



TOKYO CHUO AUCTION HOLDINGS LIMITED

東京中央拍賣控股有限公司

(incorporated in Hong Kong with limited liability) (於香港註冊成立之有限公司)
stock code 股份代號 : 1939

2019 環境、社會及 管治報告

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

1. INTRODUCTION

Tokyo Chuo Auction Holdings Limited (referred to as the “Group” or “We”) is a well-recognized auction house of Chinese and Japanese artworks in Hong Kong and Japan. The Group specializes in auctioneering a wide variety of artworks with emphasis on Chinese and Japanese artworks, including Chinese paintings and calligraphies, Chinese antiques and Japanese and Chinese tea wares. The Group is committed to building an environmentally-friendly corporation, while maintaining high quality standards in auction. The Group considers social and environmental responsibilities as one of the core values in our business operations and strives for greater sustainability and transparency, as well as fostering a sustainable environment for future generation.

This report summarises several subjects of the Group’s business practices for the Environmental, Social, and Governance (referred to as the “ESG”) report (referred to as the “Report”) and its relevant implemented policies and strategies in relation to the Group’s operational practices and environmental protection.

The Report covers the period from 1 April 2018 to 31 March 2019 (the “Reporting Period” or the “FY2019”).

2. REPORTING FRAMEWORK

The Report has been prepared with reference to the ESG Reporting Guide set out in Appendix 27 to the Main Board Listing Rules of The Stock Exchange of Hong Kong Limited (the “SEHK”).

1. 緒言

東京中央拍賣控股有限公司(簡稱「本集團」或「我們」)是香港及日本知名的中國及日本藝術品拍賣行。本集團專注拍賣以中國及日本藝術品為主的各種藝術品，包括中國書畫、中國古董及日本及中國茶具。本集團致力建立一個環保企業，同時在拍賣方面維持高品質標準。本集團將社會及環境責任視為其業務經營的核心價值之一，故致力提高可持續性及透明度，並為下一代構建可持續環境。

本報告概述多個主要範疇，包括本集團在環境、社會及管治(簡稱「環境、社會及管治」)報告(簡稱「本報告」)上的業務常規以及有關本集團經營常規及環境保護的相關已實施政策及策略。

本報告涵蓋自二零一八年四月一日起至二零一九年三月三十一日止期間(「報告期」或「二零一九年財政年度」)。

2. 報告框架

本報告乃參考香港聯合交易所有限公司(「香港聯交所」)主板上市規則附錄二十七所載之「環境、社會及管治報告指引」編製。



3. REPORTING SCOPE

The General Disclosure of the environmental and social policies and measures in this Report and the compliance issues cover the entire group, and the disclosure scope of the Environmental Key Performance Indicators (referred to as the “KPI”) section of the Report covers the Group’s headquarter in Hong Kong and its operation sites in Japan. The impacts from its office in the People’s Republic of China (referred to as the “PRC”) and Taiwan are minimal, so this report does not include the details of the environmental issue brought by the operation from the PRC and Taiwan.

The Group’s auction management represents the majority of the Group’s environmental and social impacts. Thus, the content of this ESG Report focus mainly on the impacts brought by storing and maintaining the auction lots and other externality induced throughout the marketing process.

4. COMMENTS AND FEEDBACK

The progress of the Group depends in part on stakeholders’ valuable comments. For any doubts about or advice as regards this ESG Report, please forward your comments and suggestions to info@chuo-auction.com.hk.

3. 報告範圍

本報告內有關環境及社會政策及措施的一般披露及合規事宜涵蓋整個集團，而本報告環境關鍵績效指標（簡稱「關鍵績效指標」）一節所載之披露範圍涵蓋本集團的香港總部及其於日本的營運地點。源自其於中華人民共和國（簡稱「中國」）及台灣的辦公室的影響極微，故本報告並無包括中國及台灣業務所造成的環境事宜詳情。

本集團的拍賣管理佔本集團環境及社會影響的絕大部分。因此，本環境、社會及管治報告的內容主要集中於貯存及保養拍賣品及在營銷過程中引致的其他外在因素所帶來的影響。

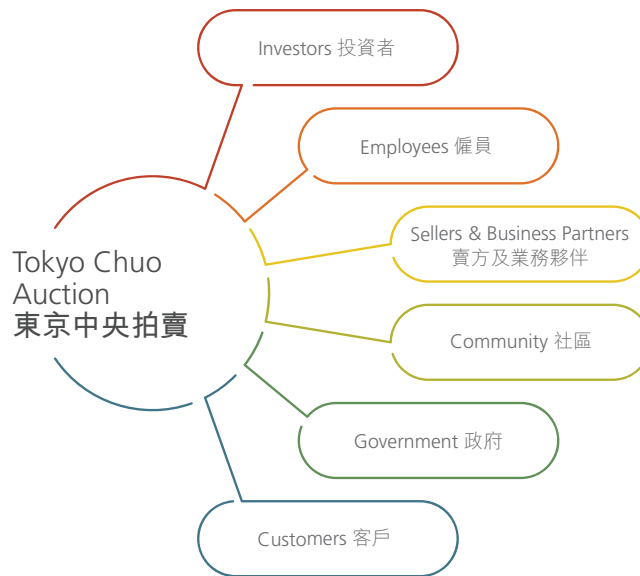
4. 意見及反饋

本集團之發展部分取決於持份者的寶貴意見。倘閣下對本環境、社會及管治報告有任何疑問或意見，請將閣下的意見及建議寄送至info@chuo-auction.com.hk。



5. STAKEHOLDER ENGAGEMENT

The Group believes that understanding the views of the stakeholders lays a solid foundation to the long-term growth and success of the Group. The Group has a wide network of stakeholders, including investors, employees, sellers and business partners, community, government and customers.



The Group develops multiple channels to the stakeholders which summarised in the following table which provide them with the opportunities to express their views on the Group's sustainability performance and future strategies. To reinforce mutual trust and respect, the Group is committed to maintaining endure communication channels, both formally and informally, with stakeholders to enable the Group to better shape its business strategies in order to respond to their needs and expectations, anticipate risks and strengthen key relationships. The information collected through different communication processes serves as an underlying basis for the structure of this ESG Report.

5. 持份者參與

本集團相信，瞭解其持份者之意見為本集團業務之長期增長及成功奠定穩固基礎。本集團擁有廣闊的持份者網絡，包括投資者、僱員、賣方及業務夥伴、社區、政府及客戶。

本集團已設立下表所概述的多個持份者渠道，以供彼等就本集團的可持續發展表現及未來策略發表意見。為加強彼此互信及互相尊重的關係，本集團致力與持份者保持持續的正式及非正式溝通渠道，使本集團能夠更有效制訂業務策略，以回應彼等的需要及期望、預計風險及加強關鍵關係。通過不同溝通過程所收集的資料構成本環境、社會及管治報告結構的基礎。



Stakeholder Groups 持份者組別	Engagement channels 參與渠道	Possible concerned issues 可能關注事項
<p>Investors</p> <p>投資者</p>	<p>General meetings Regular corporate publications including financial reports Circulars and announcements Corporate website Direct communication Meetings and responses to phone and written enquiries</p> <p>股東大會 定期公司刊物，包括財務報告通函及公告 公司網站 直接溝通 會議及回應電話及書面查詢</p>	<p>Business strategies and sustainability Financial performance Corporate governance</p> <p>業務策略及可持續性 財務表現 企業管治</p>
<p>Customers</p> <p>客戶</p>	<p>Direct communication Emails Business meetings</p> <p>直接溝通 電郵 商務會議</p>	<p>Service quality and reliability Client information security Business ethics</p> <p>服務質量及可靠性 客戶資料安全性 商業道德</p>
<p>Employees</p> <p>僱員</p>	<p>Appraisals On-the-job coaching Trainings Internal memorandum Human resources manual Exit interview</p> <p>表現評核 在職指導 培訓 內部備忘錄 人力資源手冊 離職面談</p>	<p>Training and development Employee remuneration Rights and benefits Working hours Occupational health and safety Equal opportunities</p> <p>培訓及發展 僱員薪酬 權利及福利 工作時數 職業健康及安全 平等機會</p>



Stakeholder Groups 持份者組別	Engagement channels 參與渠道	Possible concerned issues 可能關注事項
Suppliers and business partners 供應商及業務夥伴	Business meetings Tendering for procurement of products or services 商務會議 就採購產品或服務投標	Fair competition Fulfillment of promises Payment schedule 公平競爭 履行承諾 付款時間表
Government and other regulatory authorities 政府及其他監管機關	Statutory filings and notification Regulatory or voluntary disclosures 法定存檔及通知 監管或自願披露	Compliance with law and regulations Treatment of inside information Co-operation with enquiries 遵守法律及法規 處理內幕消息 回應查詢
Local community 本地社區	Community activities Donations 社區活動 捐贈	Environmental protection Fair employment opportunities 環境保護 公平僱傭機會



6. MATERIALITY ASSESSMENT

The Group has maintained close communication with the stakeholders since the Group listed in Hong Kong Stock Exchange. Through ongoing discussions and direct communications with the stakeholders, the Group understands the main concerns and material issues that matter most to the stakeholders. The main concerns and material issues are listed below:

6. 重要性評估

自本集團於香港聯交所上市以來，本集團一直與持份者保持密切溝通。透過持續與持份者進行討論及直接溝通，本集團可瞭解對持份者最為重要的主要問題及重大事宜。該等主要問題及重大事宜載列如下：

ESG aspects as set out in ESG Reporting Guide 環境、社會及管治報告指引載列之環境、社會及管治範疇		Material ESG issues for the Group 本集團之重大環境、社會及管治事宜
A. Environmental 環境	<i>A1 Emissions</i> 排放物	1. Air Emission 廢氣排放
	<i>A2 Use of Resources</i> 資源使用	2. Greenhouse Gas Emission 溫室氣體排放
	<i>A3 The Environment and Natural Resources</i> 環境及天然資源	3. Waste Management 廢棄物管理
<i>Social</i> 社會	<i>B1 Employment</i> 僱傭	4. Energy Consumption 能源消耗
	<i>B2 Health and Safety</i> 健康及安全	5. Water Consumption 水資源消耗
	<i>B3 Development and Training</i> 發展及培訓	6. Paper consumption 紙張消耗
	<i>B4 Labour Standards</i> 勞工準則	7. Environmental Risk Management 環境風險管理
		8. Human Resources Practices 人力資源慣例
		9. Employment and Remuneration Policies 僱傭及薪酬政策
		10. Equal Opportunity 平等機會
		11. Employees' Health and Workplace Safety 僱員健康及工作場所安全
		12. Employee Development 僱員發展
		13. Anti-Child and Forced Labor 防止童工及強制勞工

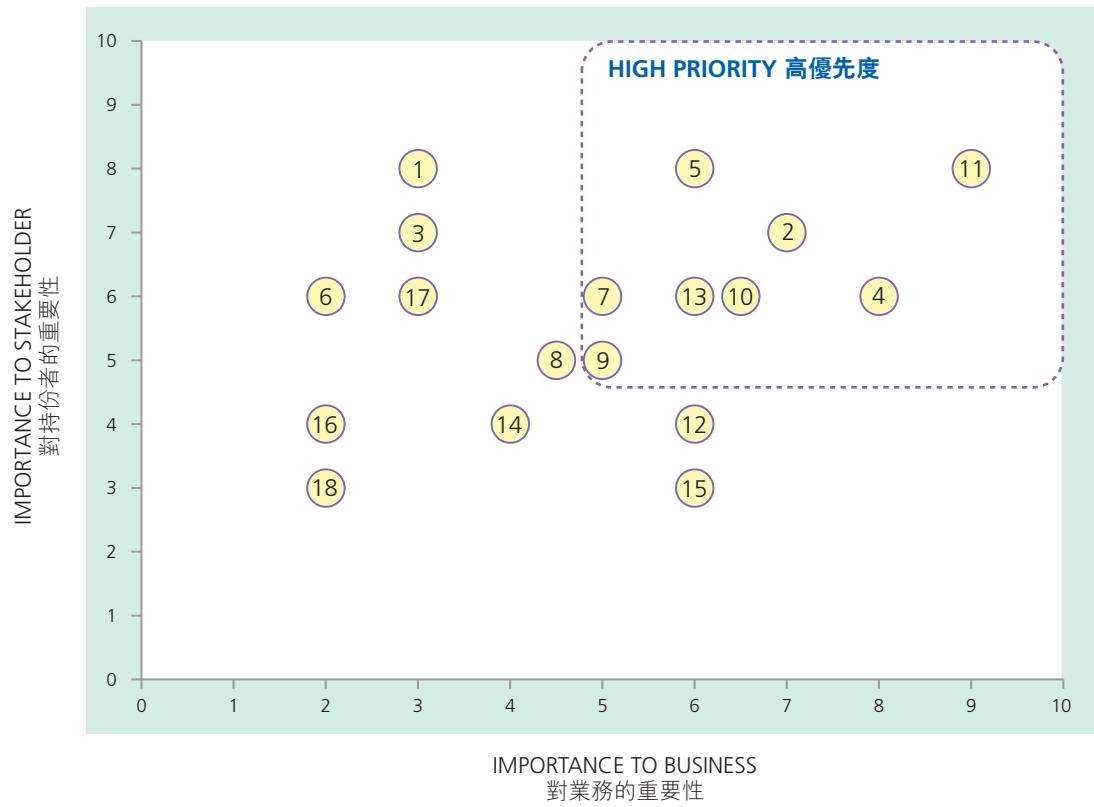


ESG aspects as set out in ESG Reporting Guide 環境、社會及管治報告指引載列之環境、社會及管治範疇	Material ESG issues for the Group 本集團之重大環境、社會及管治事宜	
	<p><i>B5 Supply Chain Management</i> 供應鏈管理</p> <p><i>B6 Product Responsibility</i> 產品責任</p> <p><i>B7 Anti-corruption</i> 反貪污</p> <p><i>B8 Community Investment</i> 社區投資</p>	<p>14. Supplier Practices 供應商常規</p> <p>15. Product quality and Customers Satisfaction 產品質量及顧客滿意度</p> <p>16. Protection of Customers Privacy 保障顧客私隱</p> <p>17. Anti-corruption and Anti-money Laundering 反貪污及反洗錢</p> <p>18. Community Investment 社區投資</p>

Pursuant to environmental and social issues based on the ESG Reporting Guide within the scope of sustainability, the information collected from the stakeholders and the assessments of their importance on business, the Group built a two-dimensional materiality matrix and identified the following issues that are in high priority to the stakeholders and the Group. The priorities are set based on the management's view as well as stakeholders' feedback.

根據按環境、社會及管治報告指引的可持續發展範疇之環境及社會問題及從持份者所收集的資料以及對其於業務的重要性之評估，本集團已建立二維重要性矩陣，並識別下列對持份者及本集團具高優先度的問題。優先度已根據管理層的觀點以及持份者的意見列載。





Number 編號	Topics 主題
2	Greenhouse Gas Emission 溫室氣體排放
4	Energy Consumption 能源消耗
5	Water Consumption 水資源消耗
7	Environment Risk Management 環境風險管理
9	Employment and Remuneration Policies 僱傭及薪酬政策
10	Equal Opportunity 平等機會
11	Employees' Health and Workplace Safety 僱員健康及工作場所安全
13	Anti-Child and Forced Labor 防止童工及強制勞工

These areas will become the leading priorities in the ESG strategy. We believe that they will contribute significantly to the Group's sustainable development on the long term basis.

此等領域將成為環境、社會及管治策略的優先處理事項。我們相信其將為本集團長遠的可持續發展貢獻良多。

7. APPROACH TO SUSTAINABILITY DEVELOPMENT

As a responsible company, the Group continues to step up for sustainability measures as a corporate responsibility as well as meeting the customers' standards. To make the Group's investors and stakeholders properly informed for assessment, the Group has set out below its efforts to minimise the negative influence to the environment, promote the well-being of the Group's employees and contribute to the community during the Reporting Period.

7. 達致可持續發展之方針

作為負責任公司，本集團繼續加強可持續發展措施履行企業責任，並達到客戶的標準。為使本集團的投資者及持份者能合適地獲悉有關資料作評估，本集團於下文載列其於報告期內為減少對環境的負面影響、提升本集團僱員的健康及貢獻社區所作出的努力。



8. ENVIRONMENTAL RESPONSIBILITY

The Group is committed to environmental sustainability by seeking for solutions to minimise the environmental impact of its operations, with a particular focus on reduction of greenhouse gas emissions and preservation of resources. The Group sets out a number of policies and guidelines for impact management and environmental awareness. The group invites all staff members to involve in fund raising activities for environmental protection charities and other related community activities through various channels, including emails, notices and promotion slogans. The Group strives to fulfill sustainable development and to promote preservation of resources with its environmental responsibility.

During the Reporting Period, the Group did not aware of any material non-compliance with the relevant laws and regulations that have significant impact on the Group related to air and greenhouse gas (“GHG”) emissions, discharges into water and land, generation of hazardous and non-hazardous waste during the Reporting Period.

Aspect A1: Emissions

The Group’s electricity consumption accounts for a major part in the GHG emission, thus various energy saving measures have been undertaken to improve energy efficiency and reduce energy consumption of the Group’s operations.

The Group strives to work in strict compliance with environmental regulations and has complied with all appropriate laws and regulations in Hong Kong and Japan. Since the Group is a service provider company that does not involve any manufacturing process, the Group does not have any gaseous fuel consumption nor generate any significant hazardous waste in the Reporting Period.

Air Emission

The Group strives to improve the air quality at the roadside and improve traffic flow problem. Furthermore, the Group encourages its employees to use public transportation instead of private vehicles in favor of emitting less pollution.

8. 環境責任

本集團透過尋求減輕營運對環境所產生影響之解決方案，致力於環境可持續發展，尤其側重於減少溫室氣體排放物及保護資源。本集團制定若干政策及指引，力求管理影響及提升環保意識。本集團定期通過電郵、通知及宣傳標語等各個渠道，邀請所有員工參與環保慈善機構的籌款活動及其他相關社區活動。本集團銳意實現可持續發展，遵循其環境責任推廣保護資源。

於報告期內，本集團並不知悉在廢氣及溫室氣體（「溫室氣體」）排放、向水及土地排污、有害及無害廢棄物產生方面有任何嚴重違反對本集團構成重大影響之相關法律及規例之情況。

層面 A1：排放物

本集團耗電佔溫室氣體排放物主要部分，因此本集團已採取多項節能措施，以提高能源效益及減低本集團營運所耗能源。

本集團致力嚴格遵守環保規例，並已遵守香港及日本之一切適用法律及規例。由於本集團為不涉及任何生產過程之服務供應商公司，因此本集團於報告期內並無消耗任何氣體燃料，亦無產生任何大量有害廢棄物。

廢氣排放

本集團致力提升道路之空氣質量並改善交通流量問題。此外，本集團鼓勵僱員使用公共交通工具取代私家車，以減少污染物排放。



The key air pollutants generated from the Group's use of vehicles are 0.1kg of Sulphur Oxides (SO_x), 5.0kg of Nitrogen Oxide (NO_x), and 0.4kg of Particulate Matter (PM).

本集團使用車輛產生之主要空氣污染物為0.1千克硫氧化物(SO_x)、5.0千克氮氧化物(NO_x)及0.4千克懸浮微粒(PM)。

Greenhouse Gas Emission

The Group's main business carbon footprint are the GHG emission generated from vehicles, use of electricity, such as lighting system, air-conditioning, computers, printers and other office equipment, business travels as well as paper waste.

溫室氣體排放

本集團之主要業務碳足跡為來自車輛、電力使用(如照明系統、空調、電腦、打印機及其他辦公設備)、差旅及紙張浪費之溫室氣體排放。

The following represents the Group's GHG emission in FY 2019:

以下為本集團於二零一九財政年度之溫室氣體排放：

Emission Sources	排放來源	2019 CO ₂ e Emission (in tonnes) 二零一九年之二氧化 化碳當量排放量 (以噸計)	Total Emission (in percentage) 總排放量 (以百分比計)
Scope 1 Direct Emission	範圍一直接排放		
Vehicles	車輛	22.68	10.73%
Scope 2 Indirect Emission	範圍二間接排放		
Purchased Electricity	購電	116.39	55.06%
Scope 3 Other Indirect Emission	範圍三其他間接排放		
Business Travel	差旅	72.24	34.18%
Paper Waste	紙張浪費	0.06	0.03%
Total	總計	211.37	100%
Emission Intensity	Unit		Intensity
排放強度	單位		強度
Total CO ₂ e Emission per employee	tonnes/employee		5.71
每名僱員之二氧化碳當量總排放量	噸/僱員		



During the Reporting Period, the Group had a total of 37 employees, who generated 211.37 tonnes of carbon dioxide equivalent emission (mainly carbon dioxide, methane and nitrous oxide) from its operation. The annual emission intensity is 5.71 tCO₂e per employee.

The Group's employees in all levels are regularly being encouraged to create a more sustainable workplace through emails, notices and promotion slogans. All departments are required to follow the internal environmental management system strictly to ensure its compliance with laws and regulations.

During the Reporting Period, the Group has not identified any non-compliance with environmental laws and regulations.

Hazardous Waste

In the course of operation, the Group does not generate any significant hazardous waste. During the Reporting Period, the Group has encouraged employees to use reusable cups and kitchenware, and it has been purchasing eco-friendly office supplies and reusing the plastic bags that were donated by employees for trash cans. The Group has also established clear procedures for disposal and management of office garbage and recyclable resources by allocating recycle bins in the offices.

Non-Hazardous Waste

Non-hazardous waste produced from operation mainly comprises of waste from household and office activities, which include paper, glass and food waste. Measures to minimise the use of paper and management on waste disposal are discussed below under Aspect A2 and A3 of the ESG Reporting Guide. As the daily glass and food waste produced in office are minimal, no specific measurement was made. During the Reporting Period, the Group's non-hazardous waste is handled by well recognised property management company.

於報告期內，本集團之僱員總數為37人，自其經營活動產生211.37噸二氧化碳當量排放量(主要為二氧化碳、甲烷及一氧化氮)，及年排放強度為每名僱員5.71噸二氧化碳當量。

本集團通過電郵、通知及宣傳標語定期鼓勵各級員工營造更具可持續性發展之工作場所。所有部門必須嚴格遵守內部環境管理體系，確保其符合法律及規例。

於報告期內，本集團並無識別任何違反環保法律及規例之情況。

有害廢棄物

在經營過程中，本集團並無產生任何大量有害廢棄物。於報告期內，本集團鼓勵員工使用可再用杯子及廚房用具，並一直採購環保辦公室用品及重複使用員工捐贈之垃圾桶塑料袋。本集團亦已制定明確程序，向辦公室分配回收箱，以處置及管理辦公室垃圾及可回收資源。

無害廢棄物

運營產生之無害廢棄物主要包括家庭及辦公室活動產生之廢棄物，其包括紙張、玻璃及食物垃圾。根據環境、社會及管治報告指引層面A2及A3，下文討論將紙張使用降至最低及管理廢棄物處理之措施。由於辦公室產生之日常玻璃及食物垃圾甚少，故無作出具體計量。於報告期內，本集團之無害廢棄物均由公認之物業管理公司處理。



Aspect A2: Use of Resources

The Group's total energy consumption during FY2019 was as follows:

Type of Energy	能源類型	Total Consumption	Average Monthly Consumption per Employee 每名僱員之 月均消耗量
Electricity	電力	157,541.30 kWh 千瓦時	354.82 kWh 千瓦時

The offices in Hong Kong and Japan operate in a leased premise for which both the supply and discharge of water are solely controlled by the building management of the leased premises. Therefore, the provisions of water withdrawal and discharge data or sub-meter are not available for disclosure.

The Group has established clear regulations on resources consumption in business operation to ensure effective use of resources. It also adopts various measures to reduce electricity and water consumption, including promotion of energy saving as well as recycling and reusing resources from daily operation and working environment, so as to minimise the negative environmental impact.

Aspect A3: The Environment and Natural Resources Electricity

The Group generated GHG indirectly by electricity consumption on daily operation in office and transportation for auction lots. The Group has committed to minimising its energy usage. The commitments are driven by its energy saving intuition. The Group has implemented a number of measurements at the workplace which were followed by all employees of all levels:

- incorporate environmental friendly reminders and labels across the office;
- deploy natural light as much as possible;
- install energy saving light bulbs and LED lights across all the offices;

層面 A2：資源使用

本集團於二零一九財政年度之能源消耗總量載列如下：

位於香港及日本之辦事處於租賃物業進行經營，其供水及排水均由租賃物業之大廈管理處獨立控制。因此，用水及排水數據或分表之規定均無法披露。

本集團於業務經營中制定明確之資源消耗規定，以確保有效利用資源。其於日常運營及工作環境中亦採取多種措施降低水電耗量，包括促進節能減排及資源回收利用，從而減少對環境之負面影響。

層面 A3：環境及天然資源 電力

本集團因在辦公室日常運作中消耗電力及運送拍賣品而間接產生溫室氣體。本集團已承諾盡量減少其能源使用量。承諾乃由其節能意識所推動。本集團已在工作場所實施若干全體各級員工均需遵守之措施：

- 於辦公室張貼環保提示標籤；
- 盡量善用天然光；
- 於所有辦公室安裝節能燈泡及LED燈具；



- turn off the machineries, lights and air conditioners when leaving the site;
- power saving modes are enabled to all electronic equipment and computers;
- turn off the monitors instead of using power saving mode when leaving the site;
- air-conditioners temperature is set to an energy-efficient level of 24–26°C ; and
- continually upgrade the computer equipment, servers, and monitors to energy efficient models.

Water Conservation and Use of Packaging Materials

Since the Group is a service provider company, toilet flushing, washing and pantry uses are the water consumptions of the Group. The Group has consumed 3,285 cubic meters of water in FY2019.

The Group is committed to managing water usage across the offices, and implemented the following policies to minimise water consumption during the Reporting Period:

- collect rainwater for watering plants when possible;
- make use of dual-flush toilet to save water;
- adopt water conservation production to improve water use efficiency;
- check the hoses and pipes for leaks, cracks, and other damages regularly and repair them in a timely manner; and
- give priority to effective water-saving products in purchase decision.

The Group's business does not involve high water consumption and its principal office operates in leased premises for which both the water supply and discharge are solely controlled by the building management of the leased premises. Therefore, the provisions of water withdrawal and discharge data or sub-meter are not available for disclosure.

In addition, due to the nature of the Group's business, the Group does not manufacture physical products for sale and packaging materials for auction products are negligible. Therefore, this disclosure is not applicable to the Group.

- 離開處所時關閉機器、電燈及空調；
- 對所有電子設備及電腦設置節能模式；
- 離開處所時關閉顯示器，而非使用節能模式；
- 將空調溫度設置為攝氏24至26度之節能水平；及
- 持續升級電腦設備、服務器及顯示器至節能模式。

節約用水及使用包裝物料

由於本集團為服務供應商公司，故本集團之耗水來自洗手間沖洗、洗滌及茶水間用途。本集團於二零一九財政年度耗水3,285立方米。

本集團致力控制各個辦公室的用水量，並已於報告期內實行以下政策以盡量減少耗水量：

- 於可行情況下收集雨水澆灌植物；
- 使用雙重沖水馬桶，節約用水；
- 採用節水生產方法，提升用水效益；
- 定期檢查膠管及水管有否漏水、破損及其他損壞並及時修理；及
- 於作出採購決定時，優先考慮高效節水產品。

本集團業務不會大量耗水，其主要辦事處於租賃物業進行經營，供水及排水由租賃物業之大廈管理處獨立控制。因此，用水及排水數據或分表之規定均無法披露。

此外，鑑於本集團業務性質，本集團並無製造實質產品以供銷售，而拍賣產品的包裝物料屬微不足道。因此，此項披露不適用於本集團。



Paper Reduction

Consumption of paper significantly creates negative impact to the environment. Voluminous paper consumption leads to deforestation. With an aim of minimising the impact of the Group's business operation to the environment, the Group implements measures for environmental protection that minimise its paper usage at offices. During FY2019, the Group has imposed eco printing modes for all employees, adopts an electronic system for filing, documentation, and encourages employees to make double sided copies when possible. The Group also encourages its employees to use electronic communications for directories, forms, reports and storage when possible. Furthermore, the Group recycles most of the used paper, carton box and envelope, including all non confidential documents. The Group has replaced all disposable cups and wooden stirrers in the pantry with durable ones, such as ceramic cups and stainless steel spoons. During the Reporting Period, the Group's total paper consumption is 13.26 kg and its intensity is 0.36 kg per employee.

Waste Management

The wastes produced by the Group are mainly generated in the daily life and by the operation of the office, including paper, plastic, glass, and kitchen waste. The Group has designated an administrative employee to manage and transport the wastes and recyclable materials for both garbage and recycled waste pick-ups.

The duties of administrative employee include but not limited to the following:

- organise and maintain the garbage and recycled waste holding areas;
- place appropriate signage on walls and bins as guidance;
- collect all used ink-jet cartridges for recycling; and
- sort recycled wastes into appropriate containers and inform the employees on sorting methods if needed.

減少用紙

紙張消耗為環境帶來嚴重不利影響。大量紙張消耗導致須砍伐森林。為盡量減輕本集團業務營運對環境帶來之影響，本集團推行環保措施，盡量減少辦公室用紙。於二零一九財政年度，本集團向全體員工推行環保打印模式，採用電子填表及存檔系統及鼓勵員工於可行情況下進行雙面複印。本集團亦鼓勵員工盡可能就名錄、表格、報告及儲存採用電子通訊方式。此外，本集團循環使用大部分曾用過的紙張、紙箱及信封，包括所有非機密文件。本集團已將餐具室內之所有即棄杯具及木質攪拌棒替換成耐用物品，如陶瓷杯及不鏽鋼湯匙。於報告期內，本集團之紙張消耗總量為13.26千克，而其強度為每名僱員0.36千克。

廢棄物管理

本集團產生之廢棄物主要於日常生活中因辦公室運作而產生，包括紙張、塑料、玻璃及廚餘。本集團已指派一名行政管理員工管理及運送廢棄物及可回收物，前者送往垃圾站，後者送往回收廢棄物收集站。

該行政管理員工之職責包括但不限於以下各項：

- 整理及清理垃圾及回收廢棄物暫存區；
- 在牆壁及垃圾桶上貼上適當之標誌指引；
- 收集所有使用過的墨盒供回收之用；及
- 將回收廢棄物進行適當分類，需要時教導員工有關分類之方法。



In addition to the duties of administrative employee, all the employees are also encouraged to maximise the lifespan of office stationary, such as reuse the pen shafts by using refill.

9. SOCIAL RESPONSIBILITY

The Group believes building and maintaining a strong, reliable and long lasting relationship with its employees and customers is essential for its on-going business. Besides, maintaining an honest and authentic dialogue is indispensable as a responsible organisation and partner to the stakeholders.

Aspect B1: Employment

The Group's remuneration packages are generally structured with reference to market terms and individual merits. The employees of the Group are remunerated at a competitive level and are rewarded according to their qualifications, work performance and experience. The promotion and remuneration of the Group's employees are subject to review yearly. The Group operates a defined contribution retirement benefits scheme under the Mandatory Provident Fund Schemes Ordinance for all the employees in Hong Kong. Contributions are made based on a percentage of the employees' base salaries. The Group also made contributions to provident funds, elderly insurance, medical insurance, unemployment insurance and work-related injury insurance in accordance with applicable laws and regulations in Japan. Furthermore, employees are entitled to travel allowances, "thirteenth month" bonus, five-day workweek arrangement and various types of paid leave. The Group has adopted share option scheme as a reward to eligible high-caliber employees and to attract similar high quality personnel that are valuable to the Group. Details are set out in the staff handbook of the Group (the "Employment Handbook") to ensure information transparency on the employees' responsibilities and rights.

除該行政管理員工之職責外，本集團亦鼓勵全體僱員盡量延長辦公室用品之使用時間，例如通過使用筆芯重複使用筆筒。

9. 社會

本集團相信與其僱員及客戶建立及維持穩健、可靠及持久之關係對其持續經營至關重要。此外，就成為一個負責任的組織及持份者的合作夥伴而言，保持誠信的交流亦不可或缺。

層面 B1：僱傭

本集團的薪酬待遇一般參考市場條款及個別功績而定。本集團向僱員提供具競爭力之薪酬，並會根據其資歷、工作表現及經驗給予獎勵。本集團每年就僱員之晉升及薪酬作出檢討。本集團根據強制性公積金計劃條例為全體香港僱員設立定額供款退休福利計劃。本集團根據僱員底薪百分比作出供款。本集團亦根據日本適用法律法規作出公積金、養老保險、醫療保險、失業保險及工傷保險供款。此外，僱員有權享有交通津貼、「第十三個月」花紅、五天工作週安排及各類有償假期。本集團採納購股權計劃，作為合資格優秀僱員的獎勵，並吸引對本集團十分重要的同樣優秀人員。詳情載於本集團員工手冊（「僱員手冊」），以確保關於僱員責任及權利資訊之透明性。



The Group's policies and procedures written in the Employment Handbook are reviewed and updated regularly. The Group discourages and disallows any behavior that violates the regulations under the Employment Handbook. Offenders will receive warnings and the Group has the right to terminate employment contract with offenders for any serious violations. The Group strives to retain the best employees at work, and have continued to monitor staff turnover with a view to identify and manage problems in the termination process. In regards to employee's holiday, if it falls on a statutory holiday, compensatory time off will be offered. Manager may request employee to work on his/her holiday, and the employee has the right to reject such request. However, if the employee agrees to come to work, his/her holiday can be rescheduled before the holiday has taken.

Remuneration Policies

The Group continually takes positive action to ensure equal opportunity in the conduct of employment activities: recruitment, hiring, compensation, training and promotion for all staff, regardless of race, color ancestry, national origin, religion, sex, marital status, age, sexual orientation, disability or veteran status. The Group has established and implemented policies that promote a harmony and respectful workplace. The Employment Handbook has outlined the terms and conditions of employment, expectation for employees' code of conducts and behaviors, and employees' rights and benefits. With an aim of ensuring fair and equal protection for all employees, the Group has zero tolerance on sexual harassment or abuse in the workplace in any form.

The head of each department conducts a comprehensive recruitment review process to ensure that the data provided by the candidates are accurate. The Group's recruitment and promotion process are carried out in a fair and open manner for all employees; employees are recognised and rewarded by their contribution, work performance and skills, and outcomes will not be affected by any discrimination factors. The Group strictly prohibits the employment of children or forced labour and sets out the policies in the labour code to eradicate child labour, juvenile workers and forced labour.

本集團定期審閱及更新載入僱員手冊之政策及程序。本集團不鼓勵及不允許違反僱員手冊規定之任何行為。違反者將收到警告，且本集團有權因任何嚴重違例而與違反者終止僱傭合約。本集團致力挽留工作期間表現最佳之僱員，並繼續監察員工流失率，以識別及處理終止程序問題。就僱員假期而言，倘有關假期屬法定假期，本集團將提供補假。經理可要求僱員於假期工作，而僱員有權拒絕有關要求。然而，倘僱員同意上班，其可於休假前重新編配假期。

薪酬政策

本集團不斷採取積極行動，確保全體員工（不論種族、膚色、國籍、宗教、性別、婚姻狀況、年齡、性傾向、傷殘或退役軍人身份）在招聘、僱用、補償、培訓及晉升等僱傭活動中均獲平等機會。本集團制定及執行政策，促進建立和諧及相互尊重之工作場所。僱員手冊概列僱傭條款及條件、對僱員操守及行為之期望以及僱員權利及福利。為確保全體僱員獲得公平公正之保障，本集團對於工作場所發生之任何形式性騷擾或虐待持零容忍態度。

各部門主管開展全面之招聘評審流程，確保候選人提供之數據準確無誤。本集團之招聘及晉升流程對所有員工均公平公開，員工按其貢獻、工作表現及技能獲得認可及獎勵，及結果不會受到任何歧視因素之影響。本集團嚴禁僱用童工或強迫勞工，並於勞工守則內列明政策，杜絕童工、青少年員工及強迫勞工。



During the Reporting Period, the Group does not aware of any material non-compliance with the relevant laws and regulations that have significant impact on the Group relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other benefits and welfare.

Total Workforce by Gender and Age Group

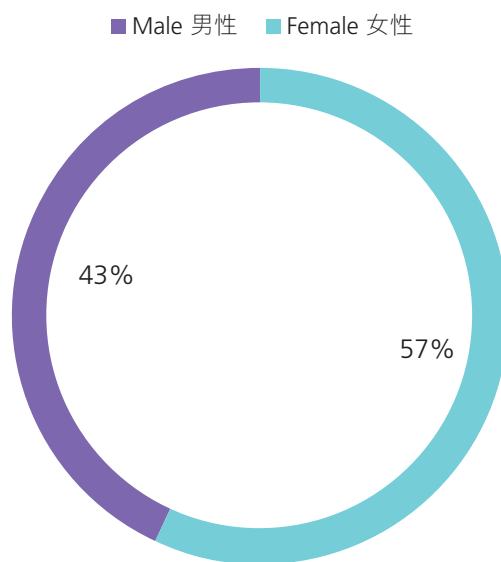
During the Reporting Period, the Company has a total of 37 employees which are located in Hong Kong and Japan. Most employees are female, accounted for 57% and most employees of the Company are aged 30 to 39. The Company has a diverse workforce in terms of gender and age, generating creative opinions and different level of capabilities. The following charts set forth the staff breakdown in FY2019:

於報告期內，本集團並不知悉在薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利方面有任何嚴重違反對本集團構成重大影響之相關法律及規例之情況。

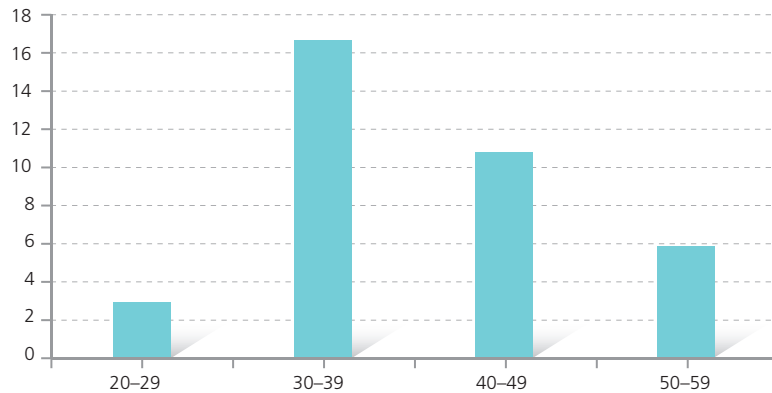
按性別及年齡組別劃分之僱員總數

於報告期內，本公司僱用合共37名僱員，彼等均駐於香港及日本。大部分僱員為女性僱員，佔比57%，而本公司大部分僱員年齡介乎30至39歲。本公司的僱員於性別及年齡方面屬多元化及可帶來創新意見及擁有不同層次的能力。下圖載列於二零一九財政年度之員工明細：

Workforce By Gender 按性別劃分的僱員團隊



Workforce By Age Group 按年齡組別劃分的僱員團隊



Aspect B2: Health and Safety

The Group prides itself on providing a safe, effective and congenial work environment as the Group believes its employees are the most valuable assets of an enterprise and regards human resources as its corporate wealth. The Group focus our efforts on maintaining and improving a proper work environment in accordance with laws and regulations, so that employees can work in a safe and healthy environment.

The Group's management team is responsible for identifying any actual and potential hazards and risks to each individual and work towards a safe and hygienic work environment, and to ensure that our work environment is in line with or higher than the requirements of relevant laws and regulations.

層面 B2：健康及安全

本集團為能夠提供安全、高效而舒適之工作環境而自豪，原因在於本集團相信僱員為企業之最寶貴資產，並視人力資源為其企業財富。本集團專注於維持及改進妥善的工作環境以符合法律及法規，以致僱員可於安全及健康的環境中工作。

本集團之管理團隊負責識別每名員工的任何實際及潛在危害及風險，並致力於營造安全衛生之工作環境，及確保我們的工作環境符合或高於相關法律及規例之規定。



The Group's office has incorporated no smoking policy, employee will be disciplined if any violation of policy is found; rescue, fire and evacuation drills have been organised periodically to improve employees' safety awareness; all employees are expected to comply with the policies and procedures, and cooperate in all safety trainings. In addition, an online message group has been set up for employees to foster employees' communication and exchange of ideas that allow employees to maintain a good relationship outside of work.

For the sake of safety and being environmental friendly for the operation process, the Group complies with Labor Standards Act which provides a safety and sanitation workplace, hold valid work safety licenses for outdoor authentication works and be responsible for accident prevention in office.

During the Reporting Period, the Group did not find any case of violations of laws and regulations in relation to the health and safety of the workplace, and neither work-related fatalities nor work injury was notified.

Aspect B3: Development and Training

The Group regards its staff as an important asset and resource of the Group as they are the main drivers toward the sustainability of culture and norm. The Group is committed to providing comprehensive on-the-job training programs, which collectively serve as a platform to encourage its staff to develop potential and self-improvement.

The Group provides a clear career path and a transparent promotion system for its employees. Furthermore, the Group implement employee training and development programs to enhance their skill set and to further realise their potential.

本集團辦公室已引入禁止吸煙政策，僱員倘被發現違反該政策，將會受到處罰；本集團定期組織救援、消防及疏散演習，以提高員工之安全意識；預期全體員工將遵守政策及程序，並配合所有安全培訓。此外，本集團為員工成立網上信息小組，以促進員工溝通及交流，從而使員工能夠在工作之餘維持良好關係。

為安全及環保營運過程起見，本集團遵守勞工標準法，提供安全及衛生的工作環境，持有戶外認證工作的有效工作安全牌照，負責預防辦公室意外。

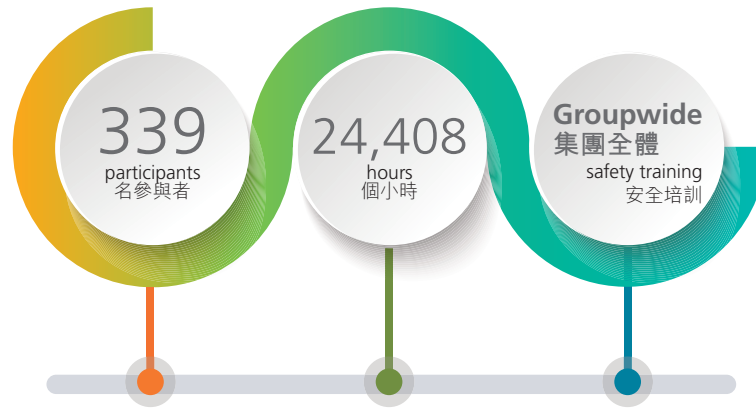
於報告期內，本集團並無獲告知在工作場所健康及安全方面有任何違法違規情況，亦無發現與工作相關之死亡事件或工傷事件。

層面B3：發展及培訓

本集團視其員工為集團的重要財富及資源，因為他們是推動文化及規範持續發展的主要驅動力。本集團致力於提供全面的在職培訓計劃，整體上作為鼓勵員工發展潛能及自我提升的平台。

本集團為僱員提供清晰的職業路向及透明的晉升系統。此外，本集團實行僱員培訓及發展計劃，以增強彼等的技能組合及進一步實現其潛力。





The internal artwork appraisal team members of the Group are required to attend regular training sections to obtain most up-to-date market news and the values of the relevant artworks, as well as the knowledge on authenticating, appraising and evaluating artworks.

The Group seeks to improve its comprehensive internal and external staff training systems. To this end, the Group provides promising career development opportunities through outstanding on-the-job training with a focus on auction operation know-how, customer service techniques, artworks authentication and valuation abilities, through which our employees could strengthen the quality of their skill sets. In addition, department heads are required to attend external trainings and participate in relevant professional academic society activities in order to attract more professionals in the art industry to join the Group. Going forward, the Group would enhance its advertisements and promotional activities in universities and colleges in order to attract more high quality employees. The Group believes such plans targeting the employees can strengthen both the management and operational teams for sustainable growth.

本集團的內部藝術品鑒定團隊成員須參加定期培訓課程，以獲取最新市場資訊及相關藝術品的估值資料，以及有關鑒真、鑒定及評估藝術品的知識。

本集團將尋求改良其綜合內部及外聘員工培訓系統。為此，本集團透過出色的在職培訓，提供理想的職業發展機會。培訓重點為拍賣營運訣竅、客戶服務技巧及藝術品鑒定與估值能力，僱員可藉此加強其技能質素。此外，部門主管須出席外部培訓及參與相關專業學會活動。為吸引更多藝術行業內的專業人士加盟本集團，展望未來，本集團將加強大學和學院內的宣傳及推廣活動，藉以吸引更多優秀僱員。本集團相信，該等針對僱員的計劃可同時加強管理及經營團隊，達致持續增長。



The Group highly values the importance of training and continuous development of their employees in order to retain talents for sustainable development of our business. It arranges newly recruited employees to attend training held in Japan and provide regular on-job trainings to the relevant employees on risk management and authentication and appraisal of artworks.

The Group has anti-fraud measures in respect of the employees including rotation of staffs, assessment of employees against ethical or compliance standards, as well as ethics training; the Group also provides regular training annually and timely updates to the senior management on the risk of anti money laundering and for any suspicious activities.

Aspect B4: Labor Standard

The vast majority of staff employed by the Group is located in Hong Kong and Japan. The Group has established and implemented a staff handbook which contains the policies relating to relevant labor laws, regulations and industry practices, covering areas such as compensation and dismissal, promotion, working hours, rest periods and other benefits and welfare.

With the aim of ensuring fair and equal protection for all employees, the prohibition of child labor, forced labor and anti-corruption practices are also set in accordance with all relevant laws and regulations that applied in Hong Kong and Japan

As a responsible corporation, the Group actively searches for opportunities to improve its relationship with the local citizens. The Group has continued its efforts to retain its employees, train and hire local people whenever possible during the Reporting Period. The Group has created job opportunities for the local community and has provided different level of job positions from receptionist to management level.

The Group has strictly complied with all the rules throughout the Reporting Period and did not aware of any significant violation of human resources related laws and regulations.

本集團非常重視僱員培訓及持續發展，藉此挽留人才令業務可持續發展。本集團安排新聘僱員出席於日本舉行的訓練，並定期為相關僱員提供有關風險管理和藝術品鑑定及評估的在職培訓。

本集團就僱員設有反欺詐措施，包括員工輪替、對僱員進行道德或合規標準評估以及道德培訓；本集團亦就洗錢和任何可疑活動的風險每年為高級管理層提供定期培訓，並適時向高級管理層提供最新消息。

層面 B4：勞工準則

本集團聘用的員工絕大部分位於香港及日本。本集團制定及執行員工手冊，內容囊括有關相關勞動法律、規例及行業慣例之政策，涵蓋範圍涉及補償及解僱、晉升、工作時數、假期以及其他利益及福利等。

為了確保全體僱員獲妥善及公平保障，本集團亦已根據香港及日本適用的所有相關法律及規例制定禁用童工、強迫勞工及反貪腐之規定。

作為負責任的企業，本集團積極尋求機會加強與當地市民的關係。於報告期內，本集團繼續努力在任何可能情況下挽留僱員及培訓及僱用當地居民。本集團為當地社區創造就業機會，並提供接待員至管理層等不同工作職位。

本集團於報告期內已嚴格遵守一切規定，且並不知悉任何嚴重違反人力資源相關法律及法規的情況。



10. OPERATING POLICIES

Aspect B5: Supply Chain Management

The Group established supplier management system to ensure operations is fully complied with the laws and regulations in relation to social and environment aspects in the most sustainable manner. The Group's supplier management system is responsible for designing, planning, implementing and controlling the marketing activities with the goal of building a sustainable management culture.

The Group has continued to monitor and minimise the usage of logistic service to deliver the auction lots while maintaining a secured transportation, which in turn lead to less pollution and defects. To ensure the minimisation of air pollution in the transportation process, the Group's transportation teams use dust suppressing substances and apply temporary cover for dust reduction during both inbound and outbound orders.

Fair and Open Competition

The Group promotes fair and open competition that aims to develop long-term relationships with its buyers and suppliers based on mutual trust. The Group has ensured the fairness and transparency of the auction. For example, the background information and facts about the auction lots would be disclosed in details to public. The Group implements "Know Your Client" due diligence and client screening procedures that aim at evaluating the identity, financial background, reputation and business activities (if any) of a new seller and buyer. The Group requests the seller to provide documents to prove ownership, authenticity and value of the artwork and verify the authenticity and origin of the relevant artwork on its own.

For artwork auction lots with high value, a separate written undertaking from consignor on the legality of the source is required to confirm he/her unencumbered ownership of the artwork(s) and that participation in the auction would not constitute money laundering activities of the consignor.

10. 營運政策

層面 B5：供應鏈管理

本集團已設立供應商管理制度，以確保營運以最為可持續的方式全面遵守有關社會及環境層面的法律及法規。本集團的供應商管理制度負責設計、計劃、實施及控制營銷活動以建立可持續的管理文化。

本集團繼續監察及盡力減少使用物流服務以交付拍賣品，同時維持安全的運輸，最終達致減少污染及缺陷。為確保在運輸過程中將空氣污染降至最低，本集團的運輸團隊使用抑塵物質並在運入及運出途中使用臨時覆蓋物以減少粉塵。

公平公開競爭

本集團提倡公平公開競爭，旨在與買家及供應商建立以互信為基礎的長期關係。本集團已確保拍賣的公平性和透明度。舉例而言，我們詳細向公眾披露藝術拍賣品的背景資料及事實。本集團實施「認識客戶」盡職審查和客戶篩查程序，旨在評估新賣家或買家的身份、財務背景、聲譽及業務活動(如有)。本集團要求賣家提供文件以證實藝術品的擁有權、真偽和價值，並會自行鑑定相關藝術品的真偽及來源。

就高價藝術拍賣品而言，本集團規定委託人另行向我們作出書面承諾，承諾藝術品來源合法，確認其對藝術品擁有免除產權負擔的擁有權，以及參與拍賣並不會構成委託人的洗錢活動。



Aspect B6: Product Responsibility

Artworks are authenticated and valued by an artwork appraisal team consist of well recognised experts and external artwork appraisal consultants with adequate qualification and experience. Team based appraisals can mitigate the risks of collusion between the seller/consigner and the individual appraiser. The Group has a comprehensive internal control system and policy to authenticate and value artworks consigned to us for auction sale and purchased by us for resale.

As the authentication and valuation of artworks mostly rely on the subjective judgment of our management and experts, we devote significant resources to establish a concrete internal control and risk management systems in artwork authentication to build up a strong management and expert team to authenticate and value artworks. For artworks that are consigned by the artwork artists who produce the consigned artworks, they are not subject to authentication by the Group's internal artwork appraisal team because those consignors can confirm the authenticity of their products. The internal artwork appraisal team will however opine on the valuation of those artworks. Based on the internal artwork appraisal team's opinion on the value, the Group will discuss and agree with such artists on the auction reserve price of their artworks for the auction.

層面B6：產品責任

藝術品由藝術品鑑定小組鑑定及估值，該小組由具有充分資格及經驗的專家及外部藝術品鑑定顧問組成。小組為本鑑定可減低賣方／寄售人與個人鑑定員合謀的風險。本集團設有全面的內部監控系統及政策，為向我們寄存以供拍賣及我們購買以供轉售的藝術品作鑑定及估值。

由於藝術品的鑑定及估值主要依賴管理人員及專家的主觀判斷，因此我們投放了大量資源，建立一套扎實的藝術品鑑定及估值內部監控及風險管理系統，並成立一隊強勁的管理及專家團隊處理藝術品鑑定及估值工作。如藝術品的委託人是創作此藝術品的藝術家，則無須經本集團的內部藝術品鑑定小組鑑定，因為該等委託人能確認其作品的真偽。然而，內部藝術品鑑定小組會對該等藝術品的估值提供意見。本集團會根據內部藝術品鑑定小組的估值意見，與該等藝術家討論及協定其藝術品在拍賣會中的拍賣底價。



With regards to the confirmation of ownership and legality of the source, a series of due diligence on the background of the artworks will be. Assessment reports are produced by the appraisal team after examining the artworks and ascertaining the provenance of the artwork based on information from various sources collected. The internal artwork appraisal team will consider seeking advice and a second opinion from the external artwork appraisal consultants on the authentication and valuation of certain artworks proposed for auction in the event that (i) the internal artwork appraisal team does not have sufficient knowledge and experience on authenticating a particular artwork, or (ii) the internal artwork appraisal team is unable to form a conclusive conclusion on the valuation of the artwork. Under such circumstances, a meeting will be conducted among the internal artwork appraisal team and the external artwork appraisal consultants engaged for a particular artwork, during which, the external artwork appraisal consultants will provide comments and suggestions on the authentication on the particular artwork and advise on the reasonableness of the appraised value of the particular artwork. If there is a discrepancy on the authentication and valuation of such particular artwork between the internal artwork appraisal team and the external artwork appraisal consultants after a detailed discussion, such particular artwork will not be put for auction. Otherwise, the final valuation should be the valuation made by both parties and agreed and confirmed by the consignor in the signed auction consignment agreement with us for record and further procedure.

為確定擁有權及來源合法性，會進行一系列藝術品背景的盡職審查。評估報告由鑑定小組檢驗藝術品及根據從多個來源收集的資料確定藝術品的出處後編製。內部藝術品鑑定小組在下列情況下，會考慮尋求外部藝術品鑑定顧問的意見，作為對於建議進行拍賣的若干藝術品的真偽及估值的第二意見：(i)當內部藝術品鑑定小組沒有足夠知識及經驗鑑定個別藝術品；或(ii)當內部藝術品鑑定小組未能就藝術品的估值作出最終結論。在該等情況下，內部藝術品鑑定小組會與獲委聘的外部藝術品鑑定顧問就特定藝術品進行會談，由外部藝術品鑑定顧問就特定藝術品的真偽提供意見和建議，並就特定藝術品的評定價值的合理性提供意見。倘若內部藝術品鑑定小組與外部藝術品鑑定顧問進行詳盡會談後仍對該特定藝術品的真偽及估值存在分歧，該特定藝術品將不會進行拍賣。否則，最終估值應為雙方作出的估值，該數值並且須經由委託人與我們簽署訂立的拍賣委託協議協定和確認，以作記錄及進一步程序。



There is no specific industry standard on artwork authentication and valuation. In line with the industry practice, the authentication of the ownership and valuation on the price of artworks largely rely on, to a certain extent, the expertise, experience and judgment of the experts. The following recruitment criteria have been taken into account when determining the selection, engagement and the reliability of the artwork appraisal expertise: (i) years of experiences in the art industry, (ii) familiarity with a specific category of artwork, (iii) recognition in the relevant art industry, and (iv) academic and professional knowledge of artworks. To employ experts with, among other merits, high reputation and status in the industry, the Group may sometimes look into the associations such external experts belong to as a reference to determine their status in the industry.

The Group requests the consignor to provide documents to prove ownership, authenticity and value of the artwork and verify the authenticity and origin of the relevant artwork; making enquiry with the consignor or the seller and conduct available public searches of the consignor's or the seller's background when necessary; requesting the consignor or the seller to provide authentication or artist certificate or previous purchase record in auction or private transaction, if any; conducting public searches through the internet and from the public security and court record, including but not limited to the "Stolen (Lost) Cultural Relics Information Publishing Platform of China" to retrieve any record of artworks, if any. The Group's policy also requires the consignor or the seller to give representations and warranties to the ownership and legality of source, and such representations and warranties are set out as an express term in the auction consignment agreement or the sale agreement. The Group will not accept any artwork that we know is subject to title disputes or legal impediments.

藝術品鑑定及估值並無具體行業標準。按照行業慣例，藝術品的擁有權鑑定及價格估值大致在一定程度上依賴專家的專業知識、經驗及判斷。釐定藝術品鑑定專家的挑選、委聘及可靠程度時會計及以下委聘準則：(i)從事藝術行業的年資、(ii)對特定類別藝術品的熟悉程度、(iii)在相關藝術行業的名聲，以及(iv)對藝術品的學術及專業知識。要僱用業內具有高名望及地位等優點的專家，本集團有時會查看該等外部專家所屬的協會，作為釐定其業內地位的參考。

本集團要求委託人提供文件以證實藝術品的擁有權、真偽和價值，並會鑑定相關藝術品的真偽及來源；如有需要，向委託人或賣家進行查詢及對委託人或賣家背景進行可行的公開查冊；要求委託人或賣家提供藝術品的鑑定證明或藝術家證書或過往在拍賣活動或私人交易中的購買記錄(如有)；透過互聯網及公安和法庭記錄進行公開查冊，包括但不限於「中國被盜(丟失)文物信息發佈平台」，以獲取藝術品的任何記錄(如有)。本集團的政策亦要求委託人或賣家對藝術品的擁有權和來源合法性作出聲明和保證，並將其保證和聲明列入拍賣委託協議或銷售協議的明文條款中。本集團不會接受任何受制於擁有權爭議或法律障礙的藝術品。



The Group strives to prevent infringers from imitating and copying our intellectual properties by implementing necessary management guidelines in protecting our and third parties' intellectual property rights. During FY2019, the Group did not experience any litigation, arbitration, or investigation in relation to any infringement of our intellectual property rights by third parties nor our infringement of intellectual property rights owned by other parties, which caused material adverse effect to our operations, and we had complied with all applicable intellectual property laws and regulations in all material respects. Ongoing assessment of the management guidelines is conducted through top management reviews.

In addition, the Group is conscientious about securing communication and data protection, and the Group respects all individuals' legal rights to privacy. The employees are instructed to handle client information with due care and access to the client information only with good reasons. The Group collects and uses client information in a responsible and non-discriminatory manner, and has restricted the use of client information for the purposes that are only in consistent with those identified in engagement contracts. It is the Group's policy to comply with the requirements of the Personal Data Ordinance of Hong Kong and Act on the Protection of Personal Information of Japan. As the Group owns electronic artworks database and information on a large number of buyers and sellers, regular enhancements on the anti-virus protection system are proceeded by information technology personnel. Upon the marketing activities, digital catalogs are sent to potential buyers and existing clients by individual electronic email to avoid exposure of client information.

本集團透過就保護我們及第三方的知識產權實施必要的管理指引，致力防範侵犯者模仿及抄襲我們的知識產權。於二零一九財政年度，本集團並無經歷任何有關第三方侵犯我們的知識產權或我們侵犯他人擁有的知識產權的訴訟、仲裁或調查，並導致業務受到重大不利影響，且我們已於各個重大方面遵守所有適用知識產權法律及法規。我們透過高級管理層審閱持續評估管理指引。

此外，本集團尊重法例賦予每個人之私隱權，因此極其重視溝通及保障資料安全。本集團要求僱員小心處理客戶資料及僅於有合理理由時方可取得客戶資料。本集團以負責任及一視同仁方式收集及使用客戶資料，並限制客戶資料用作僅與委聘合約所識別者一致之用途。本集團之政策為遵守《香港個人資料條例》及《日本保障個人資料法》之規定。由於本集團擁有藝術品電子數據庫及大量買家及賣家的資料，因此資訊科技人員定期更新病毒防護系統。於進行營銷活動後，我們以個別電郵向潛在買家及現有客戶發出電子目錄，防止洩露客戶資料。



Aspect B7: Anti-corruption

The Group is committed to achieving and maintaining the highest standards of openness, probity and accountability. Employees at all levels are expected to conduct themselves with integrity, impartiality and honesty and to comply with the relevant legal norms and ethical standards. It is every employee's responsibility to ensure that any inappropriate behavior or organizational malpractice that compromises the interest of the shareholders, investors, customers and the public does not occur.

The Group requires new employee to sign an acknowledgment form as acknowledgement and understanding the employee handbook, the Group's policies and regulations, including but not limited to the terms of confidentiality, non-compete, anti-bribery and anti-corruption.

The Group adopts rotation of staff, assessment of employees against ethical or compliance standards as the anti-fraud measures in respect of employee. The Group has no tolerance to any corruption and set whistle-blowing policy to report any corruption. Whistle-blowers can report verbally or in writing to the department or the senior management of the Group with regards to any suspected misconduct with full details and supporting evidence.

The Group performs regular screening and monitoring process after each auction event and conducts investigation on situations indicating potential money-laundering activities where,

- The number of successful deals between same buyer and seller is more than three times;
- The transactions are always made only between certain sellers and buyers, or between a few sellers and buyers;
- Cumulative transactions over HK\$10 million or JPY140 million in an auction event; or
- Any other suspicious transaction indicators.

層面 B7：反貪污

本集團致力在公開、廉潔及問責性方面達致及維持最高標準。我們要求各個層級的僱員均以具誠信、公正及誠實方式行事並遵守相關法律規範及道德標準。每一名僱員均須確保不會發生損害股東、投資者、客戶以至廣大公眾利益之任何不當或有組織瀆職行為。

本集團規定新僱員簽署確認表格，作為確認及了解僱員手冊、本集團的政策及規章，包括但不限於保密、不競爭、防賄及防貪條款。

本集團採納員工輪替、對僱員進行道德或合規標準評估以及道德培訓作為僱員的反欺詐措施。本集團絕不容忍任何貪污行為，並已實施舉報政策，舉報人可以口頭或書面向本集團的部門或高級管理層報告任何懷疑的不當行為的詳情及證據。

本集團會在每次拍賣活動後執行定期篩查及監察程序，並在以下顯示可能有洗錢活動發生的情況下進行調查：

- 同一買家與賣家之間的成功交易次數超過三次；
- 有關交易只在特定賣家與買家之間或在少數賣家與買家之間進行；
- 在一項拍賣活動中的累計交易超過10百萬港元或140百萬日圓；或
- 有任何其他可疑的交易指標。



Once identified, any suspicious transactions of the respective seller or buyer will be suspended and the business relationship with such buyer or seller may be terminated subject to result of the investigation. During the Reporting Period, no litigations regarding bribery have been instituted against the Group and the staff.

Aspect B8: Community Investment

Despite the challenging market and economic conditions, the Group is committed to contributing to socio-economic development, community well-being and sustainability. From time to time, the Group holds art exhibitions for artworks of specific categories or artists to facilitate art appreciation. Artworks exhibitions act as a platform to pass on the commercial, historical and cultural values of a variety of Chinese artworks to the public. During FY2019, the Group also participated and co-organized the major artwork exhibitions with other organizations and museums (i.e. "Gao Mai — Collections of Painting in Ming Dynasty by Collectors" in April). Furthermore, the Group hosted tea ceremonies named "One Encounter, One Chance — The Art of Tea Ceremony" to promote the culture and history of tea wares and the public may appreciate the beauty to tea wares while learning the history and knowledge of tea culture.

As a responsible organisation, local donation is indispensable. Throughout the Reporting period, the Group made a donation of HK\$1,000,000 to the Community Chest of Hong Kong and HK\$500,000 to Adream Charitable Foundation for continuous support of services for the grassroots and the underprivileged. The Group also encourages employees to participate charitable events and inspire others to take part in serving the community.

11. CORPORATE GOVERNANCE

All management level has the responsibilities to maintain good corporate governance practices. Meetings are held regularly and once the management or the staffs notice any improvement on the corporate practices, the relevant operating practices will be reviewed.

一旦被識別，相關賣家或買家的任何可疑交易將會中止，而根據調查結果，可能終止與該買家或賣家的業務關係。於報告期內，概無對本集團及員工提起的賄賂訴訟。

層面 B8：社區投資

儘管市場和經濟狀況面臨重重挑戰，但本集團竭力向社會經濟發展、社區福祉及可持續性作出貢獻。本集團不時為特定類別藝術品或藝術家舉辦藝術品展覽，帶出對藝術的欣賞。藝術品展覽可作為向公眾傳達不同中國藝術品的商業、歷史及文化價值的平台。於二零一九財政年度，本集團亦參與及與其他組織及博物館合辦主要藝術品展覽（即四月份的高邁 — 明代書畫名家收藏展）。此外，本集團主辦名為「一期一會聽茶聞香」的茶聚以推廣茶具的文化和歷史，藉以讓公眾欣賞茶具之美，同時學習茶道的歷史及知識。

作為負責任的組織，作出本地捐款並不可或缺。於整個報告期間，本集團分別向香港公益金及上海真愛夢想公益基金會捐款1,000,000港元及500,000港元，持續支持為基層及弱勢社群提供的服務。本集團亦鼓勵僱員參與慈善活動，啟發其他人參與服務社區。

11. 企業管治

所有管理層層級均有責任維持良好的企業管治慣例。管理層會定期舉行會議，一旦管理層或員工發現任何有關企業慣例的改進之處，將會檢討相關經營慣例。



12. SUSTAINABILITY

The Group understands the importance of achieving economic, environmental and social sustainability for the long term success of the business. The sustainability guidelines lay out the principles and actions for managing and performing ethically and sustainably, throughout the operational flow. The Group will continue to deliver safe and quality services served by the enthusiastic team members, without endangering the environment. The Group will also continue to provide hearty service to the customers and contribute back to the community.

12. 可持續發展

本集團深知實現經濟、環境及社會可持續發展對業務長久成功至為重要。本集團之可持續發展指引闡述以符合道德規範及具有可持續性之方式管理及經營其營運流程之原則及舉措。在不危及環境之前提下，本集團將繼續提供由其專心致志的團隊成員供應之安全及優質服務。本集團亦將繼續向客戶提供貼心服務及回饋社區。



