



Realising  
stakeholders'  
beauty through  
harmony





# Environmental, Social and Governance Report

“Have you ever seen a nine years old young girl who looks like a three years old, all because of malnutrition and climate change?”

Sometimes, taking action just makes simple sense

*Dr Simon Kwok, BBS, JP*  
*Chairman and CEO*



**Our ESG journey: realising beauty through harmony**

**Recognising the beauty of our talents**

- Beauty in diversity
- Hearing the voice of our people
- Staff rewards that synergise organization success
- Equipping our people to perform their best
- Believing in Joy @ Sa Sa
- Compliance and beyond

**Realising the beauty of our customers**

- Understanding our customers
- Satisfying customers' aspiration
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**Supporting the beauty in our community**

- Feature: Alleviating rural poverty through Heifer
- Feature: Turning young designers' dream into reality at Ladies' Purse Day 2011

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- External partnership
- Paper
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## Our ESG journey: realising beauty through harmony

Sa Sa is in the industry of beauty. In this Environmental, Social and Governance (ESG) Report, we explore how we have contributed towards realising the beauty of some of our key stakeholders: our talents, customers, community and environment.

Shareholders are not specifically discussed in this ESG Report. They are the ultimate beneficiary of proper management of the above stakeholders, the results of which provides financial and emotional return on their investment as the organisation achieves sustainable growth in the economic, social and environmental dimension. Some of the more traditional corporate governance, financial and risk disclosure that is of interest to our shareholders can be found in other sections of this Annual Report. It is through reading those other sections in conjunction with this ESG Report that our readers will have a more comprehensive understanding of Sa Sa's business model.

The nine years old girl mentioned above might be living in Guizhou, but she is no doubt part of our wider community. What can be more satisfying than helping her to realize her true beauty by putting a smile back on her face, through providing a simple and healthy meal to her? The satisfaction is one that harmonises and synergises our talents, customers and shareholders, if properly communicated, knowing that part of their work contributes toward good deeds. The definition of beauty differs for everyone, but its philosophy of bringing back harmony and natural shine to people in need is somewhat consistent.

In this fiscal year, Sa Sa has once again stepped up on ESG, with the Board of Directors approving a formal Environmental, Social and Corporate Governance Policy Statement. We have also hired dedicated staff to help our Board and management team, and to further elevate the work of the CSR Committee and embed CSR into the culture of various departments.

The more actions we take, the more we learn about the global challenges to climate change, talent and community development. We have made some progress in those areas, but there is still much to go, to bring beauty and harmony to where they should be. And we require support from all our stakeholders to make this happen, step by step.

Some of the relevant ESG recognitions in this fiscal year are listed below. Further details can be found in the Awards and Recognition section of this Annual Report.



Hang Seng Corporate  
Sustainability Index  
Series Member 2011-2012



"Hong Kong Service Awards  
2012" by Eastweek magazine.



7th Hong Kong & Macau Merchants of  
Integrity Awards

Note: Unless otherwise stated, this ESG Report covers our operations in Hong Kong and Macau only. Our Hong Kong and Macau operations represent the largest of all Sa Sa operations, contributing to around 80% of our group's turnover in 2011/12.



## Recognising the beauty of our talents

Beauty is an experience. We stimulate this experience for our customers through our talents, by hiring the best and embedding our service philosophy into their DNA. Understanding that every customer is unique, we equip our talent not only with a wide range of product knowledge, but also with communication skills that enable them to deliver a personal service that will bring the best out of the customer. Our beauty experience, is an enlightening experience.

**60%**  
of our staff are located  
in Hong Kong.

**91%**  
of our group  
employees are  
permanent or contract  
staff.

Percentage of staff in  
each region, as at 31  
March 2012

6% Singapore  
7% Taiwan  
8% Malaysia  
19% Mainland China  
60% Hong Kong & Macau



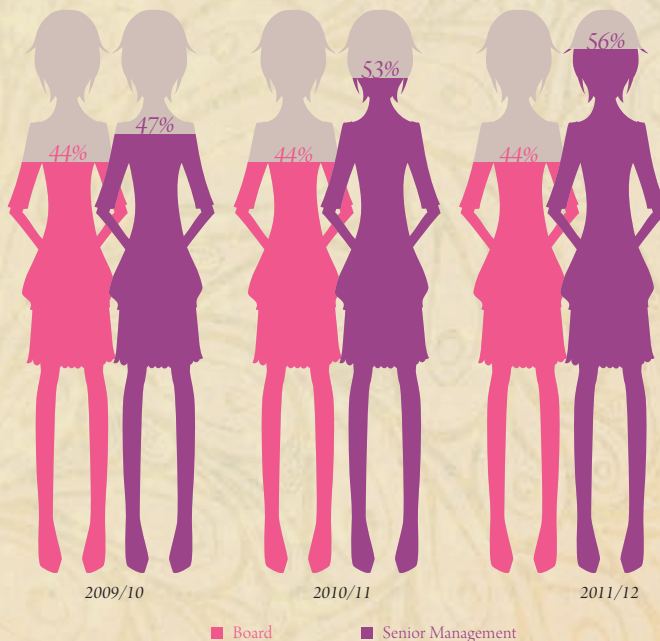
### Beauty in diversity

Diversity and equality is an enabler to creative and productive dynamic that is necessary to 21st century organization success. Sa Sa recognises and complies with the four equal opportunity ordinances in Hong Kong, covering sex, disability, family status and race discrimination through our established Equal Opportunity Policy. This is communicated with our employees via our intranet and shared with all new staff on their induction day.

With Sa Sa current customer base being predominantly female, the structure of our staff, senior management and Board membership is built to ensure that female is adequately represented at all these levels. Our Board and Senior Management consist of 44% and 56% female respectively, significantly above the Hong Kong industry average of female composition in Senior Management of 23% (as per study conducted by Community Business Gender Diversity Benchmark for Asia 2011 on multinational companies).

As at 31 March 2012, our group's total number of employees has reached 4,346, with approximately 60% of our staff located in Hong Kong. 91% of our group employees are permanent or contract staff.

### Percentage of female composition





## Hearing the voice of our people

We recognize that effective communication with employees is essential in order to win their cooperation, bolster morale, improve mutual understanding and develop good employee relations. Our culture promotes two-way communications and the sharing of views, via a number of platforms:

### Written materials

- ✦ New staff induction programme
- ✦ Employee handbook
- ✦ Staff corner notice-board
- ✦ Regular staff internal newsletter and e-mail communication

### Interactive platform

- ✦ Staff sharing sessions
- ✦ Employees' participation at strategic planning meetings and breakfast seminars
- ✦ Objective communication forums
- ✦ Staff satisfaction survey

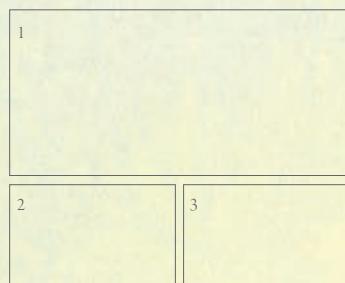
### Inter regional collaboration

- ✦ Regional meetings and conference calls are held monthly to strengthen our matrix reporting system amongst our offices in other Asian countries

## Staff rewards that synergise organization success

We believe in the importance of recognizing employees' accomplishments, and thus we have many different, but equally valuable ways of rewarding our workforce. Our remuneration packages are reviewed regularly and differential rewards are granted to recognize and motivate staff. As part of the performance management system, Key Performance Indicators ("KPI") are adopted to ensure that the requisite directions and standards are set and met. There are many performance incentives for our employees, with discretionary bonus and share options being offered to outstanding performers.

## Equipping our people to perform their best



1. Junior Beautician Trainee Graduation Ceremony

2. 2011 HKRMA Service & Courtesy Award finalists

3. Some of Sa Sa's energetic training professionals



*By the numbers:*

over  
**58,000**

hours of training delivered in total for frontline staff in Hong Kong for the financial year

over  
**30%**

increase compared with the last financial year

With talents being Sa Sa's primary asset, excellence in their training and career development is at the heart of the high quality services that Sa Sa offers.

As customer demand is becoming increasingly sophisticated, our training program is constantly evolved to ensure that our talents are equipped with what is necessary to meet customers' need and beyond.

*By the numbers:*

Sa Sa Junior Beautician Trainee (JBT)

programme provides **244** hours of training, to equip our new trainees to be a knowledgeable beauty consultants

Our Leadership Management Skills Development training further enhances our beauty consultants, with an additional

**60** hours of structured session

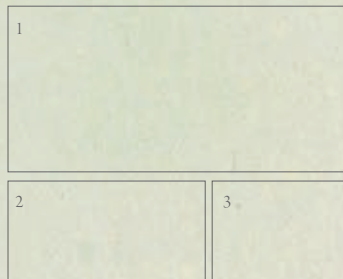
Promoting our staff to become mentors is part of the roadmap to grow our staff to be our supervisors/assistant supervisors and potentially be part of the management team

***JBT – Nurturing the best talent within***

Our **Junior Beautician Trainee (JBT) programme** is a structured frontline training platform that covers a wide spectrum of knowledge area, one that relates to skin care, hair, fragrance, cosmetics, dietary health and customer care. All JBTs are required to go through comprehensive assessments throughout the programme to ensure they have the standard of professionalism to become our qualified beauty consultants.

We also develop our leaders within our organization, through an established **Leadership Management Skills Development** training programme, which enhances our frontline staff with the necessary skills for their next stage of career.

Our **"Mentoring Scheme"** is an important part to our frontline staff development programme, enabling smoother social integration of our new joiners and the transfer of practical knowledge from the more experienced staff.



1. MT meeting with Sa Sa's Vice-chairman
2. MT with other JBT and trainer in the classroom
3. Presentation conducted by MT

## *Excel with challenge and leadership opportunity through Sa Sa Management Trainee Programme*

The Sa Sa management trainee programme is designed to identify and nurture the best talent in the market. They are individuals who are prepared to connect with like-minded people of their age; ones who are prepared to be challenged, engaged and exposed to various cross-sections of Sa Sa's operations. They are the ones who will be trained and immediately put into practice:

- ✿ Business strategy
- ✿ Drive for achievement and results
- ✿ Creativity and problem solving
- ✿ Change management
- ✿ Teamwork

## *By the numbers:*

The 2012 Management Trainee (MT) programme is at its **11<sup>th</sup>** round in running

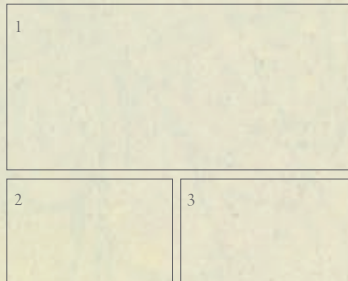
Received over **1,000** applications this year

A total of **3** stages of comprehensive selection process

Over **20** candidates as the final uptake

Development consists of 6 months of Junior Beautician Trainee programme + **12** months of shop and office training





1. Sa Sa's prominence at the award ceremony at HKRMA 2011
2. Professional classroom training on product knowledge
3. "Some of our products used at training"



#### *Continuous development – nurturing our future*

Learning never stops. It is a continuous journey that enables our people to grow and be nurtured over time.

A number of training tools has been developed to be used by our team during the year, one of which is the multimedia “**Sa Sa Training Channel**”, where we provide videos covering product knowledge, latest customer service skills and sharing of personal experience.

Sa Sa has an established **Target Management and Sustaining System** (TMSS), with the purpose to enable routine review and reporting by our shop supervisors, strengthening our sales monitoring, service quality and talent development within each shop.

*By the numbers:*

**No. 1** – The La Colline Shop was the Grand Award Winner, rated No. 1 out of 168 participants from 16 categories at 2011 HKRMA Mystery Shoppers Programme – Service Retailers of the Year. We scored a total 97.5%.

**88.7% and 97.4%**  
– The scores of Sa Sa Store and the Suisse Programme store at the 2011 Mystery Shoppers Programme.



### Believing in Joy @ Sa Sa

At Sa Sa, we believe we are here to provide not just a place to work, but a workplace; a place where people unite, and act as one, towards one common goal. We achieve this level of bonding via a number of platforms, where our people can spend some valuable time together with colleagues and families, and be able to rejoice.

## Time when we unite, as one





DEC  
2011



*Sa Sa Hong  
Kong X'mas  
Party*



JAN  
2012

*Sponsored  
movie  
night*



FEB  
2012

*Pre-Valentine's  
Day cake  
making class*



MAR  
2012

*Sa Sa  
Annual Dinner*



FEB  
2012

*Kiu Tsui  
Chau  
family day*





## Environmental, Social and Governance Report

A cross function Staff Recreation Club (SRC) was established in 2011, comprising employees who are dedicated to organizing social events for employees to participate and liaising with shops and restaurants to offer corporate discount to our staff. Events from SRC also enable employees who do not usually cross over with each other during their normal day-to-day work to come together for a common shared experience.

## Loyalty tested by time, as one

This year, we are fortunate that a total of 150 colleagues were able to receive the 5, 10, 15, 20 or 25 years employee long service award recognition. Loyalty does mean something at Sa Sa. We recognise that every step of success we have achieved was because of our people. It is only through their continued committed service that Sa Sa continuously reach new height with its business. Each recipient is greeted, awarded and thanked personally by Sa Sa's Chairman and Vice Chairman at the award ceremony.





**“The key to nurture our talent is to treat them in the way we want to be treated ourselves – motivate and reward them. We want our staff to enjoy what they do at work. To be positive and proactive.”**

*Dr Eleanor Kwok, BBS  
Vice-chairman*





# Environmental, Social and Governance Report

## Compliance and beyond

Ensuring compliance with the required health and safety and labour standard is very important to Sa Sa.

### Health and safety

- ☞ A dedicated Health and Safety (H&S) Committee was set up to address H&S issues, headed by the head of HR, with members from various other departments
- ☞ Series of workshops provided to enhance staff's awareness over relevant health and safety issues
- ☞ Spinal injury preventive measures talk for heavy duty tasks by the Occupational Health Service Centre (OHSC) of Labour Department
- ☞ Breast cancer prevention talk by Hong Kong Breast Cancer Foundation
- ☞ Office related spinal injury prevention workshop by Chiro Healthcare Centre
- ☞ Workshop on managing work related stress, by OHSC

### Fatality and work injury

- ☞ Work related injuries are being constantly monitored by the H&S Committee
- ☞ A topic on avoiding workplace injury in staff induction has been included
- ☞ There was no cases of fatality due to workplace accident in 2011/12
- ☞ There were **35** cases of work related injury in 2011/12, representing a **decrease** in work related injury per staff member by **33%**
- ☞ An average of **0.31** days of sick leave is taken by our staff member per month

### Employment practice

- ☞ Sa Sa complies with local employment regulation at all locations of practice
- ☞ Forced or child labour is not a significant concern for the beauty and cosmetic industry. Sa Sa is not engaged in any forced or child labour



## Realising the beauty of our customers

Sa Sa is created to serve. Since 1978, we see ourselves setting on a journey to continuously enhance our ability to create beauty experience that will give our customers an even greater sense of liberty and confidence. The quality of both our products and staff in serving that purpose is thus our organization's top agenda.

### Understanding our customers

With the continuously changing market and consumers' behaviour, Sa Sa recognises the need to constantly evolve on how we best serve our customers. This is done through ongoing dialogue through not only daily interactions with customers, but also with a number of structured engagement programs.

Regular surveys are conducted among our existing and potential customers, covering topics such as quality perception of our brand, products, shops, services etc. We also conduct focused group periodically, extracting insight that goes beyond pure quantitative analysis, covering more specific insight such as why they have certain perception on our brands in general and over selected products. It is valuable and honest feedback from our customers that enable us to recognise areas that we could improve on and practices that we could continue to encourage our staff to do more of.

**“The beauty consultants are really kind. They approach me for casual chats and provide recommendation based on my needs, provide me with relevant free samples and will not “hard sell” expensive products to me.”**

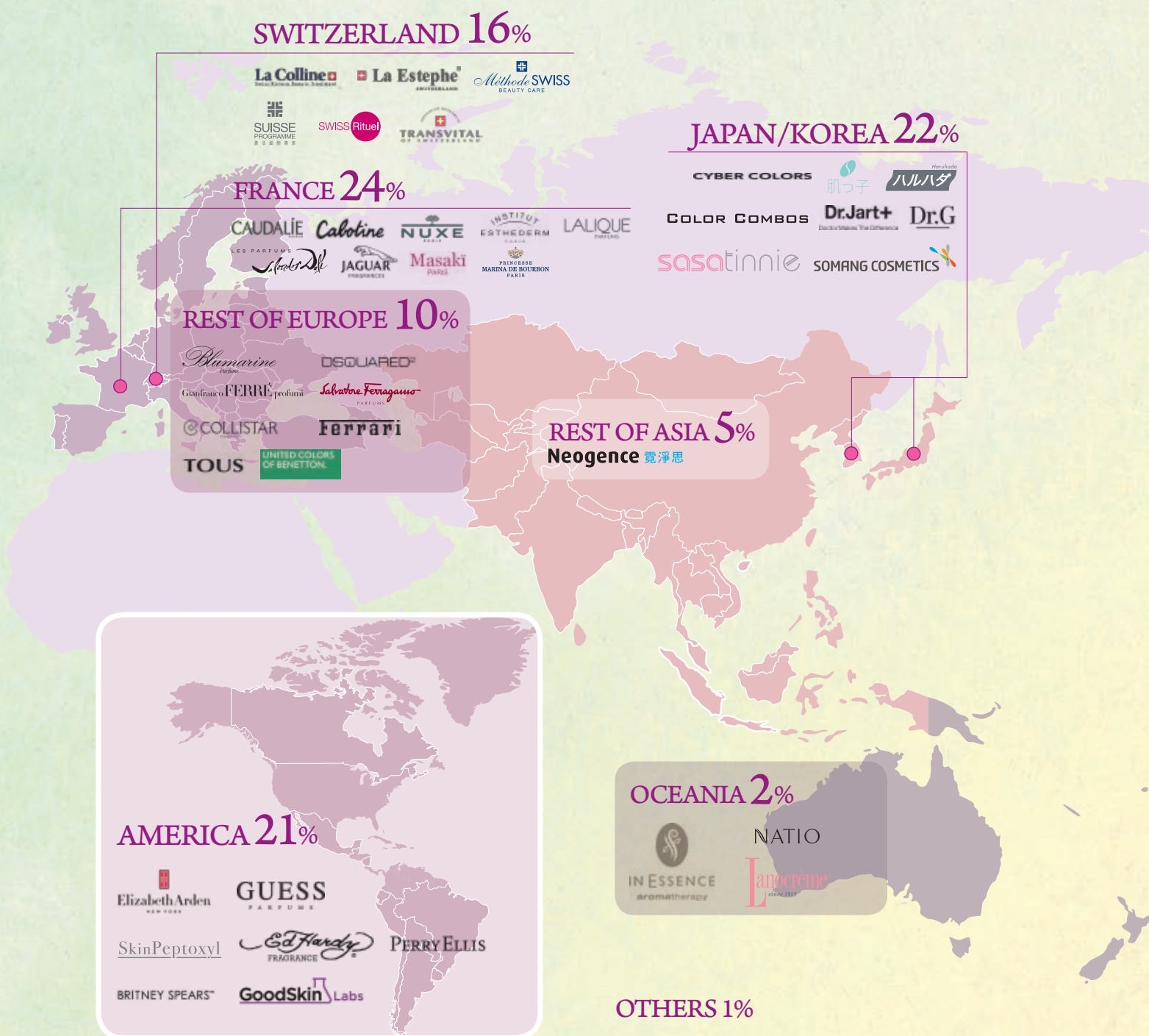
**“It is a pleasant experience shopping in Sa Sa. It is clean and all the stocks are very well classified.”**

### Satisfying customers' aspiration

We believe every customer is unique, with their skin behaviour being highly variable depending on factors such as gender, genetics and lifestyle. This is why at Sa Sa, we offer some of the widest range of cosmetics, fragrance and health care products from around the world, and equip our beauty consultant with the product and beauty knowledge necessary to identify what is ideal to the very special you. There are over 23,000 products currently being carried by our stores in Sa Sa.



# Serving customers' aspiration through global sourcing



Notes:

- Figures in percentage indicate breakdown of origin of brands sold in Hong Kong and Macau in 2011/12. Figure may not add up to 100% due to rounding
- Brands displayed in each region/country are not exhaustive
- Origin of brands is based on general customers' perception on the origination of the respective brands which may be subject to factors including location of manufacturers or brand owner's headquarters, brand image and style of product design



### Managing customers' need

Every practical care has been taken to ensure that only the best products arrive in the hands of our customers. This starts from the very beginning in choosing the right products to shelves; we also conduct quality control checks on 100% of the new product line that arrives in our warehouse, ensuring that only genuine products get released to our shops and customers.

To ensure our customers are ultimately satisfied with their purchases, Sa Sa's operation in Hong Kong is voluntarily committed to a 30 days' purchase guarantee, to ensure that our customers are 100% satisfied.

A well defined customer feedback protocol is also established, so that our operation could respond to product safety or service quality issues in the most appropriate manner. Members of senior management are involved in this process, so that any incident will be attended to with the most serious attitude for timely action. We believe that the safety of our customers shall not be compromised by any means. There was no reported case of unsafe product in 2011/12.

**“Joy of sharing  
Handover a gift of flower, and one's palm will  
retain the aroma. Spread the beauty of happiness  
in the same way, and such beauty will translate to  
smiles on a million face. For one to see a smiling  
face of others like a blooming bouquet, thee shall  
feel the joy beyond what he gave.  
Your joy, our beauty”**

***Quoted from Joy @ Sa Sa – an internal staff email circulation.***

Any customer compliments or complaints are systematically logged and handled accordingly. A total of 1,331 customer compliments and 142 customer complaints were reported for the year, achieving customer compliments to complaints ratio of **9:1**.



## Supporting the beauty in our community

“What moves me with community work is being able to see with my own eyes the positive impact that Sa Sa can create.”

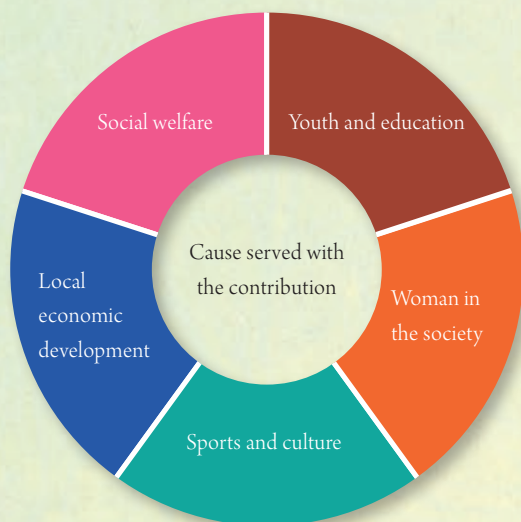
*Dr Simon Kwok, BBS, JP,  
Chairman & CEO*






We are nothing, if there has not been a supportive and harmonious society at places we operate. That is why we go back and try to provide support to the community where we can, no matter how little difference it makes.

Creating long-term social harmony and stakeholders' value are essential as part of our approach to community involvement work. Although our approach might not yet be the most comprehensive in the market, we believe our continuous improvement is what is going to drive us forward, to create greater positive impact as our organisation advances and grows.

We are fortunate to be able to work with many partners during the year over a number of meaningful causes, they are as follow:



Type of contribution	
	Cash donation and sponsorship
	In kind donation and sponsorship in the form of goods and product
	Time contribution by our staff



Event date	Type of contribution	Description
May 11		"Community Chest" Television Show 2011: With contribution from staff and corporate budget for the benefit of social welfare
		Heifer International Hong Kong Annual Dinner: to support the cause of poverty alleviation
		Sponsored team at the Law Enforcement Torch Run for Special Olympics: to help people with intellectual disability
Jun 11		Earthpulse Foundation Annual Dinner: to support the cause of rural education, healthcare and cultural preservation
		Title sponsor of Scout Association of Hong Kong with its charity screening of "Traces of a Dragon"
	 	Bronze event sponsor and participant of Po Leung Kuk Charity Bowling Contest
		Title sponsor to Hong Kong International Dragon competition in 2011
		Community Chest of Hong Kong: for the charity screening of "Beginning of The Great Revival"
	 	Gold Diamond sponsorship of Quality Tourism Services Merchant Awards Presentation Ceremony, with additional donation of products as table prizes and lucky draw
		Cash sponsorship of Hong Kong University towards "1971-2011 collection", to help enhance recognition of artistic work within the university and help promote work of local artist
Aug 11		Donation of mooncake vouchers to St James Settlement Church Food Bank aiming at helping the needy during Mid-Autumn Festival season
		Donated to Doctor Pet during its December flag sale
		Hong Kong Asia Lions Club for its 2011-2012 inauguration charity dinner
		Scout Association of Hong Kong – Kowloon Region inauguration
		PMA Music Foundation – supporting the launch of "Believe, belong and become" music CD for the purpose of inspiring young people to achieve more in life
Sep 11		Hong Kong Girl Guides Association – Visiting elderly who are living alone in the Yue Kwong Region
		Po Leung Kuk charity raffle prizes
	 	Po Leung Kuk raffle ticket sales – both staff and corporate support through purchasing and sale of raffle
		Hong Kong Federation of Women – Xinhai Revolution Centenary Gala dinner
	 	Community Chest Dress Casual Day – staff participation, with staff and corporate donation



## Environmental, Social and Governance Report

Oct 11		Silver sponsor to Hong Kong Breast Cancer Foundation with its Pink Walk Against Breast Cancer 2011
		Heifer Race to Feed 2011 – sponsored and staff participation at races
		Provided learning opportunity to students of Institute of Textiles and clothing of the Hong Kong Polytechnic University to bring their design to life and be assessed by industry professional
Nov 11		Sponsored Heifer International Hong Kong 2011 TV series
		Hong Kong Racehorse Owners Association Ltd annual dinner – supporting local horse riding sport
		Lion's Club 8th anniversary thousand people charity dinner 2011
		Operation Dawn Antidrug charity gala dinner
Dec 11		Hong Kong Girl Guides Association – Golden Guide vegetarian dinner gathering
		Supported 88,000 Reasons to Celebrate – a Vivienne Tam Charity Fashion show for LEAP (Life Education Activity Programme)
		Po Leung Kuk charity poon choi dinner and Christmas dinner
		Community Chest Love Teeth Day – with staff donation to help raising awareness and care
		The Y.Elites Association Christmas celebration – cultivating local young leaders
		Causeway Bay Baptist Church Christmas party – to support local community development, providing care and support to enhance positive growth in body and mind
Jan 12		Community Chest Walk for Millions donation – With staff participation, staff donation and corporate donation
		Staff volunteering with Po Leung Kuk to care for elderly living alone
Feb 12		Hong Kong Federation of Women Spring Dinner
		Po Leung Kuk Chinese New Year Charity Walk cum Green Carnival – supporting through staff participation and donation by staff and corporate
		Patron Sponsor and Signing Sponsor of Riding for the Disability Annual Ball – supporting disabled individuals to continue to challenge themselves and better integrate with the community

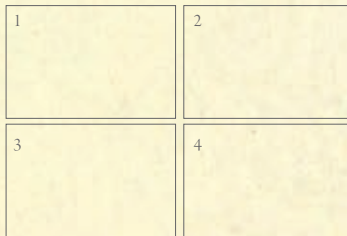
### Local economic development

We see economic prosperity of a place as being one of the keys to its social harmony. At Sa Sa, we believe that our growth is compatible growth. Opportunity such as working with Hong Kong Trade Development Council (HKTDC) provides a great avenue for synergy and value creation for all parties involved.

### Social welfare

We are proud that the society we live in today are filled with caring individuals. The likes of Community Chest, Po Leung Kuk, Hong Kong Jockey Club, Heifer International, Lion's Club, etc – all provides multilateral means to fulfill needs in the society that might not be met most efficiently by the government. Being able to contribute to such meaningful cause is what makes us, complete.





1&2. Staff volunteering to with Po Leung Kuk to care for elderly living alone

3&4. Supporting Po Leung Kuk Chinese New Year Charity Walk cum Green Carnival

## Youth and education

The power of youth is adorable. In the 21st century, they are the ones who will learn, grow and innovate at a pace that we have never seen in the history of man. Equip them today with what they need, and be astonished with what they can accomplish tomorrow. Our co-operations with Y.Elites, Hong Kong University, Lingnan University, Polytechnic University, Scout Association and Girl Scout Association of Hong Kong are all great examples of platforms where we are proud to be part of in someway, enabling youth to achieve their potentials.

## Women in the society

With a significant portion of our management, talents and customers being women, we recognize the important roles that they have in society and family, no less and no more than that of men. They are creator of life, making the respect and protection of this group particularly meaningful. We are proud to be able to support organizations such as Hong Kong Breast Cancer Foundation and Hong Kong Federation of Women this year.

## Sport and culture

To some, sport is only a mean to exercise and stay physically healthy. To others who are less fortunate, such as those who are disabled, it is a mean through which they could regain their strength, self-confidence, and to actively participate in society like many others. It is inspiring for Sa Sa to be able to support organisations such as Riding for the Disabled Association Ltd and Law Enforcement Torch Run for Special Olympics on this cause during the year under review.



## Environmental, Social and Governance Report

### Feature: Alleviating rural poverty through Heifer

It is the fourth year that Sa Sa has supported Heifer with its poverty alleviation projects.

In Heifer's signature Race to Feed program, Sa Sa was able to contribute as a Direct Response TV Sponsor. Staff from Sa Sa have participated in the 10 people 11 feet race as well, winning the overall award for being the best dressed and received trophy for coming third in the Yak Race.

Our CEO has taken personal interest in delivering solution to the local community also, and have visited some of the poorer villages in Guizhou in August 2011, where some of the Heifer's poverty alleviation work is done.







**Feature: Turning young designers' dream into reality at Ladies' Purse Day 2011**

Sa Sa was proud to host "The Ultimate Charming Beauty" fashion design and show challenge, held as part of Hong Kong Jockey Club Ladies' Purse Day in October 2011. The challenge provided a platform and financial support for students and alumni of Textiles and Clothing of the Polytechnic University, bringing their design and dream to life on real stage modeled by celebrities such as Aimee Chan, Marie Zhuge, Rose Chan and Jacquelin Chong.

The final stage of judging was done by a panel of judges, including professional designer Barney Cheng, Jay Cow, celebrity Ana. R, and Sa Sa Vice Chairman Dr Eleanor Kwok.





## Protecting the beauty of our environment

“Some people ask why we should care for the environment. But what I ask is, why not? It is something that makes simple sense to me, protect the environment and save cost. Why waste when we don’t have to? Take electricity for example, energy efficient technologies are now ready for us to make the transformation, that’s why we are making a move now. The carrying capacity of the planet is limited. As a corporation with social responsibilities, we are responsible for not just our shareholders, but also our next generation.”

**Dr Simon Kwok, BBS, JP,**  
**Chairman and CEO**

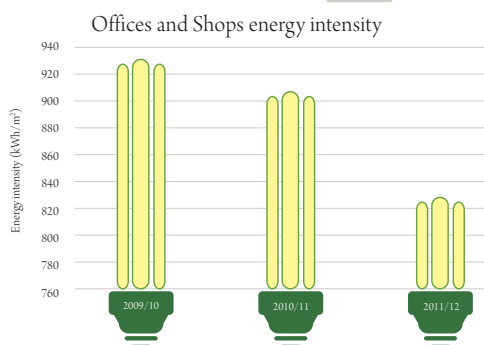
The well being of the natural environment connects closely with the well being of each individual. Recognizing that our planet is currently under stress from the pattern of consumption and greenhouse gas emission from the developed world, we felt the responsibility to take tangible action. The Board has approved our ESG policy statement in February 2012, making explicit commitment to reduce our energy, resource consumption and waste generation. This is a major step forward for the organization. A number of green initiatives to follow in 2012/13, working through our ESG Taskforce, is to further enhance how we track our footprint on the planet and strengthen our effort in reducing them.

### Energy usage

#### Energy intensity 8%↓

Our shops and offices in Hong Kong have consumed a total of 21 GWh in this financial year.

The energy intensity (kWh of electricity use per square metre of net floor area) has continued to reduce in 2011/12 compared to last year, by around 8%, as all of our new shops and new office floors in Hong Kong have installed LED lights or energy efficient lighting devices where practical. This reduces both the consumption of electricity from lighting and heat emission from lighting. We have also continued to switch off lights in our office during lunch hour.





## Packaging

### Bags intensity 26%↓

Paper and plastic bags use has decreased by 26% per dollar of sales this year. This is the result of better customer environmental awareness through promulgation by the media and also being prompted at the shop before a bag is given to them. We have a fine selection of eco-bags offered to our customers also since May 2009, with special editions launched from time to time, so that customers do have greener options.

We comply with Hong Kong Government's Environmental Levy Scheme on plastic bags since it came into force in July 2009 and have been using bags that are made of P-Life Bio-Degradable Plastic that reduces our negative damage to the environment.



## External partnership

We believe that through working with external parties, greater synergy can be created.

Sa Sa is a corporate member of the World Wide Fund For Nature in Hong Kong for the fifth successive year. Our support goes beyond funding, we also comply with the sustainability guidelines set out in the WWF Hong Kong Seafood Guide, having ceased to serve shark's fin at Sa Sa's annual dinner since 2010 and helped to promote Earth Hour amongst our colleagues.



## Paper

### Paper intensity 2%↑

Our office and retail stores in our Hong Kong and Macau operations have consumed a total of 5.2 m pieces of A4 photo copier paper in this financial year, up 2% compared to prior year on paper intensity (pieces of paper consumed per employee). This is partly a rebound of our excellent performance compared in of the prior year, where we have saved over 40% in paper used per staff. We have also increased the number of paper recycling facilities in the office areas for convenience of our staff.

We have started using more environmentally friendly paper also, such as the use of recycled paper for Caudalie Vinoperfect leaflet. The management is currently reviewing various processes where it could go paperless such as e-payslip. A number of paper saving initiatives continued, including reusing paper printed only on one side, set printing to duplex and reminding our colleagues to print only when it is necessary.



## Water

### Water intensity: 13%↓

Water usage at our Hong Kong office and shops accumulated to 14,000 cu M for the year, a decrease in usage intensity by 13 %, on a per metre square of net floor area basis. The continued reduction was made possible due to increased environmental awareness amongst our colleagues.

