



寶新金融集團有限公司

GLORY SUN FINANCIAL GROUP LIMITED

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 01282)

# 2018

Environmental, Social And  
Governance Report



<http://www.hk1282.com>

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# Environmental, Social and Governance Report 2018

## INFORMATION ABOUT THE REPORT

### ABOUT THE REPORT

Glory Sun Financial Group Limited (the “**Company**”) issues the 2018 Environmental, Social and Governance Report (the “**Report**”) of the Company and its subsidiaries (collectively the “**Group**”) to demonstrate the Group’s concepts and practices in environmental and social areas to its stakeholders.

Please refer to the “Corporate Governance Report” in the Company’s Annual Report for the year ended 31 December 2018 for information about corporate governance.

### SCOPE OF REPORTING

The Report covers the Group during the period from 1 January 2018 to 31 December 2018.

### REPORTING STANDARDS AND PRINCIPLES

In line with the Environmental, Social and Governance Reporting Guide (the “**ESG Reporting Guide**”) in Appendix 27 to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), this Report is in compliance with the “Comply or Explain” provisions in the ESG Reporting Guide.

### REPORT AVAILABILITY

The Report is published in electronic version which is available on the Company’s official website (<http://www.hk1282.com>) and the HKEXnews website (<http://www.hkexnews.hk>).

# Environmental, Social and Governance Report 2018

## 1. RESPONSIBILITY CULTURE

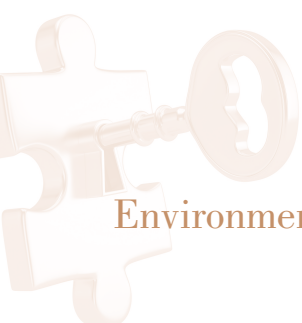
### 1.1 Responsibility Philosophy

While adhering to the business philosophy of “sustainable development and giving back to the community”, Glory Sun Financial Group Limited (the “Company”) and its subsidiaries (collectively the “Group”) always believes that it is the key for an enterprise to gain public recognition and long-term success to actively undertake social responsibilities such as environmental protection, energy conservation, safe production, employee rights and interests as well as public welfare. As a listed company on the Hong Kong Stock Exchange, the Company attaches great importance to legal and compliant operation, strives to fulfill corporate social responsibility, and pursues harmonious development with all stakeholders to create sustainable values.

### 1.2 Listening to Our Stakeholders

The Company believes that understanding the opinions of stakeholders will help it to evaluate and improve the environmental, social and governance performance more objectively and comprehensively. It takes employees, suppliers, shareholders (investors), customers, the government and the community as important stakeholders. It also provides stakeholders from different sectors with a variety of channels, such as open mail, telephone communication and irregular interviews, offering the opportunity to express their opinions on its responsibility strategy.

Stakeholder	Expectation and Requirement	Communication and Feedback
Employee	Compensation and welfare guarantee	Provide a competitive compensation and welfare system
	Equal promotion opportunities	Establish an open and transparent performance appraisal mechanism
	Safe and healthy working environment	Provide regular safety training, inspection, drills and free health examination
	Democratic management	Set up a mailbox for the chairman of the board of directors to encourage employees to provide suggestions and participate in management
	Caring employees	Staff birthday party, team activities and paying visits to employees in difficulty
Supplier	Integrity	Carry out bidding and procurement in a compliant and socially responsible manner; open anti-fraud reporting channels
	Mutual benefit for win-win results	High-level reciprocal visits, long-term strategic cooperation and supplier cultivation



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Stakeholder	Expectation and Requirement	Communication and Feedback
Shareholders/ investors	Standardised corporate governance	Manage the Company according to laws and continuously optimise the organisational structure and governance structure of the Company
	Information disclosure	Disclose information strictly in accordance with laws, regulations and Listing Rules
	Risk control	Strengthen the functioning of the "Three Defense Lines" risk control system against major risks
	Gain return on investment	Make efforts to improve operating efficiency
	Protection of rights and interests of small and medium shareholders	Compliance operation with the establishment of mechanism to communicate with shareholders and investors
Customer	Integrity	Compliance sales to protect the legal rights and interests and privacy information of customers
	Quality products and services	Control product quality, consummate customer experience and improve the opinion processing mechanism
	Diversified resource sharing	Provide diversified support such as investment and financing for eligible customers
Government	Compliance with laws and regulations	Keep compliance-oriented and law-abiding
	Paying taxes	Pay taxes in time according to laws
	Promoting industrial development and employment	The management strategy should be in line with the local industrial policy, helping stabilise and promote employment
Community	Environmental protection	Green officing, energy saving and reduction of carbon emission
	Charitable contribution	Cash or material donations to vulnerable groups in the communities
	Community interaction	Participate in public welfare publicity activities, volunteer community services, etc.

## Environmental, Social and Governance Report 2018

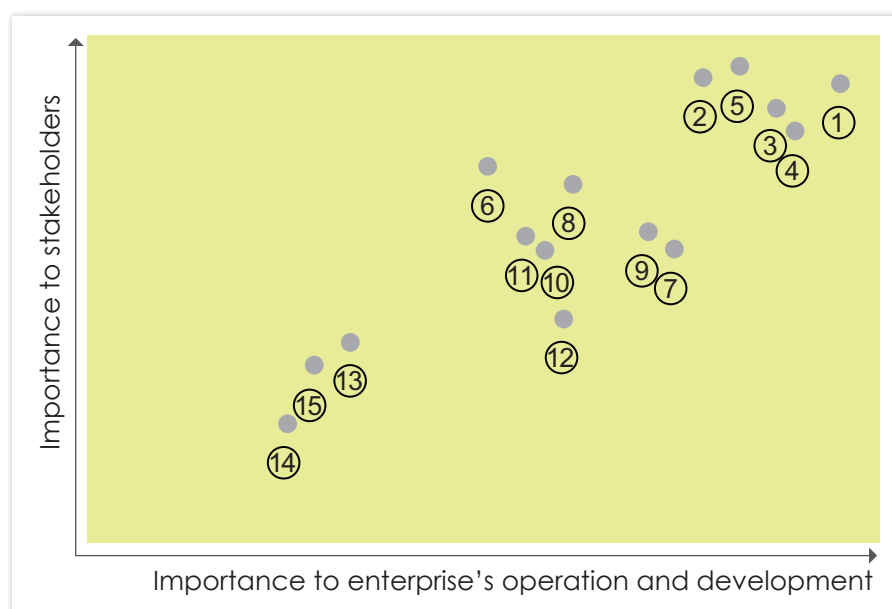
### 1.3 Analysis of the Importance of Environmental, Social and Governance Issues

During the year, the Company has conducted face-to-face survey on important issues in accordance with the ESG reporting guide of the Hong Kong Stock Exchange, with reference to the feedback from stakeholders and the actual situation of the Company. Based on the analysis of the survey results, it has mapped out the matrix for analysing the importance of the environmental, social and governance issues of the Company for 2018. We will elaborate on the development and results of the work on various issues in the corresponding chapters of this report.

Serial Number	Scope of Responsibility	Issue	Importance
1	Responsibility for shareholders	Improve the Company's economic efficiency and effectively control operational risks	High
2	Environmental protection responsibility	Standardise pollutant treatment process to prevent environmental pollution	High
3	Responsibility for customers	Improve the quality of products and services and consumer experience	High
4	Responsibility for employees	Pay attention to the health of employees and safety in working environment	High
5	Responsibility for shareholders	Disclose information in a compliant manner to protect the rights and interests of small and medium shareholders	High
6	Responsibility for employees	Improve the compensation and welfare system	Medium
7	Responsibility for employees	Pay attention to the staff integrity development and the anti-fraud mechanism construction	Medium
8	Responsibility for customers	Provide warnings of investment risks and protection of customer's privacy information	Medium
9	Responsibility for suppliers	Standardise procurement procedures such as bidding and the price inquiry and comparison	Medium
10	Environmental protection responsibility	Reduce the consumption of fuel oil, electricity, water and other resources	Medium
11	Responsibility for employees	Pay attention to employees' career development and optimise promotion channels	Medium
12	Responsibility for customers	Make technological innovation and product upgrading	Medium
13	Responsibility for employees	Protect the legal rights and interests of employees and provide a democratic management mechanism for them	Low
14	Responsibility for partners	Strengthen the communication among peers to promote industrial development	Low
15	Social responsibility	Carry out public welfare donation and volunteer community service	Low



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## 2. RISK COMPLIANCE

### 2.1 Risk Management

Against the backdrop of perceivable downward pressure on the macro economy during the year, the Company paid more attention to improve the risk management system (including the risk identification, assessment, quantification, early warning and response) into a more comprehensive one with all the employees involved. For the purpose of continuous identification, assessment and monitoring of various major risks in the operations, the Group issued and implemented the Measures for the Implementation of Risk Management System in May 2018 to establish the “Three Defense Lines for Risk Control” composed of all business units, management teams at all levels and the Group’s audit and supervision system, bringing the risk management responsibilities into practice in a bottom-up manner; in addition, the measures define the supervision, assessment and reward&punishment mechanisms.

The Company also attaches great importance to the application of risk management tools, one of which is its risk assessment questionnaire prepared upon sufficient research of the industry system risks and analysis of the risk self-examination results from each subordinate company. It lists the potential risks facing the Company in terms of strategy, operation, market, finance, law and honesty, and formulates the risk quantification scoring standard from two dimensions — the possibility of risk occurrence and the degree of impact. In 2018, the questionnaire identified 85 risk issues, of which 12 were of high risks and 73 were of medium or low risks. Management teams at all levels have formulated risk early warning indicators and response plans within the time limit for ongoing risk follow-up. The Group’s audit unit carried out annual internal audit of various risks, especially the response measures for high-risk issues and their effectiveness, and prepared the 2018 risk management report.

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## 2.2 Internal Control and Management

In 2018, the Group looked into the risk-prone operation links in all the business activities to check and fix the system and process flaws for the purpose of constructing a better system. During the year, six new rules and regulations were promulgated, covering safety in production, risk control, internal audit, bidding and purchasing, post-investment management and anti-fraud. As of the end of 2018, the Group had established a comprehensive management system covering aspects of personnel, administration, finance, legal affairs, risks, internal control and safety.

In order to improve the internal control management of the Group's financial segment, the Group engaged KPMG Advisory (Hong Kong) Limited in 2018 to review the internal control of Glory Sun Financial Holdings Limited on the sales and trading, account management, employee transactions, margin financing, customer asset and payment processing as well as compliance function development. It revised system documents including the Code of Practice for Securities and Futures Business and the Risk Management Manual based on the review report to optimise 19 internal control and management measures.

Shenzhen Bao Yao Technology Co., Ltd. commissioned a professional technical institution to upgrade OA office system and ERP operation management system during the year, which boosted its operation automation management level, enabling online whole-process control of purchase order placing, material warehousing, production scheduling, warehouse management, sales and collection as well as product delivery. Such information-based upgrading strongly supported the internal control of this producer.

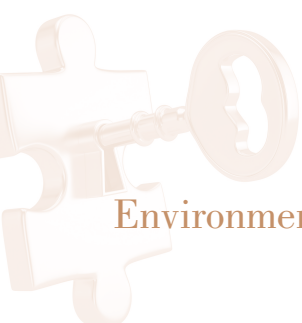
## 2.3 Anti-fraud

The Group advocates and adheres to honest operation and always takes anti-fraud as an important aspect of compliance management. In order to establish an effective mechanism to prevent and punish fraud, the Group issued and implemented the Anti-Fraud Management System in May 2018. The system contained provisions governing the definition of fraud, anti-fraud powers and responsibilities, work flow, supervision and accountability; established a widely-used fraud risk self-examination and reporting mechanism; and made public our "anti-fraud reporting hotline" and "anti-fraud reporting e-mail" which were accessible to the personnel designated for the Group's audit and supervision system. The Group strictly keeps confidential the privacy information of internal and external whistleblowers providing effective reporting clues, and gives them certain material rewards, so as to promote the further construction of an honest and self-disciplined work style, restrict and standardise the performance of duties by all employees, and prevent acts damaging the interests of the Company and shareholders.

In addition, the Group requires bidding for eligible procurement projects, and requires that an Integrity Agreement should be attached when the procurement contract is being entered into. The agreement sets out the Company's procurement discipline and complaint channels to counterparties, ensuring that suppliers have equal opportunities to participate in business without interference from improper external factors.

The Group's anti-fraud mechanism operated effectively in 2018 without risky cases occurred.





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### 2.4 Anti-money Laundering

In order to effectively prevent major risks in the anti-money laundering, Glory Sun Financial Holdings Limited requires all new employees to learn relevant legal and policy documents and sign a document to confirm their understanding thereof. Its compliance unit carried out compliance training and questionnaire tests with reference to the main ideas of the lecture “Combating Money Laundering in the Financial Industry” held by the Securities and Futures Commission in 2018, ensuring that it, as a licensee, has received sufficient anti-money laundering knowledge and skills training to maintain professionally competent and suitable to be a licensee.

The Group's anti-money laundering mechanism operated effectively in 2018 without occurrence of risky cases.

### 3. ENVIRONMENTAL PROTECTION

The Company's operation does not involve high energy consumption, high pollution and high emission, and does not fall within the government's carbon emission control. It faces no obstacles in obtaining energy and water resources. It also fully recognises that environmental responsibility has become an important issue for the sustainable development of global enterprises. As a listed company, while seeking to create economic value, it is actively practicing the concept of harmonious development with the environment to show its commitment to green environmental protection. It mainly fulfills this responsibility in two ways:

- (1) Committed to providing products and services that can improve energy efficiency and reduce potential hazards to the environment;
- (2) Striving to operate its facilities in a way that protects the environment, meets or exceeds government requirements, and continuously reduces energy consumption and waste.

In 2018, the Group continued actively responding to the government's environmental protection policies by promoting energy conservation, emission reduction and consumption reduction with sound results achieved, and by ensuring that all kinds of manufacturing wastes are treated in accordance with environmental protection laws and regulations. No environmental violation occurred throughout the year.

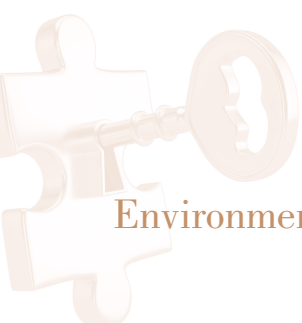
## Environmental, Social and Governance Report 2018

### 3.1 Performance Indicator

Performance Indicator	2018	2017
Greenhouse gas emissions (CO <sub>2</sub> equivalent, ton)	3,024	2,013
Emissions per unit of production value (Ton CO <sub>2</sub> /HK\$ million)	1.92	0.71
Total electricity consumption (10 MWh)	317	171
Electricity consumption per unit of production value (10 MWh/HK\$ million)	0.2	0.06
Total water consumption (ton)	68,794	55,025
Total water consumption per unit of production value (ton/HK\$ million)	43.47	19.48
Total gasoline consumption (ton)	106	166
Emissions of industrial waste residue (ton)	18.5	25
Emissions of harmless wastes such as kitchen waste (ton)	23	8
Total purchase of packaging cartons used in industrial products (ton)	212	81
Investment in environmental protection costs (HK\$'000)	622	981

Compared with the previous year, the Group's greenhouse gas emissions and other indicators increased, mainly due to merger and acquisition activities plus inclusion of two real estate companies located in Ganzhou City, Jiangxi Province (namely Laihua Taisheng and Laihua Taifeng) into the 2018 reporting scope as compared with the previous year. After deducting the influence of this factor, the greenhouse gas emission (in CO<sub>2</sub> equivalent) during the year was 1,813 tons, representing a year-on-year decrease of 9.93%.

Electricity consumption was the Group's major source of greenhouse gas emissions, accounting for 86%. The Group did not use fuels in stationary sources and did not have light-duty or heavier-duty trucks. The secondary source of greenhouse gas emissions was emission from mobile combustion sources, accounting for 11%, which came from gasoline consumption of administrative vehicles.

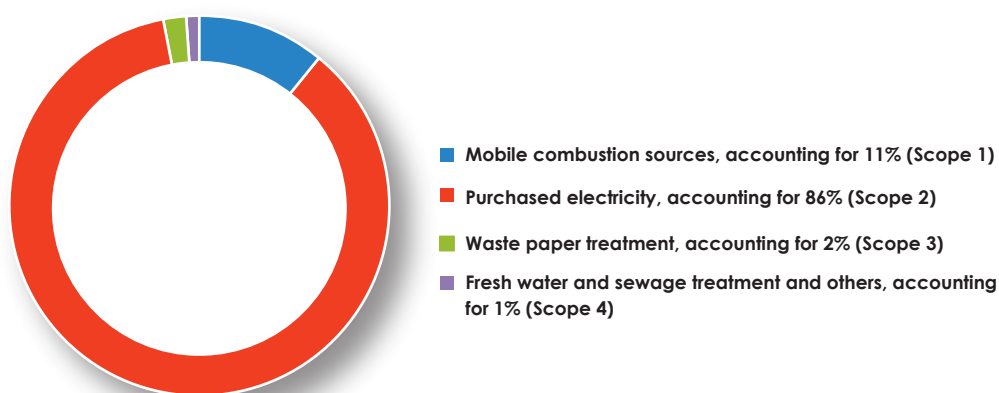


## Environmental, Social and Governance Report 2018

In 2018, the Company strictly controlled the vehicle cost budget by introducing the vehicle application and approval form for the use of vehicles, so as to prevent unauthorised driving of Company's vehicles. In this way, it encouraged all employees to take more environmentally friendly transportation tools such as bus and subway. As for vehicle management, it assigned special personnel to carry out regular inspection and maintenance of vehicles to ensure that the fuel consumption per mileage of vehicles was reasonable. In addition, the opening of high-speed railway to Hong Kong in September 2018 helped us to effectively save the use of vehicles between Mainland China and Hong Kong. The gasoline consumption of this year totaled 106 tons, representing a year-on-year decrease of 36%.

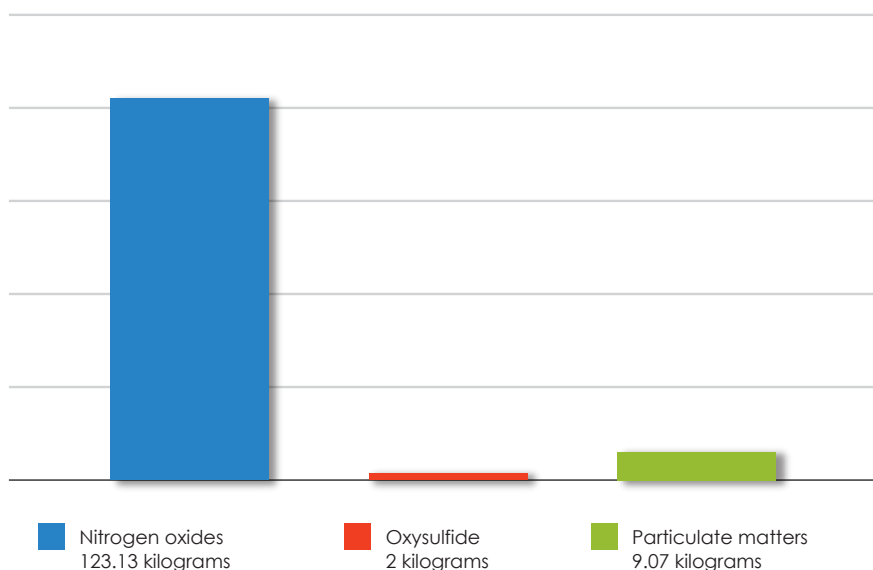
Shenzhen Bao Yao Technology Co., Ltd. ("SZBY") continued to entrust a professional company with Guangdong Hazardous Waste Operation License this year to provide environmental-protection treatment of waste liquid from solvent, waste glue, oily waste water, broken glass and oily waste cloth generated in the production in accordance with laws and standard operating procedures, so as to ensure compliance with the requirements of laws and regulations such as the environmental protection law of the Environmental Protection Law of the People's Republic of China and the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes. The Group also required all subordinate companies to achieve energy conservation and consumption reduction in their commercial activities, such as recycling office supplies including paper and stationery, setting the minimum indoor air conditioning temperature in summer, arranging personnel to check the power off during holidays, and handing over waste computers, waste printers and other obsolete office electronic equipment to professional recyclers for disposal.

**Greenhouse Gas Emissions in 2018 (by Source)**



Note: According to the Hong Kong Stock Exchange's Reporting Guidelines for Key Environmental Performance Indicators, Scope 1 is "Direct Greenhouse Gas Emissions", Scope 2 is "Indirect Greenhouse Gas Emissions from Energy Use" and Scope 3 is "Other Indirect Greenhouse Gas Emissions".

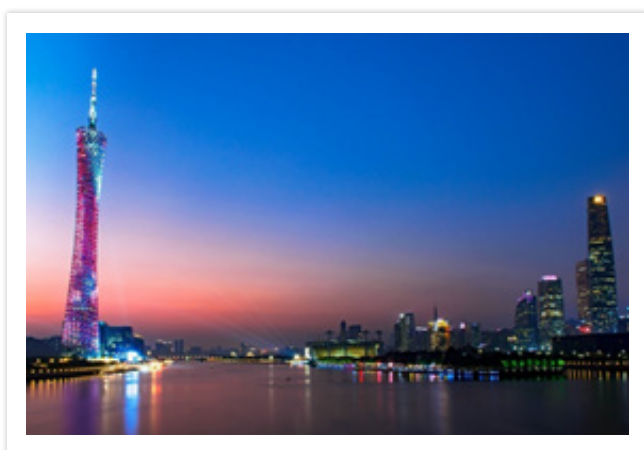
## Air Pollutant Emissions in 2018



Note: All of the Group's air pollutant emissions were derived from the use of vehicles.

### 3.2 Green Products

SZBY is specialised in research and development, production and sales of LED light sources and lighting equipment. In 2018, it continued to invest a large amount of resources to develop more energy-saving and consumption-reducing lighting products, putting the concept of intelligent manufacture into practice to enhance the core competitiveness of its products. It has obtained 4 new product patents during this year. As of the end of 2018, it has obtained 9 patents and 32 certifications (including CCC, CE and CQC) in total. It was awarded the "National High-tech Enterprises" in November 2018.



SZBY provided lighting fixtures to Guangzhou's "One River, Two Coasts" and other engineering and real estate projects. A large number of LED high-efficiency and energy-saving lighting products have been put into use in residential, commercial and municipal lighting, which was of positive significance for reducing the lighting power consumption and greenhouse gas emissions of the society as a whole.

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## 3.3 Intelligent Building

The Company opened “Baoda House”, its first branded long-term apartment rental, in Bangkai City, Guangming District, Shenzhen in April 2018. In order to help save water and electricity resources, “Baoda House” was operated under the Internet management mode, by which it equipped all apartments with intelligent water and electricity meters to realise accurate measurement and prepayment control. Compared with the traditional dormitory mode, a single building can save not less than 250,000 kWh of electricity each year.



## 4. SAFE PRODUCTION

In accordance with the Safe Production Law of the People's Republic of China, the Fire Prevention Law of the People's Republic of China and relevant laws and regulations, the Company continuously consolidated the basic management system for safe production and carried out education and training, emergency drills and investigation of potential safety hazards, so as to provide a safe and healthy working environment for all employees. No production safety accidents occurred in the Group in 2018.

### 4.1 Performance Indicator

Performance Indicator	2018	2017
Number of safety production accidents (times)	0	0
Number of deaths caused by accidents (persons)	0	0
Number of work-related injury accident (persons)	3	0
Number of safety education and emergency drills (times)	15	17
Investment in safe production costs (HK\$'000)	1,184	265

Note: There were 3 cases of minor work injury in 2018; the workers returned to work after simple medical treatment.

## 4.2 Infrastructure

In 2018, the Group firmly established the concepts of safe development and “zero accident”, which led it to strengthen the basic work and system construction of safe production management, pay attention to top-level design and improve the rules and regulations. The headquarters of the Group and its subordinate companies have set up safe production committees and issued and implemented a series of safety management systems such as the Organizational Setup of Safety Management Committees, the Responsibility Letter for Safe Production and Fire Control Work Management Objectives, the Compilation of Safe Production and Fire Control Work Management and the Management Measures on Contingency Plans for Emergencies. In this way, it directly linked the safety management work to the operating performance of management teams at all levels, promoting all the staff to take their responsibilities seriously, which enabled it to control the risk from the start and supervise the process against risks.



In 2018, the safe production committee of the headquarters of the Group held two special safety management meetings, carried out a thorough investigation in potential safety hazards and identified 39 potential safety hazards such as electricity consumption and firefighting. All these hazards have been rectified within the time limit.

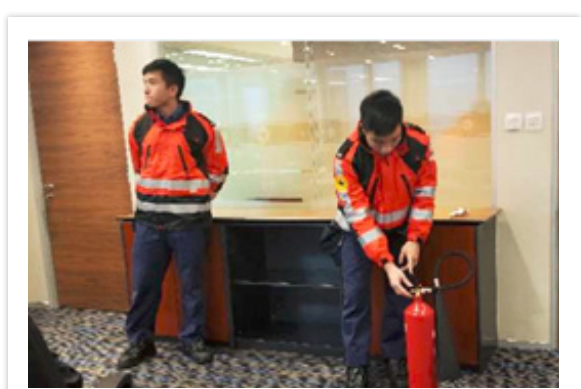


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## 4.3 Safety Training

The Group attaches great importance to safety training which helps our employees to acquire safety protection, disaster escape and other necessary skills. The Group's headquarters and subordinate companies regularly formulate plans for employee safety education and emergency drills, and assess the implementation of the plans. The Company also organises special training courses from time to time and invites professionals from the safety supervision, fire control and other government departments to give on-site guidance and teach safety knowledge.

In 2018, the Group held safety education and emergency drills for 15 times and totally 918 employees participated in relevant activities.



Hong Kong Fire Services Department was invited to explain how to use fire extinguisher on site



"Bangkai City" volunteer fire brigade showed how to use hose in a drill

## 5. EMPLOYEE RIGHTS AND INTERESTS

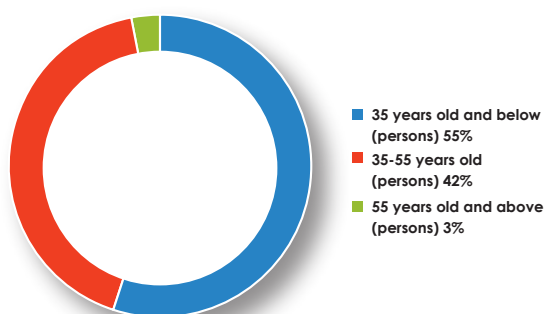
The Company has a deep understanding that employees are valuable asset for an enterprise to last forever. It attaches great importance to the employee recruitment, selection and cultivation and the protection of their rights and interests. It also continuously improves the compensation and welfare system and performance appraisal mechanism as well as the career development channels, advocates the synergistic development of individual and enterprise values, and strives to provide employees with a fair, transparent and efficient career platform.

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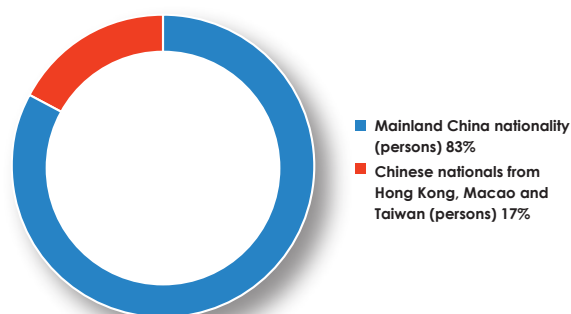
## 5.1 Performance Indicator

Performance Indicator	2018	2017
Total number of employees (persons)	662	672
Proportion of total female employees (%)	40	40
Proportion of female managers (%)	24	26
Signing rate of employment contract (%)	100	100
Social insurance (Mandatory Provident Fund) coverage rate (%)	100	100
Staff skill training coverage rate (%)	72	70
Number of people who enjoyed free health examination in the year (persons)	212	257
Number of confirmed occupational diseases (persons)	0	0
Average paid annual leave per person (days)	7.3	7.0
Total employee welfare costs (HK\$'000)	4,864	5,111

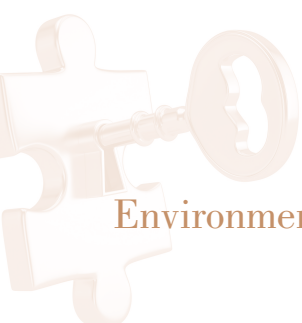
Employee Employment (by Age)



Employee Employment (by Geographical Location)







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### 5.2 Protection of Rights and Interests

The Group has established a comprehensive human resources system and management system to protect the legitimate rights and interests of employees in terms of recruitment, compensation, welfare, promotion and vacation in accordance with the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China, the Hong Kong Employment Ordinance and other employment-related laws and regulations, without the use of child labor and forced labor. It gives every employee equal opportunities to ensure that his/her working ability matches his/her position, powers and responsibilities, and treatment, and opposes discrimination in terms of age, gender and any other aspects.

The Group formulated the Training Management System to prepare training budget on an annual basis to guarantee the training needs of employees in terms of business skills and management level improvement. It has also optimised the rank system in 2018, establishing and perfecting the development path of dual-channel career "specialty and management", which broaden the career promotion of employees and maintained the team vitality. A total of 43 employees of the Group were promoted in 2018.

The Group attaches importance to the care for employees by providing them with working meals, health check-ups, birthday gifts, holiday benefits and other benefits. It also protects the rights of employees to enjoy paid vacation treatment in accordance with the laws, and pays social insurance (Mandatory Provident Fund) and overtime pay in strict accordance with legal standards.



The Group practices the corporate culture of democratic management. It encourages employees to strive for higher professional levels or management positions by means of contribution-making, self-recommendation and open competition. It also listens to employees' suggestions and demands for enterprise or personal development by actively providing more channels including public access to the mailbox of the chairman of the board of directors and regular employee seminars.

## 5.3 Team Building

The Group focuses on the “sub-health” phenomenon which is of great social concern, making it regularly hold group activities such as employee games, outbound programmes, and walking exercise, so as to encourage employees to enhance mutual understanding, strengthen the trying-our-best team spirit and build up a strong body after work for a better physical and mental state at work and in family life.



The Group also supported employees to actively participate in “co-development with society” activities to cultivate their sense of social membership and responsibility. For example, it organised employees to participate in JAHK 2018/19 “JA Company Programme” once a week in 2018 to provide business advisory services to students of Hong Kong Yu Ke College (香港預科書院), so as to assist them in participating in entrepreneurship competitions.



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### 6. PARTNERSHIP

#### 6.1 Performance Indicator

Performance Indicator	2018	2017
Number of listed manufacturing suppliers	110	308
Signing rate of quality assurance agreement by manufacturing suppliers (%)	98	82
Qualified rate of material supply and quality inspection by manufacturing suppliers (%)	95	98
Number of disqualified industrial manufacturing suppliers eliminated	30	35
Responsible procurement ratio (%)	100	100
Number of procurement bribery, corruption or other violations found (times)	0	0
Qualified rate of finished products in manufacturing business (%)	98	99
Number of financial services awards awarded by industrial organizations and media	2	5
Number of financial investment lectures opened for customers	9	11
Effective handling rate of customer complaints (%)	100	95

#### 6.2 Cultivation of Supplier

The Group advocates a business partnership of “honesty and trustworthiness, win-win cooperation”, and attaches importance to the development and cultivation of a long-term stable supplier base. It has established standardised system documents to improve the control level in supplier sourcing, visit and inclusion into its supplier base, process control, evaluation, assessment and other aspects. In 2018, the Group achieved remarkable results in the evaluation, assessment, screening and other work of its manufacturing suppliers, optimising our supplier chain concentration, with 17 new supplier partners trained for strategic partner purpose. In this way, it effectively improved the operation efficiency of the supply chain.

## 6.3 Compliance Purchasing



The Group adheres to the principles of “honesty, fairness, transparency, traceability and full competition” to carry out procurement. The Group’s headquarters and its subordinate companies process qualified procurement projects through public bidding which was subject to recording and the supervision of the audit department.

## 6.4 Industrial Exchange

The Group agrees that intra-industry exchanges can promote the competitiveness of its products and services. It also actively creates opportunities for such exchanges to learn from and share resources with partners such as suppliers and customers. For example, in 2018, Gallant Tech Limited and Yishengbo Information (意盛波資訊) jointly held the “Intelligent Manufacturing & New Technology Series Seminar” in Shenzhen with attendees of more than 200 representatives from well-known enterprises such as ZTE, Foxconn and BYD Electronics.



This seminar shared the cutting-edge knowledge of industry 4.0, electronic manufacturing and intelligent management, demonstrated the leading technology and equipment in the industry, and also provided a valuable opportunity for industrial counterparts to exchange information.

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## 6.5 Customers Services

The Group is committed to improving customer loyalty and consumption experience by mechanisms such as perfecting product quality control, service satisfaction management, after-sales service system, protection of consumer' rights and interests and complaint acceptance with self-improvement.

In accordance with national and industry standards, the Group clearly states the product name, trademark, manufacturer, address and contact number on the outer packaging of industrial products, and provides the customer with the product certificate and instruction manual. When providing financial services such as securities investment, asset management and wealth management to customers, it carries out customer identity identification, customer risk tolerance assessment, return visit and investigation as well as investment risk warning in strict accordance with laws and industry self-discipline rules and in a way that customer privacy information is kept strictly confidential.



Glory Sun Securities Limited, a subsidiary of Glory Sun Financial Holdings Limited, has expanded its asset management services in recent years. With its expertise and rich experience, Glory Sun Securities Limited has led its customers into the field of global asset allocation and provided more intimate investment advice to investors. In 2018, Glory Sun Securities Limited was awarded as the "Securities Service Award" by Capital Weekly.

## 6.6 Investor Relations

In accordance with the rules and requirements of the Hong Kong Stock Exchange, the Group regulates corporate governance and information disclosure as a listed company to ensure the compliance and independent operation of listed companies and to safeguard the legitimate rights and interests of shareholders and stakeholders.

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On 11 May 2018, the Group held an annual general meeting of shareholders to consider and pass the resolutions of the general meeting and to answer investors' questions on the spot.

## 7. DEVELOPMENT OF COMMUNITY

### 7.1 Performance Indicator

Performance Indicator	2018	2017
Number of public welfare activities attended (times)	9	9
Public welfare donation (HK\$'000)	248	100

### 7.2 Promoting Regional Development

The Group actively responded to the national macro strategy, investing and supporting the development of the real economy. In 2018, it won a number of government and association awards for its contribution to promoting regional economic development.



In January 2018, Shenzhen B&K New Energy Co., Ltd. won the title of "Top Ten Industrial Investment Enterprise" in Guangming District of Shenzhen City.

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## 7.3 Contribution to Charity

The Group always keeps in mind its corporate social responsibility of “share the burden in building the society”. It actively participates in relevant public welfare activities, cares for the disadvantaged and supports poverty alleviation, so as to jointly create a stable and harmonious community environment.



The Group has supported the ACCA Charity Care Day sponsored by the Hong Kong Branch of the Association of Chartered Certified Accountants for six consecutive years. In the year, it formed a team for the second time to participate in the rickshaw competition held at Chater Road, Central, showing our support to the disadvantaged.

Fresh Fish Traders' School is a primary school funded by the Hong Kong government. The vast majority of students there come from the grassroots, including students from poor families, single-parent families and new immigrant families and students with special educational needs (SEN).

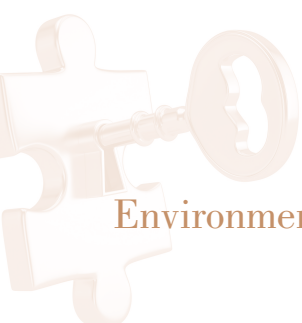
In 2018, the Group solely sponsored the expenses and dispatched more than 10 volunteers to assist this school in holding its School Anniversary Sports Meeting on 27 October.



8. ESG REPORTING GUIDE INDEX

ESG Reporting Guide Aspect	Comply or Explain with Statement	Chapter
<b>Aspect A1: Emissions</b>		
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.	Comply	3. Environmental Protection
KPIs A1.1 The types of emissions and respective emissions data A1.2 Greenhouse gas emissions in total (in ton) A1.3 Total hazardous waste produced (in ton) A1.4 Total non-hazardous waste produced (in ton) A1.5 Description of measures to mitigate emissions and results achieved A1.6 Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	Comply	3. Environmental Protection
<b>Aspect A2: Use of Resources</b>		
General Disclosure: Policies on the efficient use of resources, including energy, water and other raw materials.	Comply	3. Environmental Protection
KPIs A2.1 Direct or indirect energy consumption by type in total and intensity A2.2 Water consumption in total and intensity A2.3 Description of energy use efficiency initiatives and results achieved A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved A2.5 Total packaging material used for finished products (in ton)	Comply	3. Environmental Protection





## Environmental, Social and Governance Report 2018

ESG Reporting Guide Aspect	Comply or Explain with Statement	Chapter
<b>Aspect A3: The Environment and Natural Resources</b>		
General Disclosure: Policies on minimising the issuer's significant impact on the environment and natural resources.	Comply	3. Environmental Protection
KPI A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Comply	3. Environmental Protection
<b>Aspect B1: Employment</b>		
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.	Comply	5. Employee Rights and Interests
<b>Aspect B2: Health and Safety</b>		
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.	Comply	4. Safe Production
<b>Aspect B3: Development and Training</b>		
General Disclosure: Policies on improving employees' knowledge and skills for discharging duties at work, and description of training activities.	Comply	5. Employee Rights and Interests

## Environmental, Social and Governance Report 2018

ESG Reporting Guide Aspect	Comply or Explain with Statement	Chapter
<b>Aspect B4: Labour Standards</b>		
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.	Comply	5. Employee Rights and Interests
<b>Aspect B5: Supply Chain Management</b>		
General Disclosure: Policies on managing environmental and social risks of the supply chain.	Comply	6. Partnership
<b>Aspect B6: Product Responsibility</b>		
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.	Comply	6. Partnership
<b>Aspect B7: Anticorruption</b>		
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.	Comply	2. Risk Compliance
<b>Aspect B8: Community Investment</b>		
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.	Comply	7. Development of Community



寶新金融集團有限公司  
GLORY SUN FINANCIAL GROUP LIMITED