

ESG Report | 2019

Environmental, Social and Governance Report



drive
CHANGE  pico

Pico Far East Holdings Limited Stock Code 752
(Incorporated in the Cayman Islands with Limited Liability)

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Chairman's Message

I am delighted to present Pico's Environmental, Social and Governance (ESG) Report 2019. This is the third such report we have produced since The Stock Exchange of Hong Kong Limited introduced mandatory reporting in 2017, and the seventh since we started reporting our Corporate Social Responsibility ('CSR') commitments and achievements on a voluntary basis in 2012.

We are proud to announce that Pico has received two awards since the start of mandatory ESG reporting:

- 2017: Hong Kong ESG Reporting Awards
– the Grand Award in the Best ESG Report (Small-Cap)
- 2018: The InnoESG Prize

This year, the Group invested heavily in the pursuit of sustainable business practices, guided by the principle that we should not take more than what is necessary from our environment. We invested three million Hong Kong dollars in upgrading our production facilities in China to modernise production equipment, which in turn will reduce emissions and waste.

At the same time, we continued with our strategy of efficiency enhancement – our centralised deployment centre model creates more efficiencies and further reduces our use of resources. This model has produced tangible results in terms of our gross margin in operations in Northern China and we are now rolling out this initiative to Southern China, including Hong Kong. In future, we see this model as a unique competitive advantage for the Group that creates value for all our stakeholders.

Our responsible business practices extend from our internal processes outwards to our clients – allowing Pico to achieve excellence in quality and customer experience while conducting our operations in an ethical manner. This year, the Group's overall client satisfaction level was 97.4%. We also received over 20 industry awards for service excellence.

The Pico Global Care in Action programme allows us to engage with the communities in which we operate as a responsible corporate citizen. The programme's many community and charitable initiatives have been well received and appreciated across these local communities.

This year, our staff development programmes were also implemented from a fresh perspective. Our Adaptive Leadership Workshop series was initiated to develop a succession pipeline of business leaders capable of managing in a 'VUCA' environment – short for 'volatile, uncertain, complex and ambiguous'. Added to our talented people, we also draw strength from our diversity – our offices around the world include a mix of cultures, ethnicities and religious beliefs and provide equal employment opportunities to all genders.

As Pico enters our second half-century of operations, our corporate governance and responsible business practices will act as a solid foundation that will ensure our long-term sustainability. The Board and our management team will continue to develop leading initiatives and programmes, shaped by a culture of care for our environment, our communities and of course our employees.

Lawrence Chia Song Huat
Chairman
Pico Far East Holdings Limited



Sustainability at a Glance

Driving Business Excellence

Celebrating **50** years of business success in 2019

Operations span **35** cities worldwide

Over **20** international awards

Nurturing Our Talent

Some **2,500** permanent employees worldwide

Workforce by gender: Female: **45%** Male: **55%**

Workforce by age: Below 40: **72%** 40-60: **27%** Above 60: **1%**

Pico's Talent Acceleration Programme:
running for over **30** years, with over **1,000** graduates

Caring for Our Communities

30 volunteer activities carried out by our global offices

Awarded the Hong Kong 'Caring Company'
designation for **12** consecutive years

Supported over **8,000** children in need since 2014[#]

Caring for Our Environment

Total energy use was **9,121,770** kWh, or
3,846 kWh per employee in our main operations*

Total carbon emissions were **5,778** tonnes, or **2.4** tonnes
per employee in our main operations*

[#] Total number of children supported through Pico Global Care in Action since 2014.

^{*} The Group's main operations encompass our global offices located in Asia, Australia, Europe, the Middle East, and North America.

Unless otherwise stated, information in this section applies to the Financial Year ended 31 October 2019.

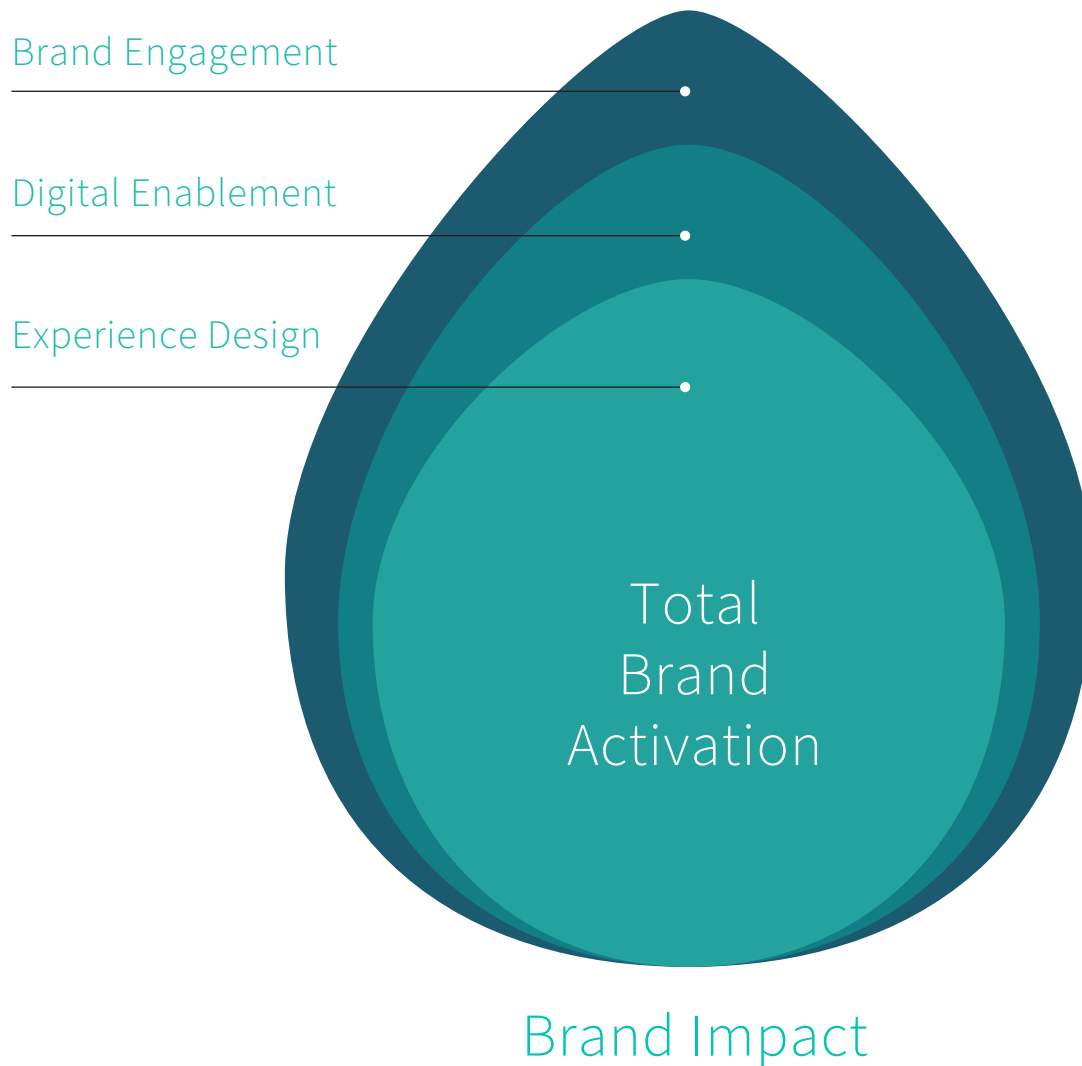
About this Report

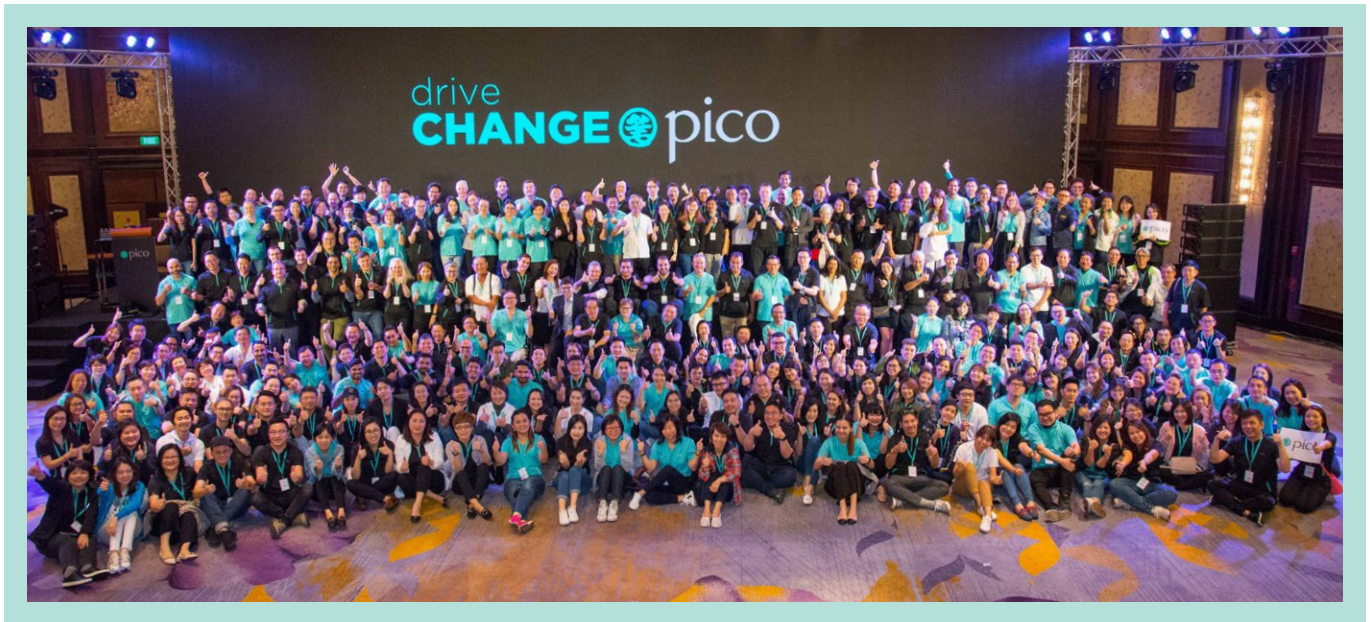
Corporate Profile

Pico is a global total brand activation company listed on The Stock Exchange of Hong Kong Limited ('HKEX') since 1992 (stock code: 752). Over the past five decades, the company has enjoyed significant growth and has developed a presence around the world. Our strength comes from the diversity of our some 2,500 professionals working in 35 major cities worldwide, and from the depth of our understanding of different cultures and industry practices.

Core Business

The Pico Difference





Vision and Mission

Vision

To be a global leader in total brand activation specialising in engaging people, creating experiences and activating brands.

Mission

To deliver innovative and effective solutions for our clients which transform perceptions.



People

We are a cohesive network of knowledge-based professionals who work as a global team to achieve the goals of our clients, our offices and the Group.



Place

We provide harmonious and inspiring workplaces where people can share and contribute equally.



Planet

We are a socially responsible and eco-friendly corporate citizen that takes into account the needs of our people, our community and our planet.



Profit

We add value, create returns on investment and maximise sustainable value for shareholders.

Core Values



Innovation



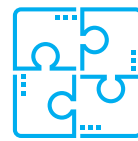
Creativity



Inspiration



Passion



Precision



Harmony

Our Approach

Pico believes in treating our employees, the wider community and the environment with care and respect. The trust of our staff, the support of our stakeholders and the continuing health of the communities we operate in and the environment that surrounds and sustains us have been crucial to the Pico Group's global success. These factors will continue to play an ever greater and more interconnected role in the future.



The Pico Group is committed to working with our business partners in long-term, mutually respectful relationships, now and in the future. By adhering to responsible business practices and ensuring that we create optimal results for our clients, stakeholders, communities and the planet, we aim to drive positive change as we build and sustain a better world for all of us.

The United Nations has developed 17 overarching sustainable development goals ('SDGs') that provide a blueprint to achieve a better and more sustainable future for all. The SDGs which most closely fit with our business model are outlined below and the details are explained in the corresponding sections.





Report Scope and Boundaries

This is the Environmental, Social and Governance ('ESG') report of Pico Far East Holdings Limited and its subsidiaries (the 'Pico Group', 'Pico' and 'the Group').

This report details the Group's ESG commitments, our management's approach to ESG and the Group's overall ESG performance between 1 November 2018 and 31 October 2019 ('this year'), a period which matches the financial year of the Group. This is the same period covered in the Group's annual report.

In order to emphasise our care and respect for our employees, the wider community and the environment, this report covers the global operations of the Group during the above reporting period, unless otherwise stated.

This report has been prepared in accordance with the requirements of the Environmental, Social and Governance Reporting Guide (the 'Guide'), Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ('HKEX').

During the development of this report, Pico engaged with a wide range of stakeholders to ensure that we fulfilled the requirements of the Guide. The information disclosed in this report represents the most relevant ESG issues identified by these key stakeholders, with the issues divided into broad environmental and social categories, as suggested by the Guide.

Going forward, we will continue to communicate our progress and gradually enhance the transparency and scope of our sustainability performance in future reports.

Governance Structure

The Group is governed by the Board of Directors (the 'Board'), which is made up of three executive directors, including the Chairman and four independent non-executive directors. The Board is responsible for setting the strategic direction and policies of the Group to ensure the effective delivery of sustainability-related initiatives. Members of the Board are committed to ensuring that our business operates responsibly and that the Group acts in the best interests of our stakeholders and shareholders.

The Board delegates the day-to-day management of all ESG aspects of our operations to the Corporate Steering Committee, which includes representatives from senior management representing different focuses of our operations. This committee oversees our ESG performance, leads our long-term ESG strategic development and reports back to the Board. Our ESG performance is also reviewed and evaluated regularly.

Top-Down: Delegation

Board of Directors

1. Develops sustainability policies and strategies
2. Ensures sustainability risks and opportunities are integrated into the Group's long-term business plans

Corporate Steering Committee

1. Steers and monitors overall sustainability performance in three key aspects: Environment, Employees and Communities
2. Formulates targets and action plans for operational enhancement and measures to create corresponding effectiveness for regular review

Business and Operating Units

1. Execution and operational performance tracking
2. Law and regulatory compliance

Bottom-Up: Flow of Information

Stakeholder Engagement and Materiality Assessment

Our stakeholders are an integral part of our continuing success: they are both the reason for and the motivation behind this success. Engaging with our stakeholders – including our senior management, employees and others – through multiple channels and on multiple levels allows us to obtain valuable input and feedback. In turn, this allows us to consistently update our procedures, approaches and business practices.

Material topics identified by our stakeholders:

Area	Topic
Responsible Business Practices	Product and Service Quality Ethical Conduct Intellectual Property Rights Protection Confidentiality, Privacy and Data Protection Managing the Environmental and Social Risks of Our Supply Chain
Environment	Protecting Our Environment Environmentally-Friendly Solutions Emissions and Waste Management Driving Environmental Sustainability Promoting Environmental Protection in Our Communities Environmental Performance Summary
Employees	Employer of Choice Diversity and Inclusion Employee Profiles Labour Standards Employee Health, Safety and Well Being Learning and Development Awards and Recognitions
Communities	Supporting Communities through Group-Driven CSR Efforts Engaging Our Clients in Charitable Causes Engaging with Local Communities



RESPONSIBLE BUSINESS PRACTICES

Responsible Business Practices

Committing to best practices ensures not only the success of a business, but that other businesses in the industry will follow their lead. Underpinning the Pico Group's purpose, strategy, reputation and ability to deliver long-term shareholder returns is our clear commitment to responsible business practices.

Product and Service Quality

Client satisfaction

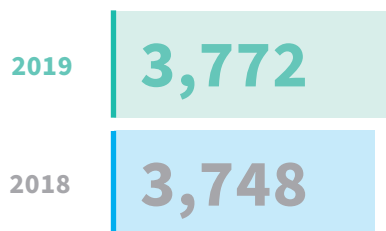
As part of our mission to be our clients' partner of choice, we are constantly working to upgrade and improve our capabilities. One such capability is the Pico Client Care Centre ('CCC'), an important client communication tool. Operated by the Group's headquarters, the CCC centralises the management of client satisfaction surveys for our global offices. All responses, complaints and compliments are reviewed by the Group Chairman and the relevant country and unit heads to ensure that the voices of our customers are heard and handled at the highest levels.

Through a standardised electronic client satisfaction survey, the CCC seeks the views of our clients in several areas: account servicing, design, production, and workmanship. The information obtained by the surveys indicates how each team and each individual has performed, how satisfied our clients are, and how we can make improvements. To ensure as many clients complete the survey as possible, the survey is conducted in a number of languages: Arabic, Chinese, English, Japanese and Korean.

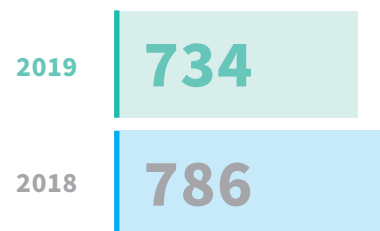
During the reporting period, we reached out to 3,772 clients. The overall client satisfaction level was 97.4%.



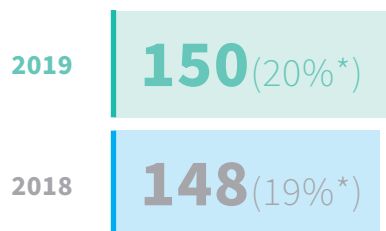
Questionnaires sent



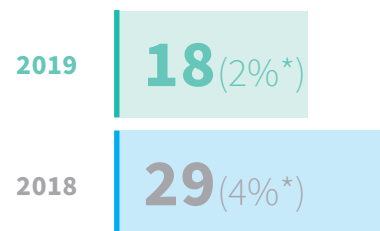
Responses



Compliments



Complaints



* percentage to number of responses

Data for the years ended 31 October

Both the number of compliments and complaints as well as the percentage to the number of responses received indicated an improvement in client satisfaction over the previous reporting period.



Client testimonials

“

“Your expertise and commitment to us can be clearly seen in the way you demonstrate your professionalism.”

— The Italian Chamber of Commerce in Singapore

”

“

“The cooperation is characterised above all by the professional processing and rapid implementation of creative ideas from both sides.”

— Oerlikon Textile GmbH & Co. KG

”

“

“Thank you for all the hard work and dedication for the BAM Festival 2019! We had a challenging yet amazing experience and it was a great pleasure to work with Pico.”

— Mercedes-Benz Hong Kong Limited

”



Standards of production and business operations

We are committed to delivering the highest standard of quality, health and safety. The measures implemented to ensure this include:

- Standardised production processes in our production plants.
- The establishment of Disaster Management Guidelines to deal with emergencies or disasters.
- We are constantly upgrading and improving our capabilities through quality management programmes and certification processes such as ISO9001 Quality Management Certification. More accreditations are listed in the 'International Excellence' section of this report.

During the reporting period, no cases of non-compliance were recorded relating to health and safety and redress handling. Pico continued to act in compliance with all relevant laws and regulations such as the Construction Sites (Safety) Regulations in Hong Kong.

Creating efficiencies through new services and innovations

The progressive and industry-leading initiatives launched in the previous year achieved tangible results during the reporting period. Our centralised deployment centre model, which consolidates project management, procurement and production processes improved our gross margin in operations in Northern China. We are now rolling out this initiative to Southern China, including Hong Kong. In future, we see this model as a unique competitive advantage for the Group that creates value for all our stakeholders.

We continued to implement our digital transformation strategies this year, both externally for our clients and internally in our operations. Drawing on the latest and most appropriate technologies, we worked to develop innovative solutions for our clients. Internally, in addition to continual training to empower our people with new digital capabilities, we also invested in a unified IT system, named Power One, as we rolled out digitalisation across various Group functions. Power One includes automation and a centralised infrastructure used across our entire network, efficiently streamlining procedures and providing the whole Group with data analytic technologies and tools for customer relationship management and client retention.

Ethical Conduct

All individuals associated with Pico are required to conduct themselves in accordance with the letter and spirit of our ethics, anti-corruption practices, anti-money laundering policies, and other policies and guidelines. Under no circumstances do we ever offer or accept bribes or other similar types of consideration, directly or indirectly, during the course of conducting any business. Employees are expected to perform their duties under the Group's Code of Ethics and Business Conduct. Ethical measures implemented include:

- Regular training programmes for staff regarding anti-corruption practices, sound operational practices and business ethics.
- The 'Pico Whistle-blower Line' encourages the reporting of any suspected ethical violations. Any report received will be brought to our Internal Audit Department and Legal and Compliance Department for investigation. The Pico Whistle-blower Line is promoted through regular training and the Group intranet. A set of frequently asked questions is provided to ensure the transparency of the Line's procedures.
- The Code of Ethics and Business Conduct is available on the Group intranet and can be accessed by all staff.

During the reporting period, no legal case or non-compliance case regarding corrupt practices, bribery, extortion, fraud, or money laundering was brought against the Group or its employees. Pico will continue to observe relevant laws and regulations such as the Prevention of Bribery Ordinance in Hong Kong and the Law on Anti-money Laundering in Mainland China.

Intellectual Property Rights Protection

Our Code of Ethics and Business Conduct requires that our employees strictly adhere to established security measures and internal controls which safeguard the integrity and validity of Pico's intellectual property, as well as that of our clients and third parties.

All trademarks and patents are centrally managed by our Legal and Compliance Department. Established management systems ensure the proper protection of intellectual property rights, safeguard the traceability of documents and allow us to remain up to date with the latest relevant laws and regulations.

During the reporting period, no cases of non-compliance were recorded related to intellectual property rights. Pico will continue to act in accordance with the relevant laws and regulations, such as the Trademark Law, Copyright Law and Anti-unfair Competition Law in Mainland China and the Trade Marks Ordinance in Hong Kong.



Confidentiality, Privacy and Data Protection

It is a top priority of the Group to protect proprietary company information and personal data. Our Code of Ethics and Business Conduct and our Personal Data Policy clearly state that proprietary information and personal data about other companies, suppliers and customers must be treated with sensitivity and discretion. Unauthorised disclosure of any confidential information is strictly forbidden and may lead to disciplinary or legal action being taken.

Our information technology policies include measures which strengthen information security and minimise the risk of information leakage. These include:

- Installation of anti-virus software and computer firewalls.
- Mandatory periodic changes of passwords.
- Provision of cyber-security training to employees.

Any exceptions or irregularities should be reported and followed up according to established policies. Our Legal and Compliance Department provides internal education and monitors and implements any relevant consumer data protection and privacy policies.

During the reporting period, no cases of non-compliance were recorded related to confidentiality, privacy or data protection. Pico will continue to act in accordance with the relevant laws and regulations, such as the Personal Data (Privacy) Ordinance in Hong Kong.

Managing the Environmental and Social Risks of Our Supply Chain

The Group is committed to reducing, as much as possible, the environmental and social risks inherent in our supply chain in every part of the world. The Pico Group Environmental Policy specifies that the environmental performance of our suppliers and our partners is one of our highest concerns. Our stringent sourcing process ensures that our production materials are as environmentally friendly as possible.

Regarding social risks, our goal is to ensure that everything the Group and our suppliers and partners do is consistent with good and ethical business practices. Our Code of Ethics and Business Conduct requires that our personnel and suppliers comply with all applicable anti-bribery and corruption laws for all our offices. The selection of our partners, subcontractors and suppliers is made using objective and impartial criteria.

Measures to ensure the proper management of environmental and social risks along the Group's supply chain include:

- Evaluations of suppliers regarding their environmental and social risks. The results of these evaluations form the basis of our supplier selection process.
- Use of an automated vendor tendering platform to ensure fair and transparent vendor selection processes.
- Requiring approved vendors to sign an integrity agreement.
- Regular visits to vendor managers to ensure that our relationships are sustainable, cooperative and have integrity.



ENVIRONMENT



Environment

Today, protecting the environment should be a top responsibility for every corporation. Pico believes that addressing and mitigating the environmental impact of our operations is an essential part of doing business, and this requires our continuous attention and effort as we work to address important environmental issues like global climate change, pollution and the overuse of natural resources.

Protecting Our Environment

Pico is committed to the principles of sustainable development. Our Group Environmental Policy outlines our commitment to:

- Using water, electricity and other natural resources efficiently.
- Properly disposing of waste and reducing our emissions into the atmosphere.
- Reducing the use of energy in our daily operations and in the development, production, marketing, and distribution of our products and services.

Our eco-friendly approaches are built around the '3Rs' philosophy: Reduce, Reuse and Recycle.

During the reporting period, there were no non-compliance incidents in relation to air or greenhouse gas emissions, discharges into water or on land, and the generation of hazardous and non-hazardous waste. Pico will continue to observe all relevant laws and regulations, such as the Environmental Protection Law, the Atmospheric Pollution Prevention and Control Law, and the Prevention and Control of Environmental Pollution by Solid Waste Law in Mainland China.

In 2019, our Dongguan production plant held an Open Day where our suppliers, project team members and production plant staff exchanged information on the latest production trends, including eco-friendly production techniques and materials.

Environmentally-Friendly Solutions

Disclosures in this section support SDG Target 12.2: By 2030, achieve the sustainable management and efficient use of natural resources.

Part of the Group's business involves providing custom-made solutions for our large and diverse client base. Within this business model, we offer 'eco-positive' encouragement to our clients, suggesting that they adopt eco-friendly solutions. We also adopt eco-friendly practices in our offices and production plants to minimise the impact of our business on the environment.

Reducing the use of wood

Wood is frequently used for structures and furniture throughout our operations. Measures taken in several offices to ensure the efficient use of wood include:

- Use of a standardised, reusable system for structures like wall frames, platforms and counters to reduce wood use.
- Use of the Pico-branded SMART Lightbox, a reusable lightbox containing no wooden materials.
- Use of reusable LED screens and light projectors to reduce the use of wooden display materials.
- Use of furniture made from reclaimed wood.
- Use of advanced cutting machines and optimised software to ensure that wood products are cut accurately to minimise wood waste.

- Larger wood scraps are either used to make smaller panels or used as structural supports in exhibition and event projects.

In 2019, our Beijing office implemented a reusable hanging board system which translated to an estimated savings of 40 tonnes of wood, equivalent to not cutting down 160 trees.

Reducing electricity consumption

Electricity is by far the most significant energy resource consumed in our offices and production plants, and also our largest source of carbon emissions. Measures taken in several offices to ensure the efficient use of electricity include:

- Conducting electricity audits to create benchmarks for improvement.
- Use of solar powered lights in outdoor areas to harness solar energy.
- Replacing traditional lights with LED lights in offices and signage products and removing unnecessary lights.
- Scheduling production in batches to optimise electricity consumption.
- Setting timers, temperature controls and motion sensors on lights and air conditioners.
- Setting computer screens to 'default off when idle' mode.
- Posting reminders to raise staff awareness of the importance of reducing electricity usage.



During the year under review, our main operations recorded a reduction in electricity consumption of 6% (by floor area), which resulted in a 7% reduction in total greenhouse gas emissions (by floor area) over the previous reporting period. The details of this drop are set out in the Environmental Performance Summary section of this report.

Use of water

We are committed to using water resources efficiently in our offices and production plants. Our water efficiency initiatives include:

- Controlling water pressure and using push-type water taps to avoid unnecessary water wastage.
- Water used in the water curtains of spray paint booths in our production plants is reused in a water circulation system.
- Posting reminders to raise staff awareness about the importance of conserving water.

During the year, our main operations recorded a 31% reduction in total water consumption per employee over the previous reporting period. The details of this drop are set out in the Environmental Performance Summary section of this report.

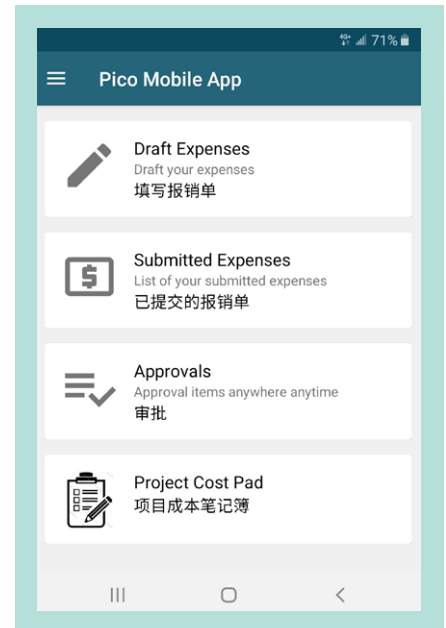


Use of paper

Measures taken in several offices to ensure the efficient use of paper include:

- Use of digital communications and operations, like using mobile applications for internal approval flow, and digital platforms to replace traditional paper-based orders at exhibitions where Pico is the official service provider.
- Centralised paper ordering system to simplify paper usage monitoring.
- Use of the ‘tap and print’ function – whereby documents are only printed when staff physically tap on printers – to reduce accidental printing.
- Use of e-greeting cards to send holiday greetings to clients and other stakeholders.
- Posting of staff reminders to save paper and providing bins to promote reuse and recycling efforts.

During the reporting period, our main operations recorded a reduction of paper consumption per employee of 1% over the previous reporting period. The details are set out in the Environmental Performance Summary section of this report.



In Hong Kong, we supported a Chinese New Year red packet recycling programme run by Greeners Action, which helped to reduce paper waste from the festival.

Use of other resources

Apart from those mentioned above, the events and exhibitions industry traditionally uses significant amounts of resources to create the right ambiance and ensure excellent audience experiences. Pico encourages all our clients to reuse items wherever possible. In cases where items cannot be reused, we pursue other options.

Ultimately, our clients make the final decision regarding the methods and materials used in their solutions, but thanks to increasing public awareness and support for environmentally-friendly initiatives, more clients are adopting eco-friendly approaches. To build further awareness, we have allocated space on our Pico Group website, www.pico.com, where we circulate eco-friendly case studies under the ‘Sustainability’ subheading.

Eco-friendly solutions provided to clients or adopted in our operations include:

- Replacing water in single-use plastic bottles with reusable water carboys at exhibition and events.
- Use of biodegradable plastic rubbish bags in convention centres under our management.
- Used furniture and equipment are sold on an online second-hand goods platform to give these items a second life.
- Reuse of carpet, utensils, furniture, and a wide variety of other decorative items.
- Removing single-use plastic straws from our office canteens.
- Placing recycling bins in exhibition halls and offices during installation and dismantling work.

Pico's client Everlight Chemical won the Diamond Award at the e-Touch Green Decoration Design Awards for their booth at the Touch Taiwan Display International 2019, thanks to our use of eco-friendly counters and separation of waste for recycling.

During the year, 8.2 tonnes of glass used at various exhibition booths in China was collected after the shows and sent to a certified glass recycling company.



After an auction and a show held in Hong Kong, five tonnes of used glass, two tonnes of catalogues and 30 kg of wooden board were collected and sent to a recycling company.

Reducing our carbon footprint

In addition to the measures taken to reduce our impact on the environment, the Group also took the following steps to reduce our carbon footprint this year:

- Implemented a standard video conferencing system globally which allows all offices to communicate and share documents digitally. This has substantially reduced the need to travel for meetings.
- Our offices in Hong Kong and Beijing now have electric vehicle charging stations, providing an incentive for staff to drive electric cars instead of petrol-powered cars.



Emissions and Waste Management

Disclosures in this section support SDG Target 12.5: By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.

The Group is committed to reducing the impact of the emissions and waste produced by our business activities. Air emissions produced by our operations are primarily exhaust gases generated from sawing, spray painting and welding at our production plants in Beijing, Dongguan and Shanghai; while the major source of greenhouse gas emissions is electricity consumption in our offices. Measures taken to reduce and control the consumption of electricity have been explained in previous sections.

Measures taken to reduce the pollutants generated from spray painting include:

- Using of coloured aluminium composite panels, flame retardant cloth, melamine-faced board, UV board and wallpaper instead of ordinary timber, which requires more paint during finishing work.
- When spray painting is still needed, we promote the use of water-based paints instead of oil-based paints, as water-based paints contain lower levels of hazardous substances.



In compliance with local laws and regulations, all emissions are treated before being discharged:

- Exhaust gases are treated by filtration systems such as activated carbon absorption, water curtain spray paint booths, wet spray de-dusting towers and UV photocatalyst purifiers.
- Filtered exhaust gases are discharged at high altitudes in compliance with local laws and regulations.

In our production plants, various types of hazardous waste are generated. These are mainly used activated carbon generated during exhaust gas filtration, wastewater used in water curtain spray paint booths, and paint buckets which contain paint residue. Measures taken to minimise the generation of these waste products include:

- Wastewater is reused until the hazardous chemicals it contains reach a certain concentration.
- Paint buckets are reused whenever possible.

All hazardous waste is collected and processed by qualified waste disposal companies which comply with relevant government regulations.

The Group's business operations also generate non-hazardous waste products, mainly wood scraps from our production plants and paper from our offices. These waste products are either reused or passed to qualified parties for recycling whenever possible. Other measures to ensure the efficient use of wood and paper are described in the previous section.

Our emissions of exhaust gases and generation of hazardous and non-hazardous waste from production plants remained steady compared with the previous reporting period. The details are set out in the Environmental Performance Summary section of this report.

During the reporting period, a waste audit was conducted in our Singapore office. The data from the audit has facilitated our source reduction of waste. For example, we replaced the plastic water bottles in most meeting rooms with a water jug and cups, and provided office snacks in bigger packages instead of using individually-packaged snacks. More mini-recycling bins were also provided throughout the office to help build stronger recycling habits in staff. Our Singapore office conducted an eco education workshop which helped our staff explore moving towards a zero-waste lifestyle.



Driving Environmental Sustainability

Many of our clients' activations have a strong sustainability component. As our clients' advocate and partner, we are often able to help organise, facilitate and participate in these activities which contribute to global environmental protection.

These activities include:

Eco-friendly ideas promoted	Activities involving our clients
New energy vehicles	The 3rd Hainan New Energy & Electric Vehicles Exhibition 2018 in China 2019 World New Energy Vehicle Congress in China Auto Shanghai 2019 in China
Water conservation	A sewage treatment plant museum in China
Greening	The 21st Hortifloorexpo IPM Shanghai in China
Sustainable urbanisation	The World Urban Forum in Malaysia

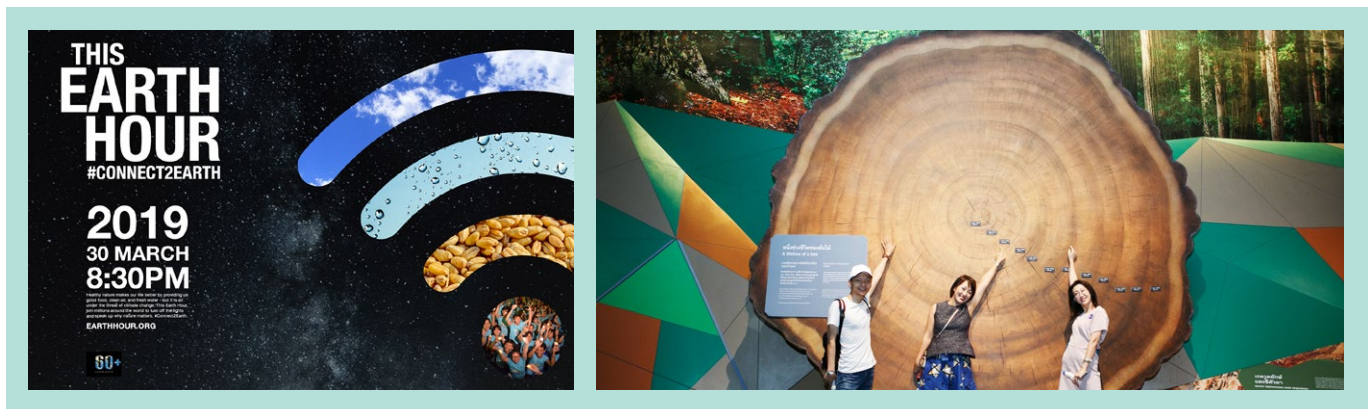
Promoting Environmental Protection in Our Communities

Disclosures in this section support SDG Target 13.3: Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.

Pico and Earth Hour 2019 #Connect2Earth

Every year since 2014, Pico has supported WWF's Earth Hour. For one hour starting at 8:30pm (local time) on 30 March 2019, Pico mobilised offices and subsidiaries in over 30 cities around the globe to switch off their non-essential lights and electronic devices to add their voices to Earth Hour, one of the world's largest grassroots environmental events.

As well as joining in the 'switch off' action, Pico encouraged more people and businesses to participate, by spreading the '#Connect2Earth' Earth Hour campaign tag on social media, and by providing special e-cards for staff to send to clients and friends.



The Rama 9 Museum: a group visiting to a new environmental icon

In December 2019, delegates at the annual Pico Group International Conference, held in Bangkok, visited the ecology-themed Rama 9 Museum as part of our annual Pico Global Care in Action initiative. The aim of the visit was to enhance their awareness of the importance of conserving and preserving nature and natural resources.

During the visit, our conference delegates were taken through the museum's three main galleries – 'Our Home', 'Our Life' and 'Our King' – where exhibits showed the sustainable and balanced connections between humans and nature in Thailand and every biome on Earth, as well as the scientific and nature-oriented ideas of His Majesty the late King Bhumibol Adulyadej.

Highlights of our environmentally-focused activities appear below:

Activity	Engaging Organisation	Office
Planting of over 700 trees in Beijing, Guangzhou and Kuala Lumpur.	Qinglong Gorge, Nansha Wetland Park and Taman Tugu Park	Beijing, Guangzhou and global offices respectively
The Sustainability in Events Forum – streamed live on Facebook – gathered industry peers to create a framework and policy guidelines for the industry, and to explore how to make events more sustainable.	Industry peers	London
'Run Together Joy Together' – 180 staff from Pico Thailand and their subsidiaries, associates, partners, and suppliers participated in a fun run, raising THB500,000 to promote the protection and conservation of wildlife and wild forests in the country.	Seub Nakhasathien Foundation	Bangkok
30 staff from Pico UAE kayaked in the Eastern Mangroves, one of Abu Dhabi's major nature reserves, and helped to clear plastic waste and other rubbish.	Emirates Nature-WWF and the Noukhada Adventure Company	Dubai



Environmental Performance Summary

HKEX ESG Reporting Guide Reference	Indicator	Unit	Year ended 31 October 2019	Year ended 31 October 2018 ^{#5}
KPI A1.1	Emission of exhaust gas from production plants ^{#1}	kg	468	480
KPI A1.2	Greenhouse gas (GHG) emissions from main operations ^{#2, #3}			
	Indirect emissions (Scope 2 ^{#4})	tonnes	5,778	5,429
	– purchased electricity ^{#2}			
	GHG emissions per employee ^{#2}	tonnes/employee	2.4	3.6
	GHG emissions per floor area ^{#2}	tonnes/m ²	0.04	0.05
KPI A1.3	Total hazardous waste produced in production plants ^{#1}	tonnes	6	6
	Total hazardous waste produced per floor area in production plants ^{#1}	kg/m ²	0.09	0.09
KPI A1.4	Total non-hazardous waste produced from main operations – paper ^{#2}	tonnes	21	14
	Paper consumption per employee ^{#2}	kg/employee	8.9	9.0
	Total non-hazardous waste produced from production plants – wood scraps ^{#1}	tonnes	79	77
	Total non-hazardous waste produced per floor area of production plants – wood scraps ^{#1}	kg/m ²	1.2	1.1
KPI A2.1	Indirect energy consumption in main operations ^{#2}	kWh	9,121,770	8,456,431
	Indirect energy consumption per employee ^{#2}	kWh/employee	3,846	5,574
	Indirect energy consumption per floor area ^{#2}	kWh/m ²	67	71
KPI A2.2	Water consumption in main operations ^{#2}	m ³	42,510	39,899
	Water consumption per employee ^{#2}	m ³ /employee	18	26
	Water consumption per floor area ^{#2}	m ³ /m ²	0.31	0.34

Remarks:

- #1 These production plants are located in Beijing, Dongguan and Shanghai.
- #2 For the year ended 31 October 2018, the data was collected from our main operations, which refers to our operations in Beijing, Dongguan, Hong Kong, Shanghai, and Singapore. For the year ended 31 October 2019, the data collected was extended to include other global offices located in Asia, Australia, Europe, the Middle East, and North America. This has led to an increase in the total amount of waste produced and resources consumed.
- #3 Given that 1) our major energy source is purchased electricity, 2) we do not own a significant number of vehicles, and 3) we do not conduct other business activities involving significant direct emissions, the data on our Scope 1 ^{#4} emissions is not significant and thus has not been disclosed.
- #4 The scopes of emissions are defined in accordance with the international reporting framework published by the World Resources Institute/World Business Council for Sustainable Development, as reported in *The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard*. The GHG emission data is presented in carbon dioxide equivalent units.
- #5 Figures for the year ended 31 October 2018 have been restated according to latest information collected.



EMPLOYEES



Employees

Our talented, passionate and determined people are the driving force behind Pico's 50 years of constant growth and success. Pico's fast-paced, inclusive and exciting company culture attracts visionary thinkers and team players, while our management team nurtures talented people, helping them grow with the organisation through a clear and well-defined career advancement plan.

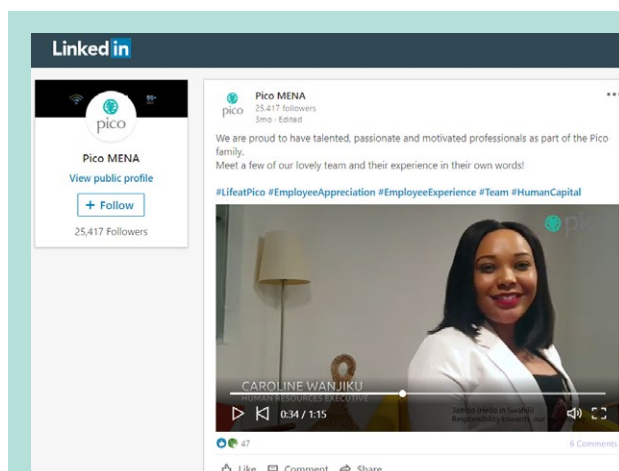
Employer of Choice

Our aspiration to become an employer of choice for our people is outlined in the Pico Group Corporate Social Responsibility Global Guidelines and Policy. This document explains how our vision is to be a harmonious and inspiring place where everyone can share and contribute so as to continuously attract and retain talent worldwide.

Every Pico office is obliged to provide all staff with a safe, healthy and caring environment. The measures taken to fulfil these obligations include:

- Systems which quickly identify employees with business acumen and leadership qualities and help them reach their full potential.
- Employee performance is evaluated during annual appraisals. This builds mutual understanding and serves as a basis for salary adjustments.
- Transparent compensation, dismissal, recruitment and promotion practices that take into consideration various factors spanning four perspectives: Financial, Customer, Internal Process, and Learning and Growth. Collectively, these factors are known as Pico's Balanced Scorecard – a performance measurement system adopted in all our offices around the world.
- Presentation of a long service award to staff who have worked at the Group for five or more years, with staff receiving recognitions every five years. As at the end of the reporting period, 39% of our staff had been with the Group for more than five years, and 18% for more than 10 years.

During the reporting period, there were no non-compliance incidents relating to compensation, dismissal, recruitment and promotion, welfare, or other benefits. Pico will continue to observe all relevant laws and regulations, such as the Labour Law in Mainland China, the Employment Ordinance in Hong Kong and the Employment Act in Singapore.



The Pico MENA team shared their enthusiasm for the company on social media.



A nail service and leather workshop was held in our Singapore office in appreciation of our professional administrative staff.

Diversity and Inclusion

Disclosures in this section support SDG Target 5.5: Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life. They also support SDG Target 10.2: By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.

The Group is committed to providing equal opportunities to all staff in terms of employment, learning and development, career progression, welfare, and benefits programmes – regardless of race, colour, religion, gender, age, disability, family status, nationality, or employability status. As stated in our Corporate Human Resources Manual, all employees are treated as individuals and are assessed solely based on their capability to perform to expectations.

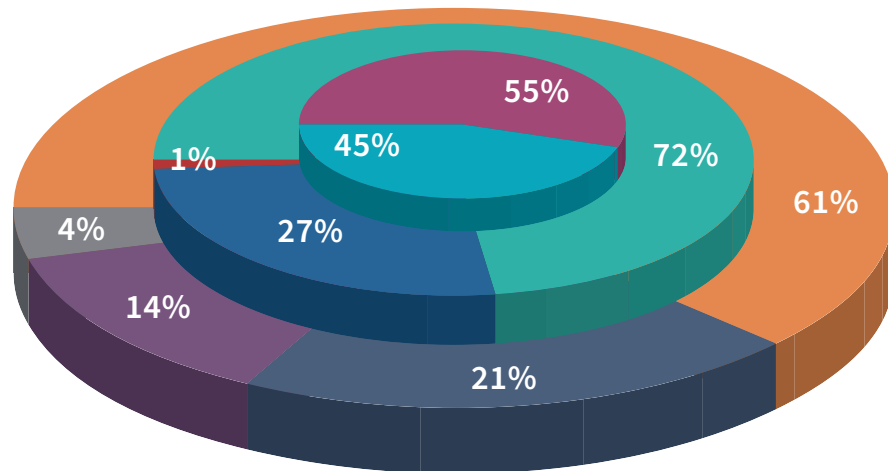
Discrimination in any form is prohibited in all areas of our business, including recruitment, remuneration and opportunities for promotion. We also strive to provide an inclusive working environment for employees with special needs.

During the reporting period, no cases of non-compliance were recorded related to equal opportunities, diversity or anti-discrimination. Pico will continue to observe all relevant laws and regulations, such as the Law on the Protection of Women’s Rights and Interests in Mainland China; and the Family Status Discrimination Ordinance, the Disability Discrimination Ordinance and the Race Discrimination Ordinance in Hong Kong.

Employee Profiles

The Group

Total Workforce
some **2,500**



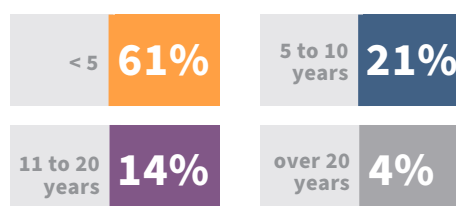
Breakdown by gender



Breakdown by age



Breakdown by years worked at Pico



The charts depict full-time, permanent employee figures as at 31 October 2019.



Labour Standards

It is a Group-wide policy that all our entities strictly comply with all employment and related legislation in every place that we operate. Child and forced labour are strictly prohibited in every geography, and we conduct stringent identity verification procedures during the recruitment process. We also strictly comply with laws and regulations on working hours and rest periods. The details of these procedures appear in our Corporate Human Resources Manual.

During the reporting period, no cases of non-compliance were recorded related to labour standards on working hours, rest periods, child and forced labour. Pico will continue to observe all relevant laws and regulations regarding working hours and rest periods, including the Decision of the State Council on Working Hours of Workers and Staff in Mainland China, the Employment Act in Malaysia, and the relevant laws and regulations regarding child and forced labour, such as the Law on the Protection of Minors and Provisions on the Prohibition of Using Child Labour in Mainland China and the Employment Ordinance in Hong Kong.

Employee Health, Safety and Well Being

Disclosures in this section support SDG Target 3.4: By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being.

Health, safety and well being is a priority for everyone in the Group. We keep a close eye on current and upcoming developments in safety legislation in all our jurisdictions to ensure that we continuously meet our obligations. Our Corporate Human Resources Manual sets out the Group's health and safety commitments in detail.

The Group has established health and safety committees in all our major operations. These committees perform on-going reviews of our management systems and policies, including the Safety Policy in Hong Kong, the Factory Safety Control in Shanghai and the Emergency Handling Procedure in Dongguan. Comprehensive regulations and guidelines have been established for different types of operations involving fire, electricity, machines and other practices. Emergency Response Teams have also been established to handle emergency incidents.

Other measures taken in several offices to ensure occupational health and safety include:

Health and well being

- Providing physical examinations and free vaccinations to employees.
- Adjustable-height desks in offices which allow staff to work using their bodies' optimal neutral posture – this reduces fatigue and the risk of injury caused by working in one position for too long.
- A health check-up kiosk lets staff regularly monitor the condition of their health.
- Reminders posted in our offices to raise awareness about fitness and healthy lifestyles.
- Regular activities and forums for staff on topics like physical fitness, yoga and healthy diets.
- Activities like art workshops, happy hour gatherings, incentive trips, and other social activities prioritise the mental health of our staff.



Adjustable-height desks in offices



Raising awareness about healthy lifestyle



Every year, teams of paddlers made up of staff from around South China compete in the annual Dragon Boat Festival in Hong Kong.



Our London office conducts 10 minutes of stretching exercises every day to improve mobility and overall health.

Safety

- To keep Hong Kong staff involved in fabrication and other construction-related duties safe, they receive a Construction Industry Safety Training Certificate. In 2010, Pico became the first exhibition industry practitioner in Hong Kong to receive a qualification to conduct mandatory basic safety training and revalidation courses and to issue these certificates.
- Automated external defibrillators are installed in our workplaces.
- On-site workers are required to wear protective clothing and equipment such as protective masks, goggles and earmuffs where necessary.
- Fire drills and other safety training exercises are conducted regularly to ensure employees are 'safety aware' and prepared for any emergencies.
- Production facilities and on-site safety conditions are regularly inspected by safety officers.
- Representatives from the Occupational Safety and Health Council visited our Hong Kong office to conduct a workshop on how to manage and avoid muscle pain related to office work.

During the reporting period, no cases of non-compliance were recorded related to providing a safe working environment and protecting employees from occupational hazards. Pico will continue to observe the relevant laws and regulations, including the Occupational Safety and Health Ordinance and the Fire Safety (Commercial Premises) Ordinance in Hong Kong, Measures for the Supervision and Administration of Employers' Occupational Health Surveillance and Law on the Prevention and Control of Occupational Diseases in Mainland China and the Fire Safety Act in Singapore.

Learning and Development

Disclosures in this section support SDG Target 4.4: By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.

Pico believes in helping all our staff grow and realise their true potential. We offer a number of programmes to help our managers and staff with their careers and personal development. Our commitment to nurturing the growth of our employees is reflected in our Balanced Scorecard, mentioned earlier, which includes Learning and Growth as one of the four performance measurement parameters.

Our local learning and development programmes are an important part of the career path for our high potential employees, while numerous corporate training courses enhance the skills and abilities of all our employees. These include:



- Our Talent Acceleration Programme ('TAP'), an intensive two-week course which brings together young and talented managers from across the world. Having run 35 editions over the past 30+ years, TAP has over 1,000 graduates and has evolved into different versions to meet the specific needs of target participants, including an advanced version for senior executives. Run by university professors and internal and external trainers, TAP covers project management, customer relationship management, leadership, and creative sales techniques.



- The Adaptive Leadership Workshop series is part of our strategic programme to create a succession pipeline of future leaders. Through the workshops, 16 high potential employees were identified and received training during the reporting period.
- Training programmes that are either developed and delivered in-house or provided by local and overseas external training organisations, covering aspects such as industrial and technical knowledge, health and safety, business administration, and other types of internal knowledge sharing.
- Inviting academic professionals to speak at the Group's annual conferences. Over the years, their insights and comments on our work have provided valuable lessons.
- Providing staff with e-learning platforms to make learning easier and more effective.
- Producing in-house learning materials to pass on valuable experience and knowledge.
- Providing staff rotation opportunities to broaden their horizons and leverage our global network.



"After the training, I got to see a different perspective on leadership, and I found it very useful to identify and tackle adaptive challenges from real work."

— Daniel Wu from Pico Hong Kong, participant in the Adaptive Leadership Workshop



"This has given me great perspectives, insight into the ways things operate in other countries and markets, allowed me to experience new types of projects, work with diverse client needs, and adapt to different cultural work styles."

— Audrey Ho from Pico Malaysia, who went to Shanghai and Hong Kong through the staff rotation programme



"Being in a different environment pushed me to communicate and collaborate in a different environment with new people."

— Bryce Clarke from Pico Australia who joined a two-week exchange programme to gain exposure to life in Singapore



Awards and Recognitions

Pico strives to be a role model and display leadership in our industry in every area that we can. We are honoured to have been recognised for our efforts during the reporting period through a number of awards.

Below are some highlights from this year:

- '10 Years + Caring Company' logo, given to us by the Hong Kong Council of Social Services in recognition of our good corporate citizenship in caring for the community, our employees and the environment.
- The Breastfeeding Friendly Workplace 2019/2020 certificate, given by UNICEF, Department of Health and the Food and Health Bureau in Hong Kong.
- 2017-2019 Manpower Developer, given by Hong Kong's Employees Retraining Board in recognition of our outstanding achievements in manpower training and development. Pico Hong Kong has been accredited as a Manpower Developer multiple times since 2013.
- Happy Company 2019 from 'Happiness-at-Work' Promotional Scheme by the Hong Kong Productivity Council and the Promoting Happiness Index Foundation. We have received this award for five consecutive years.
- 'Good MPF Employer 5 years' and 'MPF Support Award' by the Mandatory Provident Fund Schemes Authority of Hong Kong, given in recognition of our efforts to enhance our employees' retirement protection.
- Joyful@Healthy Workplace, given by the Occupational Safety and Health Council of Hong Kong.
- The bizSAFE STAR certificate (Singapore), given in recognition of our excellence in workplace safety and health management systems. This is the highest level of this certificate series.





COMMUNITIES

Communities

Disclosures in this section support SDG Target 1.5: By 2030, build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters.

We believe in giving back to the communities in which we operate. Our Pico Global Care in Action initiative involves staff over the world in a wide variety of community-focused activities – from engaging in charity work and sponsorship activities, to donating time, money and effort to causes like disaster relief and initiatives which improve health and education in communities in need. During the reporting period, Pico Global Care in Action conducted a total of 30 volunteer actions.

Supporting Communities through Group-Driven CSR Efforts

The annual Pico Group International Conference, held every year in cities around Asia, illustrates how Pico Global Care in Action is truly a group effort. Every year during the conference, delegates conduct different outreach and fundraising activities to support local children's education and medical programmes.

This year, we organised the Pico50 Run for our staff. The Run was a celebration of our milestone 50th anniversary and a fun way for our staff to stay in shape. The Pico50 Run was held over four months in 2019. Participants needed to reach a target of 50km or more by running at any time and anywhere, keeping track of their runs on any fitness app or fitness device then uploading screenshots of these records to the Born to Run website.

The event also, as part of an initiative by Pico Global Care in Action, helped Pico staff around the world raise funds for the Child's Dream to support a project – the Children's Medical Fund – which works to cover disadvantaged children's medical needs in the Mekong sub-region. Together with the Group's global fund-raising initiatives, a total of THB280,000 was raised for the Children's Medical Fund in 2019. Pico Global Care in Action and our other CSR initiatives demonstrate how we not only give back to communities, but how these initiatives allow us to stay aligned with the Group's staff development policy, of which building character is an important element.

“Since the event, most of us have continued to run and live a healthier lifestyle. Taking part in the Pico50 Run has also encouraged my teammates in Singapore office to run together weekly. But what made the event most meaningful for me was the fact that it supported the medical needs of underprivileged children in the Mekong sub-region.”

— Simon Lee, the Pico50 Run Top Runner



Supporting children's education and medical programmes



Pico50 Run runners



Engaging Our Clients in Charitable Causes

Our corporate client satisfaction survey is part of an on-going CSR initiative, which continued to be a major income stream for Pico Global Care in Action during the reporting period. Whenever a survey is completed by our clients, the Group makes a donation to Pico Global Care in Action. Income from this initiative generates funds for people in need and makes more clients aware of our CSR efforts, creating a virtuous cycle and helping set an example for the industry.

Also during the reporting period, hotel bookings made through the Group website (www.pico.com) via our affiliate partner Booking.com continued to generate commission revenue to support Pico Global Care in Action.

Engaging with Local Communities

On top of making donations to numerous charitable organisations throughout the reporting period, Pico staff in local offices around the world also participated in a wide variety of CSR activities, giving back in their own regionally-appropriate ways. These activities included child and youth development, caring for the elderly, and servicing the needs of local communities.

Child and youth development

Young people are the future of humankind and should be given every opportunity to live healthy, happy and productive lives. During the reporting period, our local offices continued to support child and youth development through donations of money and materials, and through physical visits to children to spread love and care.

Activity	Engaging Organisation	Office
Donated RMB20,000 and organised a staff visit to Shunyi Children's Welfare Homes in Beijing.	Shunyi Children's Welfare Homes	Beijing
Supported a talent development programme run by the World Peace Association by inviting children from the disadvantaged families to conduct a ukulele performance, raising a total of NTD249,500.	World Peace Association	Taiwan



Caring for the elderly

In cultures across the world, elderly people are treated with reverence and respect. As a way of thanking the older generation for the contributions they have made to the next generations, our local offices initiated a variety of visits focusing on caring for the elderly.

Activity	Engaging Organisation	Office
Over 50 staff and elderly people celebrated the Lantern Festival together at an elderly centre.	The Antingzhen Huangdu Jing Lao Yuan elderly centre in Shanghai	Shanghai
30 elderly people and Pico staff members celebrated the Mid-Autumn Festival together. Our staff also shared hand-made fragrant bricks and Ruyi knots with the elderly.	The Salvation Army's Tai Po Multi-Service Centre for Senior Citizens	Hong Kong
Sponsored the 'Grand Champions Elder Appreciation Photography Competition' and associated photography exhibitions, which promoted expressing respect for the elderly.	Mighty Oaks Foundation	Hong Kong



Servicing the needs of local communities

We are committed to making the world a better place in every aspect. During the reporting period, our local offices initiated a number of programmes to help address the needs of the local communities in which we operate.

Activity	Engaging Organisation	Office
Joined 'Love Teeth Day', raising funds to help people in need obtain access to oral health services.	The Community Chest of Hong Kong, The Hong Kong Dental Association and Oral Health Education Division of the Department of Health	Hong Kong
Participated in the 'Muse Fearless Dragon Charity Run' to promote an inclusive society.	Hong Kong Network for the Promotion of Inclusive Society and Fearless Dragon	Hong Kong
Supported a food waste reduction campaign by signing the 'Green Mid-Autumn Festival Food Saving Pledge' and donating mooncakes that were then distributed to the underprivileged.	Food Grace	Hong Kong



Activity	Engaging Organisation	Office
Donated 464 gifts which included clothes, sweaters, scarves, hats, shoes, school bags and toys.	Beijing Migrant Workers Home Cultural and Development Centre	Beijing
Purchased 270 local products in a drive to alleviate poverty.	Beijing Federation of Industry & Commerce; Beijing Poverty Alleviation Support Organisation; Beijing Municipal Commission of Housing and Urban-Rural Development; Beijing Municipal Commerce Bureau; Beijing Haidian District People's Government; and Beijing Guangcai Program Promotion Association	Beijing
Competed alongside more than 50 teams in the Bloomberg Square Mile Relay to raise funds for the local community for addressing various social challenges.	Bloomberg	Beijing
Participated in a campaign to help with road safety and urban environmental management.	Publicity Department of Anting Town, Jiading District	Shanghai
Participated in a blood donation drive.	National Health Commission	Shanghai
Sponsored a 2,968 sq. m. space at our Yangon Convention Centre for a charity show in which locally-famous actors performed to raise funds for victims of a flood in southern Myanmar.	Hnin Si Yin Kwin Foundation	Yangon
Made a monthly donation of necessities which varied according to seasonal needs, such as blankets and clothes.	Vineyard Community Centre	London
Sponsored the supply of equipment for the Ohana Project's 'Behind the Mask' programme, which promotes mental health awareness.	Institute of Mental Health, Chokolaate Magazine and others	Sri Lanka
Raised AED5,000 for #PINKtober Breast Cancer Awareness Campaign to support breast cancer patients and fund pioneering research in the United Arab Emirates.	Al Jalila Foundation Brest Friends	Dubai



International Excellence

The majority of our offices have received several quality, environmental management and other professional accreditations.

Sustainability	
2017: Hong Kong ESG Reporting Awards – the Grand Award in the Best ESG Report (Small-Cap)	Pico Group
2018: The InnoESG Prize	Pico Group
Responsible Business Practices	
ISO 9001 Quality Management Certification	Pico Australia Pico Beijing Pico Dongguan Pico Dubai Pico Hong Kong Pico Malaysia Pico Shanghai Pico Singapore Pico Thailand A.E. Smith Shanghai
ISO 27001 Information Security Management System Certification	Pico Beijing
Hong Kong Airlines ‘2018 Best Partner Award’	Pico Taiwan
The Grand MVPRO award at the PRO Awards 2019	Infinity Marketing Team
MACEOS Business Events Excellence Awards 2018	Pico Malaysia
Bronze at 2019 Dragons of Malaysia	Pico Malaysia
Special Events Magazine’s 2019 Annual List of 50 Top Event Companies	Pico Group
10 Awards, including Event Agency of the Year at Marketing Magazine’s Marketing Events Awards 2019 in Singapore	Pico Singapore
Gold ‘Event Agency of the Year’ and ‘Local Hero’ awards at Marketing Magazine’s Agency of the Year (AOTY) Awards 2019 in Hong Kong	Pico Group



Environment	
ISO 20121 Event Sustainability Management Certification	Pico Taiwan
ISO 14001 Environmental Management Certification	Pico Beijing
	Pico Dongguan
	Pico Dubai
	Pico Malaysia
	Pico Singapore
	A.E. Smith Shanghai
LEED Silver member	Pico Dubai
Emirates Green Building Council member	Pico Dubai
Wastewi\$e Certificate from the Hong Kong Green Organisation Certification	Pico Hong Kong
Energywi\$e Certificate from the Hong Kong Green Organisation Certification	Pico Hong Kong
Employees	
GB/T 29490 Enterprise Intellectual Property Management Certification	A.E. Smith Shanghai
OHSAS 18001/ISO 45001 Occupational Health and Safety Management Systems Certification	Pico Beijing
	Pico Dubai
	Pico Malaysia
	Pico Shanghai
	Pico Singapore
	A.E. Smith Shanghai
Breastfeeding Friendly Workplace 2019/2020 from UNICEF, Department of Health and the Food and Health Bureau in Hong Kong	Pico Hong Kong
Dementia Friendly Unit from Tai Po Dementia Care Link	Pico Hong Kong
2017-2019 Manpower Developer from the Employees Retraining Board in Hong Kong	Pico Hong Kong
Happy Company 2019 from 'Happiness-at-Work' Promotion Scheme by the Hong Kong Productivity Council and the Promoting Happiness Index Foundation	Pico Hong Kong
'Good MPF Employer 5 Years' and 'MPF Support Award' from the Mandatory Provident Fund Schemes Authority	Pico Hong Kong
Joyful@Healthy Workplace from the Occupational Safety and Health Council	Pico Hong Kong
bizSAFE STAR certificate	Pico Singapore
Company Emergency Response Team (CERT)	Pico Singapore
Communities	
10 Years + 'Caring Company' logo	Pico Hong Kong

HKEX Environmental, Social and Governance Reporting Guide Content Index

ESG Aspects		Section
A. Environmental		
Aspect A1: Emissions		
General disclosure	Information on: (a) the policies; and (b) 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.	Protecting Our Environment (page 15)
KPI A1.1	The types of emissions and respective emissions data.	Emissions and Waste Management (pages 18-19) Environmental Performance Summary (page 21)
KPI A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity.	Environmental Performance Summary (page 21)
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity.	Environmental Performance Summary (page 21)
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity.	Environmental Performance Summary (page 21)
KPI A1.5	Description of measures to mitigate emissions and results achieved.	Environmentally-Friendly Solutions (pages 15-18) Emissions and Waste Management (pages 18-19)
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	Emissions and Waste Management (pages 18-19)
Aspect A2: Use of Resources		
General disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Protecting Our Environment (page 15) Environmentally-Friendly Solutions (pages 15-18)
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh) and intensity.	Environmental Performance Summary (page 21)
KPI A2.2	Water consumption in total and intensity.	Environmental Performance Summary (page 21)



ESG Aspects		Section
A. Environmental		
Aspect A2: Use of Resources		
KPI A2.3	Description of energy use efficiency initiatives and results achieved.	Environmentally-Friendly Solutions (pages 15-18)
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	Environmentally-Friendly Solutions (pages 15-18) Issue in sourcing of water is not applicable to the Group's business
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable to the Group's business
Aspect A3: The Environment and Natural Resources		
General disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	Protecting Our Environment (page 15)
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environmentally-Friendly Solutions (pages 15-18) Driving Environmental Sustainability (page 19) Promoting Environmental Protection in Our Communities (page 20)
B. Social		
Aspect B1: Employment		
General disclosure	Information on: (a) the policies; and (b) 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, anti-discrimination, and other benefits and welfare.	Employer of Choice (page 23) Diversity and Inclusion (page 24) Labour Standards (page 25)
KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	Employee Profiles (page 24)

ESG Aspects		Section
B. Social		
Aspect B2: Health and Safety		
General disclosure	Information on: (a) the policies; and (b) 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.	Employee Health, Safety and Well Being (pages 25-26)
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Employee Health, Safety and Well Being (pages 25-26)
Aspect B3: Development and Training		
General disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Learning and Development (pages 26-27)
Aspect B4: Labour Standards		
General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Labour Standards (page 25)
Aspect B5: Supply Chain Management		
General disclosure	Policies on managing environmental and social risks of the supply chain.	Managing the Environmental and Social Risks of Our Supply Chain (page 13)
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Managing the Environmental and Social Risks of Our Supply Chain (page 13)



ESG Aspects		Section
B. Social		
Aspect B6: Product Responsibility		
General disclosure	Information on: (a) the policies; and (b) 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.	Product and Service Quality (pages 10-12) Confidentiality, Privacy and Data Protection (page 13) Advertising and labelling matters are not applicable to the Group's business
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Intellectual Property Rights Protection (page 12)
KPI B6.4	Description of quality assurance process and recall procedures.	Product and Service Quality (pages 10-12)
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Confidentiality, Privacy and Data Protection (page 13)
Aspect B7: Anti-corruption		
General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Ethical Conduct (page 12)
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.	Ethical Conduct (page 12)
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Ethical Conduct (page 12)
Aspect 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.	Communities (pages 30-33)
KPI B8.1	Focus areas of contribution.	Communities (pages 30-33)
KPI B8.2	Resources contributed to the focus area.	Communities (pages 30-33)



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