



ENVIRONMENTAL,  
SOCIAL AND  
GOVERNANCE REPORT  
2020



king fook holdings limited  
景福集團有限公司

STOCK CODE: 280

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# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 1. ABOUT THIS ESG REPORT

This Environmental, Social and Governance (“ESG”) Report (the “Report”) of King Fook Holdings Limited (the “Company”) and its subsidiaries (collectively, the “Group”) is prepared in accordance with the requirements of the ESG Reporting Guide set out in Appendix 27 (“ESG Reporting Guide”) to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“HKEx”).

The Report provides an overview of the ESG policies, performance and initiatives adopted by the Company and its main subsidiaries<sup>1</sup> in four key areas: the environment, human capital, value chain and community investment regarding the same period covered by its annual report for the year ended 31 March 2020. The Company has included a HKEx ESG Reporting Guide content index at the end of the Report for ease of reference.

### Responsibility of the Board

The Board of Directors of the Company (the “Board”) has the overall responsibility for the Group’s sustainability strategy and reporting, evaluating and determining the Group’s ESG-related risks and ensuring that appropriate and effective ESG risk management and internal control systems are in place. The Board has established an ESG Committee which comprises a director of the Company, a member from senior management and an ESG workgroup formed by staff representatives. This ESG Committee evaluates, and advises on, the effectiveness of the Group’s sustainability strategy and policies, and reports regularly to the Board on its operations.

### Stakeholder Engagement

The Group regularly engages with its stakeholders to understand their views and expectations on ESG issues and future strategies. The Group identifies stakeholders as individuals and/or entities which interact with the Group and are substantially influenced by, or have an influence on, or have a vested interest in, the Group. Through diverse engagement channels, the Group maintains open and two-way communication with a wide range of stakeholders.

Stakeholder Groups	Key Interests	Engagement Channels
Shareholders	<ul style="list-style-type: none"><li>• Planning and Development</li><li>• Business Continuity Planning</li><li>• Operational Issues</li><li>• Financial Situation</li><li>• After-sales Service</li><li>• Ethics and Integrity</li></ul>	<ul style="list-style-type: none"><li>• Annual and Extraordinary General Meetings</li><li>• Annual and Interim Results Announcements and Reports</li><li>• Telephone</li><li>• Company’s Website/Email</li></ul>

<sup>1</sup> Main subsidiaries of the Company include King Fook Jewellery Group Limited, Mario Villa Limited and Young’s Diamond Corporation (International) Limited. In November 2019, the Group opened a new store in Harbour City, which was included in the data scope of the Report.

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Stakeholder Groups	Key Interests	Engagement Channels
Customers	<ul style="list-style-type: none"> <li>• Service Pledge &amp; After-sales Service</li> <li>• Market Information</li> <li>• Shopping Experience</li> <li>• Product Warranty/Enquiry</li> <li>• Legal Compliance</li> <li>• Ethics and Integrity</li> <li>• Offers and Incentives</li> </ul>	<ul style="list-style-type: none"> <li>• Front-line Staff</li> <li>• Customer Service Hotline</li> <li>• Company's Website/Email</li> <li>• Service Satisfaction Survey</li> <li>• Communication Applications (e.g. WhatsApp)</li> <li>• Social Communication Platforms</li> </ul>
Contractors/Vendors	<ul style="list-style-type: none"> <li>• Legal Compliance</li> <li>• Financial Situation</li> <li>• Corporate Governance and Internal Controls</li> <li>• Ethics and Integrity</li> <li>• Service Pledge &amp; After-sales Service</li> <li>• Market Information</li> <li>• Staff Remuneration, Benefits and Well-being</li> <li>• Product Enquiry</li> <li>• Environmental Management</li> <li>• Occupational Health and Safety</li> </ul>	<ul style="list-style-type: none"> <li>• Regular and Ad Hoc Meetings</li> <li>• Briefings and Workshops</li> <li>• Announcements</li> <li>• E-mail Correspondence</li> <li>• Telephone</li> </ul>
Industry Associations and Professional Bodies	<ul style="list-style-type: none"> <li>• Corporate Governance and Internal Controls</li> <li>• Market Information</li> <li>• Legal Compliance</li> <li>• Ethics and Integrity</li> <li>• Operational Issues</li> <li>• Shopping Experience</li> <li>• After-sales Service</li> <li>• Company Development</li> <li>• Financial Situation</li> </ul>	<ul style="list-style-type: none"> <li>• Participation in Associations/ Professional Committees</li> <li>• Regular and Ad Hoc Meetings</li> <li>• Announcements/Memoranda</li> </ul>
Employees	<ul style="list-style-type: none"> <li>• Business Continuity and Strategic Planning</li> <li>• Corporate Governance and Internal Controls</li> <li>• Environmental Management</li> <li>• Ethics and Integrity</li> <li>• Legal Compliance</li> <li>• Occupational Health and Safety</li> <li>• Operational Issues</li> <li>• Staff Remuneration, Benefits and Well-being</li> </ul>	<ul style="list-style-type: none"> <li>• Regular and Ad Hoc Meetings</li> <li>• Committees and Task Groups</li> <li>• Briefings and Training Workshops</li> <li>• Circulars, Manuals and Policy and Procedure Guidelines</li> <li>• Award and Recognition Schemes</li> <li>• Employee Relation Activities</li> <li>• Performance Appraisal</li> </ul>

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Stakeholder Groups	Key Interests	Engagement Channels
Legal Authorities/ Government	<ul style="list-style-type: none"> <li>• Corporate Governance and Internal Controls</li> <li>• Legal Compliance</li> <li>• Operational Issues</li> <li>• Ethics and Integrity</li> <li>• Financial Situation</li> </ul>	<ul style="list-style-type: none"> <li>• Annual Reports</li> <li>• ESG Reports</li> <li>• Interim Reports</li> </ul>

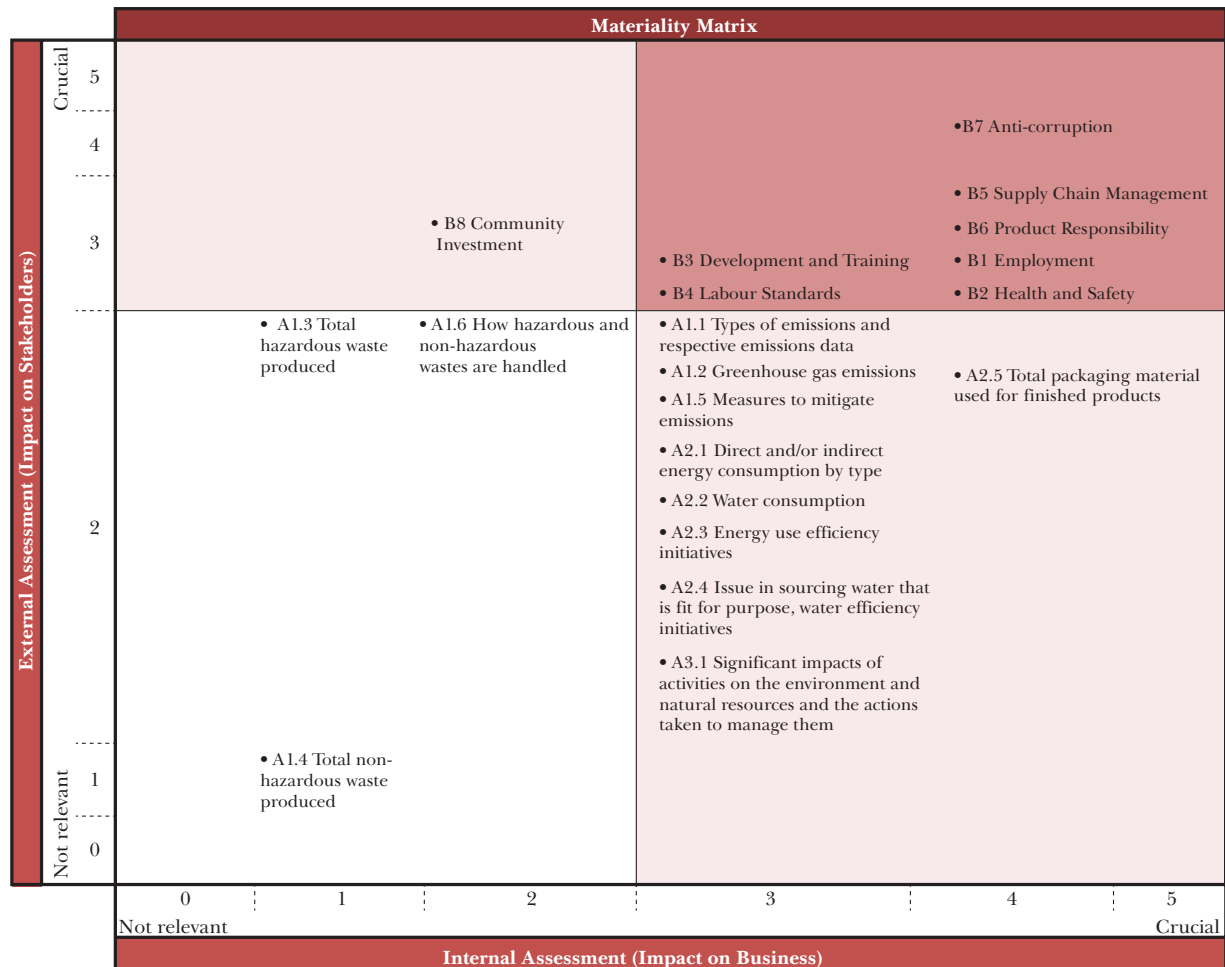
## Materiality Assessment

The Company conducted a three-step assessment exercise to identify and determine material ESG issues applicable for the Group’s disclosure in this Report.

<p>Step 1: Identification</p> <ul style="list-style-type: none"> <li>• Engaged with internal and external stakeholders to identify their key interests and the relevant ESG topics.</li> </ul>
<p>Step 2: Prioritisation</p> <ul style="list-style-type: none"> <li>• Prioritised the identified topics through a ranking exercise using a scale from 0 (not relevant) to 5 (crucial).</li> </ul>
<p>Step 3: Validation</p> <ul style="list-style-type: none"> <li>• The ESG Committee reviewed and confirmed a finalised list of material key performance indicators (“KPIs”) for disclosure.</li> </ul>

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Based on the engagement results, topics scored 3 or above, located in the top right quadrant of the Materiality Matrix below, are regarded as “Material Aspects”:



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## 2. ENVIRONMENTAL PROTECTION

The Group's *Environmental Protection Policies* aim to achieve sustainable management of its environmental footprint and continuous enhancement of its environmental performance. Considering the nature of the Group's business operations, it focuses its efforts on resource conservation, emission reduction and cultivation of environmental awareness amongst staff to strategically manage its impacts on the environment and natural resources.

In the reporting year, the Group complied with all applicable legal and regulatory requirements<sup>2</sup> regarding environmental protection, including air and greenhouse gas ("GHG") emissions, discharges into water and land, and generation of hazardous and non-hazardous waste, and there were no non-compliance cases in this regard.

### Resource Optimisation

Electricity consumption contributes to over 90% of the Group's carbon footprint. To this end, the Group emphasises energy efficiency and actively identifies reduction opportunities across its stores and offices to reduce the associated environmental impacts. During its daily operations, the Group selects products with Grade 1 Energy Labels or better energy efficiency such as LED lights when replacing office lighting equipment and other electrical appliances. Other measures include regular maintenance of the air-conditioning system and replacement of the air filters. To enhance energy efficiency while ensuring a comfortable work environment, the Group adopts air-conditioning zoning and maintains an indoor air temperature between 24°C and 26°C. As a signatory of the Environmental Bureau's Charter on External Lighting since April 2016, the Group has installed an automatic lighting system on the outdoor signboards of its retail stores, which further reduces electricity consumption and light nuisances during non-business hours. Additionally, the Group has implemented various initiatives in an effort to better manage its carbon footprint. Aside from using video conference systems instead of business travel, the Group also optimises use of its company fleet.

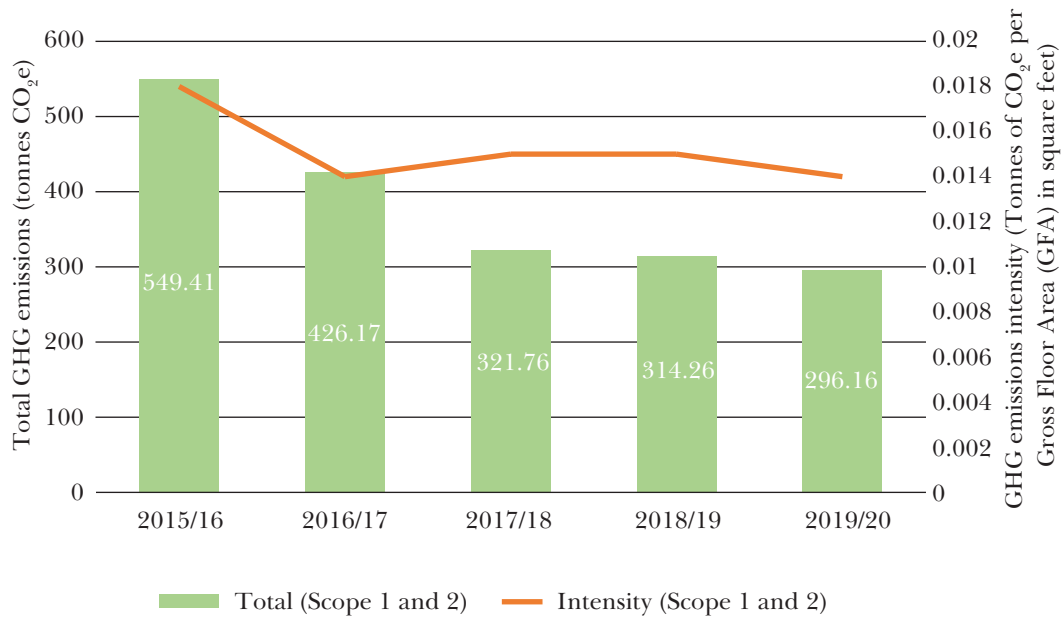


Reduction in GHG emissions  
compared to 2018/19 level

<sup>2</sup> The laws and regulations most relevant to the Group include, but are not limited to, the Waste Disposal Ordinance (Chapter 354, Laws of Hong Kong).

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**GHG emissions in total and intensity**



Note: Please refer to Note 9 on page 17 on coverage of Scope 1 and 2.

Proper waste management is vital to alleviating the burden on Hong Kong’s landfills and improving resource efficiency. The Group ensures all construction waste generated from renovation of its retail stores are handled and disposed of properly in accordance with the Waste Disposal Ordinance (Chapter 354, Laws of Hong Kong) and other applicable regulations. In addition, the Group has followed the principles of reuse, reduce and recycle to minimise solid waste generation at its offices and stores. For instance, the Group encourages employees to adopt double-sided printing and reuse paper whenever possible. Recycling bins are placed throughout its offices to collect different types of waste such as paper and printer toners. This year, the Group also collected and recycled wastepaper from two of its warehouses to improve its general housekeeping and reduce the amount of paper being disposed of at landfill sites. Furthermore, during the selection of packaging materials such as shopping bags and gift boxes, the Group takes environmentally-friendly principles into account and prioritises those which are generally durable and recyclable. The Group also encourages the wider use of social media and electronic messages as promotional platforms to further reduce paper usage.

While the Group’s businesses mainly operate in leased offices and stores where water supply is managed by the landlords, it has taken proactive steps to conserve valuable water resources. In addition to communicating water-saving tips to staff, regular inspections on pipes and taps are conducted to prevent water leakage.



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## Environmental Awareness

To build a lasting environmentally conscious culture, the Group proactively raises its employees' awareness through education campaigns and training programmes. It regularly organises talks on environmental protection issues and encourages staff to participate in green activities. At office premises, posters and signs are put up to educate employees on different ways to conserve natural resources.



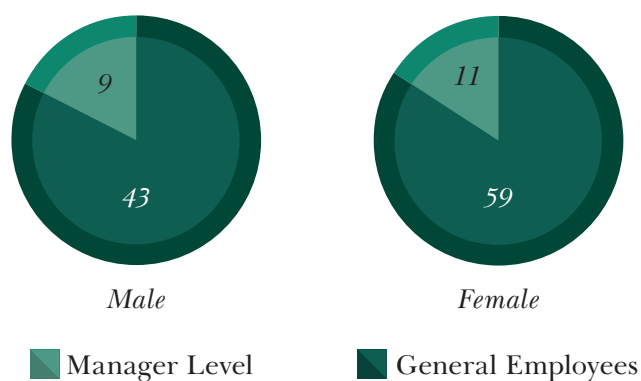
# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 3. EMPLOYMENT PRACTICES

The Group recognises employees are its greatest strength sustaining its business success. With this in mind, the Group is committed to its people-centric approach to build an inclusive and harmonious workplace which supports professional development and protects well-being of its staff.

### Employment and Working Conditions

TOTAL EMPLOYEES *by* GENDER & EMPLOYMENT CATEGORY



The Group cherishes its employees and treats them with respect in a work environment free from discrimination and harassment at all times. All staff are protected by the Group's *Employment Policies* which prescribe equal opportunities throughout the recruitment and career advancement procedures regardless of race, gender, disability, family status or marital status.

As a responsible employer, the Group values fair employment practices and the labour rights of all employees. Child and forced labour are strictly prohibited within its operations. A grievance mechanism is in place for employees to raise and report concerns to designated personnel through a confidential channel. All relevant documents, information and interview records are kept confidential.

To maintain a motivated and competent workforce, the Group offers its employees attractive remuneration packages and comprehensive fringe benefits, including health insurance, discretionary bonus and a range of leave entitlements such as marriage, maternity and paternity leave. Aspiring to become an employer of choice in the industry, the Group regularly reviews and improves its staff benefits and policies. Aside from providing new-born babies of its staff with celebration gifts and offering employees product discounts, the Group has started to provide paid birthday leave for its staff members this year.

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As a signatory of the Labour Department's Good Employer Charter, the Group works to maintain and promote work-life balance for staff members through its family-friendly policies and staff activities. For instance, employees assigned shifts on Saturdays can work on an on-call basis to allow them to spend more time with their families. The Group also organises an annual party for staff to mingle and relax in an environment outside of work.



In the reporting year, the Group complied with all applicable laws and regulations<sup>3</sup> in relation to staff, including employee compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other benefits and welfare as well as labour practices, and there were no non-compliance cases in these matters.

<sup>3</sup> The laws and regulations most relevant to the Group include, but are not limited to, the Employment Ordinance (Chapter 57, Laws of Hong Kong), the Sex Discrimination Ordinance (Chapter 480, Laws of Hong Kong), the Disability Discrimination Ordinance (Chapter 487, Laws of Hong Kong), and the Family Status Discrimination Ordinance (Chapter 527, Laws of Hong Kong).

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## Training and Development

The Group recognises the development and personal growth of employees as an integral component of its business sustainability. As such, it provides a range of training and development opportunities to upskill its employees. Through in-house training and external programmes which focus on a wide spectrum of topics such as interpersonal skills, risk management, sales and marketing and product delivery, staff are equipped with up-to-date knowledge, practical skills and hands-on experience which enable them to thrive in an ever-changing business environment. Upon completion of the training programmes, the Group will conduct post-training evaluations and tests with the attendees to assess the effectiveness of individual programmes.

Type of training	Description	
In-house training	On-the-job training	Intensive training and a mentorship scheme for new recruits or staff promoted/transferred with guidance from experienced employees.
	Routine training	Held regularly throughout the year such as the induction programme and training on product knowledge.
	Special training	Organised based on the needs of employees, including training on computer use, company policies, new products, management skills and leadership.
External training	The Group provides subsidies for employees to attend work-related training organised by external parties, including workshops, seminars and professional examinations.	



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## Occupational Health and Safety

Ensuring workplace health and safety is the Group's first and foremost task. The Group has formulated internal *Occupational Safety and Health Guidelines* with reference to relevant regulatory requirements in Hong Kong, covering accident prevention, fire precaution, workplace environment control, workplace hygiene, first aid and manual handling operations. The Group reviews the guidelines and procedures on a regular basis with a view to achieve zero incidents at the workplace. In addition to health insurance, the Group provides staff with subsidies for check-ups and dental services. To ensure workplace hygiene, the Group provides its staff with masks, hand sanitizers and alcohol disinfectant wipes as well as arranges regular regular disinfection for effective pest control.

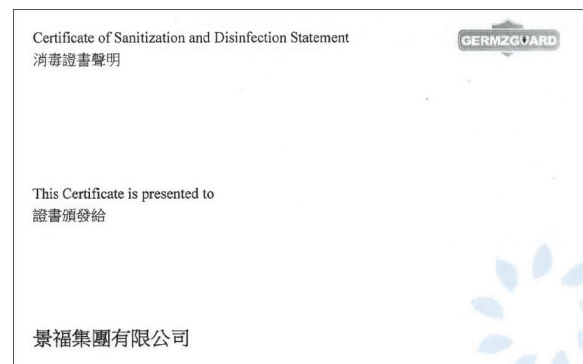
To nurture a safety-first culture internally, the Group organises seminars on prevention against potential safety hazards. Regular safety inspections of office facilities such as fire-fighting equipment are conducted where damaged ones are repaired or replaced immediately. The Group also provides fire safety training to all staff to enhance their awareness on escape planning, evacuation and fire extinguishing.

In the reporting year, the Group strictly complied with relevant laws and regulations<sup>4</sup> relating to occupational health and safety and there were no confirmed cases of non-compliance in this respect.

### The Uncompromising Commitment to Health and Safety

During the reporting year, the Group had experienced the effects of social unrest and a global health crisis. In these uncertain times, the Group adopted flexible work arrangements and maintained constant communication with colleagues through instant messaging platforms. Specific to the health crisis, the Group arranged for its staff to work in shifts in order to minimise direct contact with each other. Furthermore, the Group provided all employees with masks and disinfectant supplies, and conducted regular cleaning at its offices and stores to maintain a hygienic work environment.

While spending considerable efforts to continue its operations, the Group remains steadfast in prioritising the health and safety of its employees and customers. The Group has also developed *Emergency Response Guidelines* for its frontline staff to ensure they are well informed on how to handle abnormal situations.



<sup>4</sup> The laws and regulations most relevant to the Group include, but are not limited to, the Occupational Safety and Health Ordinance (Chapter 509, Laws of Hong Kong).

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## 4. VALUE CHAIN MANAGEMENT

The Group understands quality control and value chain management are crucial for building customer confidence and is the foundation for success in the luxury goods retail industry. It has implemented stringent quality control measures and supply chain management protocols to better manage its value chain.

### Supply Chain Management

The Group partners with suppliers and contractors who share its sustainability considerations and ethical standards. Relevant departments of the Group select suppliers for their respective operational needs based on the supplier's business status, operating practices and product characteristics prior to developing formal business relationships. To ensure the quality of its products and services, the Group assesses suppliers and contractors on an annual basis with reference to four aspects, namely, basic supplier profile information, on-site investigation, overall performance and ESG conditions. Taking these assessment results into account, the Group will consider the suitability of maintaining the business relationship or whether alternative procurement solutions will be necessary. This holistic approach to supply chain management enables the Group to enhance its operational efficiency and minimise ESG-related risks along the supply chain.

### Quality Services

The Group embraces a customer first spirit and strives to enhance customer experience through its professionalism and commitment to customer care. To keep abreast with latest consumer trends, opinions, and retail needs, the Group has set up various channels to collect customer feedback. Customers are welcome to express their views and may make enquiries or complaints with regard to the Group's goods and services by phone, email or in person. The Group will review complaint cases during regular management meetings to further improve its service quality. In the reporting year, there were no significant complaints relating to the Group's product and service.

In response to the health crisis, the Group has implemented multiple preventive measures to ensure the health and safety of its customers. For instance, the Group has introduced ultraviolet sterilisation services to help customers disinfect their jewellery and electronic devices. Professional air purifiers are also in place to keep its stores clean and well-ventilated.



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## Customer Privacy

The Group takes great care to handle and protect customers' personal data and privacy. Prior to collection of personal data, the Group ensures customers are well-informed of the purpose and use of data and class of transferees. All employees are required to follow the Group's *Privacy Policy* which is based on the requirements of relevant laws and regulations<sup>5</sup>. Only authorised personnel can access customer information and all personal data must be handled in an appropriate manner. In the reporting year, the Group complied with all applicable laws and regulations relating to privacy matters, and there were no cases of non-compliance in this regard.

## Product Responsibility

The Group is fully committed to providing customers with products which meet its high safety, quality and reliability standards. All product shipments received from the Group's suppliers must pass a detailed and robust quality inspection process in accordance with its stringent quality assurance procedures. The Group takes full responsibility for any product that is defective in terms of safety or quality.

The Group aims to provide accurate information on its products to enable its customers to make well informed decisions. It ensures all advertisement contents, sketches, labels, and marketing materials are in full compliance with all relevant laws and regulations relating to marketing and labelling, including the Trade Descriptions Ordinance (Chapter 362, Laws of Hong Kong).

The Group respects third party intellectual property rights and does not permit any infringement whatsoever. During the reporting year, the Group had complied with the relevant laws and regulations<sup>6</sup> relating to health and safety, advertising and labelling of its products.



<sup>5</sup> The laws and regulations most relevant to the Group include, but are not limited to, the Personal Data (Privacy) Ordinance (Chapter 486, Laws of Hong Kong).

<sup>6</sup> The laws and regulations most relevant to the Group include, but are not limited to, the Trade Descriptions Ordinance (Chapter 362, Laws of Hong Kong) and the Competition Ordinance (Chapter 619, Laws of Hong Kong).

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## Business Ethics

The Group upholds the highest ethical standards and accountability throughout its operations, and adopts a zero-tolerance approach to corruption or malpractice of any form including bribery, money laundering, extortion and fraud. All employees are required to strictly follow the Group's *Ethics Policy* which sets out guidelines for professional behaviour to ensure compliance with relevant laws and regulations<sup>7</sup>. To raise staff awareness and knowledge of proper conduct, anti-corruption best practice procedures, and prevention of unethical behaviour, the Group organises regular training sessions with the Independent Commission Against Corruption (ICAC) of Hong Kong. Employees must also fully declare any forms of conflicts of interest and complete the Group's "Individual Interest Declaration Form" before the start of their employment.

In accordance with the Group's *Whistle-blowing Policy*, designated channels are provided for all employees, customers, shareholders, investors, suppliers and contractors to report any improper behaviours. To ensure whistle-blowers the freedom to report grievances without fear of reprisal, all cases are treated confidentially.

In the reporting year, the Group complied with all applicable laws and regulations relating to bribery, extortion, fraud and money laundering, and there were no cases of non-compliance in these matters.

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<sup>7</sup> The laws and regulations most relevant to the Group include, but are not limited to, the Prevention of Bribery Ordinance (Chapter 201, Laws of Hong Kong).



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## 5. COMMUNITY ENGAGEMENT

The Group is dedicated to contributing positively to the Hong Kong community through staff volunteering, in-kind donations and collaboration with a wide range of external organisations to build a more connected and vibrant society.

To cultivate a greater volunteering spirit amongst staff, the Group has set up a “Community Service Participation” programme which awards employees with an additional day off for volunteering 30 hours or more, or donating blood twice a year. This programme has successfully encouraged more staff participation in a range of volunteering activities.

This year, the Group continued its ongoing support of Community Chest Green Day to raise funds for “Medical and Health Services” and to encourage a green lifestyle. The Group was also pleased with the support shown by its staff in participating in the Po Leung Kuk Charity Village Casserole Feast to raise funds in support of their elderly services and other community programmes.

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## PERFORMANCE DATA SUMMARY

HKE <sub>x</sub> KPI	Unit	2019/2020	2018/2019	
<b>A. Environmental</b>				
A1.1	<b>The types of emissions and respective emissions data<sup>8</sup></b>			
	– NO <sub>x</sub>	Grams	82.69	517.22
	– SO <sub>x</sub>	Grams	3.78	25.47
	– PM	Grams	6.09	38.08
A1.2	<b>Greenhouse gas emissions in total and intensity<sup>9</sup></b>			
	Scope 1	Tonnes	0.70	4.69
	Scope 2	Tonnes	295.46	309.57
	Scope 3	Tonnes	6.22	36.31
	Total (Scopes 1 and 2)	Tonnes of CO <sub>2</sub> e	296.16	314.26
	Intensity (Scopes 1 and 2)	Tonnes of CO <sub>2</sub> e per Gross Floor Area (GFA) in square feet	0.014	0.015
		Tonnes of CO <sub>2</sub> e per full-time employee (FTE)	2.43	2.55
A1.4	<b>Total non-hazardous waste produced and intensity</b>			
	– total			
	Paper waste	Tonnes	0.55	1.82
	Paper waste (recycled)	Tonnes	20.77	0.67
	Construction Waste	Tonnes	2.00	2.92
	– intensity			
	Paper waste	Kg per GFA in square feet	0.025	0.085
		Kg per FTE	4.51	14.80
	Paper waste (recycled)	Kg per GFA in square feet	0.95	0.031
		Kg per FTE	170.25	5.45
	Construction Waste	Kg per GFA in square feet	0.091	0.136
		Kg per FTE	16.39	23.74

<sup>8</sup> Nitrogen oxides (NO<sub>x</sub>), Sulphur oxides (SO<sub>x</sub>) and Particulate matter (PM) emissions includes vehicular emissions from the Group's fleet of vehicles.

<sup>9</sup> Scope 1 refers to direct GHG emissions. The emission sources of the Group are mobile combustion source and fugitive emission source. Scope 2 refers to energy indirect emissions which resulted only from the generation of the Group's purchased electricity. Scope 3 refers to other indirect GHG emissions. The Group chose to disclose the emissions associated with business air travel.

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HKEx KPI	Unit	2019/2020			2018/2019			
A2.1	<b>Energy consumption by type and intensity</b>							
	– Direct Energy (fuel consumed by vehicles)	kWh	2,339			15,775		
	– Indirect Energy (Electricity purchased for consumption)	kWh	371,038			386,967		
	– total	kWh	373,377			402,742		
	– intensity	kWh per GFA in square feet	17.04			18.74		
A2.2	<b>Water consumption in total and intensity<sup>10</sup></b>							
	– total	m <sup>3</sup>	N/A			N/A		
	– intensity	m <sup>3</sup> per GFA in square feet	N/A			N/A		
		m <sup>3</sup> per FTE	N/A			N/A		
A2.5	<b>Packaging materials used for finished products in total and intensity<sup>11</sup></b>							
	– total	Tonnes	4.13			4.23		
	– intensity	Grams per Piece	638			536		
<b>B. Social</b>								
B1.1	<b>Total workforce by employment type and gender<sup>12</sup></b>		Total	Male	Female	Total	Male	Female
	Full-time	No. of people	122	52	70	123	59	64
	General Employees	No. of people	102	43	59	102	49	53
	Manager Level	No. of people	20	9	11	21	10	11
B1.2	<b>Employee monthly turnover rate by gender</b>		Male	Female	Male	Female		
		%	1.05	0.87	1.01	1.94		
B2.1	<b>Number and rate of work-related fatalities</b>							
	– number	No. of people	0			0		
	– rate	%	0			0		
B3.1	<b>Percentage of employees trained by gender and employee category</b>		Male	Female	Male	Female		
	General Employees	%	88.37	86.44	73.47	88.68		
	Manager Level	%	88.89	100	80	100		
B3.2	<b>Average training hours completed per employee by gender and employee category</b>							
	Male	Hours	12.88			13.75		
	Female	Hours	11.07			8.79		
	General Employees	Hours	10.75			9.05		
	Manager Level	Hours	17.49			20.68		

<sup>10</sup> Due to the nature of the retail industry, the Group mainly runs its business in leased offices and shops where water supply is managed by their respective landlords. Therefore, water consumption data is not available.

<sup>11</sup> Data cover packaging materials of all accessories, including wood, paper, cloth, metal and plastics.

<sup>12</sup> All employees of the Group are based in Hong Kong.

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## HKEX ESG GUIDE CONTENT INDEX

Aspect	HKEx KPI	Description	Page(s)/Remarks
<b>A. Environmental</b>			
A1 Emissions	A1	General Disclosure	6–7
	A1.1	The type of emissions and respective emissions data	17
	A1.2	Greenhouse gas emissions in total and intensity	17
	A1.3	Total hazardous waste produced and intensity	Due to the business nature of the Group, this KPI is considered not material.
	A1.4	Total non-hazardous waste produced and intensity	17
	A1.5	Description of measures to mitigate emissions and results achieved	6
	A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved	7
A2 Use of Resources	A2	General Disclosure	6–7
	A2.1	Direct and/or indirect energy consumption by type in total and intensity	17–18
	A2.2	Water consumption in total and intensity	Due to the nature of the retail industry, the Group mainly runs its business in leased offices and shops where water supply is managed by their respective landlords. Therefore, water consumption data is not available.
	A2.3	Energy use efficiency initiatives and results achieved	6
	A2.4	Issue in sourcing water, water efficiency initiatives	7
	A2.5	Total packaging material used for finished products	18
	A3 The Environment and Natural Resources	A3	General Disclosure
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	6–7

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Aspect	HKEx KPI	Description	Page(s)/Remarks
<b>B. Social</b>			
B1 Employment	B1	General Disclosure	9–10
	B1.1	Total workforce by gender and employment type	18
	B1.2	Employee turnover rate by gender	18
B2 Health and Safety	B2	General Disclosure	12
	B2.1	Number and rate of work-related fatalities	18
	B2.2	Lost days due to work injury	1 lost day
B3 Development and Training	B2.3	Occupational health and safety measures	12
	B3	General Disclosure	11
	B3.1	Percentage of employees trained by gender and employee category	18
B4 Labour Standards	B3.2	Average training hours completed per employee by gender and employee category	18
	B4	General Disclosure	9–10
B5 Supply Chain Management	B5	General Disclosure	13
	B6 Product Responsibility	B6	General Disclosure
B6 Product Responsibility	B6.2	Number of products and service-related complaints received and how they are dealt with	13
	B6.3	Description of practices relating to observing and protecting intellectual property rights	14
	B6.4	Description of quality assurance process and recall procedures	13–14
	B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	13–14
	B7 Anti-corruption	B7	General Disclosure
B7 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	15
	B7.2	Preventive measures and whistle-blowing procedures, how they are implemented and monitored	15
B8 Community Investment	B8	General Disclosure	16
	B8.1	Focus areas of contribution	16