



Infinity Development Holdings Company Limited
星謙發展控股有限公司

Incorporated in the Cayman Islands with limited liability
Stock Code : 640

Infinity Development

Environmental, Social and
Governance Report 2016/17

CONTENTS

About us	2
About this Report	3
Message from the Chairman	4
Stakeholder Engagement	5
Environmental Protection	6
Employment and Labor Practice	10
Operation Management	13
Community Investment	15
ESG Performance Overview	16
ESG Reporting Guide Content Index	20



ABOUT US

Infinity Development Holdings Company Limited (the “Company”) and its subsidiaries (collectively “Infinity Development” or the “Group”) is a professional manufacturer which involves in research and development, production, agent and sales of high-quality chemical products. The Group is principally engaged in the manufacturing and sales of adhesives, primers, hardeners, vulcanised shoes adhesive related products used by the footwear manufacturers and acting as the sales agent for adhesives used in the production of electronic products. The Company’s head office is located at Macau, and the Group furnishes services across multiple countries and regions.



The Group has manufacturing facilities in mainland China, Vietnam, and Indonesia. The phase II extension project of its Zhuhai Plant (including the addition of production equipment, warehousing facilities and workshops) has been completed and will be put into service for the Group’s OEM business. Upon successful completion of this extension project in Zhuhai Plant, the Group has been implementing the internal resources reorganization over the past two years, and ceased the operation at Zhongshan Plant in early 2017. Meanwhile, the Vietnam Plant (phase I) has started its operation in mid-2017. Given the orderly shift of the footwear manufacturing industry to the Southeast Asia, the phase II expansion project in the existing Vietnam Plant is under planning to grasp the opportunities of the future market development.



ABOUT THIS REPORT

This is the second environmental, social, and governance (ESG) report issued by Infinity Development, which provides a summary of the Group's ESG policies, measures, and performance to better inform each stakeholder of the Group's progress and direction in sustainable development. This report is written in both Chinese and English and has been uploaded to the official websites of the Stock Exchange of Hong Kong Limited (HKEx) and the Group (www.infinitydevelopment.com.hk).

Scope of the report

This report focuses on the operation¹ of Infinity Development's main business (namely the manufacturing and sales of adhesives and related products) in the Zhuhai factory (excluding the extension section) from October 2016 to September 2017 (the current year), covering the same scope as the first ESG report issued last year. To make it easier for readers to compare the Group's performance in the current year with that in the previous year, a similar structure as the first ESG report is adopted herein.

At present, this report does not cover the entire operation of the Group. Upon completion of the extension project of the Zhuhai factory and the construction project of the new Vietnam factory, the Group expects its operation to continue bringing positive contribution to the Group. The Group is now improving its internal data collection procedure and will gradually expand the scope of this report.

Standards of the report

This report is prepared pursuant to the "comply or explain" provisions of the ESG Reporting Guide (the "Guide") released by HKEx and four reporting principles specified by the Guide: materiality, quantitative, balance and consistency.

To ensure the accuracy of environment-related key performance indicators (KPIs), the Group has entrusted the consulting firm, Carbon Care Asia (CCA), to conduct a carbon assessment. The Group reports KPIs specified in "recommended disclosures" of the Guide to make the report more complete.

The last chapter of this report provides complete indexing to allow readers to read this report in accordance with the Guide.

Confirmation and Approval

All information contained herein is collected from Infinity Development's official documents, statistics, and management and operation data provided based on the Group's policy. The report was approved by the board of directors on 27 April 2018.

Opinion Feedback

Infinity Development highly values the opinions of stakeholders. Should you have any enquiries or comments regarding the content or form of this report, please send through email to ir@infinitydevelopment.com.hk.

¹ The Group's wholly-owned subsidiary, Zhuhai Zetao Adhesive Co., Ltd, is in full charge of the operation.



MESSAGE FROM THE CHAIRMAN

With the spirit of keeping abreast of the times, we regard environmental protection and support for social development as the guidelines for business growth. Due to increasing attention to corporate social responsibilities, we keep improving our environmental and social performance in the areas of production, waste discharge, and product R&D to promote sustainable development on the corporate, industrial and social levels.

To minimize the impact on the environment, we changed our production processes and adopted equipment with more environment-friendly energy, reduced emission, and added UV photolysis and active-carbon volatile-organic-compound (VOC) processing systems to our production lines. We also recycled raw materials, improved productivity, and cut down the generation of scrap rubber, thereby relieving the impact caused by solid waste on the environment and society.

Employee safety is the most important consideration in our operation for achieving sustainability. We have installed automatic pipe transport systems in our production lines to lessen employees' exposure to volatile items. At the same time, to enhance occupational safety, we improved our production environment and facilities to ensure the health of our employees.

In terms of product R&D, we vigorously respond to the social demand for environment-friendly products. Under the policy of green purchase, we are becoming more stringent with suppliers to fulfill their environmental protection obligations. Thanks to continuous R&D and innovation, our technological level has gained a solid lead in the industry, and the environment-friendly products introduced enabling us to deliver our care of the environment to our customers in a more effective manner.

We strive to systematically manage the influence of our operation on the environment and society by assigning environmental, social and governance duties to different work positions, and encouraging the entire team to make contribution to sustainable development. Looking ahead, we will explore the feasibility of setting up an ESG committee so as to rise to future challenges and opportunities more proactively.

Jeong Un
Chairman

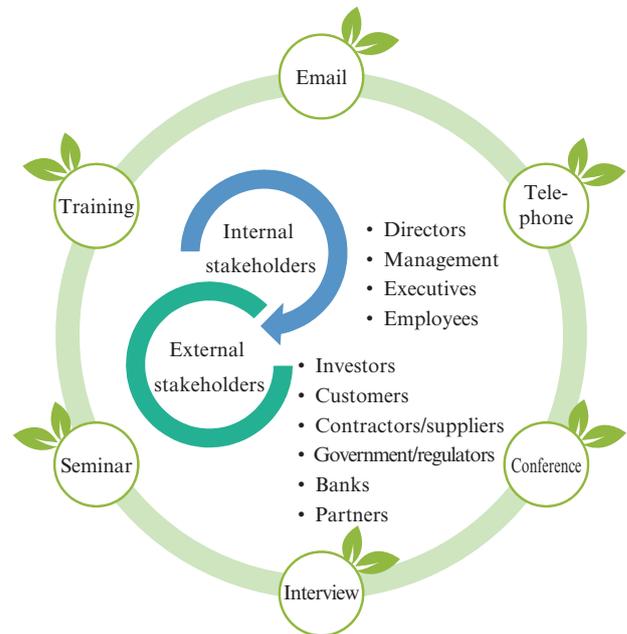
Hong Kong, 27 April 2018



STAKEHOLDER ENGAGEMENT

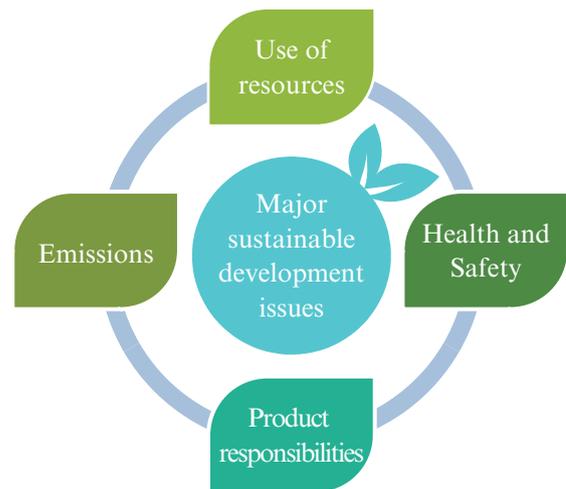
Stakeholders' form of communication in the Current Year

In Infinity Development's business management, stakeholders² play an important role and help the Group examine potential risks and business opportunities. By communicating with stakeholders and listening to their voices, the Group will be able to bring its business into closer alignment with stakeholders' needs and expectations and properly manage different stakeholders' opinions. The Group maintains constant contact with key stakeholders inside and outside the Group through different channels. This ensures that stakeholders have an opportunity to learn about the Group's development and operation policies, and the Group in turn has an opportunity to hear stakeholders' voices, so that it can prioritize different issues and set different policies.



Major Sustainable Development Issues in the Reporting Period

The Group has entrusted an independent consulting firm, as it did last year, to interview the top management in order to identify the most important environmental and social issues for the Group and its stakeholders and discuss the Group's strategies and direction for sustainable development. Taking into account the opinions collected from the interviews and from the consulting firm, the Group selected four environmental and social categories from the Guide as the key issues for discussion in this report.



To ensure the effectiveness of communication with stakeholders, the Group is committed to transparent, honest, and accurate communication and provides timely replies. In the future, the Group will enhance interaction with stakeholders, explore more diverse channels, increase opportunities for contact with stakeholders, and create win-win relationships for mutual benefits.

² Stakeholders refer to groups and individuals who have a major impact on, or are impacted by, the Group's business, including internal directors, management, executives, and employees, as well as external investors, customers, contractors, suppliers, government and regulators, and other partners.

ENVIRONMENTAL PROTECTION

Infinity Development attaches great importance to environmental protection and is committed to using natural resources more efficiently and reducing the impact of its business operation on the environment.

Taking into consideration the requirements of ISO9001:2015 Quality Management System and ISO14001:2015 Environment Management System, the Group compiled the Quality and Environment Management Manual to maintain high product quality and properly manage and reduce the environmental impact of product R&D, manufacture, and sale. The Environment Protection, Health and Safety Department is in charge of identifying and confirming major environmental factors and setting management plans, goals, and KPIs to ensure that all business activities comply with the environmental management policies and principles regarding pollution prevention. Responsible representatives of departments at each level are in charge of making specific work plans based on the overall plan and regularly reporting implementation of relevant measures to the management, as well as offering suggestions on improvement.

Discharge Management

The production of adhesives and related products inevitably generates discharges. Therefore, the Group developed a set of policies and procedures for discharge management, covering waste gas emission, greenhouse gas emission, wastewater discharge, and waste disposal.

Waste Gas Emission

Volatile organic compounds (VOCs) refer to volatile compounds that contain carbon, which are commonly seen in many products such as solvent paints, printing ink, consumables, organic solvents, and oil products. VOCs play an important role in the formation of ozone and atmospheric particulates. As the economy of the Pearl River Delta continues growing, more and more pollutants are created, intensifying the regional smog problem. Guangdong Province will make strenuous efforts to comprehensively improve the VOC situation in 13 key industries such as oil refining and petrification, printing, and footwear manufacturing.

To address VOCs and other organic waste gas generated during production, the Group added three waste gas disposal facilities in its factory workshops to utilize ultraviolet photolysis or spray absorption and active carbon adsorption technologies to handle waste gas, thereby ensuring that the waste gas complies with the requirements of the second-time-slot standard of Guangdong Province's Standards for Emission of VOCs in the Footwear Manufacturing Industry. Monitoring reports indicate that the concentrations and speeds of benzene, methylbenzene, dimethylbenzene, and total VOCs all comply with relevant standards.



In addition, the Group developed the VOC Disposal Management System to clearly inform employees of the methods and procedures for handling waste gas generated in different production processes and to clearly state the responsibilities of the Manufacturing Department, Maintenance Department, and Environment Protection, Health and Safety Department. On a regular basis, the Group entrusts professional environmental protection companies to conduct inspection and maintenance, and the Group also replaces consumable materials according to the established criteria.

To reduce waste gas emission, the Group added electric forklifts to factories and plans to gradually bring in more electric forklifts to replace diesel forklifts.

Greenhouse Gas Emission

Greenhouse gas emission is closely related to climate change and global warming. Companies around the world all introduce carbon reduction measures and goals. In the current year, the Group entrusted the professional consulting firm CCA to carry out a carbon assessment by specifically calculating the amount of greenhouse gas emitted during corporate operation. Moreover, to ensure the accuracy of environmental KPIs, the assessment made reference to the Guide to Calculating and Reporting Greenhouse Gas Emission in Industry and Other Sectors (Trial Edition) released by the National Development and Reform Commission.

Scope	Emission Source	Emission (Ton of CO ₂ Equivalent)
Scope 1: Direct greenhouse gas emission	Fossil fuel burning – Stationary sources	8.8
	Fossil fuel burning – Moving sources	47.3
	Subtotal	56.1
Scope 2: Indirect greenhouse gas emission from energies	Purchased electricity	708.8
	Purchased thermal power	6.1
	Subtotal	714.9
Total greenhouse gas emission		771
Greenhouse gas density (Ton of CO ₂ equivalent/ ton of products)		0.08

Meanwhile, to answer China's call for addressing climate change and fulfilling low-carbon transformational development, Infinity Development will set long-term carbon reduction goals, and through the aforementioned carbon assessment, the Group has learned more about its internal resource utilization and the effectiveness of its emission reduction measures.

Waste Disposal

The Group's Waste Management Procedure specifies the definitions and workflows (including classification, storage, and disposal) of hazardous waste and non-hazardous waste. In the current year, the Group revised relevant guidelines, charging the Environment Protection, Health and Safety Department with the responsibility of overseeing waste and the disposal procedure; the Group also added the Waste Classification Table to state that mixed organic solutions are non-recyclable hazardous waste and should be stored in designated areas. In the future, the Group will introduce specific measures for reducing waste generation and will report the effectiveness of such measures to stakeholders on a continuous basis.

Wastewater Discharge

Infinity Development developed guidelines for relevant oddments and cleaning fluids, stipulating collection and management. In the current year, the Group's recycle and reuse rate of cleaning fluids reached 99.6%, with nearly 90,000 kg of cleaning fluids recycled. The Group does not involve industrial wastewater discharge, and all domestic wastewater is discharged into the municipal pipe network after being processed in a three-tier septic tank.

Resource Utilization

Infinity Development developed an annual energy saving plan, and during the reporting year, it changed its office lighting system and used municipal steam to replace fuel oil boilers. Besides, the Group set goals and KPIs for reduction of monthly water and electricity consumption. According to statistics, the electricity consumption density in the current year is similar to that in the previous year. As factories introduced production of aqueous adhesives, the water consumption density in the current year is 16% higher than that in the previous year.

Energy usage	Category		Energy Consumption (Megawatt Hour)
	Direct energy	Diesel	
Indirect energy	Electricity		1,344.7
	Thermal power (steam)		15.5
Total energy consumption			1,574.9
Energy density (megawatt-hour/ton of products)			0.15

Water consumption ¹	Category		Consumption (m ³)
	Total water consumption		9,572
	Water consumption density (cubic metre/ton of products)		0.94

¹ All of the water is obtained from municipal water supply channels currently.



Environment and Natural Resources

Infinity Development supports the Zero Discharge of Hazardous Chemicals (ZDHC) and strives to achieve the goal of zero discharge of hazardous chemicals in the supply chain. The Group's products have all passed tests by third-party testing institutions and proved to be compliant with brand customers' Manufacturing Restricted Substance List (MRSL) requirements. In addition, Infinity Development attaches great importance to the management of chemicals. The Group has formulated the Chemical Management Procedure, covering purchase, transport, loading and unloading, warehousing and storage, usage, shipment, and waste disposal, with an aim to preventing potential environmental pollution in each production phase.

Zero Discharge of Hazardous Chemicals (ZDHC) is committed to advancing the fulfillment of the goal of zero discharge of hazardous chemicals in the textile supply chain before 2020. ZDHC has also set up the Manufacturing Restricted Substance List (MRSL) to help brand companies effectively communicate with their supply chains to achieve the ultimate goal of zero discharge of chemicals. ZDHC members include Nike, Puma, New Balance, and other sports brands.

Infinity Development regards the R&D of new technologies and new products as an important pillar that supports the sustained growth of the Group, and the Group's R&D strategies and directions are all environment-oriented. Besides setting up our own R&D team, the Group also signed a technological cooperation agreement with a number of senior technical experts in the industry (from countries and regions such as Japan, Taiwan, and Hong Kong) to solidify the Group's R&D strength and maintain its technological lead in the industry.

In the current year, the Group did not find any cases of internal whistleblowing or violation related to discharge or environmental protection.

EMPLOYMENT AND LABOR PRACTICE

Employment System

Infinity Development, guided by the belief that employees are the engine of corporate growth, is committed to providing employees with a work environment of equal opportunities and harmonious diversity. The Group established a well-round employment system, covering salaries and termination, recruitment and promotion, working hours, holidays, equal opportunities, anti-discrimination, and other treatment and benefits. Recruitment selection, salaries and benefits, and promotion are all based on academic learning, capabilities, integrity, physique, and conformity with job requirements, without any prejudices regarding gender, ethnicity, religion, descent, and region. To ensure equal opportunities for every employee, employees must specify information about their relatives in the Group (if any) when applying for a job.

Meanwhile, Infinity Development values the creation of a diversified corporate culture and makes active efforts to recruit employees of different backgrounds, which helps Infinity Development develop into a diversified big family. Infinity Development's employees come from different parts of China, and ethnic-minority employees account for 6% of the total. The Group expects more people of different cultural backgrounds to join our team and plans to set specific diversity policies next year.

Employees	Percentage of New Employees	Employee Turnover Rate
123	20.3%	28.5%

Infinity Development provides all employees with benefits that are better than those stipulated by laws, including provident funds (with employees exempted from contribution). To further attract and retain talent, during the current year, the Group reviewed and improved its employment measures, including the adjustment of job duties and reduction of the size of the personnel force. Besides, the Group raised the average basic salary of employees by 11% from the previous year. In the current year, the employee turnover rate declined significantly from 47% in the same period of the previous year to 28.5%.

In the Employee Manual, the Group specifies the rights and interests, duties, and obligations of employees. In the current year, the Group established an internal monthly magazine to share the latest news, personnel changes, and security news of the Group. Employees can give improvement suggestions in the column "Employees' Voices".



Health and Safety

Infinity Development values the health of every employee and is dedicated to creating a safe work environment. The Group regards the guarantee of employees' health and safety as an important part of its corporate control and management. The Group sets up an environmental safety committee, charged with developing production safety management systems, such as regular safety inspections and regular production safety education and training. Besides, during the current year, in accordance with the ten improvement suggestions proposed by China's Harbor Administration for Work Safety (港區安監局) during factory safety inspection, the Group developed a rectification plan aimed at continuously improving its safety management system.

The Group pays special attention to the posts exposed to hazardous chemicals and high temperature, which involve such departments as Technology Department, Manufacturing Department, Quality Assurance Department and Warehousing and Transportation Department. To improve the production environment, the Group, in addition to offering the operators with personal protective equipment (such as eye baths, helmets, gas masks, harnesses, etc.), has improved the construction of the infrastructure, including decontamination and purification facilities, cooling facilities and ventilation facilities. The Group provided occupational health examination for 38 employees in high-risk posts this year, and no occupational safety issue related to benzenes operation was detected.

The Group has developed various prevention and response solutions for accidents and emergencies, and regularly organizes emergency drills, such as emergency drills for fires triggered upon feeding, emergency drills for electric shock accidents and emergency drills for fire alarms. The Group aims to improve the emergency management and prevention capacities of its employees through emergency drills. To ensure the effectiveness of the emergency fire control, the Group has engaged a third party institution to test and inspect the fire alarms and fire extinguishers.

Among the work injury accidents that occurred last year, there was a burn accident caused by insufficient antistatic instructions. To prevent it from reoccurring, the Group has implemented a series of measures to enhance static management. In addition, the Group has engaged a professional design company to conduct comprehensive troubleshooting and rectification on all the devices, and established a surge and static prevention network to strengthen safety management.

Two slight work injuries occurred in the reporting year. An employee had his waist sprained when handling goods in the workshop. Another employee was hit by the baffle when loading goods. The Group has enhanced the internal training for the relevant operations and completed the repair of the faulty equipment.

Development and Training

Infinity Development pays great attention to the sustainable development of its employees, and it has specified in the Employee Manual that the Human Resources Department shall formulate the annual training plan and arrange suitable training courses for each department based on their specific needs. The Human Resources Department arranged trainings related to environment management, occupational health and safety for all employees, and organized emergency drills to improve the emergency response capacities of all employees in the reporting year. In addition, the Group will arrange proper orientation training for the new employees according to their posts.



All the employees participated in the training

Training hours totaled nearly 14,931 hours

35% of the employees received regular performance and occupational development evaluation

The Group adopts post and grade promotion system to provide ample growth space for each employee. According to the regulation of the Group, each department head shall be responsible for evaluating the annual performance of subordinate employees, with the evaluation including but not limited to general competence and work performance; and the employees may discuss the work arrangement with the department head or leader, in order to achieve the operation target of mutual growth for the Company and for the employees.

Labor Standards

The Employee Manual of Infinity Development clearly prohibits child labor and forced labor. The Group will verify the age of the applicant during the recruitment, including checking his identify certificate and other records, in order to avoid hiring child labor by mistake. In addition, the Group will sign employment contracts with all recruits to specify the employment terms and will not restrict the employment relationship between the employees and the enterprise by any unfair means. The Group guarantees employees' right to terminate employment contracts, with the relevant procedures and arrangements clearly defined in the Employee Manual. In addition, the Group has formulated leave and holiday system to specify the off days, holidays, annual leave and sick leave of employees, and define the specific solutions when the employees of certain posts need to adjust the off time to serve the customers or get additional compensation for overtime work.

During the reporting period, the Group did not have any violations related to employment (including occupational health and safety, child labor and forced labor).



OPERATION MANAGEMENT

Supply Chain Management

The Group treasures its cooperation with suppliers and believes that the partnership with suppliers can help the Group improve the operation flow and product quality. The Group desires to establish long-term and steady cooperation with suppliers. Therefore, effective supply chain management is of great significance. The Group carries out comprehensive evaluation on its suppliers each year and rates them by scoring in accordance with the Annual Supplier Evaluation Form. The Group will give priority to the suppliers that have passed the third party certification, such as ISO9001. Aside from reviewing the brands and quality, in the future the Group will also include environmental and social risk control requirements into the supply chain management.

The Group will sign the Environment Requirements on Material Suppliers with its suppliers, requiring the suppliers to pay attention to and improve their environment performance and fulfill their social responsibilities.

Product Responsibilities

We are convinced that we can obtain the trust and support of customers only when we deliver the utmost value for them. The Quality and Environment Management Manual of the Group stipulates management measures for product R&D, production and sales, and upholds the principle of continuously improving the product quality to ensure customer satisfaction.

Product Health and Safety

The public keeps increasing their concern over chemicals and their expectations over product safety. As a responsible chemical enterprise, Infinity Development lays emphasis on safety management throughout the entire lifecycle of chemical products, including the internal chemical management and the provision of sufficient and accurate safety information and labeling to customers.

Infinity Development has formulated Quality and Environment Management Manual according to the requirements of ISO9001:2015 Quality Management System and ISO14001:2015 Environment Management System, and included “improving the public health, community safety and environment protection” into its management principles and guidelines. The Group has established a quality committee to make quality planning, improve the employee awareness, manage and continuously improve the production process, and conduct regular evaluation. The quality inspectors must test the samples according to the established Inspection Management Procedures, and record it clearly in the Inspection Report for future reference. If non-conforming products are discovered, personnel shall handle them in accordance with the Procedure for Handling Non-Conforming Products, including labeling and recording non-conforming products, setting corrective and preventive measures, and keeping weekly records of the progress in handling non-conforming products.

The Group does not use chemicals prohibited by the Stockholm Convention and Rotterdam Convention. In addition, the Group has specified the internal standard dosage for 6 chemical substances (including benzene, methylbenzene, xylene, normal hexane, cyclohexane and methylene dichloride), and issued Survey on Contents of Prohibited and Restricted Chemicals to all the suppliers during the reporting year, in order to ensure that all the materials provided meet the relevant standards.



The persistent organic pollutant is toxic and hard to degrade. It can exist in the environment for a long term and be spread remotely, thus endangering human and wildlife. Stockholm Convention on Persistent Organic Pollutants (“Stockholm Convention”) is designed to urge the international community to protect the human health and environment from the damage of persistent organic pollutants. It clearly states the convention to terminate the discharge and use of 28 types of most toxic persistent organic pollutants.

Infinity Development is committed to providing customers with sufficient and correct safety information and product labeling, and considers this commitment to be an extended responsibility of product safety management. The Group provides clear and easy-to-understand instructions according to the requirements of Rules on Preparation of Chemical Safety Label, including the danger, prevention measures, emergency treatment and contact information for the chemicals contained in the products. In addition, the Group has established the Procedure for Handling Customer Complaints and Goods Return Management, stipulating that the Quality Assurance Department should be responsible for carrying out investigations, communicating with customers, and developing solutions. In the current year, the Group did not have any cases of product recalls due to safety and health issues. Other relevant quality complaints have been properly handled in accordance with the aforementioned procedure.

The Environment Protection, Health and Safety Department has dedicated personnel to carry out safety inspection and assessment, in order to ensure the Group has obtained the permits related to hazardous chemical production and operation. During the reporting period, the Group did not have any whistleblowing cases or violations related to product responsibilities.



Anti-corruption

Anti-corruption has been one of the essential elements of corporate social responsibilities defined by the international community. The Chinese government has been active in its fight against corruption in recent years. The Group adopts zero tolerance on any form of corruption, including bribery, extorting bribe, fraud and money laundering, and undertakes to run business in an honest, ethical and faithful manner.

The Group integrates anti-corruption management principles into corporate operation and has detailed stipulations in the Employee Manual. To avoid fraud in the procurement process, the Group has formulated policies to regulate the behavior of the employees in the Procurement Department, requiring that the purchasers should interact with suppliers or prospective suppliers in accordance with professional ethics, and prevent any form of commercial bribe. The Group has systematically integrated the anti-corruption management principle into the business management, and set out the anti-corruption rules of the Group in the Employee Manual. Employees may report violations to the Administrative Department through email or complaint box. The Group did not have any whistleblowing cases or violations related to corruption during the reporting period.

COMMUNITY INVESTMENT

The public pays more and more attention to corporate social responsibilities, emphasizing that enterprises should not merely target at short-term financial results and shareholder return, but should include the long-term development of society into the enterprise operation. As a socially responsible company, the Group is committed to making contribution to the community.

The Group has always been concerned about the education problems in impoverished areas. Starting from 2006 when the Group donated to build Youxin Peimiao Dingan Primary School in Teng County, Guangxi, each year, the Group helps with the construction of education and other facilities of the school through donation and voluntary services. Keeping in mind the importance of different stakeholders for corporate social responsibilities, the Group is committed to getting wise to the needs of the community where it operates and makes active contribution for its sustainable development. In the future, the Group will set community investment policies to provide employees with more specific management policies and measures.

ESG PERFORMANCE OVERVIEW

	Category	Emission (kg)
Waste gas	Nitric oxide	828.8
	Sulfur oxide	12.4
	Suspended particles	33.6
	Volatile organic compounds	313.7

	Scope	Emission Source	Emission (Ton of CO ₂ Equivalent)	
Greenhouse gas emission	Scope 1: Direct greenhouse gas emission	Fossil fuel burning — Stationary sources	8.8	
		Fossil fuel burning — Moving sources	47.3	
		Subtotal	56.1	
	Scope 2: Indirect greenhouse gas emission from energies	Purchased electricity	708.8	
		Purchased thermal power	6.1	
		Subtotal	714.9	
		Total greenhouse gas emission		771
		Greenhouse gas density (ton of CO ₂ equivalent/ ton of products)		0.08

	Category	Quantity (Ton)
Hazardous waste	Total of hazardous waste	74.9
	Density of hazardous waste (ton/ton of products)	0.0073
Non-hazardous waste	No statistics for the current year	



Energy usage	Category		Energy Consumption (Megawatt Hour)
	Direct energy	Diesel	214.7
Indirect energy	Electricity	1,344.7	
	Thermal power (steam)	15.5	
Total energy consumption			1,574.9
Energy density (megawatt-hour/ton of products)			0.15

Packaging materials	Category		Generated Quantity (Ton)
	Total of packaging materials		847.0
Density of packaging materials (calculated based on production output, i.e., ton/ton of products)		0.08	

Water consumption	Category		Consumption (m ³)
	Total water consumption		9,572
Water consumption density (calculated based on production output, i.e., ton/ton of products)		0.94	

Number of employees	Gender	51 years old or above				Headcount	Gender ratio	Ratio of remuneration for male and female employees
		Below 30 years old	30-40 years old	41-50 years old	51 years old or above			
Male		6	52	25	4	123	2.4:1	1.8:1
Female		15	15	5	1			

Number of new hires	Gender	51 years old or above				Headcount	Ratio of new hires
		Below 30 years old	30-40 years old	41-50 years old	51 years old or above		
Male		3	5	4	0	25	20.3%
Female		8	5	0	0		

Environmental, Social and Governance Report 2016/17

Number of departed employees	Gender	51 years old or above				Headcount	Employee turnover
		Below 30 years old	30–40 years old	41–50 years old	51 years old or above		
	Male	9	8	2	2	35	28.5%
	Female	10	4	0	0		

Number of work-related fatalities and/or injuries	Gender	Number of work-related fatalities	Number of work-related injuries	Rate of work-related fatalities and/or injuries (per thousand people)	Lost days due to work injury	Rate of lost days due to work injury	Days of absence	Absence rate
Female	0	0			0		83.5	

Training	Gender	C-level senior management ¹				Ordinary employees	Percentage of total employees
		Senior management	Senior management	Mid-level management	Ordinary employees		
Number of trainees	Male	1	2	15	69	100%	
	Female	0	0	3	33		
Average training hours	Male	4	4	28	169	N/A	
	Female	0	0	6	85		
Number of employees who receive regular performance and career development reviews	Male	0	2	3	36	47.1%	
	Female	0	0	0	2	5.6%	

Suppliers	Supplier's location	Products or services provided	Number of suppliers	Percentage of suppliers implementing relevant practices (%)
Taiwan	Acetone, polyester polyol	3		
Overseas	Acetone, natural latex	3		

¹ senior executive management

Environmental, Social and Governance Report 2016/17



Customer complaints	Products or services involved	Complaint category	Number of complaints
	Packaging can leakage in transportation	Quality	3
	Increased product viscosity in storage	Quality	5
	Foreign matters contained in products	Quality	2



Community investment	Field of contribution	Volunteer services hours (hr)	Invested amount (HK\$)
	Education	24	10,501



ESG REPORTING GUIDE CONTENT INDEX

General Disclosures	Description	Page Index
A1 Emissions		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste	6
A1.1	Types of emissions and respective emissions data	16
A1.2	Greenhouse gas emissions in total and, where appropriate, intensity	16
A1.3	Total hazardous waste produced and, where appropriate, intensity	16
A1.4	Total non-hazardous waste produced and intensity	16
A1.5	Description of measures to mitigate emissions and results achieved	6–8
A1.6	Description of how hazardous and non — hazardous wastes are handled, reduction initiatives and results achieved	8
A2 Use of Resources		
General Disclosure	Policies on efficient use of resources	8
A2.1	Direct and/or indirect energy consumption by type in total and intensity	17
A2.2	Water consumption in total and intensity	17
A2.3	Description of energy use efficiency initiatives and results achieved	8
A2.4	Description of whether there is any issue in sourcing water, water efficiency initiatives and results achieved	8
A2.5	Total packaging material used for finished products, and if applicable, with reference to per unit produced	17
A3 The Environment and Natural Resources		
General Disclosure	Policies on minimizing the issuer’s significant impact on the environment and natural resources	9
A3.1	Description of the significant impacts of activities on the environment and natural resources and actions taken to manage them	9



General Disclosures		
Disclosures	Description	Page Index
B1 Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare	10
B1.1	Total workforce by gender, employment type, age group and geographical region	17
B1.2	Employee turnover rate by gender, age group and geographical region	18
B2 Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards	11
B2.1	Number and rate of work-related fatalities	18
B2.2	Lost days due to work injury	18
B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	11
B3 Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities	12
B3.1	The percentage of employees trained by gender and employee category	18
B3.2	The average training hours completed per employee by gender and employee category	18
B4 Labour Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour	12
B4.1	Description of measures to review employment practices to avoid child and forced labour	12

General		
Disclosures	Description	Page Index
B5 Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain	13
B5.1	Number of suppliers by geographical region	18
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	13, 18
B6 Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress The Group's business does not involve advertising and privacy issues (please confirm)	13–14
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	14
B6.2	Number of products and service related complaints received and how they are dealt with	14, 19
B6.4	Description of quality assurance process and recall procedures	13–14
B7 Anti-corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering	15
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting year and the outcomes of the cases	15
B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	15



General Disclosures	Description	Page Index
B8 Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities takes into consideration communities' interests	15
B8.1	Focus areas of contribution	15
B8.2	Resources contributed to the focus areas	15, 19

