

**新礦資源有限公司**

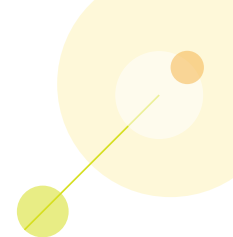
**NEWTON RESOURCES LTD**

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1231

**2020**  
**Environmental,  
Social and Governance  
Report**

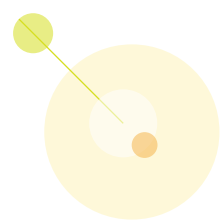




# Contents

<b>INTRODUCTION</b>	2
Scope of the Report	3
Reporting Standard	3
Contact & Feedback	3
<b>STAKEHOLDER ENGAGEMENT</b>	3
<b>MATERIALITY ASSESSMENT</b>	5
<b>RESPONSIBLE EMPLOYMENT</b>	7
Healthy and Safe Workplace	7
Employment Conditions	10
Discrimination-free and Fair Workplace	10
Development and Training	11
Energetic Workplace	12
<b>SUSTAINABLE VALUE CHAIN</b>	12
Product and Service Quality	13
Addressing Our Customers' Needs	13
Supply Chain Management	14
Business Integrity	15
<b>ENVIRONMENTAL PROTECTION</b>	16
Resources Conservation	16
Our Environmental Performance	19
<b>COMMUNITY ENGAGEMENT</b>	20
<b>HKEx ESG REPORTING GUIDE INDEX</b>	22





## Introduction

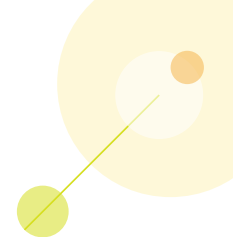
Newton Resources Ltd (hereinafter referred to as the “Company” or “we”) together with its subsidiaries (collectively, the “Group”) serves as a distributor that involves in the sourcing and supply of iron ores and other commodities (the “Resources Business”). With our experience, expertise and know-how in relation to iron ores and other commodities, we also offer a range of value-added services. In particular, the Group matches the product offerings of the suppliers with the demand of the customers in terms of pricing, quality and timing, such that the commodities from the overseas mine owners can be effectively brought to the customers in need at an appropriate time. Other major functions of the Group as a distributor include providing support in the areas of supplier management and logistics. We coordinate with different suppliers and get commodities from multiple sources to customers as a package where necessary. We also organise shipment and delivery of the commodities to the customers.

Our highly competent and experienced business development team is the core competence of the Resources Business. The team is formed by professionals with experience in the procurement of iron ores from overseas mines under offtake or standalone arrangements and in the provision of related shipping services for more than a decade. They have been sparing no efforts in developing business relationships and engaging in business collaboration with iron ores and non-ferrous metal suppliers, and hence they possess a substantial amount of industry-specific experience in trade negotiation and business operation and have a well-established good reputation in the industry. We are widely recognised by suppliers and customers as trustworthy business partners. The Group has been continuously refining its distributorship business model to improve its reliability, efficiency and sustainability. Most notably, the Group has been able to secure the supply of iron ores and fulfil our commitment to customers amid the global disruption in the supply chain. As our supply chain grows stronger, we are focusing more on our Resources Business.

Our journey does not stop here. The Group will continue to evaluate and pursue new business opportunities so as to develop the Resources Business and seek potential offtake or long-term supply agreements, with an aim of further strengthening our supply chain to support a sustainable growth of the Group.

Having a belief that a long-lasting relationship with the community is critical for our business sustainability, the Group is pleased to publish our 2020 environmental, social and governance (“ESG”) report (the “Report”) summarising our ESG performance and initiatives.





## Introduction *(Continued)*

### **Scope of the Report**

The Report examines the Group's ESG management approaches and the corresponding performance within our operational boundaries, which mainly include the Resources Business and corporate activities at the offices in Hong Kong for the period commencing on 1 January 2020 and ending on 31 December 2020 (the "Reporting Period" or "2020"). Operations in relation to our mining business are excluded in the Report due to the disposal of our entire interest in the mining business in the People's Republic of China (the "PRC") during the Reporting Period, which had been completed on 30 June 2020. The board of directors (the "Directors") of the Company (the "Board") is well aware of its role and responsibility in oversight of ESG matters, as well as assessment and management of material environmental and social risks issues. Information about our corporate governance is not included in this ESG Report as it has already been disclosed in our annual report for the year ended 31st December 2020 in compliance with Appendix 14 to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited ("HKEx").

### **Reporting Standard**

This ESG Report has been prepared in accordance with the Environmental, Social and Governance Reporting Guide under Appendix 27 to the Listing Rules ("HKEx ESG Reporting Guide"). The Report has been reviewed and approved by the Board.

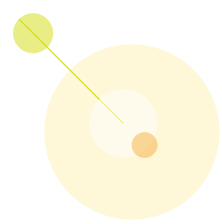
### **Contact & Feedback**

The Group strives to build a trusted relationship with the community. We formulate our business strategies for the best interests of our stakeholders; therefore, we treasure your feedback on this ESG Report and our sustainability performance. If you have any comments or suggestions, please feel free to contact us at (852) 2521-8168 or via [esg@newton-resources.com](mailto:esg@newton-resources.com).

## Stakeholder Engagement

With the ongoing communication and engagement with its stakeholders, the Group can better understand the perspectives and expectations of its stakeholders on the Group's ESG issues that the stakeholders have the greatest concerns, as well as understanding the associated environmental and social impacts on the business. By gathering their opinion and understanding their concerns, the Group can refine its management policies and approaches on ESG management, determine more suitable ways to address the ESG issues, as well as making continuous improvements on its ESG performance.



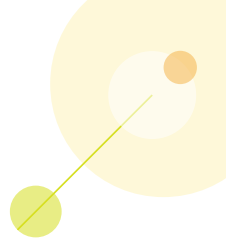


## Stakeholder Engagement *(Continued)*

The Group has not only identified key stakeholder groups who have a significant impact on our business, but also those who can be significantly affected by our operations. The Group has also been maintaining regular communications with them through various channels, which are illustrated in the table below:

<b>Stakeholder groups</b>	<b>Communication channels</b>
Investors and shareholders	<ul style="list-style-type: none"><li>• Company website</li><li>• Designated investor relations hotline and email</li><li>• Company's announcements</li><li>• Annual general meeting</li><li>• Annual and interim reports</li></ul>
Customers	<ul style="list-style-type: none"><li>• Virtual meetings and on-site visits</li><li>• Periodic follow up by account officers</li><li>• Customers' feedback collection</li></ul>
Suppliers and business partners	<ul style="list-style-type: none"><li>• Virtual meetings and on-site visits</li><li>• Procurement meetings</li><li>• Regular contacts by procurement officers</li><li>• Suppliers' feedback collection</li><li>• Industry seminars</li></ul>
Employees	<ul style="list-style-type: none"><li>• Training and orientation</li><li>• Email and notice board</li><li>• Performance appraisal</li><li>• Staff events</li></ul>
Government relations	<ul style="list-style-type: none"><li>• Forums, conferences and workshops</li><li>• Information submission</li></ul>
Community, media and the public	<ul style="list-style-type: none"><li>• Corporate website</li><li>• Company's announcements</li><li>• Community activities</li><li>• Charity donations</li></ul>

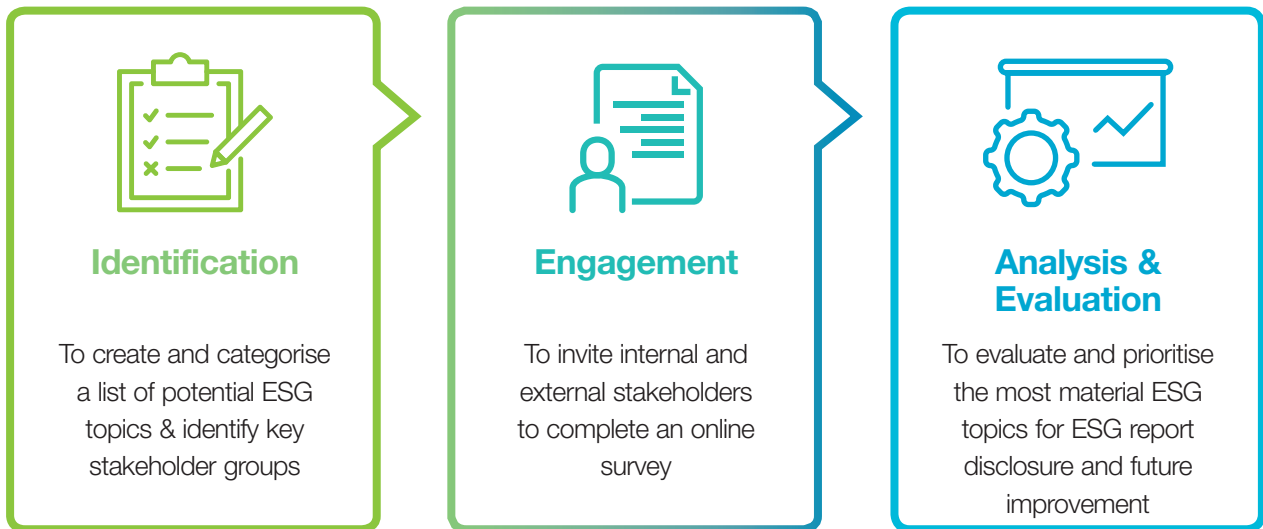


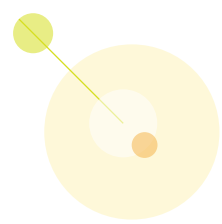


## Materiality Assessment

In order to provide a direction and framework for the Report and formulation of ESG management strategies, it is necessary to identify the material ESG issues that matter the most to the Group. An independent consultancy firm has been commissioned to conduct a materiality assessment by way of online questionnaire for the Group in order to formulate strategies for managing the material ESG issues. Our key stakeholder groups (e.g. employees, customers, suppliers, and shareholders) were invited to fill in a questionnaire and determine the relevance and importance of the identified 15 ESG topics to the Group's business operations and the stakeholders themselves respectively.

Based on the weight-adjusted materiality of each of the ESG topics expressed by the stakeholders, the top 15 ESG topics are prioritised and shown in the materiality assessment matrix below. The topics which fell in the upper right corner of the matrix are defined as the topics that matter most to the Group's business operations and our stakeholders as far as they are concerned.





## Materiality Assessment *(Continued)*

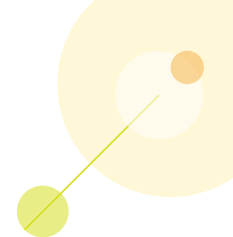
### Materiality Assessment Matrix



Environment	Social	
	Employment	Operation
1. Air emission 2. Climate change 3. Energy efficiency 4. Environmental compliance	5. Employee retention 6. Diversity and equal opportunity 7. Non-discrimination 8. Occupational health and safety 9. Employee training	10. Customer satisfaction 11. Product and service quality and complaints handling 12. Customer privacy and data protection 13. Responsible supply chain management 14. Business ethics
		<b>Community</b> 15. Community investment

The above materiality assessment has helped us analyse our ESG risks and opportunities in an attempt to improve our business strategies. It has also helped us meet the sustainability reporting standards and lead us to better allocate resources with a focus on the identified ESG issues. Most importantly, it provides a pathway to satisfy our stakeholders' demands.





## Responsible Employment

The Group's core competence lies in having a highly competent and experienced business development team, the members of which have been involved in the procurement and sales of iron ores and provision of related shipping services for more than a decade. The team also manages the Group's exposure over iron ore price fluctuation. We therefore believe that attracting and retaining talents are the key to our business sustainable development. We attach great importance to the health, growth and development of the employees as well as their relationship with the Group and our business partners. We strive to provide the best possible support and opportunities to the employees so that they could thrive with us.

### Healthy and Safe Workplace

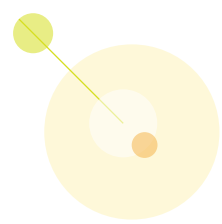
The Group endeavours to maintain a safe and healthy workplace both physically and mentally to our greatest asset – our employees. As the Group's Resources Business is principally office-based, a hygienic and tidy office space can effectively eliminate safety incidents and health risks; thus, we perform a set of regular safety and hygiene procedures. We arrange regular pest control and carpet disinfection to maintain a clean workplace. Medical and hospitality insurance are provided to secure our employees' well-being.

In order to deal with emergencies, fire drills are carried out regularly to ensure employees are familiar with the evacuation routes, skills of evacuation, and proper application of relevant equipment in emergency situations. We carry out an inspection of emergency lights and fire extinguishers annually to ensure they function normally in the event of emergency.

During the Reporting Period, we were not aware of any material breach of relevant laws and regulations in Hong Kong pertaining to provision of a safe working environment and protection of employees from occupational hazards, such as Occupational Safety and Health Ordinance (Cap. 509) and Employees' Compensation Ordinance (Cap. 282).







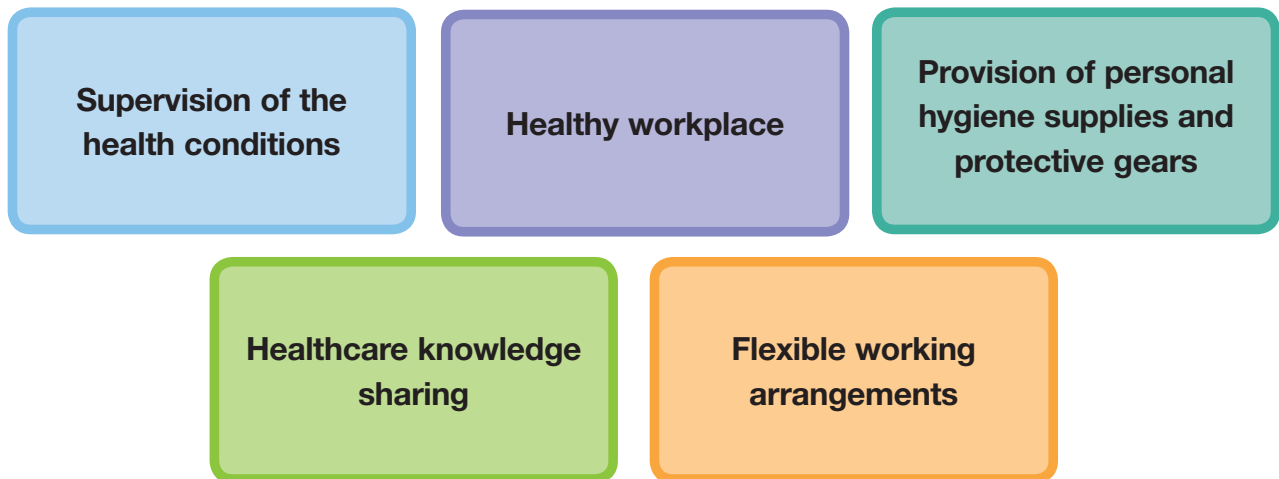
## **Responsible Employment** *(Continued)*

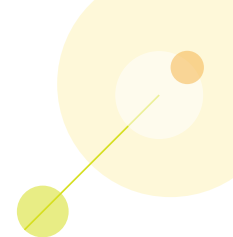
### **Healthy and Safe Workplace** *(Continued)*

#### **Together, we fight the virus**

The unprecedented global outbreak of coronavirus (“COVID-19”) has left the world in a great challenge. The Group is no exception and we are committed to adopting every possible and appropriate measures to ensure the well-being and safety of our employees.

In response to the COVID-19 pandemic, the Group has quickly come up with a number of responses and measures as follows:





## Responsible Employment *(Continued)*

### Healthy and Safe Workplace *(Continued)*

#### Together, we fight the virus *(Continued)*

#### **Employees' health and safety are of our top priority**

Protecting our employees' health and safety is the prerequisite of the upkeep of our business and operations as usual. As such, we have formulated management policies and procedures to provide guidance in response to any suspected infection cases and daily preventive measures, in order to contain and minimise the risk of COVID-19 infection as far as practicable.

#### *Supervision of the health conditions of staff and visitors*

- Monitoring of body temperature
- Health declaration

#### *Healthy workplace*

- Installation of sneeze shields to prevent the spread of viruses and protect our employees
- Enhanced workplace sanitation
- Providing employees with personal hygiene supplies and protective gears such as face masks and hand sanitisers when they are in tight supply in the market
- Sharing knowledge and tips on health protection and social distancing

#### *Flexible working arrangements*

To further mitigate the risk of employees' exposure to the virus and cross infection, we implement measures such as working from home and flexible working hours, where possible and subject to business needs. Virtual meetings in place of physical meetings are encouraged as much as possible.

While the pandemic is still on-going, we believe these preventive measures can relieve the impact of COVID-19 on our employees and business, and ultimately on our customers, suppliers and business partners. The Group is committed to following the guidelines and devoting resources to develop a safer work environment for our employees.





## Responsible Employment *(Continued)*

### Employment Conditions

Our team of experienced, committed and innovative workforce is the key to the Group's performance and success. In order to promote mutual growth, we endeavour to provide a motivated workplace that treasures the performance and efforts of our employees. With the full awareness of how employee remuneration and benefits could influence employees' productivity and engagement, the Group is dedicated to offering attractive and market-competitive remuneration packages in accordance with employees' experience, qualification and responsibilities, as well as their job nature and prevailing market conditions. The remuneration policy of the Group is subject to periodic review. Year-end bonuses and share options are also available to reward employees basing on their individual performance and industry practice, where appropriate.

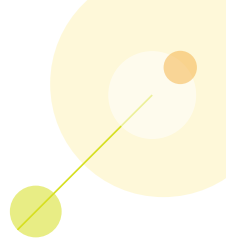
We understand the importance of work-life balance. Apart from the statutory holidays and paid annual leaves, all of our employees are also entitled to additional leave entitlements such as marriage leave, maternity leave, birthday leave and others. We have taken out medical, hospitality, accident and life insurance policies for our employees, for extra layers of protection. Employees' compensation insurance is also in place for the employees' peace of mind. All eligible employees are enrolled in and are secured with the Mandatory Provident Fund scheme.

### Tiding over hardships with our employees

The COVID-19 pandemic has struck an unprecedented blow to the world economy. Although the Group also faced certain level of difficulty in operation, we are still committed to standing with our employees over the hardship. During the Reporting Period, certain operating subsidiaries of the Group applied for the subsidies from the COVID-19 Anti-epidemic Fund under the Employment Support Scheme as promulgated by the Government of the Hong Kong Special Administrative Region of the PRC in order to retain our talents and to tide over hardships with our employees. The funds had been applied towards the payroll costs of the eligible staff members for the relevant months within the Reporting Period, subject to the commitment of not implementing redundancies during the subsidised period.

### Discrimination-free and Fair Workplace

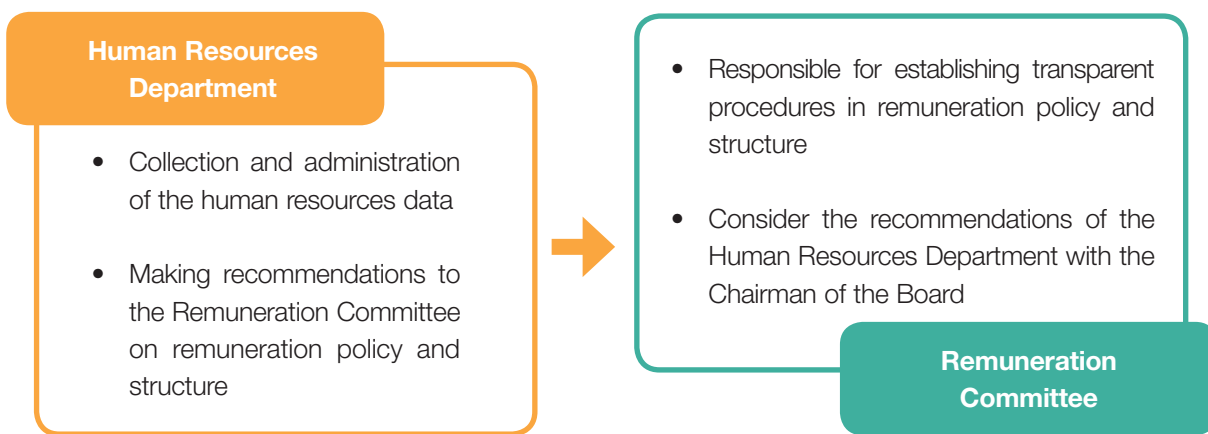
It is the Group's ultimate goal to foster a diverse, open and equal working environment for its employees. Hence, any forms of discrimination or harassment based on age, gender, race, disability, marital status or other non-work related reasons will not be tolerated. All job applicants and employees are being treated with respect and equally regardless of race, sex, marital status, pregnancy, disability status or other forms of difference that are unrelated to the job requirements. We make decisions on salary adjustment solely upon market conditions and the performance-based appraisal results of the respective employees. No discriminatory behaviour is allowed at any time including during the process of making decisions on recruitment, promotion, performance evaluation, salary adjustment and internal transfer.



## Responsible Employment *(Continued)*

### Discrimination-free and Fair Workplace *(Continued)*

Fairness and transparency are particularly important when it comes to the remuneration of the management of the Group. We make every effort to ensure that the salary reviews of the Directors and senior management are conducted in a fair, systematic and transparent way, under a robust assessment system.

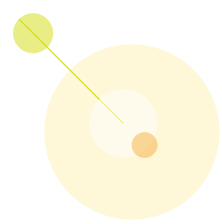


The Group has a set of remuneration policies that are transparent and objective. During the Reporting Period, the Group was not aware of any material breach of relevant laws and regulations in Hong Kong, including among others the Employment Ordinance (Cap. 57), that had a significant impact on the Group relating to recruitment and promotion, working hours, rest periods, compensation and dismissal, equal opportunities, diversity, anti-discrimination, and other benefits and welfare and child and forced labour.

### Development and Training

In today's competitive market and increasingly volatile economy, continuous innovations and improvements are essential for companies to stay competitive and gain success in the market. The Group strives to cultivate a learning-centric corporate culture as we hold firmly the belief that professional skills, expertise and ongoing development of the employees are imperative to keeping them abreast of the latest development of the market and the industry. At the same time, we can attain a sustainable business growth by improving their performance and self-fulfilment in their positions, as well as unleashing the employees' potential ultimately.





## Responsible Employment *(Continued)*

### Development and Training *(Continued)*

We provide options for the employees to obtain training that is suitable for their job nature and cater to their needs of obtaining certain professional qualifications. Our employees have access to a range of internal and external training activities tailored to their needs. We provide or encourage employees to attend seminars and training programmes for different professional knowledge. Education subsidies are offered to eligible employees to ensure continuous staff training and development.

We encourage our people to think broadly about their personal development and career goals. Mentoring is one of the effective ways we paved for the employees to expand their experience and expertise. Our employees receive constructive feedbacks from their mentors in their performance-based appraisals. To further incentivise our employees, we consider promotions and other career advancement options based on the results of the appraisals. We believe this consistent and constructive communication process can help our employees excel in their current roles and thrive in the future.

### Energetic Workplace

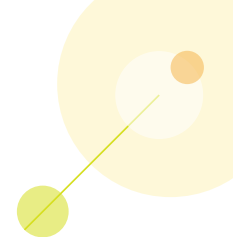
Mental well-being is imperative to maintaining a healthy workspace. Aiming at fostering a stress-free working atmosphere with work-life balance, the Group organises staff events and gatherings regularly. During the Reporting Period, we had participated in 'Dress Casual Day 2020'. The theme for this year was "We We Wear Wear" — have fun and be positive to dress casual and happy for a worthy cause. In the event, participating staff members were allowed to set aside the usual business dress code and unleash their creativity to dress smart and dress like themselves.

## Sustainable Value Chain

We understand how important it is to maintain good relationships with customers and provide the products and services in ways that satisfy needs and requirements of the customers. The Group enhances the relationships by continual interactions with customers to gain insights into the changing market demand for the products so that the Group can respond proactively.

Our ambition to provide customers with the best products and services is underpinned with a systematic value chain across our service lines, which transform our ambition and commitment into reliable products and services for our customers.





## Sustainable Value Chain *(Continued)*

### Product and Service Quality

We are committed to creating the greatest values to the customers by building up our capability at work to ensure the best quality of our products and the most reliable solutions and results. We offer a range of customised solutions in relation to iron ores and other commodities from sourcing and supply, supplier management and logistics, to coordination between buyers and sellers in a timely manner and in compliance with all relevant laws and regulations. To deliver the best experience to our customers, we have imposed a stringent product and service quality standard from supplier engagement to product sale.

The quality and specification of our products are warranted by quality certificates issued by reputable mines or suppliers. The composition of iron ores are assessed by stringent chemical analysis and physical tests, so that standards of which are internationally recognised and standardised. Our customers can prescribe the chemical composition and physical specification of their required iron ores, and only the iron ores that are assessed to be able to fulfil their requirements would be procured and sold to them. Otherwise, as a method of redress, pre-agreed pricing formulae would be applied to balance the effect of the deviation from the prescribed contractual specification where applicable.

During the Reporting Period, we were not aware of any material breach of relevant laws and regulations relating to health and product safety, advertising and labelling in connection to our products and services provided by the Group.

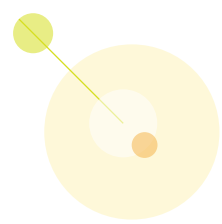
### Addressing Our Customers' Needs

Maintaining effective communication with our customers is the key to enhance the quality of products and services, and to maximise customer satisfaction. We remain helpful and responsible to our customers throughout the pre-sale, contract-signing and after-sale stages of our products and services by arranging regular electronic communications as well as virtual meetings, periodic on-site visits and follow-ups by our account officers.

On a regular basis, we collect customers' feedbacks. Based on the results, we perform customer satisfaction analysis that helps us determine the strengths and weaknesses of our products and services. We will then work out solutions to address customers' concerns in future.

We also follow a systematic complaint handling procedure to handle complaints raised by our customers. Upon receiving a complaint, investigation of the complaint will be promptly initiated and our business leader will be informed immediately that the complaint is under review. Remedial actions will be proposed swiftly and constant communication with our business leader will be maintained to facilitate remedial measures of the issue. Post-complaint analysis will also be conducted to prevent recurrence of similar issues. During the Reporting Period, the Group did not receive any complaints nor any requests for significant sales returns.



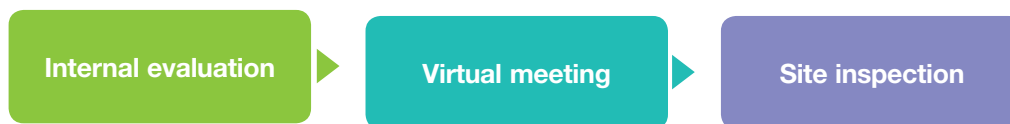


## Sustainable Value Chain *(Continued)*

### Supply Chain Management

Proper supply chain management not only can enhance the Group's operational efficiency, but can also secure the quality of our products. In view of that, we carry out stringent procedures for suppliers and shippers selection and management in order to align with our standards and requirements. We are also committed to maintaining a close relationship with the qualified suppliers based on mutual respect for our long-term development.

To ensure we obtain the raw materials of the highest quality, the Group requires the suppliers to conduct chemical composition tests and physical specifications assessments on their supplies. Where applicable, we require the suppliers to provide product samples and mining technical reports for the Group to perform internal evaluation. The Group then conducts virtual meeting and performs site inspection to assess the eligibility of the suppliers based on their product quality, quality management systems, timing and timeliness of their supplies, etc.



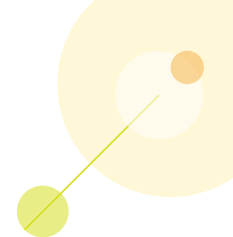
The Group also reviews the sustainability reports of the major suppliers of our Resources Business for their awareness and commitment to environmental and social responsibilities, where available. We are dedicated to reducing the impact on the environment when coordinating with our suppliers. Suppliers with proper environmental licences are preferred in our sourcing of commodity supplies.

### Supply chain staying strong through challenging times

Long term supply plans and agreements are in place to ensure that we have a well-established supply chain in the long run. While there were challenges to the supply of iron ores from a major supplier due to the planned stripping activities, unexpected adverse weather conditions in Western Australia, lockdown and operational changes, protocols, and measures launched to contain the COVID-19 pandemic during the Reporting Period, the overall supply of iron ores remains uninterrupted.

We also ensure the logistics of the delivery of iron ore products remain smooth and safe through challenging times. During the COVID-19 pandemic, our suppliers have been complying with protocols and measures implemented by the local authorities. They maintain a range of general site and travel protocols to reduce the risk of virus transmission and respond swiftly to new restrictions or measures as stipulated by the authorities. Our nominated vessels must fulfil the quarantine inspection mandate and other requirements as stipulated by the local authorities before berthing at the loading ports and discharge ports. With our stringent preventative measures in place, there was no major outbreak of the COVID-19 pandemic reported for the nominated vessels during the Reporting Period. We are also ready to respond swiftly in the event of any implementation of required restrictions or precautionary measures as appropriate.





## Sustainable Value Chain *(Continued)*

### **Business Integrity**

The Group spares no effort in protecting our reputation and the interest of the stakeholders by exercising the highest standards of business ethics. We do not tolerate any forms of misconduct that may undermine our business integrity. To achieve this, the Code of Conduct is in place to govern the business practices and staff behaviours.

### **Anti-corruption**

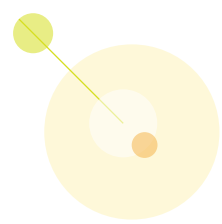
The Group does not tolerate any behaviour of bribery, extortion, fraud, money-laundering and anti-competition. Any violation will be subject to disciplinary actions. All suspected cases will be investigated promptly and reported to relevant authorities for investigation where necessary, such as the Independent Commission Against Corruption of Hong Kong. We have certain channels for different stakeholder groups to report any discrepancies with their expectations in our anti-corruption efforts. For our shareholders, customers, suppliers, contractors and all other external parties, a complaint channel is in place for them to report any suspected business misconducts.

For our employees, we have formed a clear set of whistle-blowing guidance, under which all employees have the right to report any violations. Upon receiving reports on suspected violations, investigations will be handled by a dedicated department in a confidential and timely manner. The Group sets clear guidelines for the acceptance scope of reports on suspected violations, violation behaviours, reporting channels, handling procedures and information confidentiality of whistle-blow incidents in accordance with related management regulations.

We spare no effort in ensuring that the identities of whistle-blowers and complainants remain confidential. During the Reporting Period, we were not aware of any material breach of Prevention of Bribery Ordinance (Cap. 201) and other laws and regulations relating to bribery, extortion, fraud and money-laundering, nor any legal cases regarding corruption practices against the Group or our employees.







## Sustainable Value Chain *(Continued)*

### Business Integrity *(Continued)*

#### Privacy

We take an extra step to make sure the customer and supplier data are in safe hands. Our Company Policy on Handling of Confidentiality pledges our full commitment in securing data privacy. Such policy restricts our employees from disclosing or divulging sensitive information, such as customer and supplier data, and business plans to unauthorised parties without prior consent from the Group. All employees are required to sign a confidentiality agreement and comply with the stringent standards on handling confidential information.

During the Reporting Period, we were not aware of any material non-compliance with relevant laws and regulations relating to privacy and confidentiality matters.

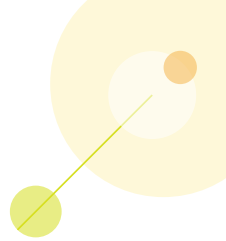
#### Environmental Protection

The alarming trend of climate change lately has brought us unprecedented concern on environmental stewardship. The Group believes in the critical importance of being a responsible institution through managing the potential negative impact that our activities could have. We stay proactive in managing emerging environmental risks and advancing our performance in pursuit of long-term and sustainable operation. Despite the fact that our Resources Business is primarily managed and negotiated in office, which poses a relatively small impact on the environment, we still make the best effort to minimise such impact. We continue to adopt green office initiatives in our daily operation to reduce the emissions and utilise resources in an efficient and responsible manner.

#### Resources Conservation

As an office-based business, we fulfil our commitment on conserving natural resources by establishing green office guidelines in order to encourage our employees to develop habits of conserving natural resources and boosting resource efficiency. Special attention has been paid to mitigating the emissions of pollutants and greenhouse gas, as well as the consumption of energy and paper.





## Environmental Protection *(Continued)*

### Resources Conservation *(Continued)*



- Select energy efficient appliances as far as practicable, such as LED lights instead of fluorescent light tubes
- Switch off idle lighting and air-conditioning before leaving the office
- Maintain an energy efficient room temperature



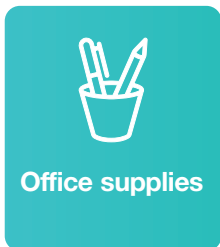
- Turn off water taps when they are not in use
- Fix dripping, spraying and leaky water taps promptly to prevent waste



- Go paperless: e-platform is the primary channel for internal communication
- Print on both sides, and use scrap paper where feasible
- Select paper from sustainable sources endorsed by the Forest Stewardship Council (“FSC”) or the Programme for the Endorsement of Forest Certification (“PEFC”)

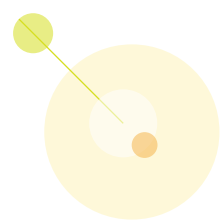


- Ensure our nominated vessels comply with the International Management Code for the Safe Operation of Ships and for Pollution Prevention
- Encourage virtual meetings, and only travel when necessary



- Responsible procurement: Only purchase when necessary and procure supplies that are refillable, reusable and recyclable as far as practicable
- Donate or recycle office supplies at their end of lifespan or when they are unwanted





## **Environmental Protection** *(Continued)*

### **Resources Conservation** *(Continued)*

To drive behavioural changes to reduce waste at source, we continue to raise our employees' environmental awareness and competence on environmental protection by participating in relevant events.

#### **Green Low Carbon Day 2020**

We participated in 'Green Low Carbon Day 2020' – an event that not only raised funds for green related projects, but also encouraged participants to adopt a low-carbon lifestyle, such as riding on public transports instead of personal vehicles. Free public transport journeys on specified days were offered to eligible participants to further reiterate the theme.

#### **Energy conservation campaigns**

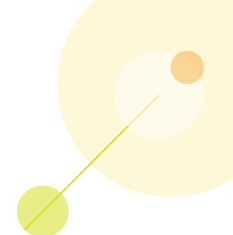
Air conditioner is one of the most energy consuming electrical appliances. Apart from maintaining an energy efficient room temperature in the day-to-day operation, we participated in the 'No Air Con Night' organised by Green Sense during the Reporting Period. In the event, we joined with more than 200 companies to switch off the air conditioners for a certain period of time to conserve energy and raise the employees' awareness towards environmental issues.

We also participated in 'Earth Hour 2020' organised by WWF. In the event, we joined with the rest of the world to voice out our concerns over climate crisis by switching off non-essential lights for one hour.

#### **Donation and recycling of furniture and office appliances**

We endeavour to minimise the environmental impacts of the relocation of our Hong Kong head office in December 2020 and bring the reusable resources to the needy at the mean time. Following such relocation, we have donated the unwanted furniture and stationery to NGOs while electrical appliances such as printers, refrigerators and TV sets were handed to a professional recycling specialist.





## Environmental Protection *(Continued)*

### Our Environmental Performance

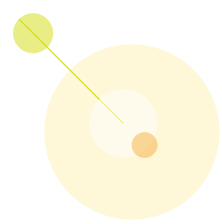
Due to the business model of our Resources Business, we do not have significant hazardous and non-hazardous waste generation. Compared with the corresponding period in 2019, the total greenhouse gas emission and intensity during the Reporting Period have decreased. Such data are illustrated in the table below:

Key Environmental Performance Indicators	Unit	2020	2019
<b>Greenhouse Gas Emission</b>			
Direct greenhouse gas (“GHG”) emission (Scope 1)	Tonne of carbon dioxide equivalent (“tCO <sub>2</sub> e”)	N/A <sup>1</sup>	N/A
Energy indirect GHG emission (Scope 2) <sup>2</sup>	tCO <sub>2</sub> e	10.90 <sup>3</sup>	2.32
Other indirect GHG emission (Scope 3) <sup>4</sup>	tCO <sub>2</sub> e	27.78	37.95
Total	tCO <sub>2</sub> e	38.68	40.27
Intensity	tCO <sub>2</sub> e per Full-time employee (“FTE”)	1.38	1.75
<b>Resource Consumption</b>			
Electricity	kWh	15,357 <sup>5</sup>	2,901
	GJ <sup>5</sup>	55.29	10.44
Intensity	kWh per FTE	548	126
Paper	Tonne	0.77	0.87
Intensity	Tonne per FTE	0.03	0.04

#### Remarks on environmental data:

- <sup>1</sup> Scope 1: Our business operation in 2020 did not contribute to direct GHG emission that covered the emission from the combustion of stationary and mobile fuels, and the fugitive emissions from the use of refrigerants.
- <sup>2</sup> Scope 2: Energy indirect GHG emissions were caused by the use of purchased electricity. The calculation was based on the published emission factors of HK Electric Sustainability Report.
- <sup>3</sup> The increase in energy indirect GHG emission and electricity consumption for 2020 was due to the establishment of the sales office in late 2019. The data of 2019 covered only 2 months’ operation period as the sales office was only set up in late 2019 whereas the data of 2020 covered the entire Reporting Period.
- <sup>4</sup> Scope 3: Other indirect GHG emissions were caused by business air travels by the Group’s employees. Methane gas generated in the paper disposal was included in 2020. The calculation had made reference to GHG Conversion Factors for Company Reporting published by the UK Government and the published emission factors of the “How to prepare an ESG Report Appendix 2: Reporting Guidance on Environmental KPIs” published by HKEx.
- <sup>5</sup> The conversion factor was based on the electricity consumption of HK Electric Sustainability Report.





## Environmental Protection *(Continued)*

### **Our Environmental Performance** *(Continued)*

During the Reporting Period, we were not aware of any environmental laws and regulations that may pose a significant impact on the Group's operations.

During the Reporting Period, the Group had no material non-compliance of laws and regulations relating to air and greenhouse gas emissions, discharges into water and land, generation of hazardous and non-hazardous waste and use of resources in Hong Kong and places where the Group's products were sourced and/or sold that had a significant impact on the Group. There was no issue in sourcing water that is fit for use in the Group's operations during the Reporting Period.

## Community Engagement

As a socially responsible enterprise, the Group cares deeply about the community where it operates in. We understand how influential large corporations can be in such a challenging time of the COVID-19 pandemic. We are committed to tiding over the hardship with the people in our community. Therefore, a range of community engagement activities have been carried out to provide support to people who might be in need during these difficult times, from helping to tackle the disease to showing support to the needy. Apart from that, we are fully aligned with community efforts to combat climate change and create a sustainable future for all of us.

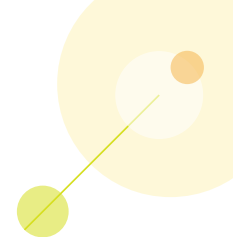
### Face masks donation

The COVID-19 outbreak has caught some people, especially those who are underprivileged and unprepared, off guard. At the beginning of the outbreak, some people were left without any protective gears such as face masks amid the shortage of personal hygiene supplies. While we managed to secure enough face masks to keep our staff protected, we encouraged them to donate face masks to those in need.

### Give a Voucher, Donate a Meal

We are committed to giving back to the community and making a difference at the grassroots level. In 2020, we made a donation towards a charity meal voucher programme 'Give a Voucher Donate a Meal', a food donation initiative launched by a convenience store chain to bring food to those in need.





## Community Engagement *(Continued)*

### Dress Casual Day 2020

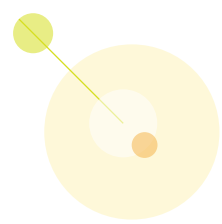
We made a contribution towards ‘Dress Casual Day 2020’, a fundraising activity organised by the Community Chest of Hong Kong to raise funds for the social welfare member agencies that work in the areas of children and youth, elderly, family and child welfare, medical and health, rehabilitation and aftercare, and community development, while allowing the participants to dress casual on the day.

### Green Low Carbon Day 2020

We participated in the ‘Green Low Carbon Day 2020’, which is an initiative launched by the Community Chest of Hong Kong. A donation was made to support “Green Related Projects” provided by social welfare member agencies, in the areas of providing food rescue and assistance, redistribution of community resources, urban green and organic farm programmes. We are pleased to join with community efforts to promote public awareness and understanding of the concept of sustainable development while helping those in need.

Moving forward, the Group will continue to put in resources in coming years to formulate a comprehensive policy in addressing the social need of the community.





## HKEx ESG Reporting Guide Index

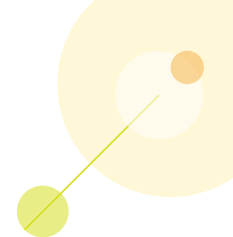
### HKEx ESG Reporting Guide General Disclosures & KPIs

### Explanation/Reference Section

#### Aspect A Environmental

<b>A1 Emission</b>	Information on: <ul style="list-style-type: none"> <li>– the policies; and</li> <li>– compliance with relevant laws and regulations that have a significant impact on the issuer</li> </ul> relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous wastes.	Environmental Protection
<b>KPI A1.1</b>	The types of emissions and respective emissions data.	Environmental Protection
<b>KPI A1.2</b>	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Environmental Protection
<b>KPI A1.3</b>	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Our business does not involve significant hazardous waste generation
<b>KPI A1.4</b>	Total non-hazardous waste produced (in tonnes) and where appropriate, intensity (e.g. per unit of production volume, per facility).	Our business does not involve significant non-hazardous waste generation
<b>KPI A1.5</b>	Description of measures to mitigate emissions and results achieved.	Environmental Protection
<b>KPI A1.6</b>	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	Our business does not involve significant waste generation



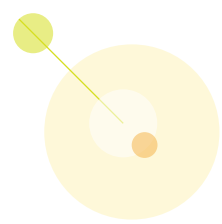


## HKEx ESG Reporting Guide Index *(Continued)*

HKEx ESG Reporting Guide General Disclosures & KPIs		Explanation/Reference Section
<b>A2 Use of Resources</b>	Policies on efficient use of resources including energy, water and other raw materials.	Environmental Protection
<b>KPI A2.1</b>	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Environmental Protection
<b>KPI A2.2</b>	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Water consumption is not material to our business as it relates only to the non-commercial consumption in our office premises
<b>KPI A2.3</b>	Description of energy use efficiency initiatives and results achieved.	Environmental Protection
<b>KPI A2.4</b>	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	Environmental Protection
<b>KPI A2.5</b>	Total packaging material used for finished products (in tonnes), and, if applicable, with reference to per unit produced.	Our business does not involve consumption of packaging materials
<b>A3 The Environment and Natural Resources</b>	Policies on minimising the issuer's significant impact on the environment and natural resources.	Environmental Protection
<b>KPI A3.1</b>	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environmental Protection







## HKEx ESG Reporting Guide Index *(Continued)*

### HKEx ESG Reporting Guide General Disclosures & KPIs

### Explanation/Reference Section

#### Aspect B Social

#### B1 Employment

Information on:

- the policies; and
- 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 Employment –  
Employment Conditions, Discrimination-free  
and Fair Workplace

#### B2 Health and Safety

Information on:

- the policies; and
- compliance with relevant laws and regulations that have a significant impacts on the issuer

relating to providing a safe working environment and protecting employees from occupational hazards.

Responsible Employment –  
Healthy and Safe Workplace,  
Energetic Workplace

#### B3 Development and Training

Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.

Responsible Employment –  
Development and Training

#### B4 Labour Standards

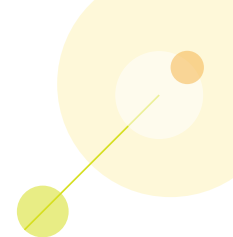
Information on:

- the policies; and
- compliance with relevant laws and regulations that have a significant impact on the issuer

relating to preventing child and forced labour.

Responsible Employment –  
Employment Conditions, Discrimination-free  
and Fair Workplace





## HKEx ESG Reporting Guide Index *(Continued)*

HKEx ESG Reporting Guide General Disclosures & KPIs		Explanation/Reference Section
<b>B5 Supply Chain Management</b>	Policies on managing environmental and social risks of supply chain.	Sustainable Value Chain – Supply Chain Management
<b>B6 Product Responsibility</b>	Information on: <ul style="list-style-type: none"> <li>– the policies; and</li> <li>– compliance with relevant laws and regulations that have a significant impact on the issuer</li> </ul> <p>relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.</p>	Sustainable Value Chain – Product and Service Quality
<b>B7 Anti-corruption</b>	Information on: <ul style="list-style-type: none"> <li>– the policies; and</li> <li>– compliance with relevant laws and regulations that have a significant impact on the issuer</li> </ul> <p>relating to bribery, extortion, fraud and money laundering.</p>	Sustainable Value Chain – Business Integrity
<b>B8 Community Investment</b>	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Community Engagement





49th Floor, One Exchange Square,  
8 Connaught Place, Central, Hong Kong

Tel: (852) 2521 8168

Fax: (852) 2521 8117

[www.newton-resources.com](http://www.newton-resources.com)