



*(Incorporated in Bermuda with limited liability)*

Stock Code: 1051

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2016





## About this Report

G-Resources Group Limited (the “Company” and, together with its subsidiaries, the “Group”) reaffirms its commitment towards sustainability with the publication of its first Environmental, Social and Governance (“ESG”) Report 2016. This report is prepared in compliance with the ESG Reporting Guide set out in Appendix 27 to the Rules Governing the Listing of Securities (“Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

### Reporting Period and Scope

Supplementing our 2016 annual report, this report discloses performance and progress on ESG issues from 1 January to 31 December 2016 (the “Year”). The scope of this report covers G-Resources Group Limited and all of its subsidiaries. The information stated in this report was obtained from the Company’s financial report and official documents.

The purpose of this report is to present the performance of the Company’s relevant environmental and social aspects in 2016 for a better communication with stakeholders of the Company. The Board acknowledges its responsibility for ensuring the integrity of the ESG Report and to the best of its knowledge this report addresses all material issues and fairly presents the ESG performance of the Company and its impacts. The Board confirms that it has reviewed and approved this report.

### Feedback

The Company considers sustainability as a direction for its long-term development. We would highly appreciate any comments on improving the content and delivery of the information provided in this report.

This report is published in two versions, namely, Traditional Chinese and English. The electronic format is released on both Stock Exchange’s and the Company’s website.

## CONTACTS



Address: Room 1801, 18/F, AXA Centre, No. 151 Gloucester Road, Wanchai, Hong Kong



Telephone: (852) 2283 8200      Fax: (852) 2283 8210

Email: [information@g-resources.com](mailto:information@g-resources.com)

Website: [www.g-resources.com](http://www.g-resources.com)



## Sustainability Approach

As a Company that engages in operations of four major sectors, namely, principal investment business, financial services business, money lending business and real property business, our operations are predominately office-based. Thus, our environmental impact is minor compared to that of many other industries. Nevertheless, the Company conducts its business with respect and consideration for the environment. While the ultimate responsibility for our environmental performance rests with our Acting CEO and Board. Our management teams have responsibility for the day-to-day management of aspects relating to ESG.






We are committed to minimising the impact that running our business has on the environment and we encourage our stakeholders to do the same. During the Year, we have complied with all applicable laws and regulations to act in a socially responsible manner. Providing a safe and healthy workplace for our employees, the Company places great importance to our human resources management. Last but not least, we believe that communication is vital to building long-lasting relationships with our stakeholders. Though we do not maintain a wide range of suppliers, we maintain regular and transparent communication with stakeholders on all ESG related issues of our business.

We appreciate for the backing from our stakeholder groups including investors, regulators, employees, customers, suppliers, etc., in 2016. Looking ahead, the Company will remain cautious in measuring and managing our environmental and social aspects, striving for a sustainable business.



# Stakeholder Engagement

The Company has been engaging stakeholders in understanding and caring for their needs through various channels. By optimizing our communication strategies and responding to their issues by taking concrete actions, we are striving to improve our engagement with different stakeholder groups. Below are the communications channels and the topics that stakeholders are concerned about.

Stakeholders	Issues	Engagement Channels
 <b>Investors and shareholders</b>	<ul style="list-style-type: none"> <li>* Corporate governance</li> <li>* Operational risk</li> <li>* Business operation</li> <li>* Disclosure</li> </ul>	<ul style="list-style-type: none"> <li>* Investor conferences and roadshows</li> <li>* Annual general meeting</li> <li>* Financial reports and press release</li> <li>* ESG report</li> </ul>
 <b>Employees</b>	<ul style="list-style-type: none"> <li>* Training and development</li> <li>* Remuneration</li> <li>* Occupational health and safety</li> </ul>	<ul style="list-style-type: none"> <li>* Whistleblowing policy</li> <li>* Feedback of training workshops</li> <li>* Remuneration policies</li> </ul>
 <b>The Government</b>	<ul style="list-style-type: none"> <li>* Taxation compliance</li> <li>* Employment protection</li> <li>* Business ethics</li> </ul>	<ul style="list-style-type: none"> <li>* Compliance with laws and regulations</li> <li>* Active response to government policy</li> <li>* Ongoing communication with relevant government department</li> </ul>
 <b>Customers</b>	<ul style="list-style-type: none"> <li>* Data privacy</li> </ul>	<ul style="list-style-type: none"> <li>* Websites of the Company</li> <li>* Feedback from front-line employees</li> </ul>
 <b>Community</b>	<ul style="list-style-type: none"> <li>* Helping people in need and poverty relief</li> </ul>	<ul style="list-style-type: none"> <li>* Support charity organization in the relevant field</li> </ul>



## Lawful Operations

The Company conducts all business in accordance with the legal and regulatory frameworks and provisions of all applicable laws. The Board has reviewed the Company's corporate governance practices and confirmed that they met all the Code Provisions of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules for the Year except some deviations which have explained in the 2016 annual report.

The Company is considerate to the local community where our business locates, hoping to create positive impacts to the society. We promoted community involvement to improve cultural and social development, encouraged and supported our employees in volunteering and community work, propelling culture diversity and values of the community.

### *Anti-corruption*

All employees are strictly required to follow internal and external codes of conduct, demanding them to take the right action, behave with integrity and honesty, treat people fairly, respect diversity, obey all laws, accept accountability, communicate openly, and always behave in a way that is beyond reproach. The Audit Committee of the Company has adopted a whistleblowing policy to encourage employees, customers, suppliers, and other stakeholders to raise concerns under confidentiality, about misconduct, malpractice or irregularities in any matters related to the Company. The whistleblowing policy is posted on the website of the Company and is also available from the Company Secretary on request.

If there was sufficient evidence to suggest that a case of possible criminal offence or corruption exists, the matter would be reported to Independent Commission Against Corruption. Employees and third parties have duty to report corruption to the authorities if required to do so by local regulations. In 2016, there were no reported cases of bribery.



## Customer Comes First

As a responsible financial services firm, the Company has established a comprehensive emergency plan to avoid any loss suffered by clients due to system failures or delays in transactions. Emergency drills are arranged regularly for relevant departments to ensure that if system errors occur, proper measures are taken to reduce any potential client losses to a minimum.

Should clients lodge complaints about losses incurred, the Company will immediately assign special investigation personnel and invite the compliance department to follow-up on such cases. They will identify the problem through the internal investigation including procedures such as check recordings, transaction records and status of the online transaction platform, etc. Findings will be delivered with the least possible delay to those clients being affected. Management will also review complaints, discuss subsequent remedies, and improve internal control and management system or facilities, where necessary, to avoid any recurrence of such issues.

### *Protecting Data Privacy*

Data privacy has become critical issue for financial services industry and the Company aims to be at the forefront of emerging good practices. In relation to our Money Lending Business, the Group pays close attention to the confidentiality of personal data and the privacy of our clients. We have a lot of interaction with our customers on a daily basis, dealing with enormous amount of customer's and potential customer's information during the assessment process of the creditability and recoverability of each loan applicant. It is important that we handle their data with care.

The Company is committed to abide by the data privacy law, namely Personal Data (Privacy) Ordinance (Cap. 486) in Hong Kong. We have developed detailed operations and services codes of conduct to protect client privacy. In this regard, the Company arranges relevant training courses for employees, and requires staff to fully abide by the guidance on handling client data, prohibiting any unauthorized accessing, copying, dissemination or disclosure of confidential information, including client identity and transaction records, to mitigate the risk of leakage of client data.



## Safe and Healthy Workplace

The Company believes that its employees are the driving force for the business. In 2016, we have strictly complied with the Employment Ordinance and relevant legislations in Hong Kong and did not employ any child labour or forced labour.

The Company has provided mandatory provident fund to employees. Other benefits such as paid sick leave, maternity leave, paternity leaves, marriage leave and compassionate leave, etc., are also provided to our employees. The management of the Company regularly reviews its internal management system, and revises its remuneration and welfare policies according to changes in labour laws.

We continue to enhance our human capital management strategy that offers employees opportunities for career advancement, appropriate incentives for good performance, and a fulfilling work environment contributing to employee satisfaction. We believe that lower absentee rates contribute to enhanced productivity, whilst lower employee turnover leads to minimizing recruitment and training cost.

To maintain the physical and mental balance of the employees, computerized attendance systems are put in place to effectively manage the working hours and resting dates of the employees. Any necessary arrangements of overtime must be agreed by the employees voluntarily. If employees have to work overtime, we will accordingly cover their expenditure on dinner and taxi, so as to make their extra hours as comfortable as possible.



## *Equal Employment Opportunities*

The Company is committed to creating an anti-discrimination and anti-harassment working environment for our employees. We strictly comply with the applicable labour protection legislations and other relevant regulations to make equal employment opportunities accessible for applicants and employees, regardless of any kind of discrimination on ages, races, religions, disability, genders, sexual orientation, marital status, social classes, or political backgrounds. All allegations of discrimination and harassment would be investigated and, if appropriate, disciplinary actions would be taken. Anti-discrimination is also an integral part of our recruitment, promotion and dismissal practices and procedures. None of our recruitment advertisements contains requirements relevant to any kind of discrimination.

## *Staff Training and Development*

To improve the personal growth of our staffs and to lay a foundation for the Company's sustainable development, we actively encourage our employees to take relevant courses organized by professional institutes in Hong Kong, including Hong Kong Securities and Investment Institute, Hong Kong Institute of Certified Public Accountants, the Hong Kong Institute of Chartered Secretaries and the Hong Kong Institute of Directors, etc. Those courses are expected to improve our employees' professional knowledge, skills, techniques and competitive advantages, so as to broaden horizons of our employees.

To promote self-improvement, the Company provides cash subsidies or similar incentives to qualified employees, and encourages staff of all levels to take initiative in acquiring job-related knowledge and thus fully realize their potential. We regularly invite various professional bodies and suppliers to deliver professional training to keep employees updated regarding relevant laws and regulations and new industry developments.

By putting in place a rigorous performance assessment and promotion system, we aim to assist employees to achieve their career goals. Our management reviews the overall performance of subordinates annually, and offers rewards to employees who meet the targets. All recruitment, remuneration, training, and promotion mechanisms are carried out impartially, and individuals are assessed solely on the basis of professional experience or work performance.





## *Occupational Health and Safety*

The Company values the health and well-being of its employees, providing tailor-made insurance plans to protect the employees' livelihood and reduce their burden of medical expenses. The Group review its workplace environments and safety policies regularly to make sure that daily operations are fully compliant with all applicable rules. All cases of injury or accidents are required to be reported to the Company and be individually assessed under the internal guideline procedures. No work-related injuries or accidents were reported during the Year.

The Company designs and plans office layouts based on ergonomics and relevant safety provisions, making sure that fire escapes are not blocked. Regular checks are also conducted to ensure that fire-fighting equipment meets all fire safety standards. To maintain a safe and comfortable working environment, professional cleaning companies are appointed for cleaning and sanitizing office areas and equipment regularly. Ventilation is in place with air conditioning which helps maintain a thermally comfortable work environment and removes or dilutes airborne contaminants for our employees.



## Promote Environmental Awareness

The Group has been striving to minimize the consumption of natural resources and the generation of waste. There were no direct air and greenhouse gas emissions from our operation. The sole energy consumption was purchased electricity. In 2016, the Company strictly complied with environmental laws and regulations in Hong Kong.

Through implementing green office initiatives in our daily operations, the Company aims to reduce waste and conserve electricity. In order to raise employees' awareness on environmental protection in workplace, visual reminders like stickers and posters are also placed in office as kind reminders.

Recycling and waste management are strongly encouraged in the Company. For instance, the used envelopes are reused as internal filling. Default double-side printing are set on each photocopier and printer. Paper recycling bins are put next to each photocopier and printer to facilitate recycling as well. The Company also digitalizes materials and documents instead of using hard copies. For old printers, we trade them in together with the unused toner cartridges to the vendor to avoid wastage.

The Company has been adopting different approaches to minimize office power consumption. For example, all air conditioners are set to operate within 25 to 27 degrees to ensure employees are working in a comfortable and also environmentally-friendly environment. Energy consumption is further cut by disabling screen savers and turning down the brightness setting on the computer monitors. We also choose to purchase energy-saving printers with international Energy Star label in our operational offices. To conserve energy and electricity, electrical devices are switched off when they are not in use.

We encourage our staff to minimize pollution by promoting greener transportation options. When making a business decision, we aim to consider the environmental impact it might bring. Moreover, we educate our staff at all levels to act in an environmentally responsible manner and provide training where necessary. Feedbacks were collected from staff on improvements and we would review our policy by taking these into consideration.