



**Environmental Social and Governance Report**  
**2020 - 2021**

# MESSAGE FROM MANAGEMENT



Lee Kee Group (“Lee Kee” or “the Group”, which includes Lee Kee Holdings Limited and its subsidiaries), founding in 1947, has been a leading metals solutions provider delivering quality, professional and reliable value-added products and services to our customers for decades. Led by our core sustainability values, we are dedicated to driving sustainable development and enhancing our environmental, social and governance (“ESG”) performance across our operations. The COVID-19 pandemic has brought significant socio-economic impacts to society. In view of the impacts, we remain committed to protecting our employees and other stakeholders as we continue to build up our resilience to the pandemic.

To make Lee Kee an ideal workplace for employees, we have made substantial effort to enhance our employment practices and environment over the years. We place a strong emphasis on building an inclusive, supportive and harmonious work environment which promotes equal employment opportunities and values diversity. To nurture a vigilant health and safety culture, our Safety Committee closely observes industry best practices and shares insights of potential workplace hazards with employees. As a result of these safety measures, we had zero work-related fatalities during the reporting period.

Demonstrating our commitment to reducing our environmental footprint, we set multiple environmental targets this year. As we progress in our sustainable journey, we will continue to explore opportunities to adopt energy efficient systems, enhance waste management practices and promote environmental awareness. We also work to embed our sustainable development values in our value chain by having environmentally friendly procurement policies in place.

Although the ongoing pandemic has been challenging for all of us, we will continue to drive collective action on ESG issues becoming more resilient for the future. With the help and support of our stakeholders, we are well positioned to continue working towards our sustainability goals and deliver value.

**CHAN Yuen Shan Clara**  
Vice-Chairman and Chief Executive Officer

28 May 2021



# ABOUT THE REPORT



## Reporting Scope and Standard

This ESG Report has been prepared in accordance with the requirements of the ESG Reporting Guide, Appendix 27 (“ESG Reporting Guide”) to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited issued by Hong Kong Exchanges and Clearing Limited (“HKEx”). The scope of this ESG report includes our offices, warehouses, production and laboratory operations in Hong Kong, our offices and factory in Mainland China and our offices in Taichung, Bangkok, Kuala Lumpur and Singapore. It provides a balanced overview of Lee Kee Group’s ESG management approach, effort and performance for the period from 1 April 2020 to 31 March 2021 (the “reporting year”).

Information related to our corporate governance and financial performance can be found in our 2020/21 Annual Report.

## Stakeholder Engagement

We value stakeholders’ feedback and communicate with our stakeholders through various channels. In April 2021, the Group appointed an independent consultant to conduct a stakeholder engagement exercise to gather their views on ESG issues. Our stakeholders had the opportunity to rate the materiality level of sustainability issues and provide suggestions regarding ESG risks and opportunities for the Group. We welcome your feedback. Please feel free to contact us with any suggestions at: [ir@leekeegroup.com](mailto:ir@leekeegroup.com)

# ABOUT THE REPORT



## Materiality Assessment

This year, a comprehensive Materiality Assessment was conducted to identify material sustainability issues for Lee Kee using the following process:

01



### Identification

**Peer benchmarking:** In order to identify relevant HKEx Aspects to disclose, peers' disclosure practices were reviewed to identify industry standards and commonalities.

**Stakeholder engagement:** Our directors and employees, suppliers, non-governmental organisations ("NGOs") and customers were invited to rate the sustainability issues considered relevant to Lee Kee to reflect stakeholder interests and importance to Lee Kee through surveys.

02



### Prioritisation

The material aspects which were identified through peer benchmarking and stakeholder engagement were consolidated, creating a list of relevant material ESG issues to be brought forward for validation.

03



### Validation

Our independent consultant helped to prioritise the findings from the first two steps and then we confirmed a list of material ESG issues and the relevant HKEx Aspects and KPIs for disclosure in this report.



## ESG HIGHLIGHTS



### Employee Diversity

**1:1.14**  

female to male ratio

Installing

**Solar Panel System**



### Electricity Consumption Intensity

**2.1%**

in Hong Kong plant  
compared with FY2019/20

### GHG Emissions

**Target**

**20%**

by FY2030/31



### Energy Consumption

**Target**

**15%**

by FY2025/26



Become a signatory of  
Business Environment Council's

**Low Carbon Charter**



Achieved

**94%**



**Satisfaction Level**

in customer survey

# AWARDS AND CERTIFICATES



Lee Kee Group's performance has been recognised through the following awards and certificates.

AWARD / CERTIFICATE	ISSUING ORGANISATION
CarbonCare® Certificate 2020 - CarbonCare® Label - Level 1 Carbon Reduction	CarbonCare InnoLab
Caring Company 15 Years+	The Hong Kong Council of Social Service
Commendation Scheme on Source Separation of Commercial and Industrial Waste – Bronze Award 2019/20	Environmental Protection Department of HKSAR
Happiness at Work logo - 5 Years+ Happy Company	Promoting Happiness Index Foundation
HOKLAS Accredited Laboratory under ISO/IEC 17025:2017	Hong Kong Accreditation Service
Hong Kong Green Organisation	Environmental Campaign Committee
Hong Kong Q-Mark Elite Brand 2020 – Product Category	Hong Kong Q-mark Council Federation of Hong Kong Industries
Hong Kong Q-Mark License – Tin Copper Solder Wire	Hong Kong Q-mark Council Federation of Hong Kong Industries
IATF 16949 :2016 Automotive Quality Management Systems Certification	SGS United Kingdom Ltd. TÜV SÜD Management Service GmbH
Industry Cares 2020 – Industry Cares 5+ Year (Enterprise Group)	Federation of Hong Kong Industries
ISO 9001:2015 Quality Management Systems Certification	SGS United Kingdom Ltd. TÜV SÜD Management Service GmbH
ISO 14001:2015 Environmental Management Systems Certification	SGS United Kingdom Ltd.
ISO 14001:2015/ GB/T 24001– 2016 Environmental Management Systems Certification	Beijing Head International Certification Co., Ltd.
ISO 45001:2018 Occupational Health and Safety Management Systems Certification	SGS Hong Kong Ltd.
Partner Employer Award 2020 – Partner Employer 5+ Year	The Hong Kong General Chamber of Small and Medium Business
Tier 2 Authorized Economic Operator	Customs and Excise Department of HKSAR
Work Safety Standardisation – 3rd Level (Non - ferrous)	Bureau of Emergency Management of Ningbo

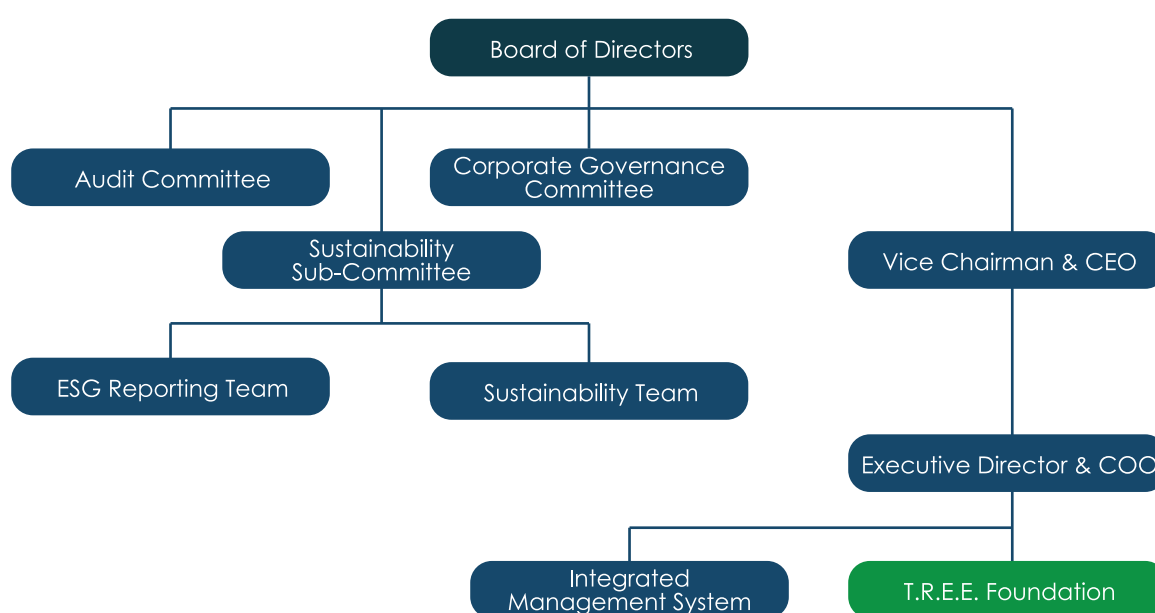


# SUSTAINABILITY GOVERNANCE



Our sustainability governance structure allows us to effectively manage ESG risks and identify opportunities to enhance our sustainability performance. The Board of Directors has overall responsibility on the ESG strategy and reporting and delegated to various committees and senior management of different works on sustainability issues. Our Audit Committee reviews risk management and internal control to ensure effective risk management system. Corporate Governance Committee is responsible for reviewing and monitoring corporate governance issues. Further information about our risk management, internal controls and corporate governance can be found in the Corporate Governance Report contained in the Company's Annual Report 2020/2021.

Our Sustainability Sub-Committee comprises of Vice Chairman & CEO, an Executive Director and an Independent Non-Executive Director to discuss and provide advice on overall sustainability directions and strategic oversight on the implementation of ESG initiatives. The Senior Management led by Vice Chairman & CEO is responsible for the daily operation, including works on the risk management (such as, identification, assessment and mitigation of risk (covering ESG risks) across businesses. For better effectiveness and efficiency, the Group has also established different working teams to handle different sustainability areas. Our Sustainability Team is responsible for implementation for environmental initiatives and relevant data collection. In addition, internal reviews within Integrated Management System, such as the Environmental Aspects Assessment and the Safety Risk Assessment are conducted regularly to ensure appropriate internal control systems are in place. ESG Reporting Team is responsible for ESG reporting to comply with HKEx listing rules. Chaired by the Company's Executive Director (who is also Group's Chief Operating Officer, the T.R.E.E. Foundation (formerly known as "CSR Committee") is comprised of representatives from our key functional units, who are responsible for the management of CSR programmes to ensure that any concerns from the community are well addressed. With our commitment to supporting sustainable business development, we will continue to contribute to the environment and the community.



Note: The above diagram is only an extract of various committees and working team within the Group relating to sustainability and ESG reporting.

# OUR PEOPLE



Guided by our people-oriented approach, we are committed to creating a diverse, supportive, safe and harmonious workplace. We strive to advocate a company culture where our core values of integrity and fairness uphold the Group's high standards of business ethics.

## Working Conditions

Developed in accordance with applicable labour laws and regulations, our employee handbook stipulates Lee Kee's policies and procedures including those related to benefits, compensation and professional behaviour. Our recruitment screening processes are not influenced by nationality, race, religion, gender, age, physical abilities or family status of potential employees. Our employees are also rewarded with remuneration packages and welfare benefits based on factors such as individual responsibility, professional competence and work performance. Our three guiding principles: Fairness and Consistency, Pay for Performance, and Market Competitiveness are in place to ensure high business ethical standards when providing employment benefits and compensation to staff.

During the year, there were no non-compliance cases relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, child and forced labour and other benefits and welfare.



# OUR PEOPLE



## Training and Development

Our General Training and Development Policy in the Employee Handbook clearly states the six guiding principles to ensure employee growth and capture potential learning opportunities.

- Provide induction training for new Employees and for those newly transferred to different departments;
- Ensure appropriate in-house and external training, enabling individuals to keep up with satisfactory job performance;
- Encourage to join appropriate external courses for Employees' career development;
- Provide training required by those selected for promotion so that they are appropriately prepared for their new responsibilities;
- Provide sponsorship/subsidy to encourage Employees to further study and well equip themselves to embrace future challenges; and
- Encourage learning and sharing among Lee Kee employees.

To maintain employee competency in a fast-paced business environment, we identify and arrange internal and external training sessions covering a range of topics. We also provide education subsidies for eligible employees who wish to pursue further studies or education programmes relevant to their job duties. To continuously improve our internal training programmes, a Staff Training Feedback Questionnaire is available for staff to share their views.

**TOTAL TRAINING HOURS  
RECEIVED BY EMPLOYEES**

**4,440 Hours**



# OUR PEOPLE



## Occupational Health and Safety

We make every effort to ensure a healthy and safe workplace for our employees. Formulated in accordance with the relevant laws and regulations, our Occupational Health and Safety Policy stipulates our commitments and objectives in upholding high standards of occupational health and safety. Our Hong Kong operation has implemented the ISO 45001:2018 Occupational Health and Safety Management System<sup>1</sup> to mitigate and control occupational health and safety hazards in our operations. Safety Committee in Hong Kong holds monthly meetings to manage health and safety issues and reviews relevant laws and regulations once every six months.

In Hong Kong, Safety Team conducts regular inspections to identify and prevent any potential hazards in the workplace. Existing hazard mitigation tools such as emergency lights and exit signs, fire extinguishers, machine guards, and emergency stop switches are checked regularly to ensure effectiveness. In addition, dangerous goods are kept in a storeroom approved for purpose by the Director of Fire Services. We also provide personal protective equipment, such as safety helmets, safety shoes, gloves, reflective vests, and ear protectors, and require all workers to wear such equipment in designated areas. To ensure acceptable noise levels at work, we conduct noise assessments for heavy machinery from first action level to a peak action level or above. We fully comply with the Environmental Protection Department's chemical waste control scheme, following strict procedures to ensure the proper and safe handling of chemical waste.

Our Ningbo plant has also established a Safety Committee and policies to maintain health and safety at the workplace. Other offices without production face lower risk from health and safety which are taken care by their office heads.

In response to the COVID-19 pandemic, Lee Kee has set up reporting procedures and work from home measures for employee to address different situations, and visitors entering the premises are required to fill in a health declaration form.

During the year, there were no work-related fatalities and no non-compliance cases relating to the provision of a safe working environment and the protection of employees from occupational hazards.

<sup>1</sup> The scope and number of Group companies certified with the ISO 45001 standard are listed on Lee Kee's website.



# OUR PEOPLE



## Caring Workplace

The Group strives to strengthen our employees' wellbeing through a range of activities. To accommodate the diverse interests of our employee and enhance communications between departments, we regularly arrange staff recreational and team bonding activities. To understand our employees' needs and respond accordingly, we established open communication channels between employees and management. For instance, we encourage our employees to communicate directly with our CEO through the CEO mailbox on our intranet.

## Future Plans

Moving forward, we will identify talent development opportunities and promote employee well-being. We will remain resilient to ensure healthy and safe practices during the COVID-19 pandemic. By exploring more open employer-employee communication channels, we strive to accommodate the needs of our employees. We will continue to build a professional and thriving team where our employees feel supported and inspired at work.

## Highlights of Staff Activities



Online staff annual party



Robot gave greetings to all staff in CNY

**心靈加油站**

樂觀的心境是  
健康身心的泉源

8月14日 (星期五)  
13:00 - 14:00  
(歡迎報名日期: 8月12日 17:30前)  
(請於分享以網絡話風行)

張依勵博士 Dr Eliza CHEUNG

註冊臨床心理學家 (HKPS)

Eliza的臨床及研究工作均集中於災後的心理健康和心理急救。過去多年,她參與過多項本地及海外災難事故應急和預災項目。她從2006年開始學習禪修,並於亞太地區不同地方帶領禪修學習。

歡迎參加  
輕鬆

Sharing on Mental Wellness under COVID-19 pandemic



## OUR ENVIRONMENT



Lee Kee is committed to minimising the environmental footprint of our operations and are one of the three Hong Kong listed companies in material category reporting GHG emission in Carbon Footprint Repository for Listed Companies in Hong Kong<sup>2</sup>. Our Environmental Policy clearly states our guiding principles and objectives for the Group to develop and implement measures to efficiently manage greenhouse gas (“GHG”) emissions, energy consumption and waste throughout our daily operations. To systematically manage our environmental protection measures, we have attained and implemented the ISO 14001:2015 Environmental Management System across various operations within the Group<sup>3</sup>. Within our environmental management system framework, an Environmental Aspects Identification and Assessment is performed regularly and respective control and measurement activities are carried out in order to improve the Group’s environmental performance. Our environmental management teams in Hong Kong and Ningbo are in place to identify environmental issues and formulate corresponding mitigation measures. To ensure our environmental guidelines are up-to-date, relevant laws and regulations are reviewed once every six months. Other offices, without production process, were located in commercial building which have fewer available options for environmental protection measures mitigation. Yet, they remained committed to reduce greenhouse gas (“GHG”) emissions, energy consumption and waste along the Group’s objectives.



<sup>2</sup>Reference is made to information shown in the website of Carbon Footprint Repository for Listed Companies in Hong Kong.

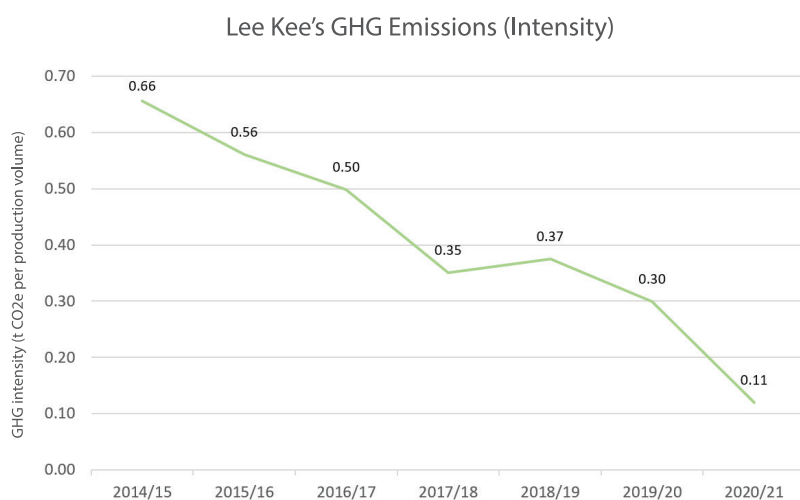
<sup>3</sup>The scope and number of Group companies certified with the ISO14001 standard are listed on Lee Kee’s website.

# OUR ENVIRONMENT



## Energy Consumption and Emissions

Our energy saving efforts mainly focus on energy efficiency upgrades, energy consumption monitoring and staff environmental awareness promotion. A set of energy management guidelines and systems are established within the Group to facilitate energy savings. Regular maintenance and cleaning of fan coil units and filters are conducted to ensure optimal system efficiency. We also carry out periodical leakage inspections on air conditioning systems and company vehicles to minimise energy consumption and emissions. Furthermore, we continue to replace old fluorescent lights with energy efficient LED light fixtures. Our Ningbo operations adopted baghouse to reduce fugitive emissions arising from factory operations. To control air pollutants arising from our laboratory operations, a water scrubber unit is in place to remove contaminated acid fumes before the exhaust is released into the environment. To collectively contribute towards Hong Kong's long-term decarbonisation goal and enhance employees' climate awareness, we have become a signatory of Business Environment Council's Low Carbon Charter. This year, we have set reduction targets of reducing 15% of energy consumption (intensity) by FY2025/26 and 20% GHG emissions (intensity) by FY2030/31<sup>4</sup>.



Our factory in Ningbo

Note : GHG intensity refers to the GHG emission rate relative to the intensity of Lee Kee's production. Production volume is adopted in our intensity calculations to reflect the most appropriate representation based on our business nature.

<sup>4</sup> The base year for these reduction targets is FY2016/17.

# OUR ENVIRONMENT



## Waste and Resource Management

Maintaining resource use efficiency in our operations is key to our waste management performance. Guided by our Environmental Policy, the Group implements a range of waste recycling practices to enhance our resource use efficiency. We separate, control and recycle different types of waste such as paper, plastic bottles, metals, glass and beverage cartons in all our operations. We follow statutory procedures when managing hazardous wastes and e-waste such as chemical wastes, fluorescent lamps, used computers and other electrical appliances. Furthermore, we are exploring opportunities to offer our scrap metal and zinc dross to potential metal recyclers to maximise resource use. Our electronic internal document processing system is in place to reduce excessive use of paper. We encourage our employee to adopt electronic systems. If printing is necessary, we adopt double-sided printing where possible to reduce the amount of paper consumed in our office. To conserve water in our operations, we have installed low flow faucets in the pantry, kitchen and toilets in our Hong Kong office. This year, we have set a target of reducing paper waste by 3% by FY2021/22<sup>5</sup>.

## OUR APPROACH TO BUILDING A GREEN OFFICE



***Provide guidance on room temperature control***



***Maintain environmental management system***



***Adopt energy efficient lighting***



***Set up recycling system***



***Collect and recycle E-waste***



***Inverter air conditioner replacement***

<sup>5</sup> The base year for the reduction target is FY2020/21.

# OUR ENVIRONMENT



## Climate Change

Many industries are facing emerging challenges from climate change. Transition towards a low-carbon economy is essential to tackle climate risks and capture opportunities. Mainland China and Hong Kong's long-term carbon neutrality goals are expected to accelerate the shift towards a low carbon future. Understanding our climate risk and opportunities in this transition, Lee Kee has identified significant climate issues which may impact our operations. To adapt and mitigate these risks, we have formulated short and long-term action plans. This helps us to better position ourselves in a changing environment and build resilience against climate change impacts.

Climate Risks	Potential Impacts	Actions
<b>Physical Risks</b>		
Prolonged period of extreme hot weather	<ul style="list-style-type: none"> <li>Reduced operation efficiency</li> </ul>	<ul style="list-style-type: none"> <li>Install sensors to identify high temperature and adjust work allocation</li> <li>Enhance automation to reduce manpower in certain process</li> </ul>
Increased frequency and severity of inclement weather events	<ul style="list-style-type: none"> <li>Work sites closure</li> <li>Delivery delay</li> <li>Damages to buildings</li> </ul>	<ul style="list-style-type: none"> <li>Set up a delegated team to monitor weather and work out contingency plan</li> <li>Establish communication platforms to ensure all relevant staff are kept informed about the weather forecast and work sites situation</li> <li>Maintain sufficient inventory</li> <li>Purchase insurance coverage</li> <li>Allocate professional standby to ensure building safety in case of emergency</li> </ul>
<b>Transition Risks</b>		
Enactment of more stringent laws and regulations related to climate change	<ul style="list-style-type: none"> <li>Additional investment costs to comply with regulation changes</li> </ul>	<ul style="list-style-type: none"> <li>Monitor regulatory trends</li> <li>Consult professional opinion</li> <li>Adopt renewable energy in operations</li> <li>Reduce carbon emissions</li> </ul>

During the year, there were no non-compliance cases relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.

## Future Plans

This year, we have demonstrated our commitment to reducing our environmental footprint by setting various environmental targets. As a next step, we will be installing a 200kW solar panel system in our Hong Kong operations. We are also setting up heat recovery system to increase energy efficiency and proposing to adopt electric vehicles to replace conventional fuel vehicles at Ningbo plant by FY2021-22. Looking forward, we will continue to explore opportunities to adopt energy efficient hardware systems, enhance waste management practices and promote environmental awareness.

## OUR COMMUNITY



At Lee Kee, we strive to contribute to the positive development of the communities we serve. We utilise our expertise and resources to build thriving communities through staff volunteering, long-term collaboration with charity organisations and donations. Our community efforts generally focus on environmental protection and youth development. Over the years, Lee Kee has been recognised for its long-term efforts to support community development. This year, we received the "Industry Care 5+ (Enterprise Group)" Award by the Federation of Hong Kong Industries.

Due to social distancing measures during the COVID-19 pandemic, our volunteer staff were unable to physically attend charity events. Nevertheless, we made donations to Hong Kong Seagull Scholarship to support underprivileged students. Leveraging our expertise, we provided free water testing services to primary and secondary schools in Tai Po and Shatin. In addition, we purchased cookies from Good Goods Social Enterprise for our Annual Party in Hong Kong to advocate responsible procurement. Through our charity programmes, we are working towards a more supportive and inclusive society.



**Free water testing services to primary and secondary schools**



**Cookies purchased from Good Goods Social Enterprise as a support**



**Donated honey to a secondary school for students wellness**



# OUR VALUE CHAIN



## Supply Chain Management

As a leading solutions provider for metals, Lee Kee is mindful of incorporating sustainability elements along our value chain. As the environmental and social performance of our suppliers has an influence on our business operations, we take sustainability considerations into account when choosing our supply chain partners. In Hong Kong, our Supplier Questionnaire Checklist helps us to ensure potential environmental and social risks are identified and mitigated along our supply chain. Prior to service commencement, suppliers within our assessment scope are required to sign an agreement which lists out the behaviours and high standards we expect from our business partners in order to prevent regulatory, environmental and social risks along our supply chain. Our supplier performance evaluation process considers factors such as whether they are ISO 9001 or ISO 14001 certified, as it is important to the Group that we are sourcing from suppliers that provide quality goods and services while protecting the environment and the interests of our customers.

In our Ningbo operations, suppliers are required to sign an environmental protection agreement prior to the commencement of service. Our operations in Shenzhen and Wuxi require suppliers to fill in a supplier questionnaire which includes environmental and social factors. For our raw material chemical suppliers in all operations, our evaluation process allows us to terminate contracts if they do not meet the requirements or refuse to take action to address situations that may seriously affect the environment. Our procurement practices include sustainable sourcing such as recycling materials and products with green certificates.

**Lee Fung Metal Company Limited and LKG Elite (Shenzhen) Company Limited are certified to trade GRS (Global Recycled Standard) Products**



## Measures to Promote Environmentally Friendly Practices with Our Suppliers



**Under our Supplier Environmental Support Statement, raw material chemical suppliers are encouraged to:**

- Use environmentally friendly chemical production techniques and facilities
- Use recyclables for product packaging



**Under our Environmental Agreement, transportation suppliers are encouraged to:**

- Use green fuel
- Formulate emergency response procedures and provide training to employees to reduce environmental pollution caused by accidents

# OUR VALUE CHAIN



## Product Responsibility

Our dedication to providing professional and quality services enables us to build long-term relationships with our customers. Our factories in Hong Kong and Mainland China have adopted the international ISO 9001:2015 Quality Management Systems and IATF 16949:2016 Automotive Quality Management System<sup>6</sup> standards to ensure quality standards. Our products also comply with applicable international standards for regulating product specifications to ensure that our clients' expectations are met. In addition, Lee Kee has a comprehensive quality assurance process which includes the monitoring of supplier performance, quality control, employee training and development, customer feedback analysis, and corrective and preventative actions. Our customer complaint handling procedure requires our Quality Team to attend to any issues immediately for effective corrective actions and prompt responses. We constantly look for opportunities to enhance our products and services. Therefore, we conduct annual customer satisfaction surveys to collect feedback from our major customers. This year, we received an overall rating of 94%. We will continue to work with our stakeholders and strive for continuous improvement.

During the year, there were no non-compliance cases relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.

## Anti-Corruption

Guided by our Code of Conduct and Employee Handbook, we are committed to upholding high standards of ethical behaviour throughout our operations. Our Code of Conduct and Employee Handbook outline anti-corruption policies and guidelines which all our employees should abide. New employees are introduced to the Code of Conduct during orientation training to ensure they are familiar with the expected ethical behaviour. We also have a firm policy regarding gifts and the solicitation of money. Every year, we invite the Independent Commission Against Corruption to deliver training sessions to our employees on anti-corruption.

The Group has established its whistle-blowing policy to assist employees to inform the senior management of potential cases of malpractice or impropriety. We make every effort to treat all disclosures in a confidential and sensitive manner. This procedure allows employees and management to work together to resolve any issues and prevent further misconduct.

During the reporting year, there were no reported non-compliance cases relating to bribery, extortion, fraud, and money laundering.

<sup>6</sup> The scope and number of Group companies certified with ISO 9001 and IATF 16949 standards are listed on Lee Kee's website.



# HKEX KPI DATA TABLE



HKEx KPI		Unit	FY2020/21	FY2019/20
<b>A. Environmental<sup>7</sup></b>				
<b>A1.2</b>	<b>Greenhouse gas emissions in total and intensity</b>			
	Scope 1 emissions	Tonnes of CO <sub>2</sub> e	1,692	117
	Scope 2 emissions	Tonnes of CO <sub>2</sub> e	1,285	796
	- total (Scope 1 and 2 emissions)	Tonnes of CO <sub>2</sub> e	2,977	913
	- intensity	Tonnes of CO <sub>2</sub> e / MT	0.11	0.30
<b>A1.3</b>	<b>Total hazardous waste produced<sup>8</sup></b>			
	Mix of hydrochloric acid and nitric acid			
	- total	L	117	180
	- intensity	L / MT	0.004	0.06
	Hydrofluoric acid			
	- total	L	22	60
	- intensity	L / MT	0.0008	0.02
	Recycled empty toner cartridges			
	- total	Number	20	24
	- intensity	Number / MT	0.0007	0.008
	Recycled fluorescent tubes			
	- total	Number	25	270
	- intensity	Number / MT	0.0009	0.09
	Recycled light bulbs			
	- total	Number	63	158
	- intensity	Number / MT	0.002	0.05
<b>A1.4</b>	<b>Total non-hazardous waste produced<sup>9</sup></b>			
	General waste			
	- total	Tonnes	150	115
	- intensity	Tonnes / MT	0.005	0.04
	Recycled paper waste			
	- total	Kg	1,160	1.74
	- intensity	Kg / MT	0.04	0.0006
	Recycled aluminium can			
	- total	Kg	28	5
	- intensity	Kg / MT	0.001	0.002

**Note: In FY2020/21, we have expanded our data scope to covering our offices, warehouses, production and laboratory operations in Hong Kong, our offices and production plant in Mainland China and our offices in Taichung, Bangkok, Kuala Lumpur and Singapore. Production volume is adopted in our intensity calculations to reflect the most appropriate representation based on our business nature. The intensity is calculated by production volume which is 3,053 MT in FY2019/20 and 28,348 MT in FY2020/21.**

<sup>7</sup> The data reporting scope for purchased electricity in FY2019/20 includes our offices, warehouses, production and laboratory operations in Hong Kong. In FY2020/21, purchased electricity data of our operations in Hong Kong and Tai Chung cover the period from March 2020 to March 2021; our operations in Wuxi from January 2020 to January 2021; our operations in Singapore from June 2020 to March 2021; and our operations in Ningbo, Shenzhen and Guangzhou from April 2020 to March 2021.

<sup>8</sup> Hazardous waste data only includes Hong Kong operations.

<sup>9</sup> Non-hazardous waste data only includes Hong Kong operations, except for recycled scrap metals which includes both Hong Kong and mainland China operations.

# HKEX KPI DATA TABLE



HKEx KPI		Unit	FY2020/21	FY2019/20
A1.4	Recycled plastic bottles			
	- total	Kg	55	27
	- intensity	Kg / MT	0.002	0.009
	Recycled glass			
	- total	Kg	52	/
	- intensity	Kg / MT	0.002	/
	Recycled scrap metals			
	- total	Kg	33,220	16,810
	- intensity	Kg / MT	1.17	5.51
A2.1	<b>Energy consumption by type</b>			
	Direct energy consumption (Fuel consumed)			
	- total	'000 kWh	8,864	433.72
	- intensity	'000 kWh / MT	0.31	0.14
	Indirect energy consumption (Purchased electricity)			
	- total	'000 kWh	2,785	1591.13
	- intensity	'000 kWh / MT	0.10	0.52
<b>B. Social</b>				
B1.1	<b>Total workforce by employment type, gender, age group and geographical region</b>			
	Full-time	No. of people	185	107
	Part-time	No. of people	1	2
	Male	No. of people	99	60
	Female	No. of people	87	49
	Under 30	No. of people	18	5
	30 to 50	No. of people	118	67
	Over 50	No. of people	50	37
	Hong Kong	No. of people	116	109
	Greater China (other than Hong Kong)	No. of people	65	/
	SEA	No. of people	5	/
B1.2	<b>Employee turnover rate by gender, age group and geographical region</b>			
	Male	%	23	/
	Female	%	20	/
	Under 30	%	50	/
	30 to 50	%	25	/
	Over 50	%	4	/
	Hong Kong	%	25	/
	Greater China (other than Hong Kong)	%	14	/
	SEA	%	40	/

# HKEX KPI DATA TABLE



HKEx KPI		Unit	FY2020/21	FY2019/20
B2.1	Number and rate of work-related fatalities			
		No. of people	0	0
		%	0	0
B2.2	Lost days due to work injury			
		No. of days	36	9
B3.1	Percentage of employees trained by gender and employee category			
	Male	%	76	77
	Female	%	81	82
	General Staff	%	79	75
	Middle Manager	%	87	86
	Senior Manager	%	60	85
B3.2	Average training hours per employee by gender and employee category			
	Male	Hours	36	4.73
	Female	Hours	11	4.63
	General Staff	Hours	32	4.53
	Middle Manager	Hours	7	4.71
	Senior Manager	Hours	2.53	5.46
B5.1	Number of suppliers by geographical region <sup>10</sup>			
	Greater China	No. of suppliers	12	/
	Asia (Other than Greater China)	No. of suppliers	5	/
	Europe	No. of suppliers	2	/
	Oceania	No. of suppliers	1	/
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons			
		%	0	0
B6.2	Number of products and service related complaints received			
		No. of complaints	10	2
B7.1	Number of concluded legal cases regarding corrupt practices brought against the Company			
		No. of cases	0	0

<sup>10</sup>This table relates to the major suppliers of the Group during the Reporting Period.

## MEMBERSHIPS



Lee Kee is a member of the following organisations through which we share knowledge and remain up-to-date on the latest industry trends and best practices.

ORGANIZATION	
Aluminium Stewardship Initiative	The Chamber of Hong Kong Listed Companies
Business Environment Council	The Chinese General Chamber of Commerce
Federation of Hong Kong Industries (Groups 2, 4, 7, 19 and 26)	The Chinese Manufacturers' Association of Hong Kong
Galvanizers Association of Malaysia	The Hong Kong General Chamber of Commerce
Hong Kong Association for Testing, Inspection and Certification	The Hong Kong Metals Manufacturers Association
Hong Kong Auto Parts Industry Association	The N.T. North District Manufacturers' Association of Hong Kong
Hong Kong Chinese Importers' & Exporters' Association	The Toys Manufacturers' Association of Hong Kong
Hong Kong Construction Materials Association	廣東省拉鍊商會
Hong Kong Electrical Appliance Industries Association	廣東省家電商會
Hong Kong Electro-Plating Merchants Association	廣東省鑄造行業協會
Hong Kong Foundry Association	廣州市家具行業協會
Hong Kong General Building Contractors Association	上海市壓鑄技術協會
Hong Kong Institution of Certified Auditors	台北市電器商業同業公會
Hong Kong Medical and Healthcare Device Industries Association	台灣拉鍊工業同業公會
Hong Kong Metal Merchants Association	台灣鎖業暨五金發展協會
Hong Kong Mould and Product Technology Association	新材料在線(深圳市尋材問料網絡科技有限公司)
Hong Kong Plumbing & Sanitary Ware Trade Association	中國國際貿易促進委員會中國對外貿易理事會
Hong Kong Surface Finishing Society	中國五金製品協會拉鍊分會
Hong Kong Watch Manufacturers Association	中國有色金屬理事會
International Zinc Association	中山市鎖業協會
London Metal Exchange	

# RELEVANT LAWS AND REGULATIONS



The laws and regulations that the Group considers to be more relevant to the Group in terms of a significant impact on the Group relating to the following aspects include, but are not limited to:

Aspects	Relevant Laws and Regulations <sup>11</sup>
<p><b>Aspect A1: Emissions</b></p> <p>Air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste</p>	<p>Hong Kong: Noise Control Ordinance (Cap. 400), Waste Disposal (Chemical Waste) (General) Regulation (Cap. 354C), Air Pollution Control Ordinance (Cap. 311) and Water Pollution Control Ordinance (Cap.358).</p> <p>Mainland China : Ningbo Atmospheric Pollution Prevention and Control Regulation (寧波市大氣污染防治條例), Ningbo Environmental Pollution Prevention and Control Regulation (寧波市環境污染防治規定), Environmental Protection Law of the People's Republic of China (中華人民共和國環境保護法), Atmospheric Pollution Prevention and Control Law of the People's Republic of China (中華人民共和國大氣污染防治法), Production Safety Law of the People's Republic of China (中華人民共和國安全生產法) and Hazardous Chemicals Safety Management Regulation (危險化學品安全管理條例).</p>
<p><b>Aspect B1: Employment</b></p> <p>Compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare</p>	<p>Hong Kong: Employment Ordinance (Cap. 57), Minimum Wage Ordinance (Cap. 608), Mandatory Provident Fund Schemes Ordinance (Cap. 485), Personal Data (Privacy) Ordinance (Cap. 486), Sex Discrimination Ordinance (Cap. 480), Disability Discrimination Ordinance (Cap. 487), Family Status Discrimination Ordinance (Cap. 527), Race Discrimination Ordinance (Cap. 602) and Inland Revenue Ordinance (Cap. 112).</p> <p>Mainland China: Labour Contract Law of the People's Republic of China (中華人民共和國勞動法) and Labour Contract Law of the People's Republic of China (中華人民共和國勞動合同法).</p>
<p><b>Aspect B4: Labour Standards</b></p> <p>Air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste</p>	
<p><b>Aspect B2: Health and Safety</b></p> <p>Providing a safe working environment and protecting employees from occupational hazards</p>	<p>Hong Kong: Occupational Safety and Health Ordinance (Cap. 509), Boilers and Pressure Vessels Ordinance (Cap. 56), Factories and Industrial Undertakings Ordinance (Cap. 59), Dangerous Goods Ordinance (Cap. 295) and Prevention and Control of Disease Ordinance (Cap. 599)</p> <p>Mainland China : Measures for the Administration of Occupational Health Examination (職業性健康檢查管理規定), Special Rules on the Labour Protection of Female Employees (女職工勞動保護特別規定) and Prevention and Control of Occupational Diseases Law of the People's Republic of China (中華人民共和國職業病防治法).</p>

<sup>11</sup> For English version, the laws and regulations in Mainland China are presented in both English and Chinese. Should there be any discrepancy between the Chinese and the English name, the Chinese version shall prevail.

# RELEVANT LAWS AND REGULATIONS



Aspects	Relevant Laws and Regulations
<p>Aspect B6: Product Responsibility</p> <p>Health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress</p>	<p>Restriction of Hazardous Substances Directive (EU) 2015/863 amending Annex II to Directive 2011/65/EU, (RoHS 2.0) and the European Union (EU) Regulation EC 1907/2006 Registration, Evaluation, Authorization and Restriction of Chemicals (REACH).</p>
<p>Aspect B7: Anti-corruption</p> <p>Bribery, extortion, fraud and money laundering</p>	<p>Hong Kong: Prevention of Bribery Ordinance (Cap. 201), and Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Cap 615).</p> <p>Mainland China : Anti-Money Laundering Law of the People's Republic of China ( 中華人民共和國反洗錢法) and Suppression of Corruption Regulation of the People's Republic of China (中華人民共和國懲治貪污條例).</p> <p>Singapore: Prevention of Corruption Act (Chapter 241)</p> <p>Thailand: The Organic Act on Anti-Corruption B.E. 2561 (2018)</p> <p>Malaysia: Malaysian Anti-Corruption Commission (MACC) Act 2009</p>

# HKEx ESG GUIDE

## CONTENT INDEX



Aspect	KPI	Description	Section / Remarks
<b>A. Environmental</b>			
<b>A1 Emissions</b>	A1	General Disclosure	Our Environment
	A1.1	Types of emissions and respective emissions data	Due to the business nature of Lee Kee Group, this KPI is considered not material.
	A1.2	Greenhouse gas emissions in total and intensity	HKEx KPI Data Table
	A1.3	Total hazardous waste produced and intensity	HKEx KPI Data Table
	A1.4	Total non-hazardous waste produced and intensity	HKEx KPI Data Table
	A1.5	Description of measures to mitigate emissions and results achieved	Our Environment – Energy Consumption and Emissions
	A1.6	Description of how hazardous and non-hazardous waste are handled, reduction initiatives, and results achieved	Our Environment – Waste and Resource Management
<b>A2 Use of Resources</b>	A2	General Disclosure	Our Environment
	A2.1	Direct and/ or indirect energy consumption by type and intensity	HKEx KPI Data Table
	A2.2	Water consumption in total and intensity	Due to the business nature of Lee Kee Group, this KPI is considered not material.
	A2.3	Description of energy use efficiency initiatives and results achieved	Our Environment – Energy Consumption and Emissions
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results	Our Environment – Waste and Resource Management
	A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced	Due to the business nature of Lee Kee Group, this KPI is considered not material.
<b>A3 The Environment and Natural Resources</b>	A3	General Disclosure	Our Environment
	A3.1	Description of the significant impacts of activities on the environment and natural resources and actions taken to manage them	Our Environment
<b>B. Social</b>			
<b>B1 Employment</b>	B1	General Disclosure	Our People –Working Conditions
	B1.1	Total workforce by gender, employment type, age group and geographical region	HKEx KPI Data Table
	B1.2	Employee turnover rate by gender, age group and geographical region	HKEx KPI Data Table
<b>B2 Health and Safety</b>	B2	General Disclosure	Our People – Occupational Health and Safety
	B2.1	Number and rate of work-related fatalities	HKEx KPI Data Table
	B2.2	Lost days due to work injury	HKEx KPI Data Table
	B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	Our People – Occupational Health and Safety



# HKEx ESG GUIDE

## CONTENT INDEX



Aspect	KPI	Description	Section / Remarks
<b>B3 Development and Training</b>	B3	General Disclosure	Our People – Training and Development
	B3.1	The percentage of employees trained by gender and employee category	HKEx KPI Data Table
	B3.2	The average training hours completed per employee by gender and employee category	HKEx KPI Data Table
<b>B4 Labour Standards</b>	B4	General Disclosure	Our People - Working Conditions
<b>B5 Supply Chain Management</b>	B5	General Disclosure	Our Value Chain – Supply Chain Management
	B5.1	Number of suppliers by geographical region	HKEx KPI Data Table
	B5.2	Description of practices relating to engaging suppliers, and how they are implemented and monitored	Our Value Chain – Supply Chain Management
<b>B6 Product Responsibility</b>	B6	General Disclosure	Our Value Chain – Product Responsibility
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reason	HKEx KPI Data Table
	B6.2	Number of products and service related complaints received and how they are dealt with	HKEx KPI Data Table Our Value Chain – Product Responsibility
	B6.4	Description of quality assurance process and recall procedures	Our Value Chain – Product Responsibility
<b>B7 Anti-corruption</b>	B7	General Disclosure	Our Value Chain – Anti-Corruption
	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	HKEx KPI Data Table
	B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	Our Value Chain – Anti-Corruption
<b>B8 Community Investment</b>	B8	General Disclosure	Our Community
	B8.1	Focus areas of contribution	Our Community
	B8.2	Resources contributed to the focus area	Our Community

We Create Value Solutions for Metals

引 領 金 屬 發 展          共 創 增 值 方 案

**Lee Kee Holdings Limited**

(Incorporated in the Cayman Islands with limited liability)

16 Dai Fat Street, Tai Po Industrial Estate, N.T., Hong Kong  
[www.leekeegroup.com](http://www.leekeegroup.com)

@2021 Lee Kee Holdings Limited. All rights reserved.