

Vision Values

Vision Values Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 862



**Environmental,
Social and
Governance
Report
2019**



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ABOUT THIS REPORT

The board of directors of Vision Values Holdings Limited (the “**Company**”) is pleased to present the environmental, social and governance report (the “**ESG report**”) for the year ended 30 June 2019. The ESG report discloses the Company’s measures and performance on sustainable development issues so that our stakeholders would appreciate our effort and commitment towards environmental protection and social responsibilities.

Scope and Reporting Period

The ESG Report of the Company and its subsidiaries (collectively the “**Group**”), highlighting its Environmental, Social, and Governance (“**ESG**”) performance, follows the disclosure requirements of the ESG Reporting Guide as set out in Appendix 27 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

Unless otherwise stated, the ESG report elaborates on the various works of the principal business segments of the Group (apart from certain outsourcing activities and sharing of administrative services as discussed below) with focus on the network solutions and project services, yacht building, minerals exploration and private jet management services in fully implementing the principle of sustainable development and its performance of social and governance from 1 July 2018 to 30 June 2019 (the “**Year**”). For information on our corporate governance, please refer to the “Corporate Governance Report” on pages 8 to 18 of the Company’s 2019 annual report.

Outsourcing of Certain Business Activities

Network Solutions and Project Services

The Group outsources certain project services to third party contractors such as cellular site installation works. As such, the Group has no data on the usage of materials and the disposal of any wastes from such activities. Nevertheless, the Group has appealed the third party contractors to comply with local environmental protection laws and regulations.

Minerals Exploration

The Group outsources the mineral exploration activities to third party contractors such as exploration drilling works. As such, the Group has no data on the usage of materials and the disposal of any wastes from such activities. Nevertheless, the Group has appealed the third party contractors to comply with local environmental protection laws and regulations.



ABOUT THIS REPORT (CONTINUED)

Sharing of Administrative Services

The Group entered into a share of administrative service agreement (the “**Agreement**”) with a third party (the “**Third Party**”) in relation to sharing of office space in Hong Kong, supporting staff and other facilities on cost basis. The Third Party is responsible for leasing of the office space and hiring of supporting staff, etc. As such, the Group has no information on certain environmental and social aspects under the Agreement as requested by the ESG Reporting Guide.

Stakeholder Engagement

In order to identify the most significant aspects for the Group to report on for this ESG report, key stakeholders including shareholders, clients, suppliers, sub-contractors and employees of the Group have been communicated from time to time by collecting their views on areas of attention through meeting, phone call or email.

Stakeholders’ Feedback

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



ENVIRONMENTAL

Emissions

The Group recognises the importance of maintaining environmental sustainability in its daily operations and acts in compliance with the laws and regulations relating to environmental protection and pollutant control, such as the Water Pollution Control Ordinance, the Air Pollution Control Ordinance and the Waste Disposal Ordinance. Although our nature of business does not generate substantial amounts of industrial pollutants or raise any significant impact on the environment, environmental protection and reduce carbon emissions will continue to be the core part of our operational objectives.

Air Emissions

During the Year, the air emissions were mainly from private cars of the Group.

| Air Emissions | |
|-------------------|--------------------|
| Types | Emission (in g) |
| Nitrogen Oxides | 5,059.66 |
| Particular Matter | 372.53 |
| Sulphur Oxides | 192.19 |

Green House Gas (“GHG”) Emissions

The principal GHG emissions of the Group were direct GHG emissions due to combustion of gasoline from private cars of the Group (Scope 1), and energy indirect GHG emissions generated from purchased electricity (Scope 2). For other indirect GHG emissions, they were mainly generated from water consumption and paper consumption (Scope 3) which were relatively immaterial. The Group actively adopts electricity conservation and energy saving measures to reduce GHG emissions, including:

- Maintaining an appropriate office temperature;
- When buying new electrical office equipment, preference will be given to those with Grade 1 energy label; and
- Encourages the employees to set the computers to automatic standby or sleep mode and turn off unused electrical devices or lights before leaving office.

The employees’ awareness of reducing GHG emissions has increased through these GHG emission mitigation measures.



ENVIRONMENTAL (CONTINUED)

The summary of GHG emission during the Year:

| Scope of GHG | Emission (in tonnes of CO ₂ e) |
|--|---|
| Scope 1: Direct Emission – Combustion of fuel used by private cars | 35.53 |
| Scope 2: Indirect Emission – Purchased electricity | 73.71 |
| Total GHG emissions (Scopes 1 and 2) | 109.24 |
| Intensity (tonnes/employee) | 2.80 |

Hazardous Waste

The solid waste is mainly generated in daily office operations and yacht building. The non-hazardous wastes include waste paper, master cartons, timber construction waste and other general waste. For yacht building, the construction team has been setting up waste sorting and segregation area. The Group will recycle and reuse the sorted materials as far as possible. The Group places recycling bins in the offices to collect recyclable waste, which will be transferred to qualified recycling companies. Other general waste is collected and processed by building management office. The hazardous wastes, such as toner cartridge, discarded electronic products and related accessories is collected and sent to the corresponding waste collectors or recyclers for further handling.

No substantial hazardous or non-hazardous waste materials generated by the Group during the Year.

Use of Resources

The Group has always placed great emphasis on energy and resources conservation. To achieve this, the Group continually applies efficient consumption strategy to improve energy saving and reduce energy consumption.

Water

The major kind of wastewater generated by the Group is domestic sewage, which will be directly discharged to local drainage system. Meanwhile, the Group has put effort to reduce the water consumption, such as posting labels to remind and encourage employees to reduce water usage, and always turning off the faucet and reporting any water leakage.

During the Year, the water consumption (i.e. wastewater discharge) of the Group was not material to our operations.



ENVIRONMENTAL (CONTINUED)

Use of Packaging Material

Due to our business nature, the Group does not produce any consumer products nor does it have any industrial facilities. Thus, it does not use any significant amount of packaging materials during its daily operations.

The Environment and Natural Resources

The Group focuses on our business impact on the environment and natural resources and pursues the best practice with the environmental protection. In addition to complying with relevant environmental laws and regulations and international standards to properly preserve the natural environment, the Group has integrated the concept of environmental protection and natural resource conservation into its internal management and daily operations with the aim of achieving environmental sustainability.



SOCIAL

The Group believes that one of the key aspects of achieving business success is the good relationship it maintains with employees. The Group provides a friendly and harmonious working environment.

Employment and Labour Practices

The Group rewards and recognises performing staff by providing a competitive remuneration package with appropriate incentives, and to promote career development and progression by appropriate training and providing opportunities within the Group for career advancement.

The Group strictly complies with relevant labour laws and regulations in Hong Kong and other jurisdictions, and the relevant administrative rules and measures are strictly enforced. These rules and regulations specify the requirements relating to employment, labour relations, employees' remuneration and welfare to protect the rights of employees.

Health and Safety

The Group is committed to providing safe and healthy work environments for its employees. It also promotes health and well being of all employees by encouraging employees to do more exercises after work. In addition, the Company prohibits smoking in offices and the premises of the Group to eliminate all safety hazards. During the Year, the Group did not encounter any major occupational accidents during its operations.

Development and Training

The Group acknowledges the importance of training for the development of our employees. We encourage and support our employees in personal and professional training through sponsorship or reimbursement of training costs. The Group also recognises that certain job functions may be enriched by an employee becoming member of certain professional and technical associations. An employee will be reimbursed for the annual subscription fee for professional membership and the fees for continuing professional development courses that are recognised by the Group.

Labour Standards

The Group provides its staff with a safe, health, comfortable working environment with labour protection, reasonable remuneration and various welfares. The Group enters employment contract with each of its employee in accordance with relevant laws and regulations in respective jurisdictions in which the Group operates, and also prohibits child and forced labour.



OPERATING PRACTICES

Supply Chain Management

Even though the Group's business has no significant impact on the environment, the management continuously monitors all business operations with the view towards reducing any possible negative impact on the environment or on society. Such scrutiny extends to supplier management, with the Group placing emphasis on service quality during the selection process. The required quality includes the suppliers' compliance with relevant codes and practices pertaining to environmental protection. Also, as part of the engagement process, the Group in general selects more than one supplier/contractor for comparison purposes, thus ensuring that the most suitable candidate is selected.

Product and Service Responsibility

The Group aims to achieve the highest possible standard with all the services or products provided to the customers. The Group concerns over the quality of supplies and services on our existing project contractors as well as the potential contractors, resolve mainly around the inspection and selection of responsible and competent suppliers and their quality of work to ensure that the Group delivers quality and reliable services or products to our end users.

Providing reliable services and products to our users is our top priority. The Group places great emphasis on applying stringent due diligence on the products and systems that we install for our clients to ensure that, while they meet their intended business requirements, they also adhere to internationally-recognised safety standards.

For any confidential information including but not limited to trade secrets, intellectual property rights and customer privacy, employees are strictly prohibited to disclose, exploit or use this information to which they have access to, either directly or indirectly. Failure to observe this rule may lead to immediate dismissal without compensation by the Group.

Anti-Corruption

The Group prohibits employees to offer, solicit or accept anything of material value to or from their colleagues, customers, suppliers or other business partners of the Group unless the Group has given its consent. Employees are required to report to the management team through their department manager or the human resources department of incidents or suspected cases of corruption, theft, fraud, embezzlement and money laundering.



OPERATING PRACTICES (CONTINUED)

Legal action will take place immediately and will be arranged by the Group's legal advisor in case of the happening of such incidents. Management will report to the police, the Hong Kong Independent Commission Against Corruption or similar regulatory authorities where appropriate. Pursuant to the Prevention of Bribery Ordinance of the Laws of Hong Kong, there was no concluded legal case regarding corrupt practices brought against the Group or its employees during the Year.



COMMUNITY

Community Investment

The Group recognises the importance of giving back to the community in order to contribute to the local development. Over the years, the Group strongly encourages our employees to volunteer their time and skills to benefit local communities. This gives our employees the opportunities to find out more about the issues of the society and environment and reinforce the Group's corporate values.

