LEFT FIELD PRINTING GROUP LIMITED

澳獅環球集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 1540)

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018

* For identification purpose only

INTRODUCTION

Left Field Printing Group Limited (together with its subsidiaries the "Group") is a one stop shop printing solutions and services provider based in Australia. The Group's printing process and services cover printing solution consultation, production planning and scheduling, pre-press, offset printing, digital printing, post-press, quality check, packaging, delivery and printing related services. The Group's printed products include (i) read-for-pleasure books; (ii) government printed matters; (iii) quick turnaround time education books; and (iv) catalogues, operating manuals and promotional leaflets.

While promoting a sound business growth and maintaining high quality standards in the service and operations, the Group is also committed to building an environmentally-friendly corporation. The Group considers social and environmental responsibilities as one of the core values in business operations.

The Group strives for greater sustainability and transparency, as well as delivering services that foster a sustainable environment for future generation.

This report summarizes several subjects of the Group's business practices for the ESG report (the "Report") and its relevant implemented policies and strategies in relation to the Group's operational practices and environmental protection.

The Report covers the period from 1 January 2018 to 31 December 2018 (the "Reporting Period").

REPORTING FRAMEWORK

The Report has been prepared based on the ESG Reporting Guide set out in Appendix 27 of the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange of Hong Kong Limited (the "SEHK").

REPORTING SCOPE

The General Disclosure of the environmental and social policies and measures in this Report and the compliance issues cover the entire Group, and the disclosure scope of the Environmental Key Performance indicators section of the Report covers the Group's operations in Australia.

COMMENTS AND FEEDBACK

The development of the Group depends in part on stakeholders' valuable comments. For any doubts about or advice as regards to this Report, please send your comments and suggestions to investor@leftfieldprinting.com.

STAKEHOLDER ENGAGEMENT

The Group believes that understanding the views of its stakeholders lays a solid foundation to the long-term growth and success of the Group. The Group has a wide network of stakeholders, including employees, customers, suppliers, business partners, investors, government and regulatory authorities and the community.

The Group uses multiple channels as summarized in the following table to engage with its stakeholders and provide them with opportunities to express their views on the Group's sustainability, performance and future strategies. To reinforce mutual trust and respect, the Group is committed to maintaining enduring communication channels, both formally and informally, with its stakeholders to enable the Group to better shape its business strategies in response to their needs and expectations, anticipate risks and strengthen key relationships. The information collected through different communication processes serves as an underlying basis for the preparation of this Report.

| Stakeholder groups	Engagement channels	Possible concerned issues
Investors	• General meetings • Regular corporate publications • Circulars and announcements • Corporate website • Direct communication • Meetings and responses to phone and written enquiries	• Business strategies and sustainability • Financial performance • Corporate governance
Customers	• Direct communication • Emails • Business meetings • Exhibitions • Corporate website	• Service quality and reliability • Customer information security • Business ethics
Employees	• Performance appraisals • On-the-job coaching • External and internal trainings • Internal communication channels • Staff handbook • Exit interview • Regular meeting with union	• Training and development • Employee remuneration • Rights and benefits • Working hours • Occupational health and safety • Equal opportunities • Sexual harassment
Suppliers and business partners	• Direct communication • Emails • Business meetings • Price comparison and quality check	• Fair competition • Fulfillment of promises
Government and other regulatory authorities	• Statutory filings and notification • Regulatory or voluntary disclosures	• Compliance with law and regulations • Treatment of inside information • Co-operation with enquiries
Local community	• Community activities • Charity activities	• Fair employment opportunities • Environmental protection

MATERIALITY ASSESSMENT

The Group has maintained close communications with its stakeholders. Through ongoing discussions and direct communications with its stakeholders, the Group understands the main concerns and material issues that matter most to its stakeholders, which are listed below:

ESG aspects as set out in ESG Reporting Guide		Material ESG issues for the Group
A. Environmental	*A1 Emissions*	1. Air Emission 2. Greenhouse Gas Emission 3. Waste Management
	A2 Use of Resources	4. Energy Consumption 5. Water Consumption 6. Paper Consumption
	A3 The Environment and Natural Resources	7. Environmental Risk Management
B. Social	*B1 Employment*	8. Human Resources Practices 9. Remuneration Policies 10. Equal Opportunity
	B2 Health and Safety	11. Employees' Health and Workplace Safety
	B3 Development and Training	12. Employee Development
	B4 Labour Standards	13. Anti-child and Forced Labour
	B5 Supply Chain Management	14. Supplier Practices
	B6 Service Responsibility	15. Service Quality and Customer Satisfaction 16. Customer Data Protection
	B7 Anti-corruption	17. Anti-corruption and Anti-money Laundering
	B8 Community Investment	18. Community Support

The recognition of sustainable development and environmental reform are the most fundamental elements to the operation of the Group while the relationships with stakeholders have become the leading priorities in the Group's operation.

Pursuant to environmental and social issues based on the ESG Reporting Guide within the scope of sustainability, the Group built a two-dimensional materiality matrix and identified the following issues that are of high priority to its stakeholders and the Group. The priorities are set based on the management's view as well as stakeholders' feedback.

Materiality Matrix
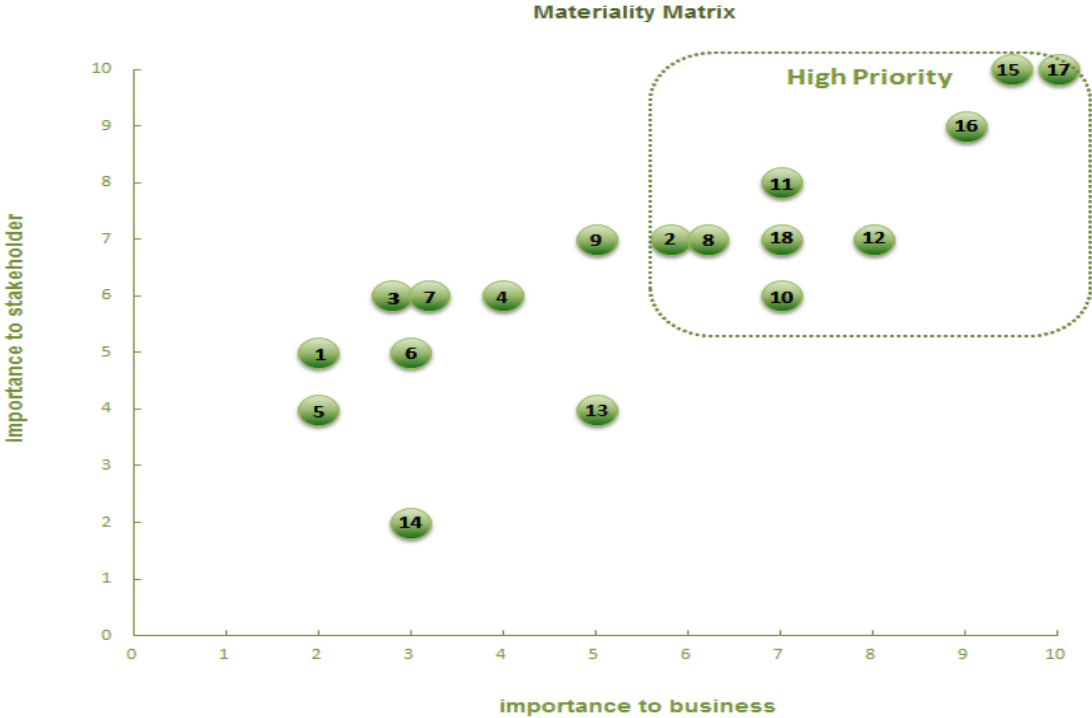
High Priority Issues

ESG aspects as set out in ESG Reporting Guide			Material ESG issues for the Group	
A.	Environmental	*A1 Emissions*	2.	Greenhouse Gas Emission
B.	Social	*B1 Employment*	8.	Human Resources Practices
			10.	Equal Opportunity
		B2 Health and Safety	11.	Employees' Health and Workplace Safety
		B3 Development and Training	12.	Employee Development
		B6 Product Responsibility	15.	Product Quality and Customer Satisfaction
			16.	Customer Data Protection
		B7 Anti-corruption	17.	Anti-corruption and Anti-money Laundering
		B8 Community Investment	18.	Community Support

APPROACH TO SUSTAINABILITY DEVELOPMENT

As a responsible company, the Group continues to step up its sustainability measures as a corporate responsibility as well as meeting its customers' standards. To keep the Group's investors and stakeholders properly informed for assessment, the Group has set out below its efforts to minimize the negative influence to the environment, to promote the Group's employees' well-being and to contribute to the community during the Reporting Period.

ENVIRONMENTAL RESPONSIBILITY

As the Australian government and the general public are paying increasing attention to environmental protection, the Group is committed to minimize any adverse impact on the environment resulting from its business activities. The Group has implemented various environmental policies and has been awarded quality standard certification of ISO 14001 in respect of the environmental management system in the production facility at Fyshwick and the warehousing facility at Hume, ACT, Australia.

The Group has engaged waste collection companies to handle the dangerous and toxic wastes, such as ink and thinner discharged during the production process. The Group has also engaged security waste collection companies to handle the collection and destruction of documents which are sensitive in nature and may require secured disposal. As the Group tends to sell scrap paper and plates as recyclable materials, the Group believes that its production process does not have a significant adverse effect on the environment and the Group's environmental protection measures are adequate to ensure compliance with all applicable current local and national Australian laws and regulations.

During the Reporting Period, the Group was not aware of any non-compliance with laws and regulations that have a significant impact on the Group relating to the environmental aspect. Owing to the nature of the business, the Group's commitment to the environment focuses on the conservation of energy, investments on efficient green technologies and reduction of waste.

Aspect A.1: Emissions

The operation and activities of the Group do not generate a material amount of greenhouse gas. The Group's emission includes volatile organic compounds (VOCs), ink contaminated water and waste. The Group has implemented effective energy conservation measures to minimize emissions and environmental hazard.

Air Emission

The Group's air emissions are mainly generated by the use of vehicles. The Group strives to improve the air quality at the roadside and improve traffic flow problem by ensuring the forklifts and vehicles are properly tuned to minimize the fuel consumption and pollutants emission. The Group uses a central booking system for business trips and chooses direct flights to reduce emission. Instead of taking overseas business trips, the Group encourages using video conferencing or emails for communication in order to minimize carbon footprint from flights.

During the Reporting Period, the Group's key exhausted gases generated from the combustion process are Sulphur Oxides (SO_x), Nitrogen Oxide (NO_x), and Particulate Matter (PM). As illustrated from the table below, the Group generated 257.81g, 156,228.18g and 13,591.55g of SO_x, NO_x and PM in 2018 respectively.

Air Emissions	2018 (in g)
Sulphur Oxides (SO_x)	257.81
Nitrogen Oxide (NO_x)	156,228.18
Particulate Matter (PM)	13,591.55

Greenhouse Gas Emission

The carbon footprint arising from the Group's day-to-day operations is primarily from the use of electricity and paper consumption in the manufacturing sites. The amount of each greenhouse gas emission for the Reporting Period is summarized in the table below.

Emission Sources	CO_2e Emission (2018) (in tonnes)
Scope 1 Direct Emission	322.95
Scope 2 Indirect Emission	6,990.13
Scope 3 Other Indirect Emission	34,580.62
Total	41,893.70

Scope 1 Direct Emission	CO_2e Emission (2018) (in tonnes)
Company Vehicles	41.64
Fuel Consumption	281.31
Sub-total	322.95

Scope 2 Indirect Emission	CO_2e Emission (2018) (in tonnes)
Purchased Electricity	6,990.13
Sub-total	6,990.13

Scope 3 Other Indirect Emission	CO_2e Emission (2018) (in tonnes)
Production Material	27,796.04
Emission from Paper Waste	5,215.14
Emission from Other Waste	1,532.36
Business Travel	31.40
Emission from Fresh Water Processing	3.86
Emission from Sewage Processing	1.82
Sub-total	34,580.62

During the Reporting Period, the Group generated a total of 41,893.70 tonnes of carbon dioxide equivalent (tCO$_2$e) greenhouse gases (mainly carbon dioxide, methane and nitrous oxide).

The Group is committed to reducing the emissions. The Group has established the procedures regarding emissions management. An officer is appointed on each manufacturing site to monitor the emissions generation. The Group has also taken the following measures to mitigate the emissions:

- Use and store the production chemicals properly pursuant to the Group's policies so as to avoid any unnecessary emissions generation;

- Replace the raw materials, equipments and production techniques that are highly hazardous to the environment with alternatives that are less hazardous to the environment;

- Inspect and maintain plant and machinery periodically.

Waste Management

The wastes in respect to the Group's operations mainly consist of paper, metal, ink residue and packaging material etc. The Group employs external parties to collect and handle different type of waste. The Group has also taken the following waste management measures:

- Organize and maintain the garbage and recycled waste holding areas;

- Set up waste separation systems and recycling bins or other suitable facilities for collecting materials such as waste paper, metal and plastic;

- Adopt green procurement, i.e. purchasing products and services that cause minimal adverse environmental impacts;

- Reduce the use of single-use disposable and non-recyclable products;

- Place posters on walls and label the type of waste or recyclable on bin;

- Evaluate the usage of material to avoid overstock;

- Sort recycled waste into appropriate receptacles; and

- Educate employees on sorting methods.

The Group continues to make efforts on recycling waste, the following table illustrates the amounts of paper and aluminium that had been recycled during the Reporting Period:

Recycled Waste	Unit	Total volume 2018
Paper	tonnes	4,764.97
Aluminium	tonnes	67.93

Recycling machine

Hazardous and Non-Hazardous Waste Management

The Group has established clear and concrete guidelines on waste management. Wastes are separated into recyclable, hazardous and non-hazardous waste, and are stored separately. The Group has appointed different recyclers to collect recyclable wastes regularly such as scrap paper and used printing plates. The Group's site operation managers' responsibilities include, but not limited, to the following:

- Establish mechanisms to verify the integrity of segregated waste streams;

- Highlight locations and/or activities about which nature of and what quantity of waste disposal can be reduced – by avoidance, reduction, re-use, re-cycling technique and reduction in impact techniques;

- Highlight avenues where material life can be extended;

- Planned audits and reviews of contracted disposal services; and

- Communicate the importance of the actions of employees in the control process.

All hazardous waste, mainly chemical water, rags, ink residue and other photographic wastes, are collected and handled by authorized agents who have the qualification to handle hazardous waste. The amount of disposed waste are recorded and matched with contractors' reports to ensure they are entirely disposed in the most appropriate manner.

In addition, employees are reminded regularly to protect the environment through varies channels, including emails, notices and promotion slogan. The Group's non-hazardous wastes, which are mainly paper, aluminium and pallet, will be recycled or transported to landfills. Non-recyclable wastes are collected by nominated environmental agencies in compliance with local regulations.

With the efforts to reduce wastes as much as possible, the following table illustrates the amounts of hazardous and non-hazardous wastes during the Reporting Period.

	Total volume in 2018 (in tonnes)
Hazardous waste	176
Non-hazardous waste	7,510

Aspect A.2: Use of Resources

The Group is committed to monitoring and improving environmental performance as an integral and fundamental part of its business strategy and operating methods, as well as complying with relevant government policies and environmental legislations.

Energy

The Group's energy consumption mainly comes directly from electricity, natural gas and liquefied petroleum gas during its operations. The following table illustrates the energy consumption by types and volumes during the Reporting Period:

Energy	Unit	Total volume consumed (2018)
Electricity	kWh	8,848,266
Natural Gas	MJ	5,142,137
Liquefied Petroleum Gas (LPG)	MJ	372,375

Efficient Electricity Use

The Group's operations generated greenhouse gases indirectly due to electricity consumed to power the facilities. The Group has committed to minimizing energy usage. The commitments are driven by energy saving intuition. The following measures are implemented by the Group:

- Turn off all lights and air conditioners when staffs leave;

- Deploy natural light as much as possible;

- Turn off all electronics or switch them to energy saving mode when they are not in use;

- Install separate light switches for different light zones;

- Install energy efficient LED lightings and cooling system in production area;

- Maintain an average indoor temperature between 24-26℃;

- Carry out regular leakage checks and replacement of pressure gauges, pressure hose and connectors of air compressors to reduce possible leakage of refrigerants; and

- Replace all the computer equipments, servers, and monitors with energy efficient models.

LED lighting in production area

Packaging

The Group regularly communicates with its customers to minimize the packaging material as the Group aims to protect the environment. Owing to the nature of the Group's business, the packaging materials used are mainly carton, strapping and wrap. During the Reporting Period, the total amounts of packaging material consumed for finished products are as follows:

Types of Material	Unit	Total Quantity Consumed (2018)
Carton	Each	1,083,041
Tape	m^2	65,907
Label	Sheet	7,568
Strapping	M	534,700
Wrap	m^2	690,834
Wooden Pallet	Each	21,971
Jiffy utility bag	Each	141,782
Brown kraft paper	Kg	1,720
Ribbon	M	24,140

Aspect A.3 The Environment and Natural Resources

The Group raises staff's awareness on environmental issues through education and training and enlists employees' support in improving the Group's performance. With the integration of policies mentioned in sections headed "Emissions" and "Use of Resources" above, the Group strives to minimize the impacts of environment and natural resources. The Group also monitors environmental issues relating to production and operation.

Paper Reduction

Consumption of paper draws negative impacts to the world significantly. Voluminous paper consumption leads to deforestation. Serious efforts are needed to ensure that the environment is protected. With the aim of minimizing the impact of the Group's business operation on the environment, the Group implements measures for environmental protection that minimizes paper usage, strives to use paper in the most efficient ways and is convenient for staff and customers to so implement as well. During the Reporting Period, the total paper consumption of the Group for the use of production and office amounted to 19,037.29 tonnes.

The followings are the practical guidelines which help the Group to implement a cost-saving paper reduction program:

- Provide a wide variety of recycled and non-recycled content paper for customers to choose.

- Reduce paper wastage by using web printing and digital printing machines;

- Provide paperless billing options to customers and to impose smart printing modes for staff;

- Promote a "think before you print" attitude. Consider sharing some documents between co-workers. Print only the number of copies needed for the meeting and don't make extra copies; and

- Recycle paper, carton box and envelope that have non-confidential information from the Group.

Water Utilization

Wastewater is the next pollution the Group tries hard to reduce. Plate-making and other printing process requires a lot of water for rinsing aluminum plates and hence generates waste water contaminated with ink.

Sewage will be collected and processed by qualified sewage treatment companies. In Australia, factories will recycle the industrial rainwater and reuse it after treatment. For domestic wastewater, the Group will examine the water quality before drainage to ensure the national and local environmental requirements are met. During the Reporting Period, the Group has consumed 9,599.00m³of water. The Group did not notice any major issue in sourcing water that is not fit for purpose during the Reporting Period.

In addition, the Group has adopted the following measures to save water:

- Always turn taps off tightly so they do not drip;

- Collect rainwater in one of the Group's Australia factories;

- Make use of dual-flush toilet to save water;

- Adopt effective water-saving production methods and instruments;

- Use a number of digital printing machines which will eliminate the chemically tainted wastewater during the offset printing process;

- Check the hoses and pipes for leaks, cracks, and other damages regularly and repair it in a timely manner; and

- Give priority to effective water-saving products in purchase decision.

SOCIAL RESPONSIBILITY

The Group believes that building a strong and lasting relationship with employees and suppliers is essential to achieve its on-going commitment to act in a socially responsible manner. Besides, maintaining an honest and authentic dialogue is indispensable as a responsible organization and partner to its stakeholders.

Aspect B1: Employment

The Group is dedicated to fair and equal treatment in all areas of human resources, including recruitment and promotion, compensation and dismissal, working hours, benefits and welfare.

Employees of the Group are remunerated at a competitive level and are rewarded according to their performance and experience. The remuneration package of employees may include salaries, discretionary bonus and/or over-time payments.

Employees also receive fringe and welfare benefits, including retirement benefits, occupational injury insurance and other miscellaneous items. The Group conducts periodic review of the performance of its employees for determining, where appropriate, the level of discretionary bonus, salary adjustment and promotion of its employees. From time to time, the Group's executive directors will also conduct research on the remuneration packages offered for similar positions in the printing industry in Australia in order to maintain the remuneration packages at a competitive level.

The Group is an equal opportunity employer and does not discriminate on the basis of personal characteristics, gender or age. The Group has the Staff Handbook outlining the terms and conditions of employment, expectation for employees' conducts and behaviors, and employees' rights and benefits. Policies have been established and implemented to promote a harmonious and respectful workplace. With the aim to ensure fair and equal protection for all employees, the Group has zero tolerance on sexual harassment or abuse in the workplace in any form, which is a violation of the labor laws.

The Group's essential policies and procedures are also included in the Staff Handbook which will be reviewed and updated regularly. The Group discourages and disallows any behavior that violates the regulations under the Staff Handbook. Offenders will receive warning, and the Group has the right to terminate employment contract with offenders for serious violations. During the Reporting Period, the Group was not aware of any non-compliance with laws and regulations that have a significant impact on the Group relating to employment aspect.

During the Reporting Period, the Group has 301 full-time employees. Among which 299 employees (99.3 percent of the total workforce) are located in Australia, while the rest are located in Hong Kong, which represents 0.7 percent of the total workforce.

The diagram sets below illustrates the number of employees by geographical region during the Reporting Period.

Total Workforce by Geographical Region in 2018

Hong Kong
2

Australia
299
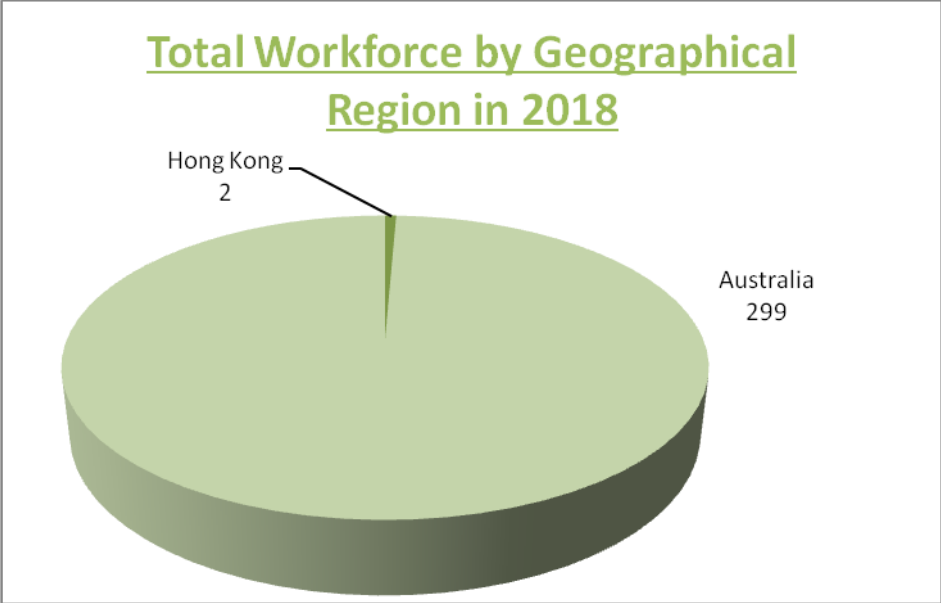
In addition, Human Resources Department conducts a comprehensive recruitment review process to ensure that the data provided by the candidates are accurate. The Group's recruitment and promotion process are carried out in a fair and open manner for all employees; employees are recognized and rewarded by their contribution, work performance and skills, and outcomes will not be affected by any discrimination on the grounds of age, sex, physical or mental health status, marital status, family status, race, skin color, nationality, religion, political affiliation, sexual orientation and other factors.

Whenever an employee resigned, human resources department would interview him or her to find out the reason of quitting. The Group will monitor staff turnover with a view to identifying and managing issues.

The Group strictly prohibits the employment of children or forced labor and sets out the policies in the labor code to eradicate child labor, juvenile workers and forced labor.

Aspect B2: Health and Safety

The Group strives to provide a safe and healthy workplace for the employees as the Group complies with all applicable laws and regulations regarding work health and safety in Australia, which are based on the national model *Work Health and Safety Act 2011*.

The Group adopts policies and measures to promote occupational health and safety, including, but not limited, to the following:

- Occupational Safety and Health (OSH) guidelines and practices are established for ensuring healthy and safe working conditions for the employees;
- A safety orientation is provided to the new employees so as to ensure a thorough understanding of health and safety, and their roles and responsibilities;
- Necessary protective equipment, such as safety shoes and ears protection, are provided to the factory workers;
- A clear system is established for reporting hazards, injuries, illnesses and close calls;
- Safety procedures are established for the use and storage of chemicals or other hazardous substance;
- Emergency measures are established such as fire or explosion emergency plan;
- Regular inspections would be carried out and any unsafe conditions would be reported and investigated; and
- OSH seminars and workshops are held regularly in order to raise awareness of occupational safety.

The table set out below shows the work-related fatalities and injury statistics for the Reporting Period:

Description	No
Number of work-related fatalities	0
Number of work-related injuries	10
Lost days due to work-related accidents and disease (occupational)	260 days

During the Reporting Period, the Group is not aware of any material non-compliance with the above-mentioned relevant laws and regulations that have a significant impact on the Group relating to providing a safe working environment and protecting employees from occupational hazards.

In addition, the Group has assigned responsible personel to identify any actual and potential hazards and risks to each individual and works towards providing a safe and hygienic work environment, and to ensure that office and work environment is in line with or higher than requirements of relevant laws. The appointed operation site managers have also arranged rescue, fire and evacuation drills to improve staff safety awareness; and employees are expected to comply with the policies and procedures, and cooperate in all safety trainings.

Aspect B3: Development and Training

The Group regards its staff as the most valuable assets; The Group dedicates significant resources to attract and retain talented employees, and to ensure that people will grow along with the business.

The diagram set out below illustrates the number of employees trained by employee category during the Reporting Period.
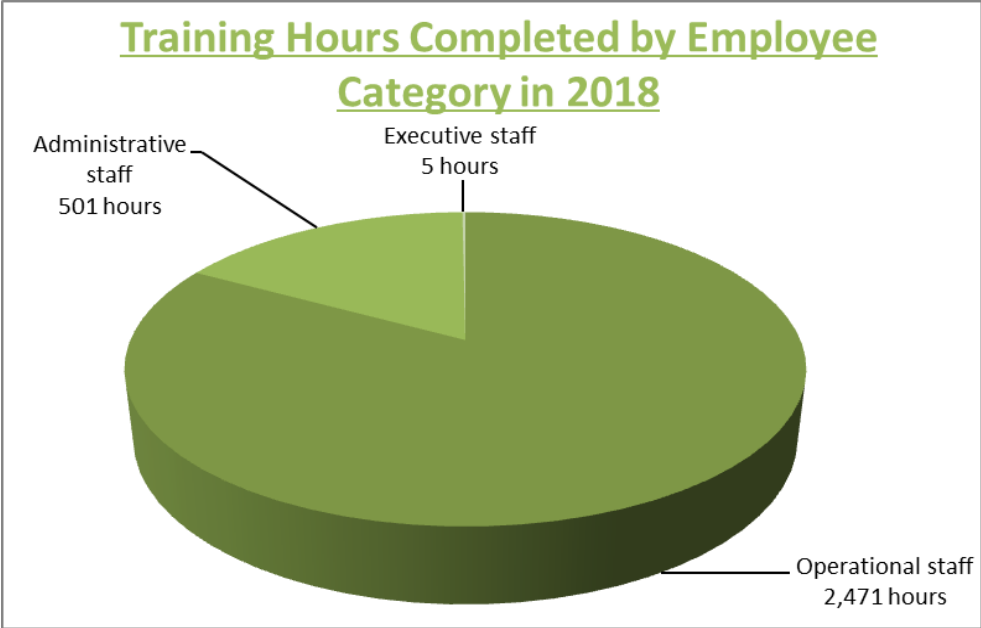

During the Reporting Period, 368 participants* have attended the training courses provided by the Group, while 298, 64 and 6 of them were operational, administrative and executive staffs respectively, in which 212 of them were male and 156 were female.

* One staff may attend more than one training courses.

New employees are generally subject to one to three months' probation periods. On-the-job training will be provided to the new employees during the probation period by their respective supervisors. At the end of the probation period, performance evaluations will be conducted before any employees are appointed to permanent positions.

Education and training will also be provided to the existing employees on various aspects including advanced knowledge and skills on machines operation, work safety, fire safety, security and quality control on a continuing basis. The Group's directors considered that the training programmes can help to increase the overall efficiency and facilitate us to retain quality employees.

The diagram set out below illustrates the training hours by employee category in the Reporting Period.

Training Hours Completed by Employee Category in 2018

Administrative staff 501 hours
Executive staff 5 hours
Operational staff 2,471 hours

During the Reporting Period, the Group has provided 2,977 training hours for all the staff, which consists of 2,471, 501 and 5 hours for the operational, administrative and executive staffs respectively, with an average of 8.29, 7.83 and 0.83 training hours per person.

The Group has provided different kinds of training for the senior management and staff to enhance their level of communication and team building skills.

Furthermore, directors are given guidance and preparation meetings about the Group's business and his/her duties responsibilities under the Listing Rules and the relevant statutory and regulatory requirements when newly appointed. The directors are briefed regularly on the latest development regarding the Listing Rules and other applicable statutory requirements to ensure compliance and upkeep of good corporate governance practices.

Aspect B4: Labour Standards

The Group established and implemented the Staff Handbook which contains policies relating to relevant labor laws, regulations and industry practices, covering areas such as compensation, dismissal, promotion, working hours, recruitment, rest periods, diversity and other benefits and welfare.

In addition, the Group strives to ensure an equal and fair working environment. The Group has strictly complied with the revelant labor ordinances in Australia and Hong Kong and does

not tolerate any form of sexual harassment, harassment and abuse in the workplace, which is a violation of the employment law in Australia and Hong Kong.

The prohibition of child labor and forced labor practices are also set in accordance with all relevant laws and regulations that applied to the Group. Before hiring any job applicant, the Human Resources Department will verify their age by checking their identification documents that prove the age of applicant and ensure that the applicant's look is consistent with the photograph on the ID card. For 2018, no violations regarding the age of employment and labor dispute has occurred between the Group and the employees.

OPERATING POLICIES

Aspect B5: Supply Chain Management

The Group is committed to developing and maintaining effective and mutually beneficial working relationships with the business partners (suppliers, subcontractors, transporter, etc.).

The Group strives to focus on ethical supply chain management while producing a global supply chain. During the Reporting Period, the Group has 807 suppliers all over the world, which mainly consists of 754, 13, 8, 4, 14 and 14 suppliers from Australia, Hong Kong, the United States of America, the People's Republic of China, Europe and other areas respectively.

Furthermore, the Group takes environmental considerations into account during the procurement process. To integrate the environmental vision into the procurement of product supplies, the Group avoids disposable products and chooses suppliers who provide durable products with less packaging materials. Priority will be given to environmentally friendly materials and office goods, so as to raise the suppliers' awareness of sustainable development.

Aspect B6: Product Responsibility

The Group is committed to supplying quality books and printed products and providing quality services that consistently meet or even exceed its customers' expectations. Quality management system is used to ensure the product quality; the Group has received a number of certifications, including ISO9001, ISO14001, COC, PEFC and FSC certificate. During the Reporting Period, the Group was not aware of any non-compliance with relevant laws and regulations that have a significant impact to the Group relating to the aspect of product responsibility.

Under the quality management system, quality assurance is performed to examine the product's quality against the acceptance quality level standard at every stage of the production process. Incoming raw materials, such as paper and ink, are periodically tested against

customers' technical specifications. Colors are matched against the customer's approved blue print. Finished goods undergo a number of tests and visual inspections, before packaging and delivery to ensure the exact specifications of customers are met. The Group has also maintained a professional customer services team with high service standard to ensure responsiveness to customers' needs.

By implementing the highest level of standard on quality management, the Group provides not only excellent products, but also safe and secured products to customers. The Group ensures quality management systems are in place, which allows the Group to deliver the expected level of quality and service.

Due to the well equipped facility and high quality of craftsmanship, the Group has consistently earned recognition and awards in relation to the excellent printing capabilities.

Public Interest and Accountability

For the management of customer data, the Group is committed to protecting the confidentiality of customer data. The employees are instructed to handle customer information with due care. Only designated employees can assess customer data for business use. Confidentiality clauses are included in the employment agreement, which prohibits the utilization and divulgence of any secret or confidential document, knowledge and information.

The Group ensures the goods and services are conducted in a manner consistent with the highest ethical standards. This helps to ensure high product quality at all times to gain the confidences of customers and the public.

Fair and Open Competition

The Group promotes fair and open competition that aims to develop long-term relationships based on mutual trust. The Group ensures that all parties involved in the procurement process participate fairly, honestly and in good faith. The Group recognizes that adherence to the principles of competition is essential to the maintenance of the integrity of the procurement process.

Aspect B7: Anti-corruption

The Group is committed to achieving and maintaining the highest standards of openness, probity and accountability. Employees at all levels are expected to conduct themselves with integrity, impartiality and honesty.

It is the responsibility of every employee and the Group to ensure that any inappropriate behavior or organizational malpractice that compromises the interest of the shareholders, investors, customers and the wider public does not occur.

The Group has adopted Code of Conduct in the Group's compliance policy that includes provisions for conflicts of interest, privacy and confidentiality of information, use of computer software control, bribery and anti-corruption.

Whistle-blowing policy is also implemented to encourage employees and others who have serious concerns about any aspects of the work to come forward and voice those suspected misconduct, illegal acts or failure to act. Employees who breach anti-corruption policy will face disciplinary action, which could result in dismissal for serious misconduct.

During the Reporting Period, no litigations regarding bribery have been instituted against the Group and the staff. The Group has been in strict compliance with laws and regulations related to bribery, extortion, fraud and money laundering. During the Reporting Period, there were no legal cases regarding corrupt practices bought against the Group or its employees.

Aspect B8: Community Investment

The Group is committed to operating as a responsible corporate and to continually supporting the economic and social vitality of local communities through corporate sponsorships, charitable donations and supporting youth development.

SUSTAINABILITY

The Group understands the importance of achieving economic, environmental and social sustainability for the long term success of the business. The sustainability guidelines lay out the principles and actions for managing and performing ethically and sustainably, throughout the operational flow. The Group will continue to deliver safe and quality services served by the enthusiastic team members, without endangering the environment. The Group will also continue to provide hearty service to its customers and contribute back to the community.

CORPORATE GOVERNANCE

All management level has the responsibilities to maintain a good corporate governance practices. Meetings are held regularly and once the management or the staffs notice any improvement on the corporate practices, the relevant operating practices will be reviewed.