

#### 1. SCOPE

The reporting period of this Environmental, Social and Governance report ("Report") is from 1 January 2017 to 31 December 2017. This Report covers the relevant operating information of the Group's Hong Kong office and the following three subsidiaries in the Mainland with focus on sports tourism and sports training activities, namely (1) 深圳寶新體育產業有限公司 (Shenzhen Baoxin Sport Industry Limited\*); (2) 深圳大鵬遊艇會有限公司 (Shenzhen Dapeng Yacht Club Company Limited\*); and (3) 深圳大鵬國際教育有限公司 (Shenzhen Dapeng International Education Company Limited\*).

This Report is prepared in accordance with the "Environmental, Social and Governance Reporting Guide" under Appendix 27 of the Main Board Listing Rules. The contents of this Report have been confirmed by the Board of the Company and have complied with the "comply or explain" provisions. We value your feedback regarding this Report and the Company's practices in the field of sustainable development. Please provide your comments by email to info@newsportsgp.com.

#### 2. COMMUNICATION WITH STAKEHOLDERS

The Company's annual general meeting ("AGM") provides an effective platform for the Board of Directors and Shareholders to exchange views. In addition to the AGM, for maintaining close relationship with customers, suppliers and other stakeholders, the Group communicates with stakeholders from time to time through different channels such as visits, conference calls, e-mails, company websites, customer service hotlines, follow-ups by customer service representative, etc. in order to fully listen to their views and needs. The Group's overall performance is also reported to investors through the annual report of the Company.

#### 3. ENVIRONMENTAL, SOCIAL AND GOVERNANCE PERFORMANCE

#### 3.1 Environmental

#### 3.1.1 Emissions

The Group is actively responding to the global trend of emission reduction, focusing on energy conservation and emission reduction in daily operations, and striving to avoid the generation of pollutants such as greenhouse gases, wastewater and garbage. To protect the environment from further damage, the Group has developed a series of environmental policies to control and reduce emissions of greenhouse gas and pollutants, including:

#### Waste Reduction Policy

Based on the principle of emission reduction, the Group recycles resources necessary for daily operations as much as possible. Office supplies and other supplies that have refills available are used as far as possible so as to reduce the generation of office waste. The packaging boxes for equipment/materials are also collected and reused for other purposes.

For materials that are not recyclable/reusable, such as plastic packaging bags, discarded electronic products, etc., the Group will collect and store them according to their categories, and then send them to qualified vendors for handling. During the reporting period, no violation of environmental regulations was found.

<sup>\*</sup> For identification purpose only

The following table shows the recycled wastes (in terms of weight):

| Recycled waste item                 | Unit |       |
|-------------------------------------|------|-------|
|                                     |      |       |
| Amount of plastic bottles recycled  | kg   | 42.00 |
| Amount of toner cartridges recycled | kg   | 5.67  |

#### Renovation and Construction Waste Treatment

Renovation/building maintenance works were carried out in different locations of operation and offices of the Group in the reporting period, resulting in construction wastes. To protect the surrounding environment, the Group requested the contractors to collect all construction wastes centrally and deliver to wastes disposal sites with compliance certificates.

#### **Business Travel Reduction Policy**

The Group has thorough understanding of the fact that business trips increase energy consumption and lead to increase in greenhouse gas emissions; therefore, the Group is striving to minimize the number of business trips and switch to other effective communication methods, including internet communication tools, video conferences, telephone conferences and emails. Remote communication software is adopted as much as possible when communicating with external parties in order to reduce greenhouse gas emissions as a result of business trips. In the case when the above communication tools cannot sufficiently meet the need of business trip, the Group encourages travelling employees to use public transportation as a priority for the necessary business trip arrangements.



#### Policy on Use of Vehicles

The subsidiaries of the Group maintain three limousines and one mid-size bus for daily office operation and business purposes. The Group strictly controls the frequency of vehicle use to minimize the generation of greenhouse gases and pollutants from the use of vehicles. The vehicles are driven and maintained by designated personnel. Every time when an employee uses a vehicle, an approval must be obtained so that employees are not allowed to use the company's vehicles without permission. In addition, the Group has also purchased a battery cart (which runs on charged battery instead of gasoline) for picking up employees and customers within the site area of operation to prevent the emission of harmful gases.



#### Local Procurement Policy

Procurement from non-local suppliers requires additional transportation, the condition of which is similar to business trips, it also increases energy consumption and greenhouse gas emissions. When making decisions on procurement, the Group considers a range of factors including the qualities, costs and environmental impacts of the materials. On the premise of fulfilling the Group's procurement policy, preference is being given to the products, equipment and services of local suppliers, and priorities are given to suppliers in closer proximities who adopt environmental friendly means of transportation.



#### Policy for Advocating Environmental Protection to Stakeholders

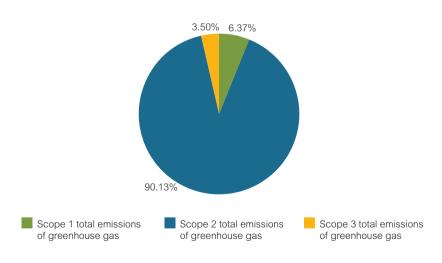
For effective implementation of the Group's emission reduction policy, the Group advocates the importance of "carbon emissions reduction" in the supply chain, requiring the suppliers to operate in accordance with environmental regulations and to develop and implement environmental management practices. In addition, the Group also incorporates the values of environmental protection into employees' training programmes, including trainings on the understanding of environmental protection topics, building up employees' awareness on environmental protection, and providing guidance to employees on environmental protection practices in the daily operation. The Group also actively looks for cooperation opportunities with environmental organisations and groups in organising seminars and activities, with the aim of promoting the importance of carbon emissions reduction to key stakeholders, internally and externally.

The following table shows the types of emissions of the Company and the respective emission data:

| Gas emissions                              | Unit    |           |
|--|---------|-----------|
|  |         |           |
| Nitrogen oxide (No <sub>x</sub> ) emission | grammes | 16,699.47 |
| Sulphur oxide (SO <sub>x</sub> ) emission  | grammes | 261.45    |
| Particulate (PM) emission                  | grammes | 864.36    |

The following chart shows the emissions of greenhouse gas in the reporting period:

#### Total emissions of greenhouse gas



| Greenhouse gas emissions                  | Unit                          |        |
|---|-------------------------------|--------|
|   |                               |        |
| Scope 1 total emissions of direct         | CO <sup>2</sup> e(metric ton) | 63.16  |
| greenhouse gas                            |                               |        |
| Scope 2 total emissions of indirect       | CO <sup>2</sup> e(metric ton) | 894.15 |
| greenhouse gas                            |                               |        |
| Scope 3 total emissions of other indirect | CO <sup>2</sup> e(metric ton) | 34.70  |
| greenhouse gas                            |                               |        |
| Total emissions of greenhouse gas         | CO <sup>2</sup> e(metric ton) | 992.01 |



#### 3.1.2 Use of Resources

The Group is well aware of the limited resources on the planet and for more effective utilisation of resources, the Group promotes Green Office Management and other appropriate measures to enhance the efficiency in the use of resources, including:

#### **Energy Conservation Policy**

Develop code of practice for use of air conditioning: The operating period of the air-conditioning equipment is only scheduled for the normal office hours, and the air-conditioning setting regulates the office temperature at the range of around 25.5 degrees Celsius. Unnecessary energy consumption is reduced by keeping the operating temperature of the water-type chillers within a reasonable range. In addition, the premise has an automatic ventilation system which detects the carbon dioxide concentration in the air, and adjusts automatically according to the actual indoor air conditions, such that energy consumption is reduced by cutting down unnecessary ventilation. For other office equipment, they are set at energy saving mode during office hour or in automatic shut-off mode after use.

In addition to equipment control, the Group has established the employees' code of practice for energy conservation. The Group requires employees to switch off lighting facilities that are not in use. During non-working hours such as lunch time, employees are requested to switch off lightings, air conditioning system and computers whenever appropriate, or to set office equipment such as computers, printers, photocopiers, etc. in standby or other energy-saving modes. Employees are requested to switch off electrical equipment such as air conditioning system, lightings and computers when getting off work, and arrangement is made for the last employee to leave the office to check and shut off all office equipment.

Natural lighting is adopted as much as possible in the office layout. Also natural ventilation is used wherever is possible to reduce the reliance on air conditioning. During the operation of air conditioning, employees are requested to close doors and windows to avoid additional power consumption from air leakage. Moreover, the Group encourages employees to wear casual clothing in summer time to reduce the use of air conditioning, and reminds employees to switch off unnecessary power through posting of signage at the office entrances/exits.

For more effective implementation of energy conservation, it is the Group's policy to give priority to those with higher energy-efficiency when selecting products and equipment, and to regularly inspect and replace inefficient equipment in order to avoid unnecessary power consumption from poor performance of equipment.

Wherever possible, the Group tries its best to adopt renewable energy or low-carbon high-quality energy sources to reduce greenhouse gas emissions. In replacing equipment of high power consumption, all office lighting facilities will be replaced by energy-saving lightings such as LED for further improvement of energy efficiency.



During the reporting period, the relevant business units of the Group recorded electricity consumption of approximately 1,691.91MWh in total. The following table shows the consumption volumes of various energy sources during the reporting period:

| Use of energy                        | Unit   |           |
|--------------------------------------|--------|-----------|
|                                      |        |           |
| Diesel consumption                   | Litres | 4,600.00  |
| Liquefied petroleum gas consumption  | Litres | 12,512.00 |
| Gasoline consumption (mobile source) | Litres | 12,347.12 |
| Electricity consumption              | MWh    | 1,691.91  |



#### Water Conservation Policy

Although water consumption from the Group's business is not significant, the Group insists on the emphasis to employees about awareness of water conservation. For example, in daily operations, reminders are posted near water supply sources advising employees and visitors to save water. Facilities like water pipes and taps are regularly inspected by designated personnel to ensure defects such as water leakages are timely repaired to prevent wastage of water.

During the reporting period, the Group's business units recorded water consumption of 51,654 m³ in total.

#### Resources Conservation Policy

The Group promotes green filing in workflow by using computer files instead of the hardcopies. The Group has also built an OA system to implement a paperless office in its entire process of review and approval. By using e-mail as the primary means of communication, and saving files on computers instead of printing or copying. To reduce paper used in copying, paper documents should be circulated with consideration of confidentiality requirements. When using printers, the Group encourages the employees to print on both sides of paper; and used paper printed on one side should be recycled for use to cut down on paper usage. The Group has installed card readers for printers in October 2017 to strictly control the printing volume of paper and eradicate over-printing of paper. Employees' computers have also been preset with black and white printing mode to reduce the frequency of colour printing.



To reduce the use of paper towels, the Group also advises employees to use cleaning cloths and towels when cleaning the office. Moreover, to change the employees' habit of using bottled water during daily work or meetings, the Group encourages employees to use reusable containers instead of bottled water, so as to reduce unnecessary consumption of water bottles and hence to save the use of plastic.

| Use of Resources  | Unit |        |
|-------------------|------|--------|
|                   |      |        |
| Paper consumption | kg   | 750.10 |
| Toner consumption | kg   | 27.78  |



#### 3.1.3 The Environment and Natural Resources

The major environmental impacts of the Group's sports tourism and sports training businesses are on the maritime resources that the waterborne activities rely on and the pollution generated from these activities, as well as the consumption of resources in the offices. In line with the promotion of environmental protection and resource utilisation within the Group, green operation and green procurement policies are advocated by the Group:

#### **Green Procurement Policy**

Subject to the operational requirements and price factors of the Group, priority is being given to suppliers that provide environmentally friendly products and/or services. These include environmentally certified materials or services, recycled products, reusable or recyclable materials, products that do not contain toxic or hazardous substances, equipment that can improve the efficiencies of energy and water usages, and other products/equipment that meet the regulatory requirements related to the environmental issues. To improve the effectiveness of the policies, the Group provides the employees with relevant information for their understanding of the environmental impact of our procurement activities. The suppliers and contractors are encouraged to provide environmentally friendly products and services at competitive prices.



#### Oceans Day

The Group enjoys a superior environment given by the nature in Judiaosha, one of the most beautiful beaches in Shenzhen. The Company is aware of the importance of marine conservation. On Oceans Day 2017, New Sports Marine Sport Centre organised environmental conservation activities in Judiaosha, taking this opportunity to call upon the public to protect our oceans through actions.



#### 3.2 Social

#### 3.2.1 Employment

The Group adheres to local employment regulations and believes that employees are an important cornerstone of the Group's steady development. Therefore, in addition to complying with the local employment regulations, the Group has also developed a series of employment policies to address recruitment, employees' activities, wage adjustment, promotion, termination of employment, and equal opportunities (no discriminatory arrangements or decisions because of gender, marital status, physical disability, age, ethnicity, family status, sexual orientation, nationality, religion, etc.) to ensure that the Group's employees are treated in a fair and reasonable manner. In the reporting period, the Group was not aware of any unlawful cases related to employment or unfair treatment.

Although there is no collective bargaining policy nor the Group is bound to any collective bargaining contract, the management emphasises the maintenance of a clear and constructive dialogue with the employees on company's matters. This commitment is included in the written policies on remuneration, working hours, employees' benefits, employees' training, health and safety, complaint handling and whistle-blowing mechanisms.



The Group is convinced that business success is tied with dedicated and motivated employees. As of 31 December 2017, the number of employees covered by this report in Hong Kong and throughout China is 85 in total. The distribution of employees by gender, employment category, age group and geographical region is as follow:

|                                | Number of |
|--------------------------------|-----------|
|                                | employees |
|                                |           |
| By geographical region         |           |
| Hong Kong                      | 12        |
| Mainland                       | 73        |
| By gender                      |           |
| Employees — male               | 56        |
| Employees — female             | 29        |
| By age group                   |           |
| Employees — Below 30           | 34        |
| Employees - 30 to 50 years old | 47        |
| Employees — Above 50           | 4         |
| By employment category         |           |
| Employees — permanent          | 81        |
| Employees — part-time          | 4         |

#### **Recruitment and Promotion**

The Group ensures that each job applicant has equal rights of recruitment and will not be refused for employment due to factors such as gender, age or ethnicity. Employees are assessed in accordance with the requirements of the position, and will not be discriminated against on grounds of physical disability, marital status and other factors. Similarly, promotion decisions do not take into consideration of differences like gender, age, religion, ethnicity, etc. The basis for promotion only takes reference to the employee's knowledge, skills, experience and work performance. The Group is committed to safeguarding the fundamental rights and interests of employees in the workplace as well as to complying with the regulations related to anti-discrimination and equal opportunity employment.

#### Wages and Benefits

The Group ensures that the wage of every employee shall meet the legal minimum requirements defined by the local government, and purchases social insurance for employees according to the local employment regulations. Assessment of labour market situations is conducted on annual basis. Reasonable and legal wage adjustments will be made based on performance assessments to reward the employees' contributions to the Group.

In addition to wages, the Group abides by the arrangement of statutory holidays and paid annual leaves, and also provides benefits other than those required by the laws, including lunch allowance, overtime meal allowance, and incentive paid leave, etc. Whenever employment termination is necessary, the Group is committed to the principle of not violating the local laws and regulations.



#### **Employee Fundraising Activity**

During the reporting period, a subsidiary of the Group voluntarily organised a caring donation in the Company and helped an employee who was undergoing family distress in overcoming difficulties.

During the reporting period, the Group did not find any complaints or unlawful cases related to discrimination and other employment rights.

#### 3.2.2 Health and Safety

The Group is very concerned about the occupational health and safety of employees, and therefore formulated sound working procedures and code of work practices for active mitigation of safety risks, with an ultimate goal to build a zero-accident working environment.

#### Workplace Safety Management

In the office and work areas, relevant safety procedures and operating instructions are posted to help employees understand the key points of safe operations. For positions with relatively high risks, employees are provided with appropriate personal protective facilities for the prevention of occupational diseases and work injuries. Moreover, the Group strictly monitors the status of legal compliance in the workplace, and puts in place fire extinguishers and other appropriate fire prevention facilities, which are subject to regular safety inspections. Safety warning signs are posted in appropriate work areas to bring to the employees' attention of risks such as fire, electric powers, chemicals, etc.

#### Employee Body Check and Insurance

The Group regularly organizes body checks for employees at medical institutes every year. In addition, as certain places of operation of the Group are situated at seaside (New Sports Marine Sport Centre and New Sports Marine Training Centre), the Group has purchased commercial casualty insurances as protection for employees, based on the employees' respective exposure to risks of accidents such as frequency of going out to the sea and working environment.

#### **Employee Safety Training**

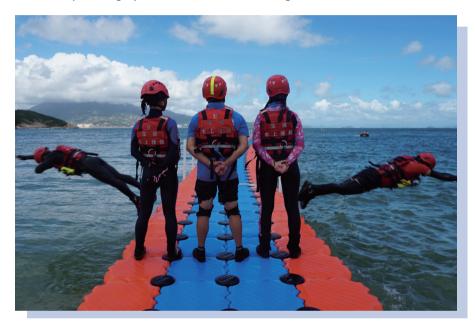
The Group provides appropriate occupational health and safety training for employees, including introduction to safety warning signs in work areas to raise the employees' safety awareness so that they can identify safety risks and stay vigilant in workplaces of high risks. The Group also regularly arranges employees to go through fire and emergency drills in which they will familiarise themselves with the emergency escape routes.

In addition to taking care of the Group's employees, the Group also conducts safety supervision on the work practices of the contractors within the operation sites of the Group in order to optimise the management of occupational health and safety.



#### Safety at Sea (Such as Lifeguard Training)

Since part of the Group's businesses are carried out at the seaside, to safeguard the employees' and customers' personal safety, the Company has organised some of its employees to take the examination for the qualification certificate of industry practitioners (行業從業人員資格證書)awarded by the General Administration of Sport of China and class 5 lifeguard work permit(五級救生員上崗證)awarded by the Shenzhen Water sports Association. Meanwhile, the Company also regularly organises employees to participate in marine safety training by various associations or organisations.



#### Work and Life Balance

The Group is committed to maintaining the physical and mental health of employees, and is very much concerned about the work-life balance of the employees, and as such, the Group does not force employees to work overtime. To help employees relax and relieve their work pressure, the Group regularly organises recreational activities for the release of the employees' stress, which include employees' birthday parties, sports and fitness activities, and team building activities, enriching their lives beyond their daily work.

During the reporting period, there was no non-compliance with local regulations related to occupational health and safety.

#### 3.2.3 Development and Training

Believing that the quality of its employees is the upmost important element to sustain business development and to increase profitability, the Group is committed to allocating resources for the development of employees' competence, including the provision of adequate training for the employees in order to enhance their technical capability, safety awareness and operational requirements.

The Group's training includes both internal and external, with the goal of enhancing the employees' business skills, improving their knowledge and developing their thinking. These include various types of internal corporate trainings, outsourced external trainings such as workshops, technical trainings, exhibitions, seminars, etc. and sponsorship of employees in attending trainings organised by professional institutions.



In addition to classroom training, on-the-job training is also provided. The Group assigns experienced employees to provide guidance to junior employees, with regular training and supervision. Also the Group establishes career development plans for employees according to the Group's business and project development strategies, in order to drive the sustainable development of the Group's business.

During the reporting period, the average training hours for each male employee and each female employee are 6.54 hours and 8.02 hours respectively.

#### 3.2.4 Labour Standards

The Group strictly prohibits the employment of child labour or forced labour, and is committed to hiring employees aged 18 or above, and will not force employees to work involuntarily in any way including involuntary overtime work.

During the reporting period, no child labour or forced labour was employed.

#### 3.2.5 Supply Chain Management

For optimal procurement of materials and outsourcing services, the Group has established a code of conduct governing the suppliers of materials and services to ensure compliance with the Group's specified product requirements. During the process of supplier selection, the Group will consider the quality of a supplier's products/services as well as the supplier's fulfilment of corporate social responsibility. The assessment of corporate social responsibilities covers the areas including environmental protection, occupational safety and health, community participation and staff employment status. During the procurement of key items, the Group even considers choosing suppliers with relevant certifications or awards in fulfilling social responsibility.

To ensure suppliers' continuous compliance, the Group regularly assesses the fulfilment of corporate social responsibility of key suppliers and other requirements defined by the Group, including compliance with product/service quality and code of conduct. The Group's periodic assessment can be in form of questionnaires, written confirmations or onsite inspections, with the purpose to evaluate the suppliers' performance in fulfilment of the Group's requirements.

The Group's procurement avoids the use of a single supplier to manage the risk of the supply chain. Through tendering, the quality and efficiency of the agreed procurements are guaranteed. During the process of tendering, the Group regulates the bidding activities by adopting relevant systems and regulations, creating an equal, open and fair bidding environment and at the same time enhancing the procurement efficiency.

#### 3.2.6 Product Responsibility

The Group's businesses focus on customer service. To strengthen the customers' confidence in the Group's products, not only the operating staff are provided with strict training to ensure their service awareness, but a comprehensive set of after-sale service channels including telephone support hotline, Wechat, QQ and email are provided by the Group to help resolve the customers' problems. Upon the receipt of a customer inquiry, the operating personnel and customer service representative will have it processed in a timely manner.



During the reporting period, no non-compliance case or customer complaint related to products was found.

#### 3.2.7 Anti-corruption

The Group has employed qualified personnel and set up functional departments to support business which mainly focuses on research and development projects. For effective supervision of personnel assignment, the Group strictly enforces anti-corruption policy and relevant measures according to laws.

Employees of the Group are not allowed to give bribes to government officials and representatives of commercial organisations. They are also prohibited from acts of accepting bribery.

The Group has established a whistle-blowing reporting mechanism and a designated disciplinary committee responsible for receiving and processing of reported cases. All reported will be filed and handled in confidence.

For departments or positions with a higher risk of corruption, the Group strengthens the employees' awareness by providing training and channels are provided for employees in declaring conflict of interests.

For better monitoring, the corresponding requestor based on the type of contracted business initiates the application for approval, which is then submitted to the relevant authorised supervisor for approval. Service contracts of different amounts would be approved by different levels of authorised personnel.

#### **Honest Cooperation Agreement**

During the process of entering into contracts, the subsidiaries of the Group always attach the "Honest Cooperation Agreement" as an attachment to the agreement. Through this agreement, the cooperating parties will maintain their integrities and self-disciplines in business operation, so as to prevent unlawful behaviours in seeking improper benefits and to guarantee the legal rights of both parties.

The Group engages an independent auditor to audit the financial accounts of the Group, to ensure the accuracy of the Group's ledgers. The internal financial control and supervision are strengthened for the protection of Shareholders' interests.

During the reporting period, no unlawful case or complaint related to corruption was found.

#### 3.2.8 Community Investment

The Group is committed to participating in community activities which will help establish a positive image of industry and the Group and understand the needs of the communities where the Group operates. Having taking into consideration the said communities' interest, it also encourages employees to participate in charitable and fundraising activities. Our cooperation partners include community groups, charity organisations, government agencies and other local stakeholders.

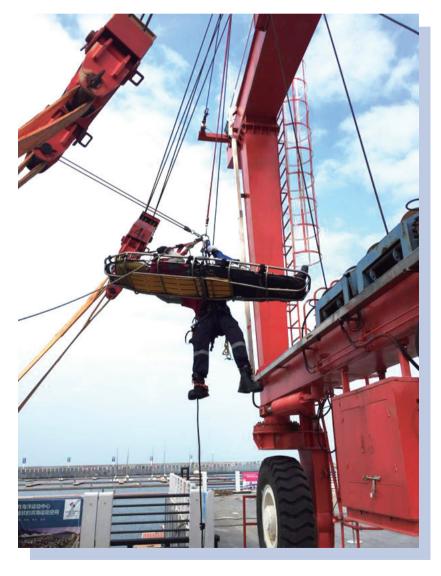
During the reporting period, apart from charity donations by cash, 41 employees of the Group participated in voluntary services with the total service hours being 388 hours.



With the rapid development of internet business and the increasing fraud on the internet, the Group took the initiative to educate the public on the internet against online fraud. This initiative aims to protect the interests of internet customers and to enhance the positive image of the internet business.

#### Support in Trainings of the Emergency Rescue Operation

The Group actively supports and serves the government's emergency rescue operation. Taking advantage of its two major platforms — New Sports Marine Sport Centre and New Sports Marine Training Centre, the Group provides joint-services and site support for charitable training of Shenzhen Dapeng Bay lifeguards volunteers, training for Shenzhen water rescue team, the rope rescue training and the "first responder" teacher training of Shenzhen Rescue Volunteers Federation, as well as the 2017 emergency management training of Emergency Governance Society of Shenzhen and Emergency Management Office of Shenzhen, contributing to the national emergency rescue operation.





#### **UNICEF Charity Run 2017**

UNICEF Charity Run, organized by UNICEF Hong Kong and supported by the Hong Kong Amateur Athletic Association (HKAAA), is UNICEF Hong Kong's annual flagship fundraising event. It aims to carry out prevention work of HIV for children and families in more developing countries, eradicating the hazard of AIDS from every child.

To support this charitable activity, the Group actively encouraged and sponsored its employees to participate UNICEF Charity Run 2017, which was held on 26 November 2017. Employees of the Hong Kong office and their family members participated in the 3 km Fun Run (Family) and Star Wars 5 km Run. While the colleagues and their families participating in the charitable run had an opportunity to show their physical performance on the tracks around Hong Kong Disneyland, they also contributed their caring and support for the promotion of the meaningful charity project.





#### **ACCA Community Day**

The ACCA Community Day organised by the Association of Chartered Certified Accountants Hong Kong ("ACCA Hong Kong") is a fun charity event which aims to raise funds for the underprivileged groups and to promote the spirit of social cohesiveness and care in the community.

The Group participated in the activity by forming a team consisting of company employees and recruited volunteers. The purpose was to bring together the volunteers and the Company to experience the happiness of contributing to charity, through traditional competition on the most bustling streets in Hong Kong. Meanwhile, it was also hoped that everyone could help to promote the power of charity and deliver the message of love to the public.

The focus of the event was the traditional rickshaw competition, together with costume parade and performances. During the time of costume parade, New Sports, as a group leading the development of sports and a company listed in Hong Kong which has been faithfully fulfilling social responsibility, demonstrated the team's warm passion and healthy vitality through the chanting of the slogan "Love Sports, Love New Sports" and the energetic marching in orderly strides. New Sports has always adhered to its core value of "Innovation and Sharing, Righteousness and Progress" and contributed to the society through actively participation in charitable activities and community building.



The New Sports Community Caring Team is ready to go.





The New Sports Team - making bold strides with elated spirit



Making an all-out effort in the Competition



# **《ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT GUIDE》 CONTENT INDEX**

| Disclosure, Aspects,<br>General Disclosure<br>and Key Performance<br>Indicators ("KPIs") | Description   | 2017 Environmental, Social and Governance Report   |  |
|--|---|--|--|
| A. Environmental   |   |  |  |
| Aspect 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. | Environmental — Emissions  |  |
| KPI A1.1   | The types of emissions and respective emissions data.   | Environmental  — Gas Emissions Table   |  |
| KPI A1.2   | Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).   | Environmental  — Greenhouse Gas Emissions Table  |  |
| KPI A1.3   | Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).  | As relevant disclosure has no significance in relation to our business operation, we did not produce specific report on this matter. |  |
| KPI A1.4   | Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).  | As relevant disclosure has no significance in relation to our business operation, we did not produce specific report on this matter. |  |
| KPI A1.5   | Description of measures to mitigate emissions and results achieved.   | Environmental  — Emissions and Use of Resources  |  |
| KPI A1.6   | Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.  | Environmental  — Waste Reduction Policy, Renovation and Construction Waste Treatment and Resource Conservation Policy                |  |
| Aspect A2: Use of Resources  |   |  |  |
| General Disclosure   | Policies on the efficient use of resources, including energy, water and other raw materials.  | Environmental  — Use of Resources  |  |
| KPI A2.1   | Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).  | Environmental  — Use of Energy Table   |  |



| Disclosure, Aspects,<br>General Disclosure<br>and KPIs | Description   | 2017 Environmental, Social and Governance report   |  |
|--|---|--|--|
| KPI A2.2   | Water consumption in total and intensity (e.g. per unit of production volume, per facility).  | Environmental  — Water Conservation Policy   |  |
| KPI A2.3   | Description of energy use efficiency initiatives and results achieved.  | Environmental  — Energy Conservation Policy  |  |
| KPI A2.4   | Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.   | Environmental  — Water Conservation Policy   |  |
| KPI A2.5   | Total packaging material used for finished products (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume).   | As relevant disclosure has no significance in relation to our business operation, we did not produce specific report on this matter. |  |
| Aspect A3: The Environme                               | ent and Natural Resources   |  |  |
| General Disclosure                                     | Policies on minimising the issuer's significant impact on the environment and natural resources.  | Environmental  — The Environment and Natural Resources   |  |
| KPI A3.1   | Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.   | Environmental  — The Environment and  Natural Resources  |  |
| B. Social  |   |  |  |
| Aspect 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- | Social  — Employment   |  |
|  | discrimination, and other benefits and welfare.   |  |  |
| KPI B1.1   | Total workforce by gender, employment type, age group and geographical region.  | Social  — Distribution of Employees Table  |  |
| Aspect 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.                               | Social  — Health and Safety  |  |



| Disclosure, Aspects,<br>General Disclosure<br>and KPIs | Description  | 2017 Environmental, Social and Governance report |
|--|--|--|
| KPI B2.3   | Description of occupational health and safety measures adopted, how they are implemented and monitored.  | Social  — Health and Safety                      |
| Aspect B3: Development                                 | and Training   |  |
| General Disclosure                                     | Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.  | Social  — Development and Training               |
| KPI B3.2   | The average training hours completed per employee by gender and employee category.   | Social  — Development and Training               |
| Aspect B4: Labour Stanc                                | ards   |  |
| 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.  | Social  — Labour Standards                       |
| KPI B4.1   | Description of measures to review employment   | Social   |
| IN I DA. I   | practices to avoid child and forced labour.  | Labour Standards                                 |
| Aspect B5: Supply Chain                                | Management   |  |
| General Disclosure                                     | Policies on managing environmental and social risks of the supply chain.   | Social  — Supply Chain Management                |
| KPI B5.2   | Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.  | Social Performance  — Supply Chain Management    |
| Aspect B6: Product Resp                                | ponsibility  |  |
| 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. | Social  — Product Responsibility                 |
| KPI B6.2   | Number of products and service related complaints received and how they are dealt with.  | Social  - Product Responsibility                 |
| Aspect B7: Anti-corruption                             | , ,  | — Product nesponsibility                         |
| General Disclosure                                     | Information on:  | Social   |
| 2.250000   | <ul><li>(a) the policies; and</li><li>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</li><li>relating to bribery, extortion, fraud and money laundering.</li></ul>   | — Anti-corruption                                |



| Disclosure, Aspects,<br>General Disclosure<br>and KPIs | Description  | 2017 Environmental, Social and Governance report |
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| KPI 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.                     | Social  — Anti-corruption                        |
| KPI B7.2   | Description of preventive measures and whistle-<br>blowing procedures, how they are implemented<br>and monitored.  | Social  — Anti-corruption                        |
| Aspect B8: Community In                                | vestment   |  |
| General Disclosure                                     | Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests. | Social  — Community Investment                   |
| KPI B8.1   | Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).  | Social  — Community Investment                   |
| KPI B8.2   | Resources contributed (e.g. money or time) to the focus area.  | Social  — Community Investment                   |