged.

During the Reporting Period, the Group had 31 staff injured at work, all were of a low degree of work-related minor injuries, and had no incidents breaching any employment-related laws and regulations which would give significant impact on the Group.

#### Equal Opportunity and Diversity Policy

We value talents, consider employees as our most valuable and core assets, uphold the concept of fairness, impartiality and openness in employment, recruit good talents to provide talent reserves for our Group's restaurant, hotel and property businesses, so as to strengthen our competitiveness for business development.

We prohibit any discrimination of nationality, age, gender, religion, disability, marital status or any other forms, adopt calibre, performance and other qualities as the criteria for recruitment, promotion and salary increment. We encourage internal staff self-recommendation or recruitment of good talents from the society. By a fair and merit-based standardised recruitment principle, good talents suitable for the job positions are selected. Therefore, we have gathered a group of talents of experienced expertise in marketing, engineering, logistics, property development and so on, thereby providing continuous impetus for corporate long-term development.

### Dismissal Policy

The Group complies with the guidance under relevant employment law. If terminating the employment of staff is required, we will follow the standard procedures to handle and make reasonable compensation to the dismissed employees. The relevant provisions on termination of the employment are set out in the employment contracts of every staff.

### **HEALTH AND SAFETY**

The health and safety of each staff at work is of utmost importance. Carrianna endeavours to offer a safe, healthy and efficient work environment, formulate emergency guidelines for work safety, fire prevention, accidents according to job nature, and internal review is carried out on a regular basis.

The Group strictly complies with Construction Law of the People's Republic of China (中華人民共和國建築法), The Regulations on the Work Safety Management of Construction Projects (建設工程安全生產管理條例), Regulation on Work Safety Licenses (安全生產許可證) and other relevant laws and regulations. We have strengthened health and safety control and employee safety protection system, provided safety handbook for different business operations, which covers the preventive measures and procedures for emergencies.

We equip our staff with safety and protective gears, including safety helmets, safety belts, insulated safety shoes, protective goggles and particulate respirators, provide targeted training of special equipment to help staff understand the correct usage of protective gears. All labour protective gears comply with the Safety Helmet (GB2811), Safety Belt (GB6095) and other national standards required for labour protection equipment.

Meanwhile, the Group regularly conducts fire safety training to raise employees' awareness of fire protection and operating procedures; and keeps a detailed record of the staff training hours and content of the training. The Group regularly and periodically checks, repairs, tests and maintains fire prevention facilities. Especially on important holidays, such as Chinese New Year, New Year's Day, Labour Day and National Day are chosen for targeted publicity, including evacuation signs and emergency lighting are in place; exits are clear; passages for fire trucks are not blocked, junk items are not piled up; firefighting equipment and alarms are fully functional, etc.

For inflammable and explosive items, we have set up a stringent inflammable and explosive items control system, ensured that they are stored in facilities with comprehensive fire safety equipment, placed visible labels and signs, stored them separately in fixed amounts, and carried out regular checks and maintenance of fire safety measures in storage facilities.

During the Reporting Period, the Group had no significant incidents of safety and work-related injury, had no incidents in relation to safe working environment and protection of staff from occupational hazards; and had not identified any incidents which violate health and safety laws and regulations.

## **DEVELOPMENT AND TRAINING**

The Group attaches high importance to talent fostering and development as we consider employees as the core competitiveness for company growth. According to the needs for different positions, we provide targeted training programs for staff, including all staff training system such as pre-employment training, English training, job-transfer training, management training, provide a wide platform to staff for career development, improve staff's skills and competitiveness.

New staff are given orientation training and on-the-job training to help them familiarise with our protocols and systems and understand the needs for their respective positions and business operations. On-the-job staff can accommodate their needs at different career stages through cross-department training or specialised training. We also provide mid-level to senior management and key staff with management training or overseas study opportunities, and continuous learning courses, with a view to enhancing competitiveness of our management and progressing with the time.

In addition, we encourage continuous education and set up a learning room in our office. If the job requires, it is allowed to apply for purchasing relevant professional reference books.

During the Reporting Period, the total time of the training arranged and funded by the Group and participated by the Group's staff amounted to 4,295 hours.

We promote a harmonious and friendly working environment, encourage supervisors to maintain close communication with their staff, and colleagues treat each other with earnestness, thereby improving the working atmosphere. We have set up an Internal Communication and Complaint mechanism which conducts an anonymous survey for staff satisfaction, and looks into serious issues and concerns of staff. By these, we hope to understand the career development goals of our staff so that we can develop more effective training and development programs, as well as offer appropriate promotion or job rotation opportunities.

The Group encourages the Directors and senior management to participate in the training on the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange and corporate governance, so as to continuously improve the internal control and corporate governance level of the Company, and we also encourage accounting and company secretarial staff to conduct periodic updates on relevant professional knowledge.

## **LABOUR STANDARDS**

The Group strictly complies with the Employment Ordinance (Chapter 57 of the Laws of Hong Kong) and the Regulation on Labour Security Supervision (勞動保障監察條例) issued by the State Council of the PRC and other relevant laws and regulations to stamp out child labour and forced labour. Our human resources department requires candidates to provide valid identity documents for verification.

The Group will conduct investigations, punish or dismiss the staff concerned immediately when any violation behaviour is being discovered. The Group will further improve the labour system against violation behaviours as and when appropriate.

During the Reporting Period, there was no child labour and forced labour in the Group.

## **OPERATING PRACTICES**

### **SUPPLY CHAIN MANAGEMENT**

Maintaining product quality is the top priority for corporate development as it affects the quality of our end product and service. Hence, the Group begins from the source, chooses reliable suppliers and business partners with good reputation, based on product quality, creates a mutually beneficial synergy.

#### *Procurement Policy*

We built up a well-developed and comprehensive procurement and tender mechanism, based on production capability, product quality, supply stability of the suppliers, strictly assess and control, carry out quality sample-check, make tracking record for product quality, so as to maintain a high level of management of the supply chain.

#### *Code of Conduct*

Our suppliers are required to work in a responsible manner, and comply with all laws, international treaties and contractual responsibilities. They are also required to observe the Group's code of conduct. We maintain close communications with suppliers, convey clearly to them our standards in terms of law compliance, labour, work safety and health, and environmental protection.

### **PRODUCT RESPONSIBILITY**

#### *Product Quality*

Product safety and quality are our important core. We believe that maintaining product safety and quality are indispensable for building strong brands and reputation, which is a significant factor to the success of the Group's operations. As such, we have formulated the Food Safety System to regulate the food storage, work environment and equipment cleanliness, thus guaranteeing food safety.

The Group ensures the products comply with quality requirements based on quality inspection mechanism. All employees are required to follow internal guidelines and handbooks to execute each procedure.

During the Reporting Period, we received no complaints or claims from our customers related to the quality issues of the Group's products.

#### *Communication with Customers*

We strive to provide customers with competitive products and services. We stress the importance of clients' needs and regularly collect their opinions as the foundation of future improvement.

#### *Privacy Policy*

We hardly gain access to personal information of our customers or confidential data of enterprises in the course of daily operations. Nevertheless, we stress the high importance of customers' privacy. All personal data the Group collected, such as employee information and personal data of property buyers, will be kept strictly confidential. Personal data of our customers and staff will not be used for marketing purposes if without authorisation. Any illegal acts of unauthorised use and revealing of personal information are prohibited.

### Advertising and Labelling

The Group made no large-scale propaganda for our products, but we still prepare for advertising materials or carry out different promotional campaigns for respective products and services of certain business operations. These promotional materials and campaigns comply with the Advertisement Law of the People's Republic of China ( 中華人民共和國廣告法 ), the Interim Measures for the Administration of Internet Advertisement ( 互聯網廣告管理暫行辦法 ) and other applicable laws and regulations in relation to advertising and labelling, contain no exaggeration or untruth, so as to ensure that consumers are provided with sufficient information to make informed choices.

During the Reporting Period, the Group has complied with all relevant laws and regulations that have a significant impact on the Group relating to health and safety, advertising, labelling and privacy matters.

### **ANTI-CORRUPTION**

An operating environment with honesty and integrity is vital to the long-term development and business reputation of a company. All employees of the Group shall strictly adhere to the staff code and are prohibited from abusing their power for personal gains, receiving rebates without authorisation, corruption, embezzling funds, taking bribes and other illegal acts. We will seek legal recourse according to the national laws and regulations if any illegal acts are found. We strive to eliminate the undesirable trend of corruption and bribery and protect our reputation.

To ensure that we have sound corporate governance, we have set up an audit committee and hire external legal advisor and auditors to review our financial reports and statutory disclosures and offer their views. We also provide information and training of corporate governance to our directors and staff.

During the Reporting Period, the Group had not identified any corruption or fraud incidents. The Group will review the implementation of respective systems periodically and devote more resources to improve the mechanism if necessary.

### Whistle-Blowing Policy

We encourage our employees to report anonymously any inappropriate behaviour and will take all possible measures to protect the identity of the informers. We will carry out internal investigations on the allegations and furnish the results to management for the next actions, and cooperate with law enforcement bodies.

### **COMMUNITY**

#### **COMMUNITY INVESTMENT**

Carrianna has built up years of solid footing in Hong Kong and the PRC, upholds the spirit of "Giving back to the Community", encourages companies and staff to participate in different charity activities. We believe that by participating in community charity activities, it will bring a positive impact to the sustainable development of our society. During the year, we organised donations to the family of staff with difficulties, and arranged visits to welfare institutions and elderly homes during Chinese New Year, Mid-autumn Festival and other important festivals to share our love and care.

During the Fiscal Year, the Group contributed cash donation of approximately HK\$717,000 in total for charity and public welfare purposes. The Group will continue to cooperate with more organisations and institutions, and provide them with more support and make greater contributions to society.

## INDEX OF “ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE” BY THE STOCK EXCHANGE OF HONG KONG LIMITED

Subject Areas	Content	Section in the ESG Report
<b>A. Environmental</b>		
A1 Emissions		
General Disclosure	Information on the 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.	Environment – 1. Emissions
A2 Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Environment – 2. Use of Resources
A3 The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer’s significant impact on the environment and natural resources.	Environment – 3. The Environment and Natural Resources
<b>B. Social</b>		
<i>Employment and Labour Practices</i>		
B1 Employment		
General Disclosure	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, antidiscrimination, and other benefits and welfare.	Employment and Labour Practices – 1. Employment
B2 Health and Safety		
General Disclosure	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Employment and Labour Practices – 2. Health and Safety
B3 Development and Training		
General Disclosure	Policies on improving employees’ knowledge and skills for discharging duties at work; and description of training activities.	Employment and Labour Practices – 3. Development and Training
B4 Labour Standards		
General Disclosure	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Employment and Labour Practices – 4. Labour Standards
<i>Operating Practices</i>		
B5 Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Operating Practices – Supply Chain Management
B6 Product Responsibility		
General Disclosure	Information on the policies and 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.	Operating Practices – Product Responsibility
B7 Anti-corruption		
General Disclosure	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Operating Practices – Anti-corruption
<i>Community</i>		
B8 Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities’ interests.	Community – Community Investment

