



# COME SURE

Group (Holdings) Limited

(Incorporated in the Cayman Islands with limited liability) Stock Code: 00794

Environmental, Social  
And Governance Report

# 2020



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## ABOUT THIS REPORT

Come Sure Group Holdings Limited (hereinafter referred to as the “Company” or “Come Sure”) along with its subsidiaries (the “Group”) is pleased to present its fourth standalone Environmental, Social and Governance (“ESG”) Report (“this Report”). This Report is prepared in compliance with the “Comply or Explain” provision of the Environmental, Social and Governance Reporting Guide (the “ESG Reporting Guide”) under Appendix 27 of the Main Board Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Exchange”).

This Report focuses on the Group’s corrugated paperboards and cartons manufacturing businesses at Come Sure Packing Products (Shenzhen) Company Limited (the “Plant”). Located in Shenzhen, China, it is a wholly owned subsidiary of the Group and contributes a significant portion to the Group’s economic, environmental, and social impact. Unless otherwise specified, this Report covers our financial year from 1 April 2019 to 31 March 2020 (the “Reporting Period”).

The purpose of this Report is to provide stakeholders with an overview of the Group’s efforts regarding ESG impacts arising from its corrugated paperboards and cartons manufacturing business. All information is prepared and published based on existing policies, practices, and official documents or reports in an accurate, genuine, and transparent manner.

Our board of directors of the Company (the “Board”) upholds the overall responsibility for our ESG strategies and reporting. The Board is committed to managing and improving our sustainability performance by disclosing our ESG performance on an annual basis and adhering to the following reporting principles:



#### **Materiality**

As assessed and confirmed by the Board, this Report is structured based on the materiality of respective environmental, social and governance issues. The Board and the management will regularly review these sustainability issues in order to ensure such issues align with and are being addressed in our daily operations.



#### **Quantitative**

This Report discloses material environmental and social key performance indicators (“KPIs”) within the operations of the corrugated paperboards and cartons manufacturing operations in Shenzhen, China. This allows us to evaluate and validate the effectiveness of our ESG policies and management systems.



#### **Balance**

This Report provides an unbiased picture of Come Sure’s performance, discloses both achievements and room for improvements in ESG.



#### **Consistency**

This Report is prepared with consistency in terms of methodology with previous years, which is in accordance with the Exchange’s ESG Reporting Guide. For factors leading to meaningful comparison in specific environmental KPI(s), please refer to the “Performance Data Summary”.

We welcome reader to provide valuable opinions and suggestions on the content of this Report and our approach to sustainability. If you have any comments or suggestions, please contact the investor relations company of the Group, DirectIR Limited. For further information regarding our corporate governance and financial performances, please refer to our Annual Report 2019.



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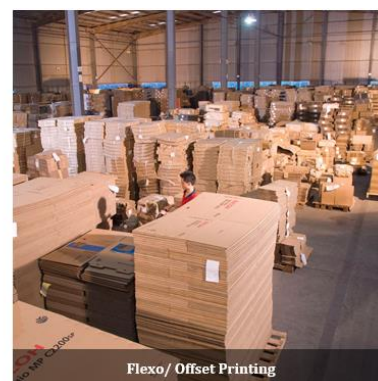
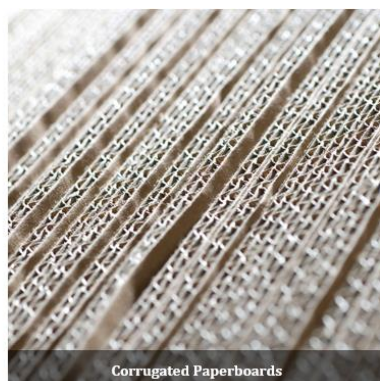


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## CORPORATE PROFILE

Come Sure is a major player in the manufacturing and sales of corrugated paperboards, printed corrugated cartons, moulded pulp packaging products and other paper products, flexo printing and offset-printed products. Our production bases in Shenzhen, Huizhou, and Fujian can support an annual production capacity of up to 500 million square metres of corrugated paperboards and 410 million pieces of paper packaging materials.



Guided by our corporate philosophy of "Customer first, Market-oriented", progressive management, product integration and resources servicing, we are committed to the optimisation of packaging design, application of eco-friendly materials, provision of equal opportunity of self-enhancement among employees, as well as more value-added services for our customers. In demonstrating our commitment to social responsibility on both product quality and environmental protection, the Plant strives to ensure our products meet the following international standards:



ISO 9001: 2015 Quality Management System



ISO 14001: 2015 Environmental Management System



IEC QC 080000 Hazardous Substance Process Management

<sup>1</sup> The Certificate of Conformity for IEC QC 080000 Hazardous Substance Process Management ("HSPM") is applicable to the European Union's Restriction of Hazardous Substances ("RoHS") and Waste Electrical and Electronic Equipment ("WEEE").

We take pride in the development of a heritage of excellence built on the principles of workmanship and innovation. With an approximately 30-year history of manufacturing tailor-made printing solutions, Come Sure has successfully established long-term partnerships with over 250 clients from different industries around the globe, ranging from electronic appliances, food and beverage, furniture, pharmaceuticals, and audio-visual products. During the Reporting Period, the Plant has been recognised locally as a trusted strategic partner in the packaging industry.

Year	Award	Organisation
2019	Top 500 Enterprises in Shenzhen	Shenzhen Enterprise Confederation, Shenzhen Entrepreneur Association
2018 - 2020	Certificate for China's High and New Technology Enterprise	Shenzhen Tax Service, State Taxation Administration, Shenzhen Finance Bureau, Shenzhen Science and Technology Innovation Commission
2016 - 2019	The 10th Vice-President Unit	Shenzhen Packaging Industry Association

Come Sure has grown from a small workshop-style cardboard processing factory into a modernised and professional group, capable of handling a variety of orders and offering professional advice to its clientele. Moving forward, the Group will continue to ride on our success and forge strategic partnerships with quality brands, provisioning high-quality and integrated packaging solutions.



## OUR APPROACH TO SUSTAINABILITY

At Come Sure, sustainability is achieved through the integration of economic and social principles into our business development, without compromising the environment that helps to support our growth. We embody the concept of business circularity and rely on the respectful use of both natural resources and human resources. We acknowledge the importance of involving stakeholders in the participation of the Group's risks and opportunities identification, as well as the decision-making processes.

### Stakeholder Engagement

Come Sure strives to ensure that transparent and interactive channels are in place for communication purposes. We follow a multi-channel strategy to enable constructive interaction, and to keep stakeholders updated on the Group's activities and directions. This allows different views to be examined and managed, so that we can better align policies and actions with respect to stakeholders' interests and expectations. The table below lists the channels through which we interact with our stakeholders:



#### Stakeholder Groups

Shareholders and Investors  
Customers  
Employees  
Suppliers  
Media  
Regulatory Bodies  
Community



#### Engagement Channels

Meetings and Correspondences  
Interviews  
Surveys  
Trainings  
Visits  
Annual and Interim Reports  
Corporate Website

During the Reporting Period, an independent sustainability consultancy was commissioned to assist in managing and reviewing ESG-related policies and material issues. Through peer benchmarking and understanding the Group's business development and ESG practices, we can identify material ESG issues and structure this Report accordingly into two major sections - "Sustainable Manufacturing" and "Responsible Manufacturer".

Sustainable Manufacturing	Responsible Manufacturer
A Life Cycle Perspective	
Sourcing Responsibly	Forging Healthy Relationships with Customers
Monitoring Manufacturing Process	Guaranteeing a Productive Workplace
End-of-Life Treatment	

Moving forward, the Group shall continue to communicate our ESG-related initiatives and performance in an accurate and honest manner. The Group shall also consider practising an ESG-specific stakeholder engagement exercise to provide a more holistic view and help prioritise ESG issues based on their level of concern. Where appropriate, the Group shall also disclose ESG targets, future plans, and relevant strategies in the pursuit of continuous sustainability improvement.



## Risk Management

When pursuing sustainability beyond compliance, it is essential to identify sustainability-related risks and opportunities which have impacted, and those which may impact the Group. During the Reporting Period, our management reviewed and discussed all risks faced and anticipated by the Group. In practising regular and effective risk management, it is our goal to safeguard our assets, shareholders' investment, and manage non-financial risks, to achieve sustainable profitability amid uncertainties.

### The China-US Trade War (the "Trade War")

The ongoing tension of the Trade War has resulted in a softer global demand, leading to a downward pressure on manufacturing activities of China, and retail sales in general. In addition, the issuance of higher tariff and quality requirements on imported paper implies an increase in paper manufacturing costs, thus affecting consumer spending demand.

### Adopting E-Commerce in Domestic Market

Riding on the momentum of online shopping among consumers in China that fosters the growth of paper packaging market demand, the Group has shifted its target customer group to those in the domestic market. This helps to compensate for the slowdown in export business growth. Moving forward, we will continue to strategically carry out our marketing strategy to expand domestic sales channels.



### Leveraging Existing Customer and Supplier Base



With stricter environmental regulations and rising customer expectations, industry leaders with proven quality production capabilities and diversified product mix have experienced enhanced customer retention and brand loyalty and are presented with more business opportunities to increase market share.

Over the years, Come Sure has built trustful relationships with our existing customers through commitment to quality assurance. We are thus able to secure export orders from these customers to regions outside the United States, such as Europe. By broadening our horizons, we aim to achieve sustainable revenue growth.

Moving forward, the Group will continue to maintain close relationships with our existing suppliers and persist with our diversified sourcing strategy by sourcing raw materials domestically and from overseas. We believe this can help to ensure stable, high quality, and cost-efficient supply.

### The Outbreak of COVID-19

The outbreak of coronavirus disease in 2019 ("COVID-19"), which is still ongoing, has resulted in hundreds of thousands of deaths around the globe. It has prompted different countries and regions to adopt social distancing and lockdown approaches. Mainland China has implemented a series of prevention and control measures, including extending the Lunar New Year holidays nationwide and imposing certain degrees of restrictions on travel and transportation. Thus, it has put a halt to the manufacturing industry, and has disrupted various supply chains.

#### Application for early resumption of production

To minimise disruption to manufacturing and product delivery, the Plant adhered to the Guidelines for the Pandemic Prevention Control and Resumption of Work and Production in Shenzhen (《深圳市企業復工復產疫情防控工作指引》). With approval from the regional regulatory body, the Plant was granted permission to resume manufacturing in early February 2020. The pandemic did not impose significant impact on our manufacturing orders.

#### Safeguarding Personal and Environmental Hygiene

The Group acknowledges the health and safety risks associated with the pandemic. We have immediately formulated the Epidemic Prevention and Control Emergency Team and implemented the White Paper on Epidemic Prevention and Control (《疫情防控白皮書》) for the Plant. Masks are distributed to staff every day. Before entering into the office area, staff and visitors are required to undergo body temperature checks by utilising a forehead digital thermometer at reception. Control measures are also outlined for back office staff and kitchen staff to reference.

We understand the COVID-19 has brought detrimental impacts to our business activities. The Group believes that with the trust, support, and cooperation from our stakeholders, we can navigate through the hard times together.

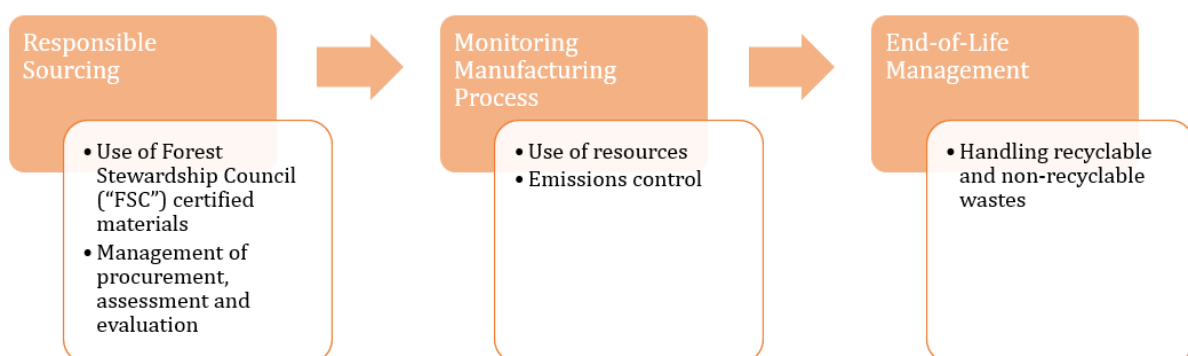
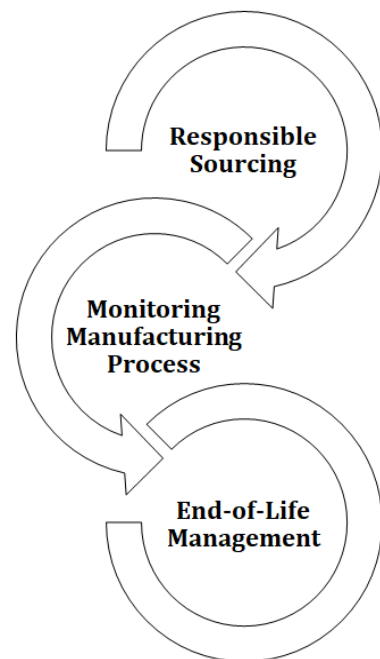
## SUSTAINABLE MANUFACTURING

Come Sure strives to consolidate its position as a "One-stop Green Packaging Partner" by determining what can be controlled in our activities, products and services, with consideration of environmental factors and impacts from a life cycle perspective. We strive to collaborate with suppliers on sourcing sustainable resources and to reduce indirect impacts to the environment. We also take into consideration and closely monitor the direct environmental impact resulting from our manufacturing process. Through these, we hope to extend the lifespan of goods and materials being bought, sold, used and discarded, so as to curb extraction and pollution.

### A Life Cycle Perspective



Embodying a life cycle perspective in Come Sure means incorporating circularity into every aspect of our business from cradle to grave. It also means that we are missioned to sustain a restorative cycle by promoting the well-being of products along their journey, from resource selection, to design, manufacturing, sales, transportation and distribution, usage, end-of-life collection, resale, recycling, and back again to life.

The "Control Procedures for Identification and Evaluation of Environmental Factors" (《環境因素識別與評估控制程序》) assigns each division to identify relevant environmental factors arising from their work responsibilities and formulate responsive measures to risks and opportunities. It is their duty to ensure that resources and tools used in manufacturing processes are being cared for, collected, resold, recycled, and reutilised.



## Sourcing Responsibly

Material selection is the very first step in securing high quality and sustainable material and is essential as it determines the life of the products manufactured by Come Sure. Our goal is to source sustainable materials that promote circularity whenever possible. Outlined in the “Procurement Procedures” (《採購控制程序》), the materials and responsibilities for procurement are subdivided into:

 <b>Primary Material</b>	<i>Definition</i>	Principal resources essential for production
	<i>Example(s)</i>	Raw paper, starchy flour
	<i>Responsibility</i>	Procured by the Group's Purchasing Division
 <b>Secondary Material</b>	<i>Definition</i>	Accessories essential to support production
	<i>Example(s)</i>	Borax, caustic soda, ink, paper lamination adhesive, packaging tape, machinery, tool
	<i>Responsibility</i>	Procured by Plant's Purchasing Division upon the Group's approval

## Use of FSC Certified Materials

Every paper products industry is highly reliant on the supply of wood pulp. This underlines an immense amount of environmental pressure imposed on forests. Come Sure is committed to supporting sound forestry and sourcing wood pulp from sustainable forest sources. By obtaining the FSC Certification, we ensure that the products we use and sell fulfil the requirements under the FSC Chain of Custody standards.

We have set forth the requirement, process and control principles regarding our commitments, organisation structure, responsibilities, accessibilities and the correlation between divisions and employees directly associated with the control. The control principles illustrate the stages of procurement, manufacturing, sales and services of all FSC certified products. We ensure that all employees carry out the control principles, and are dedicated to the planning, management, and provision of relevant training.



## Supply Chain Management

### Procurement

Our paper inventory control is governed by our “Procurement Control Procedure” (《採購控制程序》). Currently, the Group sources raw paper from two major suppliers in Guangdong Province. 90% of our paper inventory is recycled paper, while virgin paper is only used upon individual client's request.



Apart from raw paper, we ensure that all purchased products comply with our production needs and environmental requirements during the material acquisition phase. All suppliers and products must be selected from our “Approved Suppliers List” (《認可供應商清單》) and “Environmental Material List” (《環境材料清單》). We also ensure suppliers are familiar with our expectations on paper grade, paper quality, quantity, delivery date, quality requirements, as well as acceptance criteria by outlining them on the agreement.

### *Assessment and Evaluation*

Our supply chain management is governed by our “Supplier Management Procedure” (《供應商管理程序》). The process for raw paper and starchy flour supplier evaluation and selection are standardised based on their ability to meet our quality and environmental requirements. In order to determine the status of existing and potential suppliers within our Approved Suppliers List, we conduct an annual assessment to evaluate the manufacturer’s size, capacity, quality and ability to meet relevant environmental requirements, product price, and industry reputation.

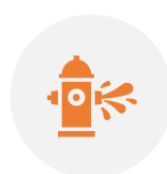
We conduct both annual assessment and monthly performance appraisals for high-risk material suppliers who provide material and substances that meet one of the following conditions:



Substances that are of concern in accordance with international and domestic regulations



Substances that the plant considers to be high-risk



Substances that have experienced abnormal hazardous material incidents in the industry



Substances that are tested to contain high potential risks

Examples of high-risk material are ink paper lamination adhesive, caustic soda, and borax. Suppliers are required to provide material safety data sheets for respective materials and the Plant shall arrange environmental testing for each batch of materials.

When we receive orders that specify Hazardous Substances Free (“HSF”) requirements, the purchasing team will communicate closely with HSF suppliers to ensure that the entire production process is hazardous-free. The material safety data is regularly updated and tested for effective management.









### **Monitoring Manufacturing Process**

Come Sure is committed to effective management of the entire manufacturing process to minimise the impacts generated by our business activities.



## Use of Resources

Our operation is concerned with the use of resources, including energy, water, oil, paper and other materials, as well as their impact. The Plant follows the ISO 14001:2015 Environmental Management System requirements, which involves the formulation, implementation, and monitoring of a series of environmental management procedures. The Plant adheres to its “Energy Saving and Consumption Reduction Control Procedures” (《節能降耗控制程序》), “Environmental Checklist” (《環境檢查表》), as well as “Regulations on the Management of Raw Paper” (《原紙倉管理規定》) when consuming resources. The main forms of resources and key measures to minimise consumption are listed below:

 <b>Natural Gas</b> Boilers	 <b>Petroleum and Diesel</b> Vehicles	 <b>Electricity</b> Electric heating equipment Electrical appliances Lighting system	 <b>Water</b> Domestic usage Manufacturing	 <b>Paper and other Raw Materials</b> Manufacturing
<b>Oil and Gas</b>  <ol style="list-style-type: none"> <li>1. Lubricating oil, petroleum and diesel oil shall be allocated and managed by the Plant</li> <li>2. Ensure enclosure and proper sealing in bottles or canisters</li> <li>3. Store it in a cool and dry place and avoid pouring or leakage</li> <li>4. Regularly inspect and maintain of oil-using equipment</li> <li>5. Arrange one vehicle for order destinations that are adjacent to one another to minimise multiple round trips</li> </ol>				
<b>Electricity</b>  <ol style="list-style-type: none"> <li>1. Properly seal air-conditioned area and set the temperature above 26°C</li> <li>2. Switch off all lights after work</li> <li>3. Record electricity consumption from each electricity metre on a monthly basis</li> <li>4. Inspect and record abnormal power consumption</li> <li>5. Develop new electricity consumption targets and performance indicators</li> </ol>				
<b>Water</b>  <ol style="list-style-type: none"> <li>1. Reuse cooling water generated from workshop equipment by innovative technology</li> <li>2. Put on water conservation signs in each division of the Plant</li> <li>3. Record, analyse and report the water consumption of each unit every month</li> <li>4. Ensure proper management of water cisterns and carry out daily inspection by the security team</li> <li>5. Carry out inspection (at least once a week) for timely water faucet replacement in case of leakage and dripping</li> <li>6. Maintain and replace problematic water metres to ensure accuracy</li> </ol>				

## Paper



1. Send substandard products to paper separator machines for recycling
2. Use both sides of the blank paper (except for reports, record forms and invoice)

The Group did not encounter any problems in sourcing resources, as well as other materials that are fit for purpose. During the Reporting Period, the Plant has recorded a reduction of consumption in oil and gas, electricity, as well as water as compared with the previous year as a result of the implementation of the above measures.

Description	Unit	2018/19	2019/20	% Change
Natural Gas	m <sup>3</sup>	949,961.70	860,264.21	(9.44%)
Petroleum	L	9,575.55	7,927.96	(17.21%)
Diesel	L	45,552.00	41,475.00	(8.95%)
Electricity - Industrial	kWh	2,917,564.00	2,746,960.00	(5.85%)
Electricity - Domestic	kWh	416,119.00	403,910.00	(2.93%)
Water	m <sup>3</sup>	127,377.42	91,760.44	(27.96%)
Paper	Tonne	52,461.00	52,573.00	0.21%

## Emissions

Come Sure is aware of the environmental impacts associated with our business operations. We have established the “Control Procedures for Noise, Wastewater and Exhaust Gas” (《噪聲、廢水、廢氣控制程序》), “Sewage Treatment Operational Guidelines” (《污水處理作業指引》), and “Management Procedures for Supervision and Measurement” (《監視與測量管理程序》) in monitoring:



**Wastewater**



**Air**



**Noise**

Externally, we engage a qualified third-party to inspect our Plant quarterly or annually and provide verification reports with respect to wastewater, exhaust gases and noise. Internally, the administration division conducts measurement and analysis of the management process based on our “Environmental Checklist” (《環境檢查表》) on a random basis. If the test results exceed regulatory requirements or internal targets, the responsible division shall take appropriate corrective measures to eliminate the non-compliant items in accordance with the “Management Procedures for Corrective and Preventive Measures” (《糾正預防措施管理程序》). Such actions should be documented in detail and made knowledgeable by the management.

## Wastewater



1. Wastewater from cleaning machines and inking equipment must be processed onsite before discharge
2. Waste oil must be centrally collected and separately stored for treatment by qualified contractors
3. Employees are forbidden to flush various wastes, soil or garbage into sewers
4. Sewers and rainwater pipelines are cleaned regularly
5. Quarterly wastewater emission assessments on pH value, colour, biochemical oxygen demand, chemical oxygen demand, suspended matter and ammonia nitrogen are conducted by qualified third-party

### Wastewater Zero Discharge Certification

Since 2018, the Plant has been recycling manufacturing wastewater with an aim to reduce freshwater usage in the manufacturing process. To enhance wastewater treatment process, we expanded and reconstructed our onsite sewage treatment system. Wastewater passes through a sewage treatment plant that flocculates, neutralises, breaks down bacteria, filtrates, and is collected in a clear water reservoir to be reused for production or irrigation purposes. The water quality of the treated wastewater is tested daily to ensure it is compliant with mandatory standards. The Plant has obtained a qualified acceptance report and a zero-emission permission approved by the Baoan District Environmental Protection Water Department.

## Air



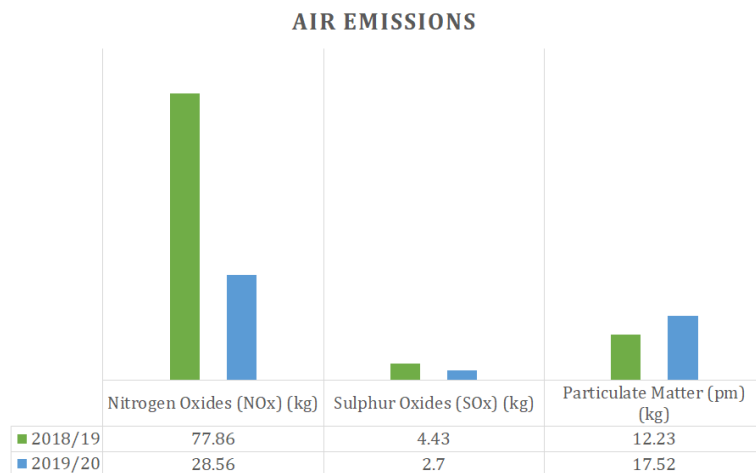
1. Regulate the amount of nitrogen oxide ("NOx") emissions from 200 mg/m<sup>3</sup> to less than 60 mg/m<sup>3</sup>
2. Inspect and maintain all vehicles on an annual basis
3. Quarterly air emission assessments on particulate matter, black carbon, sulphur dioxide ("SO<sub>2</sub>"), and NOx are conducted by qualified third-party

### Exhaust Gas Emissions Reduction

As communicated in the previous Reporting Period, our existing boiler has been modified to tighten our emission control in light of the revised "Emission Standard of Air Pollutants for Boilers" (《鍋爐大氣污染物排放標準》) (DB44 /765-2010). We have also installed a smaller boiler, which was put into use in this Reporting Year. The concentration of NOx and particulate matter have significantly reduced during the Reporting Period.

Content (unit)	Standard Level	2019 Result	2020 Result
SO <sub>2</sub> concentration (mg/m <sup>3</sup> )	50	3	4
NOx concentration (mg/m <sup>3</sup> )	200	56	8
Particulate matter concentration (mg/m <sup>3</sup> )	25	20	3.6
Black carbon (Ringelmann level)	1	0.5	0.5

During the Reporting Period, the Plant's air emissions were mainly generated from the use of two stationary boilers powered by natural gas, as well as the use of the five company-owned vehicles powered by petroleum and diesel. Upon installation and main usage of the smaller boiler, the emission of nitrogen oxides content and sulphur oxides have significantly reduced.



### Noise



1. Set up noise-barriers and anti-vibration for facility with high noise emissions
2. Ensure noise level (Leq) within the boundary of the Plant is in compliant with regulatory level: 65 dBA daytime and 55 dBA nighttime
3. Annual noise monitoring assessment is conducted by qualified third-party

### Greenhouse Gas

The Plant follows the "Management Procedures for Quantification and Report of Greenhouse Gases" (《溫室氣體量化和報告管理程序》) to quantify greenhouse gas emissions under a systematic greenhouse gas verification process. To complete the internal quantification and reporting procedures, responsible personnel from respective divisions shall complete 8+ hours of professional training. We have also commissioned an external accredited party for the calculation of carbon emissions for the financial year of 2019. The quantification methodology is based on the "Organisation Greenhouse Gas Emission Quantification and Reporting Specifications and Guidelines" (《組織的溫室氣體排放量量化和報告規範及指南》) issued by the regional government.

The Plant's greenhouse gas ("GHG") emissions mainly derived from Scope 2 - indirect greenhouse gas emissions from electricity purchased from the grid. The electricity was used to support powering of manufacturing machinery, as well as dormitories and canteens, which represented around 59.39%. Followed by Scope 1 - direct GHG emissions from natural gas combustion for heating, as well as petroleum and diesel combustion for five company-owned vehicles, representing approximately 40.61% of the total emissions.

Description	Unit	2018/19	2019/20	% Change
Scope 1 – Stationary	tCO <sub>2</sub> e-	2,089.92	1,892.58	(9.44 %)
Scope 1 – Mobile	tCO <sub>2</sub> e-	169.17	151.72	(10.31 %)
Scope 2 – Industrial	tCO <sub>2</sub> e-	2,769.48	2,606.59	(5.85 %)
Scope 2 – Domestic	tCO <sub>2</sub> e-	394.86	383.27	(2.93 %)
Total (Scope 1 -2)	tCO <sub>2</sub> e-	5,422.42	5,034.16	(7.16 %)
Intensity By Revenue	tCO <sub>2</sub> e- / RMB¥ '000	0.01	0.01	(15.04 %)
Intensity By GFA	tCO <sub>2</sub> e- / m <sup>2</sup>	0.12	0.11	(7.16 %)
Intensity by Production Volume	tCO <sub>2</sub> e- / Pieces '000	0.21	0.19	(8.82%)

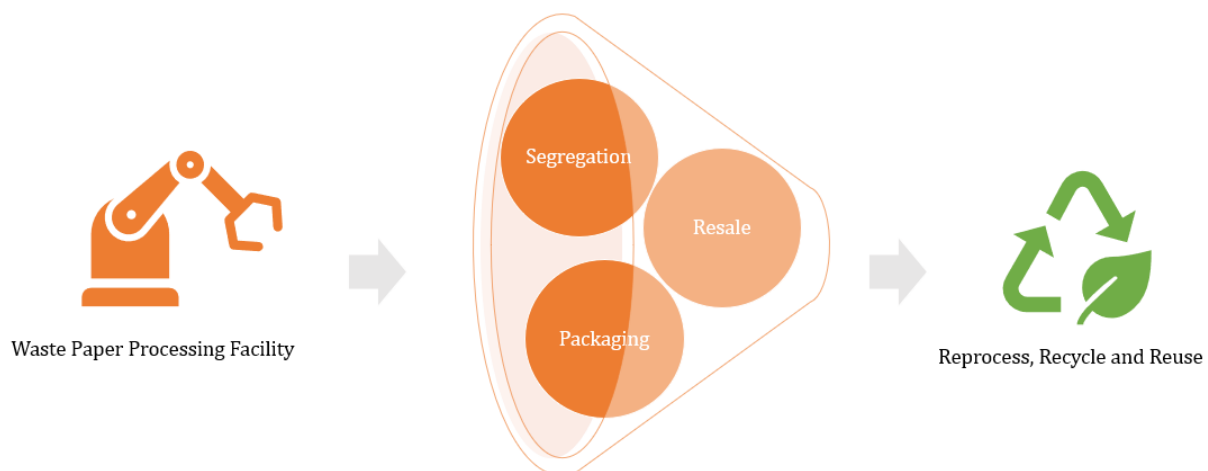
During the Reporting Period, GHG emissions of all aspects had significantly reduced due to decreased usage of fuel gas and electricity. Moving forward, the Group will continue to record, assess, and disclose our GHG emissions data annually in a transparent manner. We will also consider setting emission reduction targets and monitor the effectiveness in the future.

## End-Of-Life Management

Embodying the concept of circularity in the paper manufacturing industry means continuously considering ways to extend the useful life of our resources, and to handle those entering the grave with care and responsibility.

### Recyclables

Recyclable material includes metal parts generated from equipment maintenance, wastepaper, wooden boxes, glass, plastics and paper. Come Sure has dedicated effort in recycling paper, the most essential resource that supports our business activities. Our Plant has established a conveyor belt that collects and transports scrap paper to a centralised processing facility. Wastepaper is segregated, packaged, and resold to our raw paper suppliers for reprocessing, recycling and reusing. During the Reporting Period, the Plant recycled 4.80 tonnes of recyclable waste and sold approximately 7,349.77 tonnes of scrap paper. Moving forward, the Group shall strengthen the data management system for recyclables by detailing the record breakdown by category.





## Non-Recyclables

### *Hazardous*

The innovative product solutions that are appreciated by our customers often involve mechanical and chemical processing. The Group is aware of the by-product generated in the process and is committed to upholding social responsibility. By taking approaches to monitor and improve our production processes, our goal is to ensure that all inputs, processes, and outputs are safe for the environment and our people.

Our commitment is evidenced by the participation in the HSF programme and adherence to the policy requirements. The Plant strives to manufacture, sell, and promote products with non-hazardous materials. We obtain labels with the hazardous-substance-free mark for our products. The HSF mark printed on the package provides customers the confidence that our products were manufactured under the control of HSF management system, which has been certified as being compliant with the IECQ QC 80000 HSPM specification, as well as the RoHS and WEEE directives.

The Plant has detailed information of hazardous substances on a safety data sheet. Employees are reminded to remain vigilant when storing, handling and disposing of such substances, including but not limited to hazardous chemicals, such as organic oil and cleaning agents, oxygen bottles and acetylene bottles. The Plant is equipped with adequate firefighting facilities that are regularly assessed and managed. It has also designated an area in the Plant as the warehouse for hazardous chemicals. Emergency drills and training are also arranged for all employees. These ensure that prompt and proper actions shall be taken in the unlikely event of environmental, health or safety-related incidents.

Other hazardous wastes include used fluorescent tubes, batteries, ink cartridges, waste oil, waste paint and bitumen, residual pesticides, and contaminated containers of any of the above material. The Plant ensures the collected wastes are securely and separately stored from all other waste materials for collection and treatment by qualified third-party subcontractors. The containers must be waterproof, sealed, labelled, and covered properly.

### *Other Non-Recyclables*

Non-recyclable, non-hazardous wastes generated from the Plant include construction waste, food waste and household waste. Four coloured bins are set up at different locations within the Plant's production ground. They are clearly labelled, and serve to practise waste separation into hazardous, non-recyclable, recyclable and household categories. Employees at the manufacturing division are reminded to handle, store, use and dispose of various types of wastes mindfully.

During the Reporting Period, total hazardous waste collected amounts to 11.17 tonnes, whilst non-recyclable waste and household waste collected amount to 82.00 tonnes.

During the Reporting Period, the Group is not aware of any material non-compliance with relevant environmental laws and regulations that have a significant impact on the Group in relation to air and GHG emissions, water and land discharge, and the generation of hazardous and non-hazardous. Moving forward, the Group shall further investigate the waste profile of non-recyclable non-hazardous wastes, and uncover the feasibility to enhance recycling rate.

## RESPONSIBLE MANUFACTURER

When striving for sustainability, the social well-being of all Come Sure's employees are equally as important as the planet and natural resources. We have taken concrete steps to build strong relationships with our customers by monitoring the quality and safety of our products throughout the entire life cycle, from design, manufacturing to after-sale. We have also taken concrete steps to create an inclusive, safe and supportive environment for our employees.

### Forging Healthy Relationships with Customers

Come Sure is committed to cultivating and nurturing customer relationships, whose loyalty and trust are essential to the Group's prosperity. It is our ongoing focus to provide innovative, comprehensive, and caring solutions and services that match their needs.

#### Integrated Packaging Solutions

Come Sure commits to the philosophy of a one-stop centralised packaging service. We proactively integrate product and service resources with an aim to establish stable strategic partnerships with our customers in the long run. To achieve the concept of one-stop centralised packaging, we rely on the collaboration between our experienced design team and the packaging team.

The Group's design team consists of over 10 professional designers, who have been engaged in the packaging design field for over 10 years. Optimal packaging solutions in terms of product packaging, processing technique, cost, and green packaging are recommended to customers. For the past few years, the design team has actively incorporated 3D solutions with software such as Solidworks, Creo, and AutoCAD, as well as adopted various materials including paper-based materials, polystyrene ("EPS"), polypropylene plastic foaming material ("EPP"), foamed polyethylene ("EPE"), foamed polystyrene polyethylene mixture ("EPO") and moulded pulp in the provision of integrated packaging services. The design team will also take into consideration the packaging size, container loading quantity, and transportation cost control for our customers.

Upon agreement on packaging design, our experienced packaging team will develop the packaging products to the design specification, with the use of corrugated paperboard, printed corrugated carton, paper pulp moulding, tympan sheet, corrugated board corner protector, stickers, plastic bags, styrofoam, handle, sealing glue and strapping.

When it comes to manufacturing, the Group takes pride in the application of enterprise resource planning ("ERP") systems in the paper packaging industry. From procurement, taking orders to logistics, and further extended to financial management, we are able to monitor and track such data on each stage. This allows for more comprehensive information flow and enhanced transparency and data management.

## Product Responsibility and Quality Assurance

Adhering to our quality policy, the Group remains vigilant in the selection of suppliers, incoming raw materials procurement and inspection, storage, usage, manufacturing, testing, packaging, storage of finished products, loading, transportation, delivery, as well as after-sales service. To ensure the production of high-quality products and services, we also emphasise employee participation across different divisions.

Quality First

Customer-Oriented

Pursuit of Excellence

Continuous Innovation

### Quality Control

The Plant has its own professional testing team who applies systematic and scientific testing methods to provide accurate and reliable data for conformity assessments. With our advanced testing facilities, we can monitor products and manufacturing processes effectively. Such assessment results are documented for reference and proof, whenever applicable.

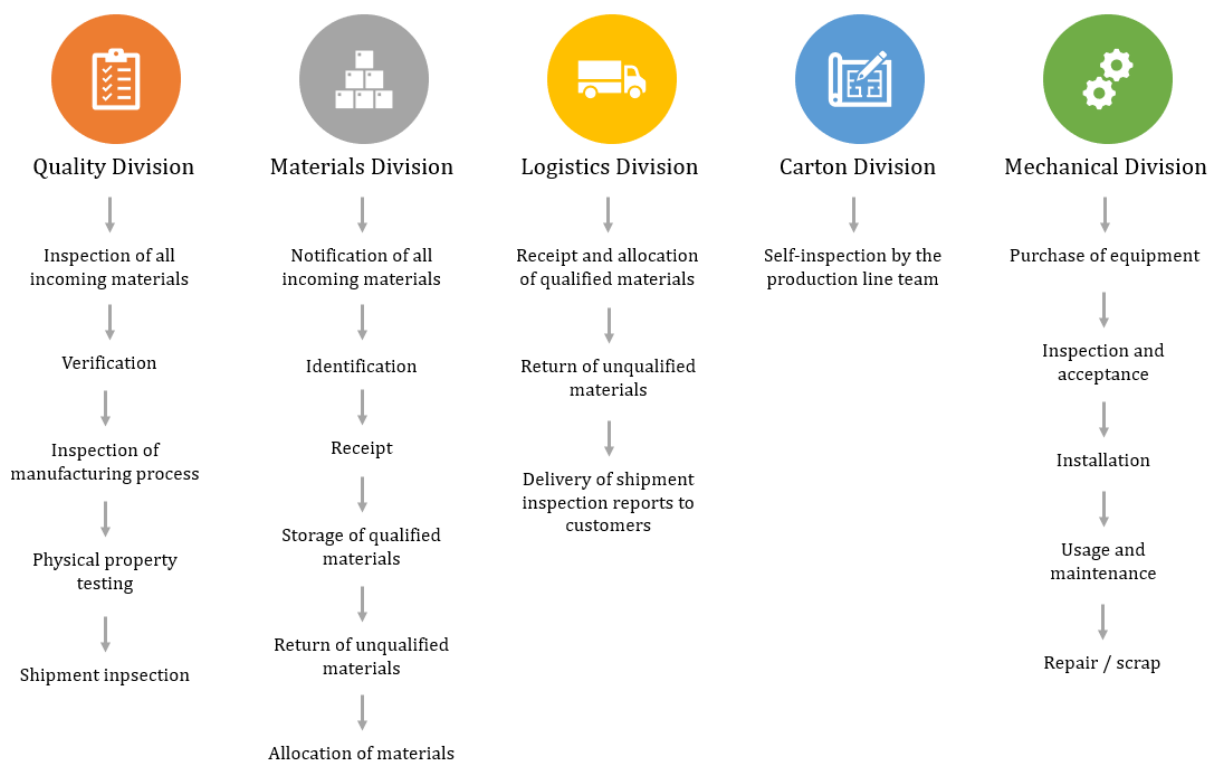
#### *Incoming Material*

We adhere to the “Operational Guidelines for Incoming Inspection” (《進料檢驗作業指引》) and “Product Inspection Control Procedure” (《產品檢驗控制程序》) in the inspection of all incoming materials. Aspects such as appearance, structure and material are being tested before accepting the materials. Subpar materials shall be returned to the respective supplier.

#### *Manufactured Products*

Our testing team observes the “Product Inspection Control Procedure” (《產品檢驗控制程序》) throughout the manufacturing process, to closely monitor the quality of our manufactured products. The inspection and testing procedures ensure that the materials and machinery used for manufacturing comply with our quality policy and standards. For finished products ready to be shipped, the testing team will inspect the quality based on records of work orders and drawings. For finished paperboard products, an independent inspection is conducted in accordance with the “Operational Guidelines on Inspection for Corrugated Paperboard Process” (《瓦楞紙板工序檢驗作業指引》).

On the rare occasion that there is a problem with the quality of the products, the non-conforming products shall be disposed. For nonconforming products that have been shipped or delivered, recall and disposal of such products would be arranged by the Plant. The whole process is to be followed closely with reference to the “Operational Guidelines for Return Processing” (《退貨處理作業指引》). To ensure products and services are up to standard across all stages, we rely on the collaborative effort of various responsible divisions:



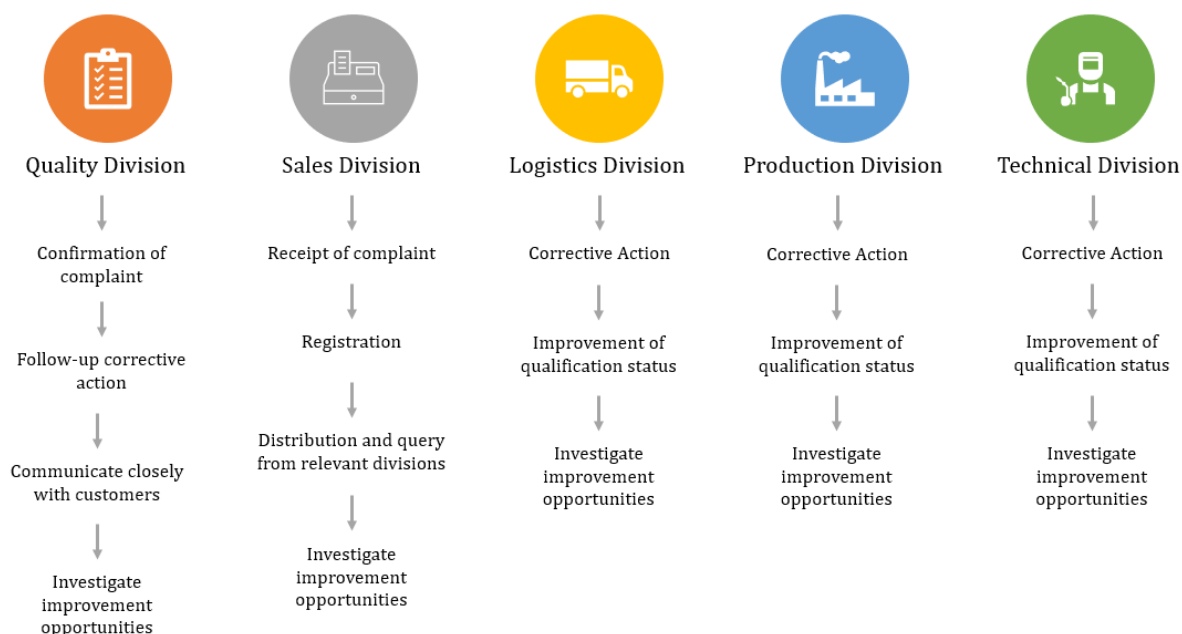
During the Reporting Period, the Group has no such case where products sold or shipped are subject to recalls for safety and health reasons.

### Customer Satisfaction

Customer satisfaction is essential to indicate our ability to retain customer loyalty. Our Sales Division observes the “Customer Satisfaction Management Procedure” (《客戶滿意度管理程序》) and encourages all customers to fill in the biannual customer satisfaction surveys (《客戶滿意度調查表》). The survey provides us with feedback regarding our service efficiency, service quality, delivery service, overall competitiveness, as well as products’ satisfaction to environmental requirements. During the Reporting Period, we scored an overall average of 92.5/100 (annual average target: >85). Moving forward, the Group will continue to value and take customers’ invaluable feedback to heart.



Come Sure takes every complaint seriously. We have established the “Customer Complaint Handling Guidelines” (《客訴處理作業指引》) with an aim to standardise the handling of all complaint types. We strive to ensure timely address customer misunderstandings or dissatisfactions and maintain good relationships. In order to handle complaints with due care, responsibilities to conduct investigation processes are delegated thoroughly among different divisions:



## Business Ethics

As we regard business ethics as the key cornerstone in guiding our business activities, a stringent approach is taken to ensure our operational practices align with our values and expectations. These practices include anti-corruption, customer privacy and confidentiality, labour standards, as well as intellectual property rights.

### Anti-Corruption

The Group adopts a zero-tolerance policy on acts of corruption in any form, including bribery, extortion, fraud, and money laundering. We observe and follow the “Business Ethics Standard Management System” (《商業道德規範管理制度》) that aims to regulate the professional behaviour of all employees. It provides detailed guidelines in facing and handling corrupt issues.



1. Employees shall not accept any present and gift from any third-party, nor secure orders through undue means
2. Whistleblowing procedures are provided to ensure that employees can confidentially report any suspected act, including mail, suggestion box, telephone, or direct discussion with the senior personnel.
3. Once a report is received, management will investigate thoroughly and take appropriate action, whenever necessary.

The anti-corruption measures adopted by the Group have been proven effective. During the Reporting Period, we were not aware of any material non-compliance with the relevant laws and regulations that have a significant impact on the Group relating to bribery, extortion, fraud and money laundering.



## Privacy Protection

Come Sure respects and strives to secure the protection of data privacy. Our Plant follows the “Business Ethics Standard Management System” (《商業道德規範管理制度》) and takes preventive measures against the leakage of the Group’s commercial and trade secrets, such as:



Detailed guidelines are stipulated in the “Employees Handbook” (《員工手冊》) for employees’ access and reference. All of our employees are required to comply with the policy and are prohibited from disclosing any customer data or other confidential matters in public or private settings. If there is any violation of the rules or policies, remedial measures shall be taken immediately and corresponding disciplinary actions may be exercised, depending on the severity of the circumstances. During the Reporting Period, no case of leakage of company secrets or violation of data privacy were discovered or reported.

## Labour Standards

### The Plant

Come Sure is committed to the ethical use of labour. By implementing the “Child and Underage Labour Protection Management System” (《童工及未成年工保護管理制度》). In accordance with regulatory requirements, we perform identification checks before employment to ensure that no child labour or underage labour is hired.

If such cases are found, the child shall be compensated in full and shall be escorted back to the original place of residency. The Plant shall pay for the tuition fee of any child workers who are escorted back, if it is identified that they need to go to school and there are difficulties in the family, so as to ensure that they continue to receive compulsory education.



- ✓ Violence-Free
- ✓ Threat-Free
- ✓ Crime-Free

The Plant strictly adheres to its “Non-Forced Labour Management System” (《非強迫勞工管理制度》) to ensure a healthy, safe, peaceful, stable, happy and voluntary working environment for all our employees. The Plant prohibits mandatory labour systems and measures and has established appropriate channels that allows employees to freely reflect their opinions. In accordance

with the principle of equality and voluntariness, the Plant does not allow employees to be forced into work by means of violence, threats or any illegal restrictions to personal freedom.

### Suppliers

The Plant prohibits the hiring of prison labour or any personnel who have been sentenced to suspended trial execution. We also do not consider any prison factory as a supplier or contractor. All suppliers are regulated once they have signed the “Supplier Social Responsibility Confirmation”

(《供應商社會責任確認書》)。As an approved supplier, they are expected to review and comply with all requirements.

### Intellectual Property Rights

Come Sure respects and preserves all forms of intellectual properties rights, including trademarks, patents, copyright, and designs. Our intellectual property rights protection committee is responsible for overseeing all relevant works, formulating relevant policies, and researching and solving major issues. Under close supervision of the committee, all our employees are prohibited to disclose, publish, use, authorise others to use or transfer the intellectual property rights of the Group.

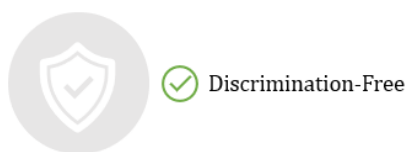


Currently, the Group holds 10 approved utility model patents and 5 pending patent applications for utility model patents. As our technological capabilities advance, we shall fully utilise our intellectual property rights to safeguard the Group's interests.

### Guaranteeing a Productive Workplace

Come Sure recognises the importance of our human capital, as our continued success is highly dependent on their commitment, enthusiasm, and professionalism. We are committed to advocating a harmonious, respectful, and safe working environment that stimulates communications, collaboration and cooperation among employees.

### Inclusivity and Equality



Come Sure strives to ensure that employees in our company are not discriminated against due to differences in ethnicity or race, religious beliefs, age, disability, gender, marital status, pregnancy, social inclination, or others. Our anti-discrimination practices are governed by our "Anti-Discrimination Management System" (《非歧視性管理制度》).

### Employment

We rely on our administrative division for the fair and open recruitment of personnel. Identification and relevant documents are required to confirm the suitability and capability of potential candidates prior to employment. For job positions that require the possession of professional skills and knowledge, prior to employment, the Group will request candidates to provide vocational qualification certifications appraised by agencies approved by the government.

We have formulated and regularly reviewed the "Employee Handbook" (《員工手冊》), which stipulates the legitimate rights and interests of both Come Sure and our employees. Our remuneration package is performance-based and takes into account business performance, market practice and competitive market conditions. Regardless of social differences, employees who possess the same set of skills, education background and experience shall receive the same amount of starting salary for the same position. Employees are hired, promoted, and managed by their skill sets and work merits. With reference to the "Management System for Working hours, Wages and Benefits" (《工時、工資、福利控制管理制度》), the distribution of work, rights to holidays, subsidies and welfare benefits shall accord to employees' performance, ability and attitude in a fair manner.

### *Women's Rights*

At Come Sure, we strongly believe that female workers are entitled to the same opportunities as their male co-workers with regards to learning, thriving, and advancing in their jobs. We attach great importance to safeguard the rights of our female employees by implementing the "Management System for the Protection of Female Employees During Pregnancy and Lactation Period" (《女職員在孕期和哺乳期的保護管理制度》). It is our goal to enhance the physical and mental well-being of all our pregnant employees.

During the Reporting Period, the Group is not aware of any material non-compliance with relevant laws and regulations that have a significant impact on the Group relating to equal opportunity, recruitment and promotion, compensation and dismissal, anti-discrimination, working hours, and other benefits and welfare.

### *Health and Safety*

A safe and hazards-free workplace is essential to retain a committed workforce. The Plant has in place the "EHS (Environment, Health and Safety) Management System" (《EHS (環境、健康、安全) 管理制度》) as well as a "Management System on Investigation of Production Safety and Hidden Peril Governance" (《安全生產檢查與隱患治理制度》) with the intention to minimise potential risks arising from our daily operations.

Chaired by the management representatives from each division, the EHS Management Committee and Machinery Safety Committee play a vital role in promoting occupational health and safety. They are also responsible to ensure that our environmental and safety initiatives are in line with regulatory requirements.

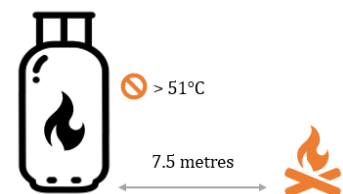
The EHS Management Committee	The Machinery Safety Committee
<input type="checkbox"/> Identify and assess the danger source of each work area, machinery and working environment	<input type="checkbox"/> Conduct risk assessment and safety analysis of on-site machineries
<input type="checkbox"/> Inspect and inform relevant division heads about occupational EHS issues	<input type="checkbox"/> Invite suppliers' technical team to demonstrate and train onsite employees on the safe operations of machinery and equipment for every new purchase
<input type="checkbox"/> Regularly hold occupational EHS meetings	
<input type="checkbox"/> Prepare necessary safety procedures and provide employee training on safety awareness, discipline and know-how	

### Hazardous Energy Control

The Plant has formulated the “Management System for Hazardous Energy Operation” (《危險能源作業管理制度》) and the “Management System for Limited Space Operation Safety” (《有限空間作業安全管理制度》) as the guiding reference for our employees whose work responsibilities involve the use of energy types that contain potential hazardous risks.



Relevant employees working in these divisions are reminded that gas cylinders and gas valves always have to be secured, and all cylinders should be clearly labelled for identification. Those containing flammable gas shall not exceed 51°C and shall be 7.5 metres away from open flames or ignition sources. They shall also be distanced from electrical appliances.



LOC: 19.5-23.5%  
Flammability Limits: <10%  
CO Concentration: <20mg/m<sup>3</sup>

Employees whose responsibilities involve working in limited spaces, such as an underground space or confined space, are reminded to assess and ensure that limiting oxygen concentration (“LOC”), flammability limits and carbon monoxide (“CO”) concentration are up to safety standard before

entering. They shall also assess and record the gas type they are working with, and the time and location their works commence and end. They shall also be equipped with lighting kits, communication equipment, personal protective equipment, as well as emergency rescue equipment, such as gas masks, respirators, and safety ropes.

## Emergency Handling

It is a known fact that climate change influences and causes higher atmospheric temperature, that increases the risks of fire hazards. It also induces extreme climate events such as typhoons and heavy rainstorms that prompt flooding in low-rise areas. Come Sure is aware of such potential risks and is prepared for the unlikely event of such emergencies.

### Fire Accident



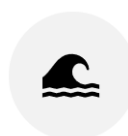
1. Notify switchboard and personnel at the Plant, then try to extinguish it (daytime); Notify security division, then try to extinguish it (nighttime)
2. Dial "119" if the fire cannot be extinguished
3. Assemble members of Fire Safety Committee to follow the procedures of a fire drill
4. Evacuate employees to a safe area in an organised manner
5. Security division shall remain highly vigilant to prevent against robbery case
6. The damage situation of personnel and properties shall be assessed after the fire is extinguished

### Typhoon



1. Stay indoor when a typhoon strikes
2. Security division shall ensure doors and windows are closed, and all power sources are turned off
3. Escort idling items indoor
4. Attend to all incoming calls, and notify the Rescue Division whenever necessary

### Flooding



1. Turn off all power sources
2. Escort properties upstairs
3. Evacuate employees to a safe area in an organised manner

The Plant has commissioned a third-party auditor in performing the annual assessment and evaluation of our environmental risks. The results of the Identification and Evaluation of Environmental Risk Factors have been discussed and confirmed by the EHS Committee during the annual EHS meeting. Among all factors, fire risk was regarded as the risk factor that requires immediate corrective action to avoid potential occurrences:



#### Identification of EHS risk and Commitment to Improving

Given the increased duration of hot and dry season, multiple fire accidents were reported from other paper industry peers, the Plant shall stay alert and mindful when assessing and mitigating fire safety risks. It is advised that all sorts of wastes in the Plant, particularly wipes that contain oil should be placed away from flammable source. Inspection and management personnel shall also take up assigned responsibilities to eradicate other safety risks.

## Anti-Abuse

Come Sure respects the legal rights of all employees and has established a labour system that demonstrates our commitment as a responsible and ethical employer. The "Management System of Anti-Mental and Physical Abuse" (《反精神及肉體虐待管理制度》) restricts any form of corporal punishment, physical contact, mental coercion or verbal abuse. It also outlines that employees' freedom shall not be restricted by any threatening behaviour or abusive language, violence, threats, illegal search, detention or other means.



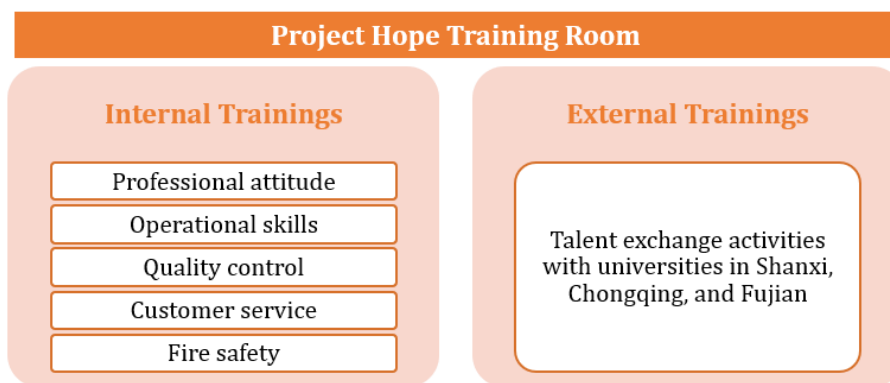
During the Reporting Period, the Group is not aware of any material non-compliance with relevant laws and regulations that have a significant impact on the Group relating to occupational health and safety issues.

### *Nurturing Our People*

Come Sure strives to attract talented and motivated personnel, as they are vital to our success. As a people-oriented employer, we aspire to grow and progress together with our employees. The production in our Plant requires a large pool of dedicated individuals, including but not limited to professional and technical personnel, as well as high-quality management personnel.

### *Realising Potential*

We place great emphasis on training and development of our employees to realise their potential. Following the “Employee Training Management Regulations” (《員工培訓管理規定》), we organise orientation training, on-the-job training, and special post training on an annual basis, subject to employees’ training needs. We have introduced the “Project Hope Training Room” (「希望工程培訓室」) which provides a wide range of staff training programmes.



### *Production Safety Training*

To maintain effective and safe production, prevent casualties, and reduce occupational hazards, education and training programmes are organised among different divisions in accordance with the “Production Safety Education and Training Management System” (《安全生產教育培訓制度》). We arrange annual safety training programmes and safety management programmes for our management representatives, in compliance with national standards.

The table below lists out our Plant's training focus for different divisions during the Reporting Period:

<b>New Recruits</b>	Induction Training
	Orientation Training
<b>All Divisions</b>	Skills Training
	Safety Training
<b>Carton / Paperboard Division</b>	Operation Procedure Training
	Quality Management Training
<b>Machinery Division</b>	Equipment Maintenance Training
	Operation Training for Electrician and Welder
<b>Technical Division</b>	Solidworks2018 Software Simple Design Method
	Detailed Explanation of the Principle and Parameters for Beer Machine Audit
<b>Quality Division</b>	Product Inspection Standards
	Control of Environmentally Hazardous Substances
<b>Material / Logistic Division</b>	Enterprise Training in Environmental Protection Knowledge
	Management for Excellent Production
<b>Production Planning Division</b>	Management of Documentation to Production
	Production Planning and Cost Management
<b>Administration and Human Resources Division</b>	Fire Safety Knowledge Training
	7S Knowledge Training

### Engaging Our People and Community

Upholding a pragmatic and enterprising spirit, Come Sure is committed to the principle of combining economic and social benefits while developing a modernised community with diversified businesses.

Our Plant dormitories consist of electronic entertainment rooms, libraries, sports activity rooms, basketball courts, badminton courts and a community garden for recreational and study purposes. We also actively participate in the development of the country and provide assistance to financially inhibited students to fulfil their learning needs.

## LAWS AND REGULATIONS COMPLIANCE

Come Sure strives to observe national and regional laws to protect the interests of the environment, our shareholders, employees, customers, as well as suppliers. Our Audit Committee and the Board are responsible to review and confirm the regulatory risks identified by the management, and the effectiveness of internal control systems in response to such risks. The Group also assigns accountability to relevant personnel to monitor compliance within their identified responsibilities.

The following table sets out the relevant environmental and social laws and regulations that Come Sure rigorously adhered to, within our value chain, environment, and our people and community.

### Environmental

- Class II criteria of the second period specified in Emission Limits of Air Pollution of Guangdong province (DB44/27-2001)
- Emission Standard of Air Pollutants for Boilers of Guangdong province (DB44/765-2010)
- Emission Standard of Volatile Organic Compounds for Printing Industry (DB44/815-2010)
- Class II criteria of the second period specified in Discharge Limits of Water Pollutants of Guangdong province (DB44/26-2001)
- Type III standard under Standard of Noise for Industrial Enterprises at Boundary (GB12348-2008)
- The Notice of the State Council on the Issuance of the Work Plan for Greenhouse Gas Emission Control during the 12th Five-Year Period
- Notice of the General Office of the National Development and Reform Commission on Implementation of Carbon Emission Rights Trading Pilot Programme
- Law of the People's Republic of China on the Promotion of Clean Production
- Environmental Protection Law of the People's Republic of China
- EU Packaging and Packaging Waste Directive
- European Restrictions of Hazardous Substances
- EU Waste Electrical and Electronic Equipment Directive

### Social

- Interim Provisions of Shenzhen Special Economic Zone on Enterprises Wage Administration
- Labour Law of the People's Republic of China
- Provisions of the State Council on Working Hours of Workers and Staff
- Regulations on Paid Annual Leave for Employees
- Implementation Measures for Paid Annual Leave for Employees of Enterprises
- Regulations of the Shenzhen Municipality on the Wage Payment to Employees
- Regulations on Public Holidays for National Annual Festivals and Memorial Days
- Provisions of Guangdong Province on Labour Rights Protection of Employees
- Special Rules on the Labour Protection of Female Employees
- Law of the People's Republic of China on the Protection of Women's Rights and Interests
- Criminal Law of the People's Republic of China
- Work Safety Law of the People's Republic of China
- Fire Control Law of the People's Republic of China
- Law of the People's Republic of China on the Prevention and Control of Occupational Diseases
- Regulations on Safety, Labour and Health of Guangdong Province
- Production Safety Regulations of Guangdong Province
- Standards and Procedures of Safety Equipment Management for Each Labour Unit
- Management Measures on Heatstroke Prevention
- Regulations on Supervision of Classification for Dust Hazards
- Guideline for Risk Management of Noise Occupational Hazard
- Law on Protection of Minors of the People's Republic of China
- Patent Law of the People's Republic of China

## PERFORMANCE DATA SUMMARY

Description	Unit	2018/19	2019/20
<b>Environmental</b>			
<b>Exhaust Air Emissions</b>			
Nitrogen Oxides	kg	77.86	28.56
Sulphur Oxides	kg	4.43	2.70
Particulate Matter	kg	12.23	17.52
<b>GHG Emissions</b>			
GHG Emission (Scope 1) – Stationary	tCO <sub>2</sub> e-	2,089.92	1,892.58
GHG Emission (Scope 1) – Mobile	tCO <sub>2</sub> e-	169.17	151.72
GHG Emission (Scope 2) - Industrial	tCO <sub>2</sub> e-	2,768.48	2,606.59
GHG Emission (Scope 2) - Domestic	tCO <sub>2</sub> e-	394.86	383.27
Total GHG Emission (Scope 1 & 2)	tCO <sub>2</sub> e-	5,422.43	5,034.16
GHG Emission Intensity By Revenue <sup>2</sup>	tCO <sub>2</sub> e- / RMB'000	0.01	0.01
GHG Emission Intensity By GFA <sup>3</sup>	tCO <sub>2</sub> e- / m <sup>2</sup>	0.12	0.11
GHG Emission Intensity By Production Volume <sup>4</sup>	tCO <sub>2</sub> e- / Pieces'000	0.21	0.19
<b>Energy</b>			
Electricity Usage - Industrial	kWh	2,917,564.00	2,746,960.00
Electricity Usage - Domestic	kWh	416,119.00	403,910.00
Natural Gas Usage	m <sup>3</sup>	949,961.70	860,264.21
Petroleum Usage	L	9,575.55	7,927.96
Diesel Usage	L	45,552.00	41,475.00
Total Energy Usage	MJ	51,129,619.46	46,800,390.84
Energy Intensity By Revenue	MJ / RMB'000	93.12	78.00
Energy Intensity By GFA	MJ / m <sup>2</sup>	1,099.56	1,006.46
Energy Intensity By Production Volume	MJ / Pieces'000	1,942.61	1,746.28
<b>Water</b>			
Water Consumption - Usage	m <sup>3</sup>	67,171.87	50,897.44
Water Consumption - Sewage	m <sup>3</sup>	60,205.55	40,863.00
Total Water Consumption	m <sup>3</sup>	127,377.42	91,760.44

<sup>2</sup> All intensity calculations relating to revenue references revenue due to the Plant's production only, as consistent with the data. During the Reporting Period, the Plant has generated a total revenue of RMB 600,000,000.

<sup>3</sup> The Plant has a gross floor area of 46,500 m<sup>2</sup>.

<sup>4</sup> The Plant has recorded an annual paper products production volume of 26,800,000 pieces during the Reporting Period.

Description (Continue)	Unit	2018/19	2019/20
Water Consumption Intensity By Revenue	m <sup>3</sup> / RMB'000	0.23	0.15
Water Consumption Intensity By GFA	m <sup>3</sup> / m <sup>2</sup>	2.74	1.97
Water Consumption Intensity By Production Volume	m <sup>3</sup> / Pieces'000	4.84	3.42
<b>Waste</b>			
Hazardous Waste	Tonnes	24.44	11.17
Hazardous Waste Intensity By Production Volume	kg / Pieces'000	0.93	0.42
Non-hazardous Waste	Tonnes	88.00	82.00
Non-hazardous Waste Intensity By Production Volume	kg / Pieces'000	3.34	3.36
Recyclable Waste	Tonnes	5.00	4.80
<b>Use of Material and Packaging Material</b>			
Finished Products Production – Raw Paper	Tonnes	52,461.00	52,573.00
Finished Products Production – Starch	Tonnes	854.00	1,469.00
Finished Products Production – White Emulsion	Tonnes	49.48	49.00
Finished Products Production – Stitching Wire	Tonnes	17.66	21.00
Finished Products Production – Ink	Tonnes	57.89	57.00
Total Material Used for Finished Products Production	Tonnes	53,440.03	54,169.00
Finished Products Material Intensity by Production Volume	kg / Pieces'000	2,030.40	2,021.23
Product Packaging – Pallet Film	Tonnes	28.89	26.68
Product Packaging – Packaging Strap	Tonnes	18.20	14.22
Total Material Used for Product Packaging	Tonnes	47.09	41.10
Packaging Material Intensity By Production Volume	kg / Pieces'000	2.03	2.02
Material Used for Finished Products Production : Material Used for Product Packaging	Tonne : kg	1 : 0.88	1 : 0.76
<b>Social</b>			
Total Workforce	Person	513	457
<b>Workforce by Gender</b>			
Male	Person	379	348
Female	Person	134	109
Ratio of Male to Female Employee	-	2.83 : 1	2.92 : 1
<b>Workforce by Age Group</b>			
<30	Person	105	39
30-40	Person	170	149
41-50	Person	200	195

Description (Continue)	Unit	2018/19	2019/20
>50	Person	38	74
<b>Workforce by Employment Category</b>			
Executives	Person	1	1
Senior Management	Person	17	19
Middle Management	Person	61	57
General Employee	Person	434	380
Percentage of New Employees	%	12.09	1.75
Staff Turnover Rate	%	23.78	9.80
<b>Training</b>			
Total Trained Employees	Person	513	457
Percentage of Trained Employees	%	100	100
Total Training Hours	Hour	29,780.00	10,968.00
Average Training Hours per Employee	Hour	58.05	24
<b>Work Injury</b>			
Number of Work Injury	Case	2	2
Lost Days due to Work Injury	Day	132	72
Percentage of Lost Days due to Work Injury	%	0.09	0.05
Work-related Fatality	Case	0	0



## HKEX ESG GUIDE CONTENT INDEX

Aspects, General Disclosures and KPIs	Description	Relevant Chapter or Explanation
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.	Sustainable Manufacturing - A Life Cycle Perspective, Monitoring Manufacturing Process, Laws and Regulations compliance
KPI A1.1	The types of emissions and respective emissions data.	Sustainable Manufacturing - A Life Cycle Perspective, Monitoring Manufacturing Process, Performance Data Summary
KPI A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Sustainable Manufacturing - A Life Cycle Perspective, Monitoring Manufacturing Process, Performance Data Summary
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Sustainable Manufacturing - A Life Cycle Perspective, Monitoring Manufacturing Process, End-Of-Life Management, Performance Data Summary
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Sustainable Manufacturing - A Life Cycle Perspective, Monitoring Manufacturing Process, End-Of-Life Management, Performance Data Summary
KPI A1.5	Description of measures to mitigate emissions and results achieved.	Sustainable Manufacturing - A Life Cycle Perspective, Monitoring Manufacturing Process, End-Of-Life Management, Performance Data Summary
KPI A1.6	Description of how hazardous and nonhazardous wastes are handled, reduction initiatives and results achieved.	Sustainable Manufacturing - A Life Cycle Perspective, Monitoring Manufacturing Process, End-Of-Life Management, Performance Data Summary
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Sustainable Manufacturing - A Life Cycle Perspective, Monitoring Manufacturing Process
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).	Sustainable Manufacturing - A Life Cycle Perspective, Monitoring Manufacturing Process, Performance Data Summary

KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Sustainable Manufacturing - A Life Cycle Perspective, Monitoring Manufacturing Process, Performance Data Summary
KPI A2.3	Description of energy use efficiency initiatives and results achieved.	Sustainable Manufacturing - A Life Cycle Perspective, Monitoring Manufacturing Process, Performance Data Summary
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	Sustainable Manufacturing - A Life Cycle Perspective, Monitoring Manufacturing Process
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Sustainable Manufacturing - A Life Cycle Perspective, Monitoring Manufacturing Process, Performance Data Summary
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	Sustainable Manufacturing - A Life Cycle Perspective, Monitoring Manufacturing Process, End-Of-Life Management
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Sustainable Manufacturing - A Life Cycle Perspective, Monitoring Manufacturing Process, End-Of-Life Management
B. Social		
Employment and Labour Practices		
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.	Responsible Manufacturer - Guaranteeing a Productive Workplace, Laws and Regulations Compliance
KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	Responsible Manufacturer - Guaranteeing a Productive Workplace, Performance Data Summary
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Responsible Manufacturer - Guaranteeing a Productive Workplace, Performance Data Summary
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.	Responsible Manufacturer - Guaranteeing a Productive Workplace, Laws and Regulations Compliance

KPI B2.1	Number and rate of work-related fatalities.	Nil
KPI B2.2	Lost days due to work injury.	Responsible Manufacturer - Guaranteeing a Productive Workplace, Performance Data Summary
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Responsible Manufacturer - Guaranteeing a Productive Workplace
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Responsible Manufacturer - Guaranteeing a Productive Workplace
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Responsible Manufacturer - Guaranteeing a Productive Workplace, Performance Data Summary
KPI B3.2	The average training hours completed per employee by gender and employee category	Responsible Manufacturer - Guaranteeing a Productive Workplace, Performance Data Summary
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.	Responsible Manufacturer - Business Ethics, Laws and Regulations Compliance
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Responsible Manufacturer - Business Ethics
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Responsible Manufacturer - Business Ethics
Operating Practices		
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Sustainable Manufacturing - A Life Cycle Perspective, Sourcing Responsibly
KPI B5.1	Number of suppliers by geographical region.	Not disclosed for the Reporting Period.
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.	For details regarding practices relating to engaging suppliers, and how they are implemented and monitored, please refer to section "Sustainable Manufacturing - Sourcing Responsibly". We shall disclose the number of suppliers engaged in the following year.
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.	Responsible Manufacturer - Forging Health Relationship with Customers, Laws and Regulations Compliance

KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not disclosed for the Reporting Period.
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Not disclosed for the Reporting Period.
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights	Responsible Manufacturer – Business Ethics
KPI B6.4	Description of quality assurance process and recall procedures.	Responsible Manufacturer – Forging Health Relationship with Customers
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Responsible Manufacturer – Business Ethics
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.	Responsible Manufacturer – Business Ethics, Laws and Regulations Compliance
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.	Nil
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Responsible Manufacturer – Business Ethics
Community		
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.	Responsible Manufacturer - Guaranteeing a Productive Workplace
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Responsible Manufacturer - Guaranteeing a Productive Workplace
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Not disclosed for the Reporting Period.