



**Environmental,
Social & Governance
Report**

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About the Report

This is the fourth stand-alone Environmental, Social and Governance (ESG) Report of Arts Optical International Holdings Limited and its subsidiaries (collectively, the “Group”) (Stock code: 1120), presenting its management approach and performance on environmental and social aspects. The information disclosed in this report is derived from the Group’s internal data and its internal management systems.

The board of directors of the Group (the “Board”) acknowledges its responsibility to ensure the integrity of the report. The Board confirms that it has reviewed and approved the report which, to the best of its knowledge, addresses the material topics and fairly presents their ESG management approach and performance.

REPORTING GUIDELINE

Adhering to the reporting principles of materiality, quantitative, consistency and balance in reporting, this report is prepared in compliance with the ESG Reporting Guide set out in Appendix 27 to the Listing Rules on the Stock Exchange of Hong Kong Limited (HKEX). This report is published in both English and Chinese. In case of any discrepancy between the two versions, the English version shall prevail.

REPORTING PERIOD AND SCOPE

The report covers the performance of the Group’s headquarters in Hong Kong and its main operating entity Argent Optical Technology (Shenzhen) Company Limited (“Argent”), during the financial year from 1st January, 2019 to 31st December, 2019 (the “Year”). It covers the Group’s core business of optical products design, manufacturing and distribution. For corporate governance section, please refer to Pages 20 to 30 of our 2019 Annual Report.

CONTACT

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ESG Management Approach

The Group has 40 years of experience in design, manufacture and distribution of optical products and understands its responsibility for protecting the environment and social interests. Striving to deliver quality products to its customers, we engage in sustainable development initiatives and have been gradually integrating ESG aspects into our daily operations.

OVERVIEW OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE PERFORMANCE

The Group is concerned about the impacts of its business on the economy, environment and the society. To fulfill its corporate social responsibility and bring sustainability strategies to fruition, the Group has developed action plans for environmental management, employment policies, operating practices and community engagement.



ENVIRONMENTAL

- Use clean and renewable energy
- Adopt green production technologies
- Provide training on resources conservation and emission control



EMPLOYMENT

- Strictly prohibit employment of forced or child labour
- Offer statutory welfare benefits and a safe and healthy workplace
- Cultivate talents with provision of training and opportunities



OPERATING PRACTICES

- Conduct supplier reviews and product quality inspections
- Establish anti-corruption-related internal policies to ensure operational compliance
- Build a culture of integrity via our whistleblowing policy



COMMUNITY ENGAGEMENT

- Facilitate mutual cooperation among peers to drive development of the optical industry
- Support sports and cultural activities with sponsorships

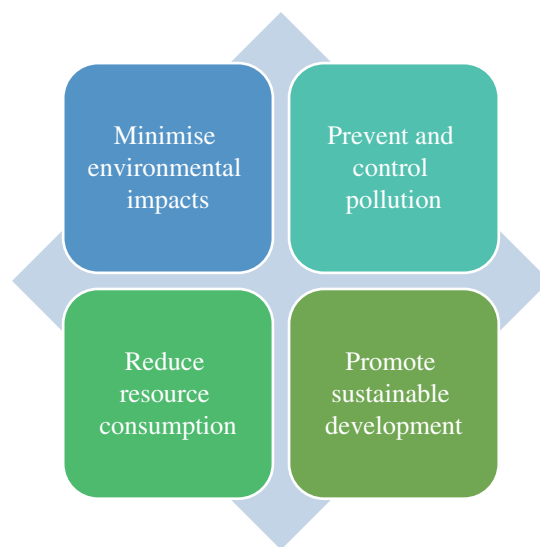
Environmental

ENVIRONMENTAL MANAGEMENT

To achieve a sustainable business, we strive to safeguard the environment and mitigate emissions. The Group manages and monitors its environmental impacts by implementing an environmental management system certified with ISO 14001:2015 standard. Our Environmental Management Department is responsible for wastewater and exhaust gas treatment, treatment facility management and maintenance, hazardous waste management, noise monitoring and other environment-related issues. The Group strictly complies with the relevant environmental laws and regulations in an environmentally responsible manner to reduce impacts on the environment and public health.

The Group requires its business partners to be environmentally responsible. We clearly state our environmental requirements, with an aim to improve their environmental performance and raise their awareness on environmental protection. To ensure compliance with our requirements, both potential and existing suppliers and service providers are assessed for review of their respective environmental performances.

During the reporting period, the Group was not aware of any non-compliance of relevant laws and regulations that have a significant impact on the Group relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.



The Group's Environmental Goals

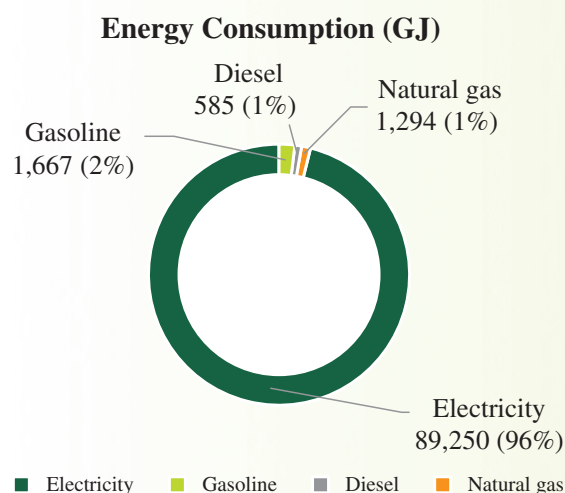
EFFICIENT USE OF RESOURCES

Energy and Resources Management

To facilitate efficient and effective use of energy and resources, an energy and resources management regulation has been formulated covering management approaches for energy, water, office supplies and production materials. The Production Technology Research and Development Centre is responsible for auditing consumption of energy and resources while other departments such as the Production Department and the Administrative Department are responsible for implementation of energy and resources conservation measures within their departments.

Energy

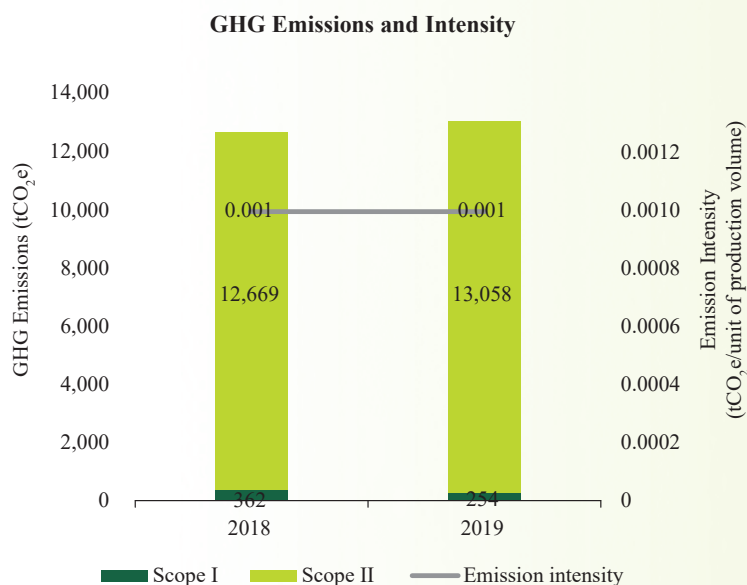
The major energy types consumed by the Group include electricity, gasoline, diesel and natural gas. During the reporting period, the Group consumed a total of 92,796 Gigajoules (GJ) of energy, with an energy intensity of 0.0097 GJ per unit of production volume. Since 2019, Argent has ceased the use of diesel, leading a drop of 45%. Electricity consumption was 24,791,593 kWh, which accounts for 96% of total energy consumption. Electricity consumption is attributed to the use of electrical appliances and equipment in offices and operations of machines in the manufactory.



Energy Consumption	2018	2019	Change (%)
Electricity (kWh)	24,046,509	24,791,593	3.10%
Gasoline (Litres)	87,040	52,314	-39.90%
Diesel (Litres)	29,912	16,332	-45.40%
Natural gas (m ³)	23,965	33,234	38.68%
Total energy consumption (GJ)	91,346	92,796	1.59%
Energy intensity (GJ/unit of production volume)	0.0075	0.0097	29.30%

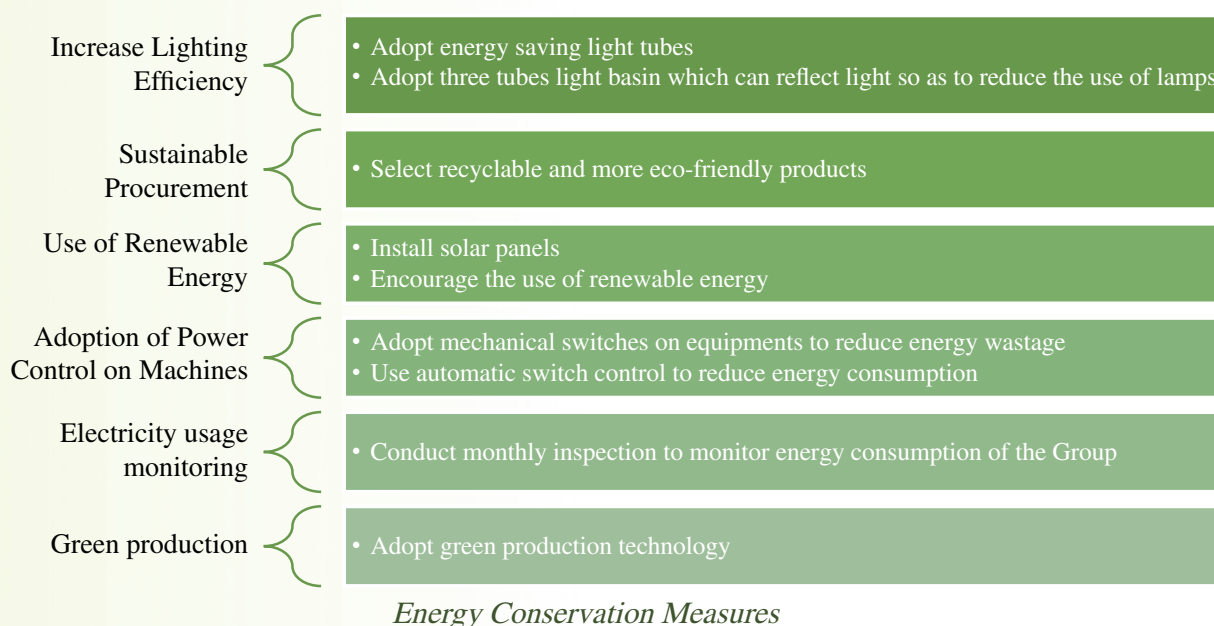
GHG Emissions

The Group's greenhouse gas (GHG) emissions include direct emissions from fuel consumption (Scope 1) and indirect emissions from the use of electricity (Scope 2). During the reporting period, the Group's total GHG emissions were 13,312 tonnes of carbon dioxide equivalent (tCO₂e), with an emission intensity of 0.001 tCO₂e per unit of production volume. Scope 2 emissions account for the major (98%) part of the Group's GHG emissions.



Environmental

An energy consumption reduction policy is in place to reduce GHG emissions. We prioritise the use of clean and renewable energy and have adopted energy-efficient lighting and installed automatic switches on electronic appliances to reduce energy use. The Group has taken a series of comprehensive energy conservation measures.

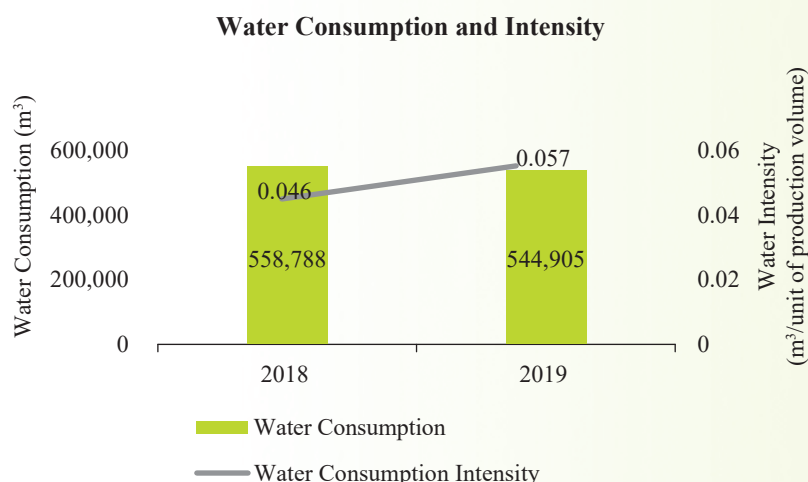


We raise employees' awareness of need for energy conservation by posting descriptive notices. The Group also tries to reduce the frequency of business travel by using more of online communication channels such as emails, video conference and phone calls. When there is a need for business travel, we choose economy class for the flight and travel by public transport to reduce our carbon footprint.

In addition, we have the policy of assigning priority to local procurement to the extent possible, to support local suppliers and subcontractors and to reduce carbon emissions attributable to transportation. The Group will continue to aim for reduction in energy consumption on this front.

Water Resources

The Group consumes water for industrial and domestic purposes, and the consumption is mainly attributed to operations at Argent. During the reporting period, 544,905 m³ of municipal water were consumed and the water consumption intensity was 0.057 m³ per unit of production volume. The Group did not have any issue in sourcing water that is fit for the purpose during the reporting period.



Environmental Target	Result
Reduce water consumption by 1% year-on-year	Achieved

The Group conserves water by reducing usage and promoting wastewater recycling. In Argent, the environmental team is responsible for monitoring water usage and implementing water conservation measures during operations. Wastewater is treated and reused in the cleaning process of our operations to reduce wastewater discharge, while packaging washing water is reused in the grinding process to reduce freshwater consumption.

In both Argent and Hong Kong office, water saving equipment is used and water conservation notices are posted to raise employees' awareness on the need for and ways of water saving. The Group has set a target of reducing total water consumption by 1% each year. Thanks to the efforts made by our employees, the Group's total water consumption declined by 2.5% in 2019.

Packaging Materials

The Group uses paper and plastic materials for product packaging. During the reporting period, 34.5 tonnes of paper and 0.9 tonnes of plastic packaging materials were used. Simple packaging designs are used in order to reduce the use of materials. In 2019, the Group significantly reduced its consumption of packaging materials, especially plastic materials.

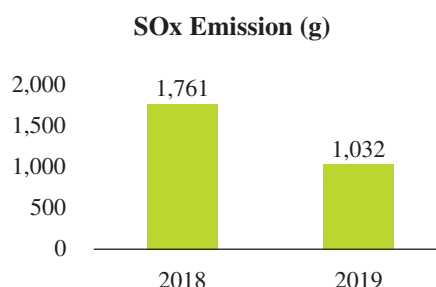
Packaging Material (Tonnes)	2018	2019	Percentage Change
Paper	45.9	34.5	-24.8%
Plastic	2.4	0.9	-62.5%

Environmental

EMISSIONS

Air Emission

The Group's gas emissions comprise mainly of sulphur oxides (SOx) from gasoline and diesel combustion by our vehicles in Argent and Hong Kong office. During the reporting period, the Group's operations emitted 1,032 g of SOx, with a 41.4% decrease compared to 2018 due to the reduced consumption of fuels. To raise employees' awareness on the reduction of exhaust emissions, the Group offers training courses organised by governmental departments to relevant employees.



Waste

Generation of hazardous and non-hazardous waste is mainly attributed to the operations in Argent. During the reporting period, the Group generated 515.2 tonnes of hazardous waste, with an intensity of 0.0541 kg per unit of production volume. The substantial increase of hazardous waste was mainly attributed to the inclusion of additional 456 tonnes of sludge generated by sewage treatment and the wastewater containing precious metal generated in the production workshop during the year. 230 tonnes of non-hazardous waste was generated, with an intensity of 0.0241 kg per unit of production volume.



The generated waste is first separated and handled by well-trained personnel. Hazardous waste is collected by a qualified environmental company with a hazardous waste management system in place. It is responsible to ensure that hazardous waste is handled and disposed in compliance with relevant regulations. Non-hazardous waste is transferred to the municipal company for disposal. Regarding the production processes that generate harmful substances, we are actively seeking alternative techniques and using environmentally friendly materials such as water-based paint to gradually reduce the emission of harmful substances. We also carry out in-depth wastewater treatment to improve the rates of wastewater recycling and reuse, reducing wastewater discharge. Annual training is provided to the responsible employees to ensure proper and safe handling of waste. We adopt a series of measures to reduce waste generation.

Hazardous waste

- Argent has been gradually replacing old equipment and techniques with more environmentally friendly ones
- Damaged computers and equipment are disintegrated to extract useful components in Hong Kong office

Non-hazardous waste

- Encourage reuse of materials
- Solid waste such as used toners and furniture is classified, collected and recycled by professional recycling companies
- Reduce the use of disposable plastic items and replace them with recyclable ones
- Post notice to remind employees to print on both sides of the paper and paper saving
- Prevent accidental breakage of glass doors and windows by posting notices

Reduction Measures on Hazardous and Non-hazardous Waste Generation

The Group has set up environmental targets to reduce the impacts brought by emissions. In 2019, the Group achieved the targets and will strive for continuous improvement in the future.

Environmental Targets	Results
Disposal and treatment of hazardous waste complies with relevant laws and regulations	Achieved
Wastewater discharge and gas emissions meet the emission standards	Achieved
Noise level at the factory complies with the environmental impact assessment standards	Achieved

ENVIRONMENTAL EMERGENCY MANAGEMENT

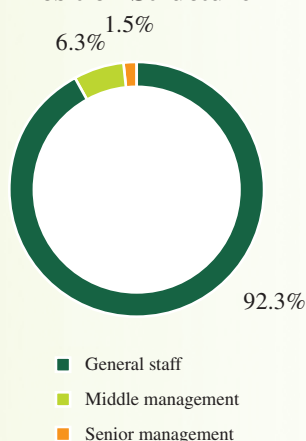
The Group attaches great importance to the prevention of environmental emergencies such as fire, hazardous waste pollution and wastewater leakage which may impose serious environmental impacts. To prevent the occurrence of environmental emergencies and ensure timely handling of such incidents, the Group has developed an emergency preparedness and response procedure which provides guidelines for emergency preparation, handling and investigation. Regular training and drills are organised to train the relevant personnel, making sure that they can handle emergency events in an effective, efficient and timely manner. In 2019, the Group organised training on emergency management of organic solvent leakage for all members of the environmental team, aiming to enhance the Group's emergency response capacity and assist employees in developing necessary emergency handling skills.

Employment

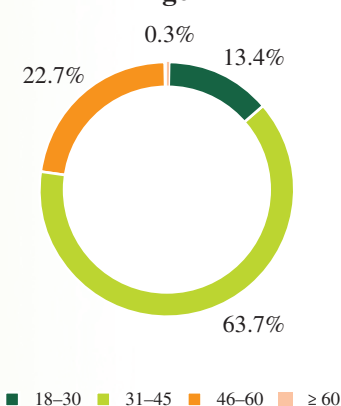
EMPLOYEE PROFILE

The Group is committed to providing its employees with a safe and healthy workplace, as well as opportunities to realise their potentials. As at 31st December, 2019, Argent and Hong Kong Office employed a total of 3,324 full-time employees, with a male to female ratio of approximately 6:4. More than 97% of them were based in China. 2,116 employees were aged between 31–45, accounting for about 64%. In 2019, the overall employee turnover rate was approximately 44%.

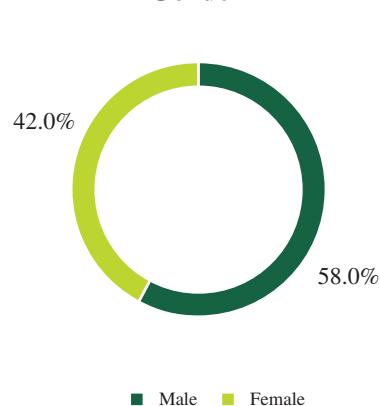
Employee Profile by Position Structure



Employee Profile by Age



Employee Profile by Gender



	2019 Employee Turnover Rate		Total
	Hong Kong Office	Argent	
By gender			
Male	13%	43%	42%
Female	25%	48%	48%
By employment type			
Full time	18%	45%	44%
Part time	0%	0%	0%
By age group			
18-30	13%	127%	124%
31-45	32%	37%	37%
46-60	13%	18%	18%
≥61	11%	0%	10%

EQUAL OPPORTUNITY AND DIVERSITY

The Group highly respects each individual and is committed to creating an equal and diversified working environment free of any discrimination or harassment. We adopt and apply fair and ethical labour practices respecting fundamental human rights of all employees. We select outstanding candidates regardless of race, colour, social status, origin, nationality, religion, disability, gender, sexual orientation, union membership, political affiliation or age. Our employees enjoy equal promotion opportunities. Adhering to the principles of fairness, justice and openness, we only consider the performance, experience and personal ability of employees for promotion.

LABOUR STANDARDS

We have zero tolerance for unethical labour practices such as recruitment of child labour or forced labour. We adopt strict labour standards, with internal prevention policies in place for preventing all forms of child or forced labour in business operations. During the recruitment procedures, candidates are required to provide identification documents for verification.

During the reporting period, the Group was not aware of any non-compliance of relevant laws and regulations that have a significant impact on the Group relating to prevention of any child or forced labour. There was no reported case regarding child or forced labour in 2019.

EMPLOYEE RIGHTS AND WELFARE

The Group provides its employees with attractive and competitive remuneration packages and welfare benefits. In the Hong Kong office, we offer competitive salary packages including basic salary, end of year double-pay and bonus to our employees. We strictly follow Hong Kong's Mandatory Provident Fund Schemes Ordinance and make monthly contributions for all qualifying employees. A range of leave entitlements is also offered to employees, including paid leave, sick leave, maternity leave, paternity leave and marriage leave etc.

We encourage our employees to maintain a work-life balance. We do not force employees to work overtime. If they need to work overtime or on public holidays, they can apply for compensatory leave. Regular entertainment activities are also organised to reduce employees' stress.

During the reporting period, the Group was not aware of any non-compliance of relevant laws and regulations that have a significant impact on the Group relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunities, diversity, anti-discrimination, and other benefits and welfare.

HEALTH AND SAFETY

Safety Management

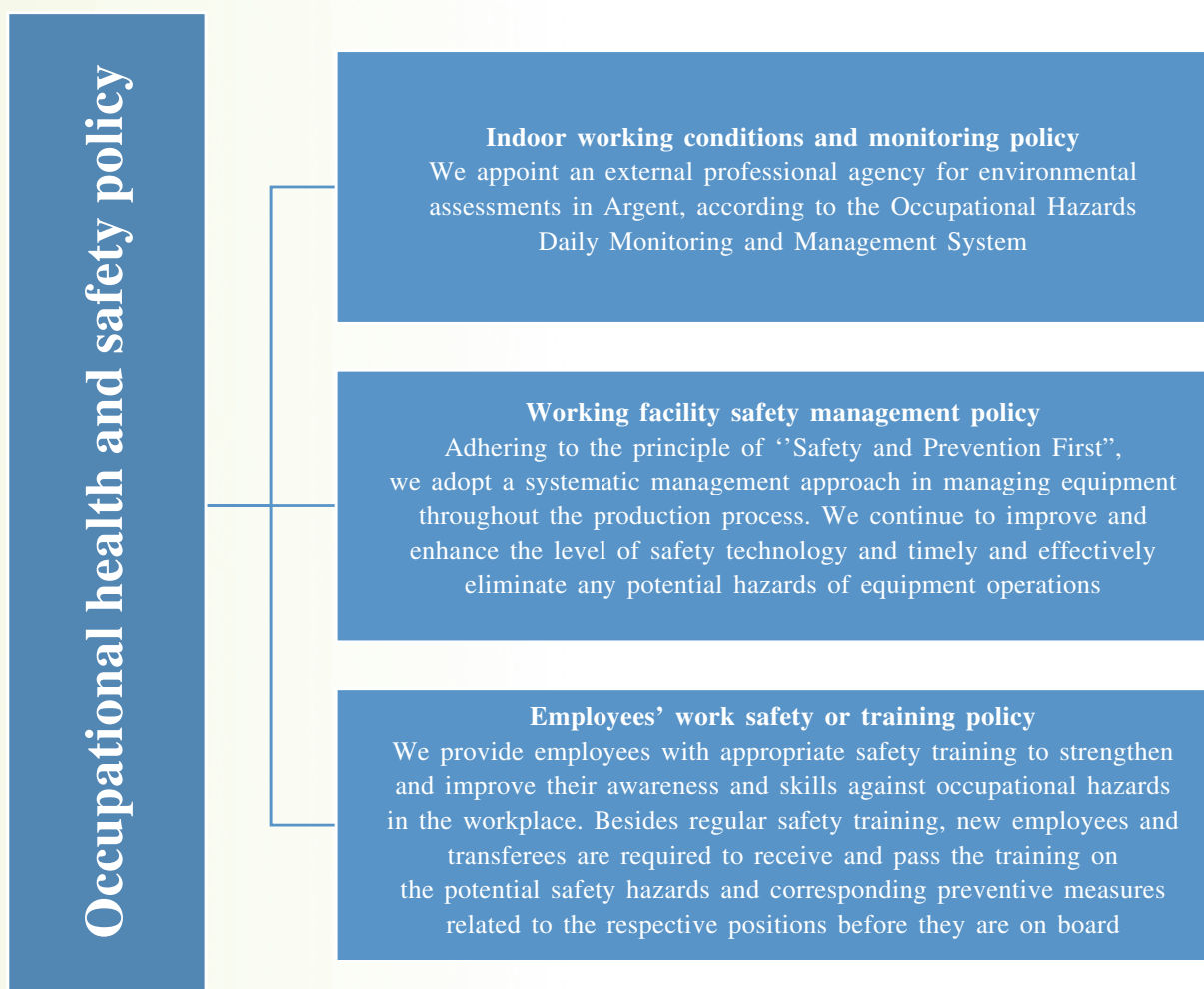
The Group is committed to providing its employees with a safe and healthy working environment. Spearheaded by the General Manager, our Occupational Health and Safety Committee has been set up since 1987 and comprises 124 members. It is responsible for monitoring and promoting safe working practices at all operational levels in the Group, living up to our commitment of continually improving our occupational health and safety policies and practices and promoting the well-being of our employees, suppliers and customers. We also communicate safety issues with employees through training, posting related promotional materials on the Company's internal website, aiming to raise their safety awareness and improve their knowledge and skills related to occupational safety.

Employment

Safety at work

We have in place a series of occupational health and safety policies and procedures to ensure safety at work for all employees and to prevent injury at work. We provide employees with personal protective equipment to ensure their safety at work and operational compliance, especially for those with exposure to toxic and harmful gases, dust and noise. We strictly control working hours of employees who are exposed to high-risk occupational hazards, with targeted first aid measures in place.

Regular site and safety production inspections are carried out, ensuring potential hazards are identified and rectification measures are taken in a timely manner. Employees in Argent enjoy free medical check-ups to prevent occupational diseases, while all employees in Hong Kong office are entitled to medical insurance, travel insurance, personal accident insurance and employee compensation coverage. In case of work injury or fatality, we provide fair compensation to employees and their families.



In 2019, there were 13 cases of work-related incidents and 184 (2018: 704) lost days due to work-related injuries. There were no work-related fatalities reported. The Group will continue to step up efforts to achieve the goal of zero injury at work, by enhancing our safety strategy and providing the best protection for our employees.

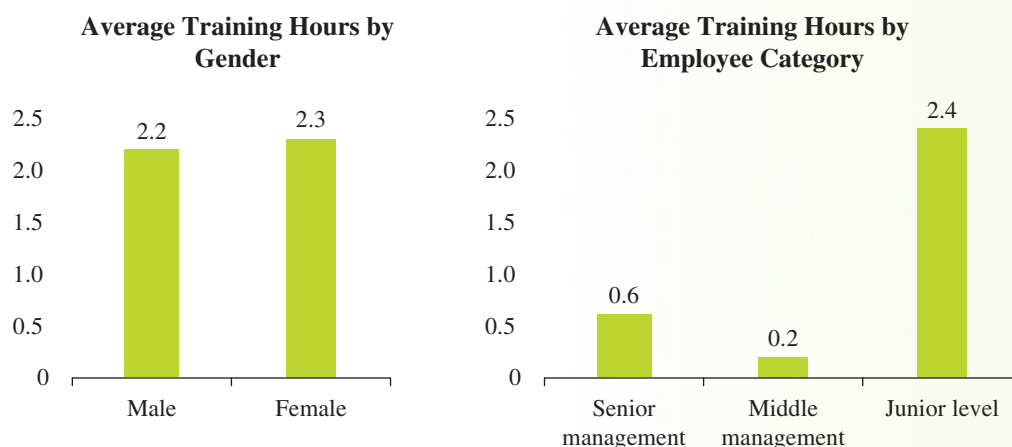
During the reporting period, the Group was not aware of any violation of relevant laws and regulations that have a significant impact on the Group relating to providing a safe working environment and protection of employees from occupational hazards.

DEVELOPMENT AND TRAINING

The Group attaches great importance to developing people. Substantial resources are put into training and development of our employees, enriching their professional knowledge, skills and abilities.

We have arranged training programmes for employees about business processes, including materials management and inventory control, lean production, quality control, visitor reception etiquette, wastewater and environmental management rules, anti-terrorism, fire safety, packaging quality and safety. New employees in Argent must participate in the training programmes related to factory regulations and fire safety knowledge, as well as training courses about production technology. We also subsidise our employees to attend external training sessions according to the needs identified.

Excellent prospects and career development opportunities are offered to our employees. We have standardised procedures for taking promotion decisions to ensure a fair, just and open promotion system. Employees are reviewed according to their work performances and abilities when promotion decisions are taken. We provide promotional training to employees with great competence according to our staff development training policy, making them eligible for promotion to higher-level jobs and responsibilities. To facilitate employees' career development, job adjustments are also made according to the Group's business development needs and the wishes of the employees.



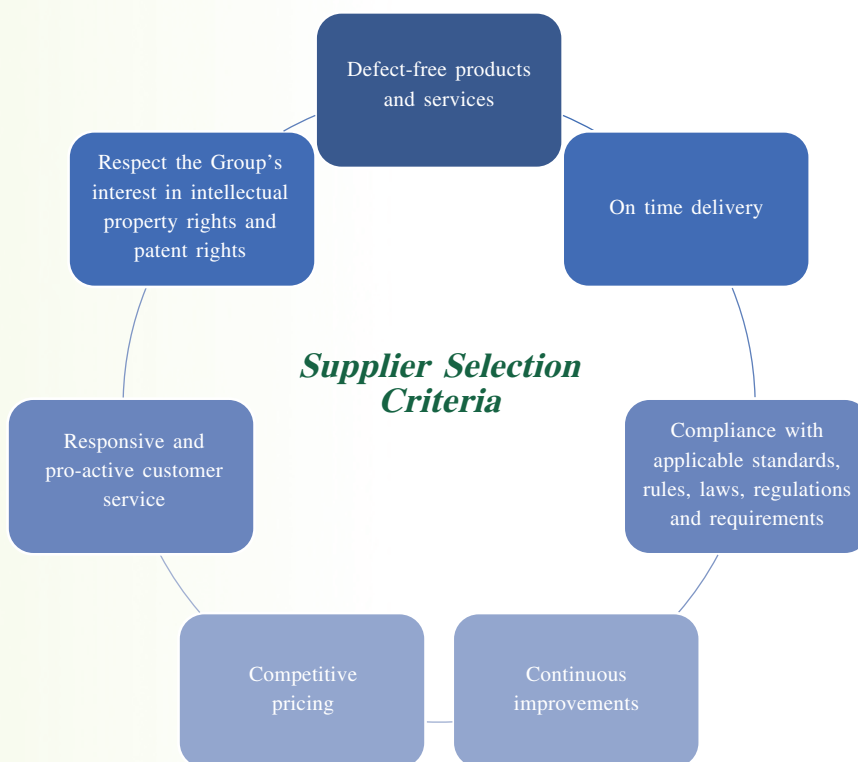
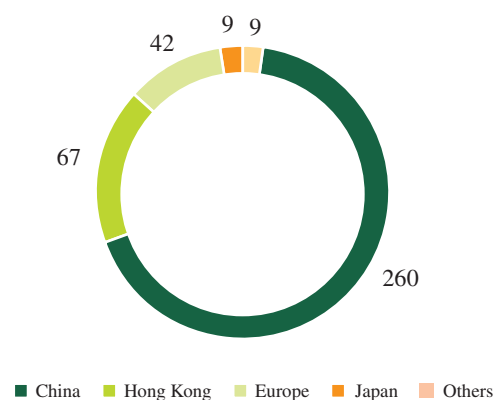
Operating Practices

SUPPLY CHAIN MANAGEMENT

To ensure the stability and quality of materials, the Group strives to maintain long-term and stable business relations with its suppliers by way of an effective supply chain management system.

The Group has formulated a comprehensive mechanism for supplier selection and evaluation, with a set of defined criteria including the corporate social responsibility (CSR). Suppliers are encouraged to adopt the social responsibility standard SA8000. They are expected to assign a compliance officer to interface with the Group to resolve any quality-related and compliance issues. In 2019, the Group had a total of 387 suppliers, of which approximately 67% were located in China.

Suppliers by Geographical Distribution



Operating Practices

To ensure supplies of consistently high-quality products and services, the Purchasing Department and Quality Department are responsible for conducting quarterly evaluations of suppliers with purchase amount over one million Hong Kong dollars. Their performance in terms of timely delivery and the quality of products supplied is assessed. Corresponding measures are taken according to the nature of selected suppliers in response to evaluation results. Suppliers with unsatisfactory results are required to adopt rectification measures. Warning and termination of contracts may follow in cases of serious lapses. The Group has also been planning to increase supplier's annual on-site review.

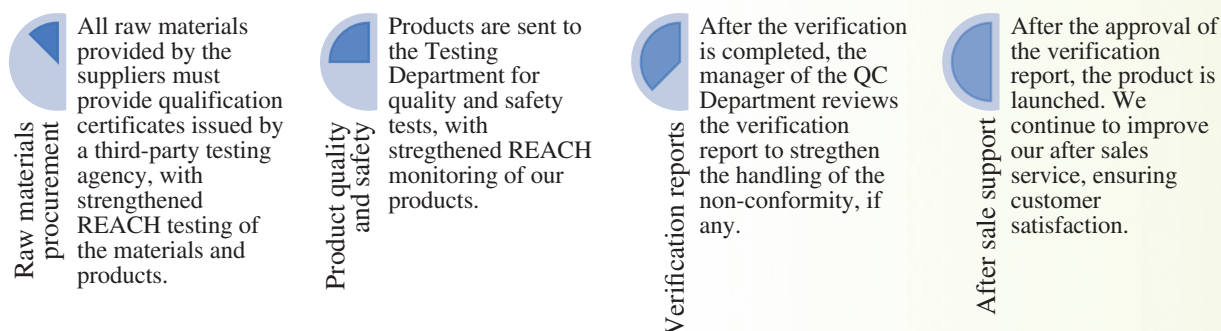
During the reporting period, there were no major environmental and/or social risk accidents in our supply chain management. There were no major disputes with our suppliers, nor did we experience any interruption, shortage or delay in service and product supply that may have a significant adverse impact on our operations.

PRODUCT RESPONSIBILITY

Quality Management and Assurance

With the principles of “Improve quality, reduce cost and meet customers’ requirements”, the Group is committed to delivering optical products and services of the highest standards and quality to customers. Our Testing Department and the Quality Control (QC) Department are responsible for conducting rigorous quality control and verification tests throughout the production process and before launching the finished products.

Maintaining an ISO 9001:2015-certified quality management system to ensure compliance with relevant quality and safety requirements, we have in place the Incoming Material Inspection Control Procedure, Non-conformities Control Procedure and Final Inspection Control Procedure, for preventing the use of non-conforming materials throughout the production process and delivery of unqualified products to customers.



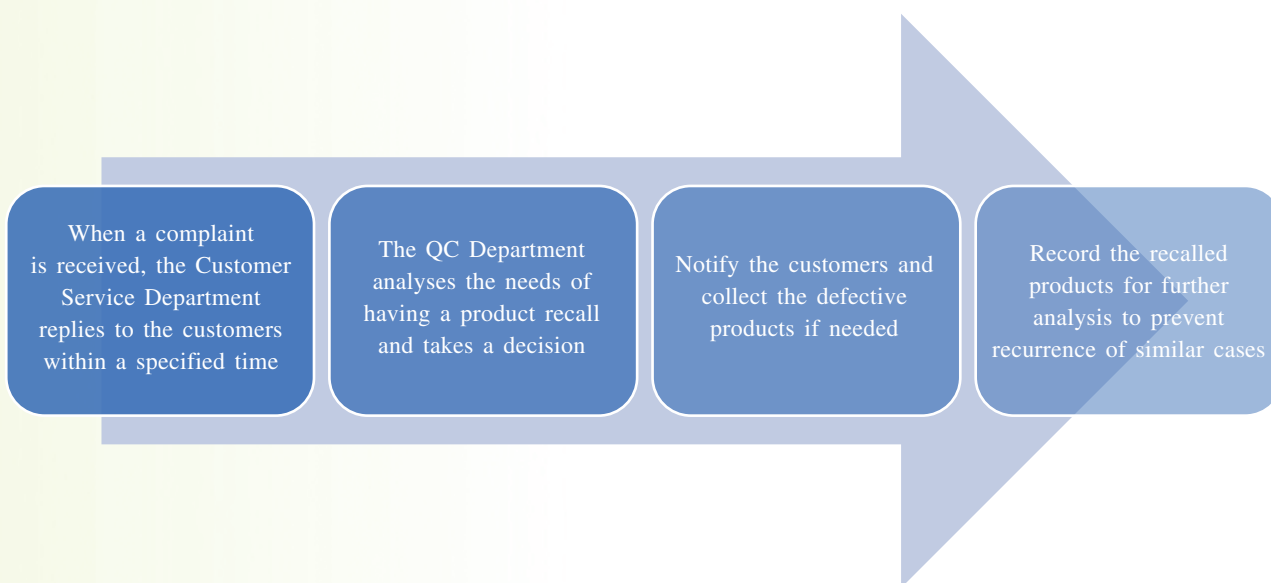
Quality Assurance Process

Operating Practices

In 2019, we strengthened our management on REACH (the Registration, Evaluation, Authorisation and Restriction of Chemicals), a regulation of the European Union covering most consumer products and requiring companies to report on chemicals used throughout the supply chain and in the products.

The Recall System

The Group values customer satisfaction. Customers' opinions are of great importance for our continuous improvement. They are welcome to inquire about product details and provide feedback through email or customer service hotline. A recall system is in place for handling cases of any defective products. In 2019, 12 (2018: 10) complaints were received and less than 0.002% (2018: 0.003%) of products were subject to recall for health and safety reasons. All complaints were responded to in time and were satisfactorily settled.



The Recall System

Data Privacy Protection and Intellectual Property Rights

The Group is committed to ensuring security and privacy of its customers and their data. The Information Technology Department and the Marketing Department are responsible for controlling the use of customer information. We review the data protection-related policies on a half-yearly basis. We also value and respect intellectual property rights. The Information Technology Department supervises the operation of software regularly. All office software is procured from copyright holders only and we strictly prohibit the purchase of pirated software.

Customer Information Protection

- Customer information is stored in the internal ERP system and is protected by password, only authorised personnel can access the system
- The collected customer information is not disclosed or used for other purposes without their consent

Operating Practices

During the reporting period, the Group was not aware of any violation of relevant laws and regulations that have a significant impact on the Group relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.

ETHICS AND ANTI-CORRUPTION

The Group has zero tolerance for illegal acts and any forms of corruption including bribery, extortion, fraud and money laundering. We strive to uphold high standards of integrity within the Group and strictly comply with anti-corruption-related laws and regulations, including but not limited to the Prevention of Bribery Ordinance in Hong Kong and the Criminal Law of the People's Republic of China.

We have in place a series of internal policies to ensure operational compliance. We regularly review the operational procedures and guidelines to enhance internal control and compliance standards. A third-party financial auditor is appointed to monitor our accounts, ensuring potential bribery and frauds are detected and the risk of corruption is minimised.

To regulate procurement activities, procurement personnel are required to sign an agreement to comply with the Code of Business Ethics which prohibits any corruption or bribery. A management measure stipulating a conflict of interest declaration is in place as a guidance for employees to correctly handle conflicts of interest in their work and prevent profiteering and fraud. Employees are required to fill in the conflict of interest declaration form. An open tender policy is adopted to strengthen the tender management and standardise tender activities. At least three qualified applicants are considered and the Procurement Director makes the final decision on accepting or rejecting the quotations, abiding by the principles of fairness, openness and honesty. A service contract approval policy is also in place to standardise contract approval management, improve efficiency and reduce legal risks.

The Group encourages employees to report any suspicious cases regarding misconduct through the whistleblowing mechanism. Complaints can be submitted to the Board of Directors via the Company mailbox, suggestion box or phone call in a confidential manner. Reported cases are subject to independent investigations and are followed up properly.

During the reporting period, the Group was not aware of any violations of relevant laws and regulations that have a significant impact on the Group relating to bribery, extortion, fraud and money laundering. The Group was not involved in any corruption cases.

Community Engagement

The Group is committed to fulfilling its social responsibility and supporting the development of communities. Being one of the members of the Hong Kong Optical Manufacturers Association Ltd. since 1982, we have been actively involved in the association's activities to promote Hong Kong's optical industry. By facilitating mutual cooperation among our peers, we are able to enhance the competitiveness and status of Hong Kong's optical industry in the international market. On one hand we are stepping up efforts to promote the market development and on the other hand we continue to give back to society by means of monetary and product donations. We also support the community through different ways including various activities and community programmes.

In the Federation of Hong Kong Industries CSR Recognition Scheme Industry Cares 2019, the Group was awarded the Caring Certificate (Enterprise Group) in recognition of our efforts to bear our corporate social responsibility.



CHARITY SALES

During the year, the Group participated in Seniors e-Sports & Experience Day as one of premium corporate sponsors. In the charity sale activity, we offered quality and diversified products to the grassroots at a price lower than the cost. Within one day, the fund raised reached HK\$8,810, all of which was donated to the Society of the Promotion of Hospice Care for supporting quality and compassionate palliative care for patients with life-limiting illnesses and their families in Hong Kong.



Community Engagement

SPORT ACTIVITIES



The Group sponsored “RMAC Stoneman” running race, a charity event benefiting Plan International Hong Kong, to support the improvement of personal physical quality and ability through various running exercises.



CULTURAL ACTIVITIES

The Group actively engages with the local community. In Shenzhen, we organised cultural performances and basketball games jointly with local trade unions, facilitating community involvement.

Going forward, the Group will continue to support the community and fulfill its corporate social responsibility for creating a harmonious society.

Performance Data Summary

Environment	Unit		2019	2018
	Gas Emissions			
	SOx	g	1,032	1,761
	Greenhouse Gas Emissions			
	Total emissions	tCO ₂ e	13,312	13,031
	Scope I	tCO ₂ e	254	362
	Scope II	tCO ₂ e	13,058	12,669
	GHG intensity	tCO ₂ e/unit of production volume	0.001	0.001
	Waste Production			
	Hazardous waste	Tonnes	515.247	54.346
	Hazardous waste intensity	kg/unit of production volume	0.0541	0.00444
	Non-hazardous waste	Tonnes	230	235
	Non-hazardous waste intensity	kg/unit of production volume	0.0241	0.0192
	Resources Consumption			
	Total energy consumption	GJ	92,796	91,346
	Energy intensity	GJ/unit of production volume	0.0097	0.0075
	Electricity	kWh	24,791,593	24,046,509
	Diesel	L	16,332	29,912
	Gasoline	L	52,314	87,040
	Natural gas	m ³	33,234	23,965
	Water	m ³	544,905	558,788
	Water intensity	m ³ /unit of production volume	0.057	0.046
	Packaging material			
	Paper	Tonnes	34.5	45.9
	Plastic	Tonnes	0.9	2.4

Performance Data Summary

Employment	Unit		2019	2018
	Total Number of Employees			
	By Geographical Distribution			
	Hong Kong Office	No. of people	88	93
	Argent		3,236	3,786
	By Age			
	18–30	No. of people	445	727
	31–45		2,116	2,463
	46–60		753	680
	≥61		10	9
	By Gender			
	Male	No. of people	1,928	2,215
	Female		1,396	1,664
	By Employment type			
	Full time	No. of people	3,324	3,879
	Part time		0	0
	Employee Turnover Rate			
	By Age			
	18–30		124%	101%
	31–45		37%	37%
	46–60		18%	16%
	≥61		10%	11%
	By Gender			
	Male		42%	48%
	Female		48%	41%
Total turnover rate	44%		45%	
Safety Performance				
Lost days due to work injury	Days	184	704	
Work-related deaths	Number	0	0	

Performance Data Summary

Training	Unit		2019	2018
	Full-time employees trained			
	By Gender			
	Male	No. of people	28%	50%
	Female		29%	51%
	By Employee Category			
	Senior executives	No. of people	16%	16%
	Middle-level executives		5%	1%
	Junior staff		30%	54%
	Average training hours completed per full-time employee			
	By Gender			
	Male	Hours	2.2	4.0
	Female		2.3	4.0
	By Employee Category			
	Senior executives	Hours	0.6	0.6
	Middle-level executives		0.2	0.03
	Junior staff		2.4	4.3

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KPIs	HKEX ESG Reporting Guide Requirements		Section/Remarks
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.		Environmental
	KPI A1.1	The types of emissions and respective emissions data.	Environmental-Emissions
	KPI A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Environmental-Emissions
	KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Environmental-Emissions
	KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Environmental-Emissions
	KPI A1.5	Description of measures to mitigate emissions and results achieved.	Environmental-Emissions
	KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	Environmental-Emissions
Aspect A2: Use of Resources	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.		Environmental
	KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Environmental-Efficient Use of Resources
	KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Environmental-Efficient Use of Resources
	KPI A2.3	Description of energy use efficiency initiatives and results achieved.	Environmental-Efficient Use of Resources
	KPI A2.4	Description of whether there is any issue in sourcing water that is fit for the purpose, water efficiency initiatives and results achieved.	Environmental-Efficient Use of Resources
	KPI A2.5	Total packaging materials used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Environmental-Efficient Use of Resources
Aspect A3: The Environment and Natural Resources	General Disclosure Policies on minimising the issuers' significant impact on the environment and natural resources.		Environmental
	KPI A3.1	Description of significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environmental-Efficient Use of Resources, Environmental Emergency Management

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KPIs	HKEX ESG Reporting Guide Requirements		Section/Remarks
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 related to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.		Employment
	KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	Employment- Employee Profile
	KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Employment- Employee Profile
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.		Employment-Health and Safety
	KPI B2.1	Number and rate of work-related fatalities.	Employment-Health and Safety
	KPI B2.2	Lost days due to work injury.	Employment-Health and Safety
	KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Employment-Health and Safety
Aspect B3: Development and Training	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.		Employment- Development and Training
	KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Employment- Development and Training
	KPI B3.2	The average training hours completed per employee by gender and employee category.	Employment- Development and Training
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 or forced labour.		Employment-Labour Standards
	KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Employment-Labour Standards
	KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Employment-Labour Standards

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KPIs	HKEX ESG Reporting Guide Requirements		Section/Remarks
B. Social			
Aspect B5: Supply Chain Management	General Disclosure Policies on managing environmental and social risks of the supply chain.		Operating Practices-Supply Chain Management
	KPI B5.1	Number of suppliers by geographical region.	Operating Practices-Supply Chain Management
	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.	Operating Practices-Supply Chain Management
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.		Operating Practices-Product Responsibility
	KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Operating Practices-Product Responsibility
	KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Operating Practices-Product Responsibility
	KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Operating Practices-Product Responsibility
	KPI B6.4	Description of quality assurance process and recall procedures.	Operating Practices-Product Responsibility
	KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Operating Practices-Product Responsibility
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.		Operating Practices-Ethics and Anti-corruption
	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.	Operating Practices-Ethics and Anti-corruption
	KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Operating Practices-Ethics and Anti-corruption

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KPIs	HKEX ESG Reporting Guide Requirements	Section/Remarks
B. Social		
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.	Community Engagement
	KPI B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community Engagement
	KPI B8.2 Resources contributed (e.g. money or time) to the focus area.	Community Engagement