

EDICO Holdings Limited
鉅京控股有限公司*

(Incorporated in the Cayman Islands with limited liability 於開曼群島註冊成立之有限公司)
Stock code 股份代號: 8450



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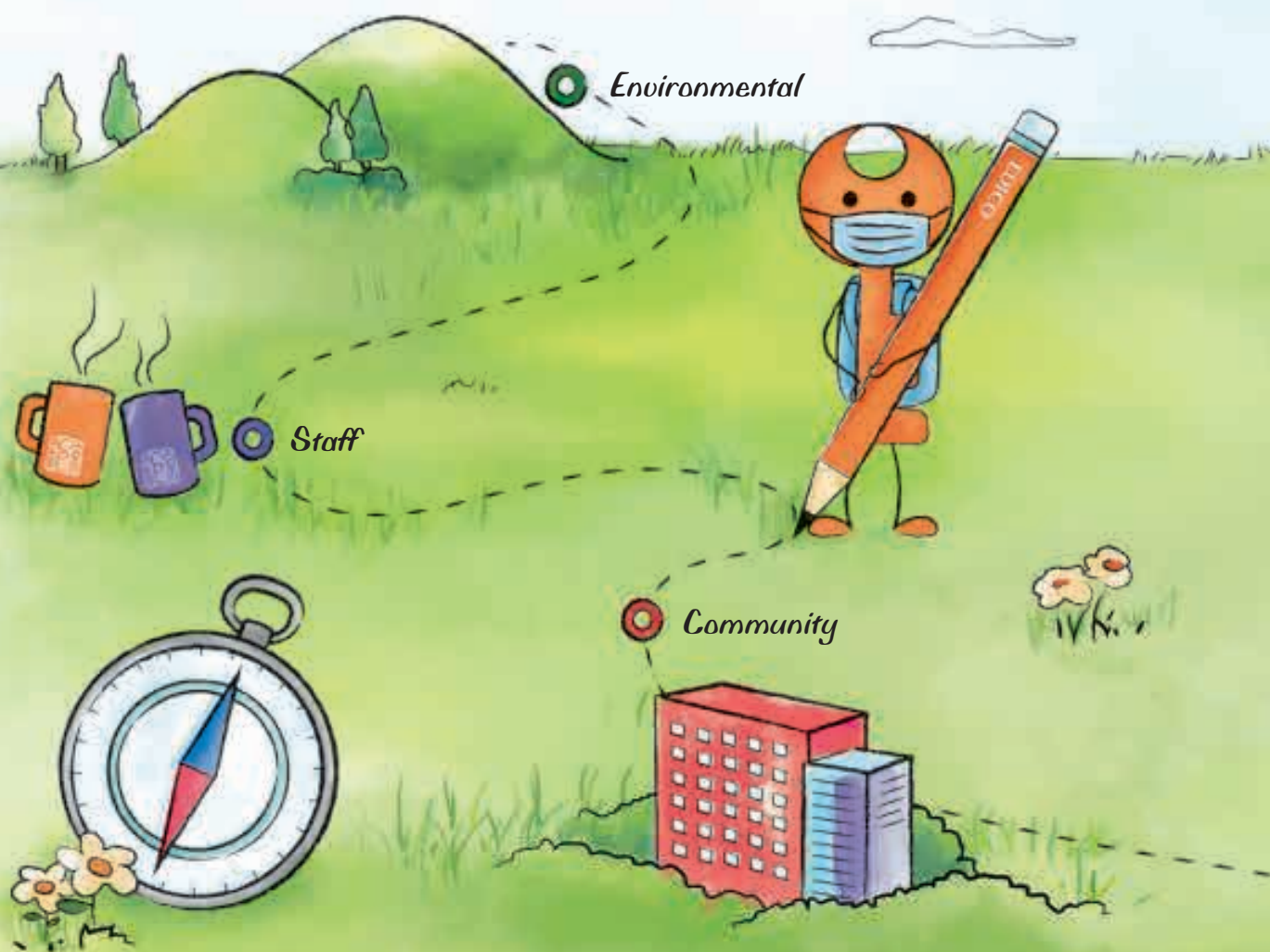
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OVERVIEW

EDICO Holdings Limited and its subsidiaries (collectively, the “Group”, the “Company”, “EDICO” or “we”) is a leading premium financial printing services provider in Hong Kong. We offer a diverse range of high-quality integrated services including typesetting, proofreading, translation, design, printing, binding, distribution, and media placement.

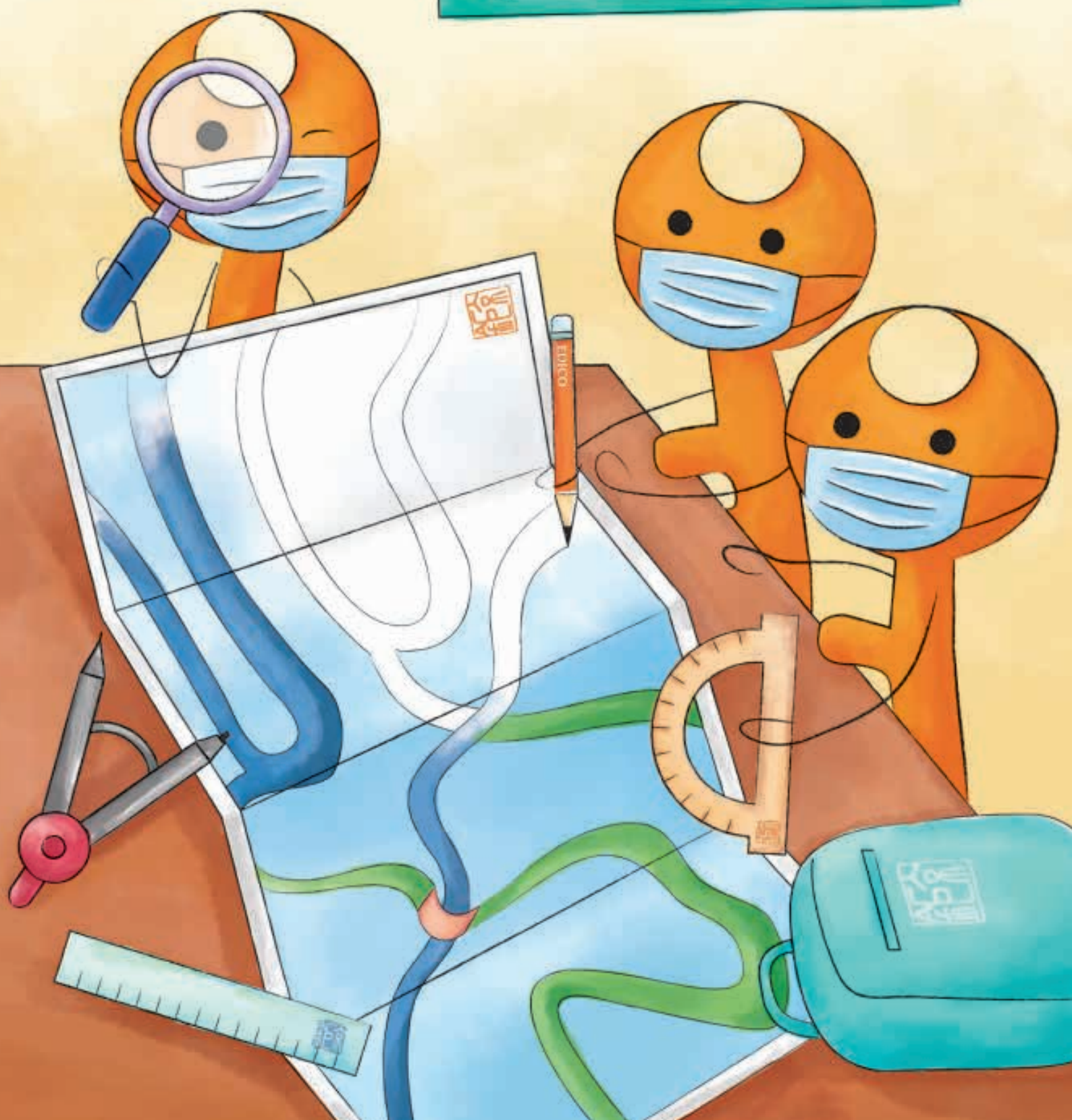
The financial year ended on 30th September 2020 (“FY2019/2020”) was an extremely challenging year for the Group’s operations amid COVID-19 pandemic. Nonetheless we devoted serious and sustained effort in environmental protection and the fulfilment of our social responsibilities. With a strong commitment to be an eco-friendly and sustainable company, EDICO never stops in exploring new ways to enhance our operating procedures in order to protect our environment for sustainable development. We are pleased to present this Environmental, Social and Governance (“ESG”) Report for FY2019/2020 to demonstrate our approach and performance in terms of ESG management and corporate sustainability development.



ABOUT THIS REPORT

This ESG Report covers the operational boundaries of the Group's two working offices in Hong Kong for the period from 1st October 2019 to 30th September 2020 (the "Reporting Period") and has been prepared in strict compliance with the requirement under Appendix 20 — Environmental, Social and Governance Reporting Guide ("ESG Guide") of Rules Governing the Listing of Securities on the Growth Enterprise Market ("GEM") of the Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Alongside with the reporting principles of the ESG Guide, general disclosure of the Group's ESG procedures was illustrated through the compliance with relevant laws and regulations. Key Performance Indicators ("KPIs") that need to be revealed compulsorily as required by the ESG Guide were all addressed in the Environmental Sustainability and Staff Sustainability sections of the report. In addition, with the aim of complying those international sustainability measures, EDICO also adopted multiple sections of the globally-accepted Sustainable Development Goals ("SDGs"). We value the alignment of our operations with the SDGs, which were elaborated in terms of what SDGs are and how they relate to our daily operations. Both English and Chinese versions of this report are available on EDICO's website at www.edicoholdings.com.hk. If there is any conflict or inconsistency, the English version shall prevail. For corporate governance section, please refer to the Group's 2019/2020 Annual Report on pages 38–55 therein.

BOARD INCLUSIVENESS



BOARD INCLUSIVENESS

At EDICO, the Board of Directors (the “Board”) is principally responsible for overseeing and the accountability of the Group’s ESG strategy and reporting, with the assistance of the Sustainability Committee. The Board integrates the Group’s ESG goals into businesses, identifies and manages the Company’s ESG risks. Following the ESG goals set by the Board, the Sustainability Committee assists the Board in assessing, evaluating and reporting ESG performance, and reports to the Board regularly on sustainability issues. Our Sustainability Committee is chaired by the Chief Executive Officer and comprised of Chief Operating Officer, Chief Financial Officer and senior management of the Company.

During the Reporting Period, the Sustainability Committee conducted regular meetings to review the Group’s material ESG issues of different aspects at both strategic and operational levels. In order to achieve better ESG performance, the Sustainability Committee evaluated and employed various strategies promoting higher energy efficiency and lower emission. The Group has also engaged an independent ESG consultant to facilitate our ESG data collection and consolidation, as well as to provide strategic advices on its future ESG development.



CEO'S MESSAGE



CEO'S MESSAGE

Dear Stakeholders,

I am delighted to present EDICO's ESG Report for FY2019/2020. This financial year was a challenging but encouraging year for EDICO on the sustainability front. Whilst we have to deliver our premium financial printing services uninterruptedly and maintain our offices fully operational amid COVID-19 pandemic, we are also obliged to ensure the health and safety of our staff, customers, business partners and the communities. We remain committed to strive for excellence in every ESG aspect and achieved respectful results in the year such as reducing emissions and wastes.

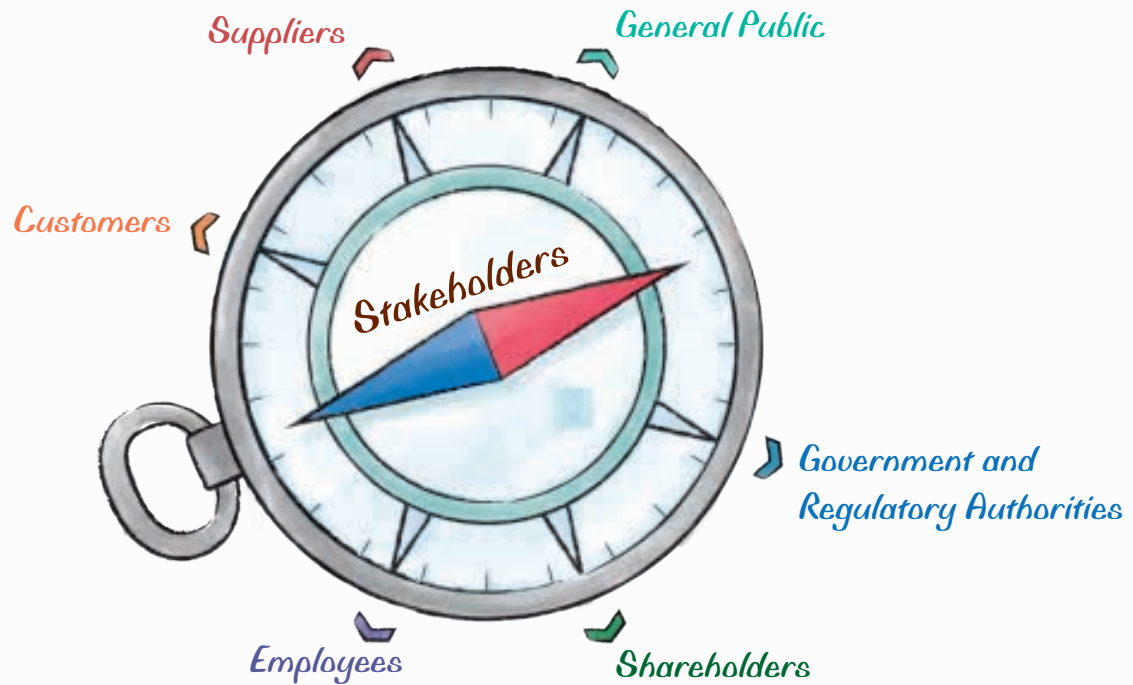
Sustainability is a continuous journey. Looking ahead, EDICO will devote relentless effort to expand our ESG horizons and ensure that all the sustainability initiatives will be timely implemented to deliver real value to our customers, stakeholders and the communities that we serve. Finally, I wish to thank my fellow directors, our staff and our stakeholders for their incessant effort in implementing the Company's sustainability initiatives during the year.

DONATI CHAN YI MEI AMY

Chief Executive Officer and Executive Director
Hong Kong, 23rd March 2021



STAKEHOLDERS' ENGAGEMENT



STAKEHOLDERS' ENGAGEMENT

Stakeholders refer to the groups and individuals materially influencing or being influenced by the Group's business. The Group's stakeholders include government and regulatory authorities, shareholders, employees, customers, suppliers and general public. We strongly believe that an effective communication with our stakeholders is essential to create long-term value to our stakeholders and to help the Group better understanding the ESG topics which are material to our stakeholders. Thus we utilized various channels including regular reports, meetings, face-to-face interviews, trainings, on-site visits, company website and etc., to communicate with our stakeholders.

In 2019, we underwent an extensive materiality assessment to identify the key sustainability issues relevant to our stakeholders. The Group invited internal and external stakeholders to participate in a materiality assessment survey to identify their main concerns and interests for the ESG Report. The survey was conducted by an independent ESG consultant to assure the accuracy and independency. Stakeholders expressed their concerns on a list of sustainability issues through a questionnaire that identify the key ESG issues influencing the Group's business operations. Through this science-based materiality assessment, we formulated a materiality assessment matrix which shows our stakeholders' concerns on ESG issues. It helps the Group to identify and prioritize its sustainability issues, and to develop actions for effective ESG management. Meanwhile, it allows the disclosure of this ESG Report in line with stakeholders' expectations.

The four-step approach for communicating with stakeholders regarding sustainability issues.

Step 1: Identifying sustainability issues that are relevant to EDICO's operations and stakeholders

Step 2: Collecting stakeholders' feedback through various communication channels on EDICO's sustainability performance

Step 3: Reviewing, assessing and addressing feedback from stakeholders

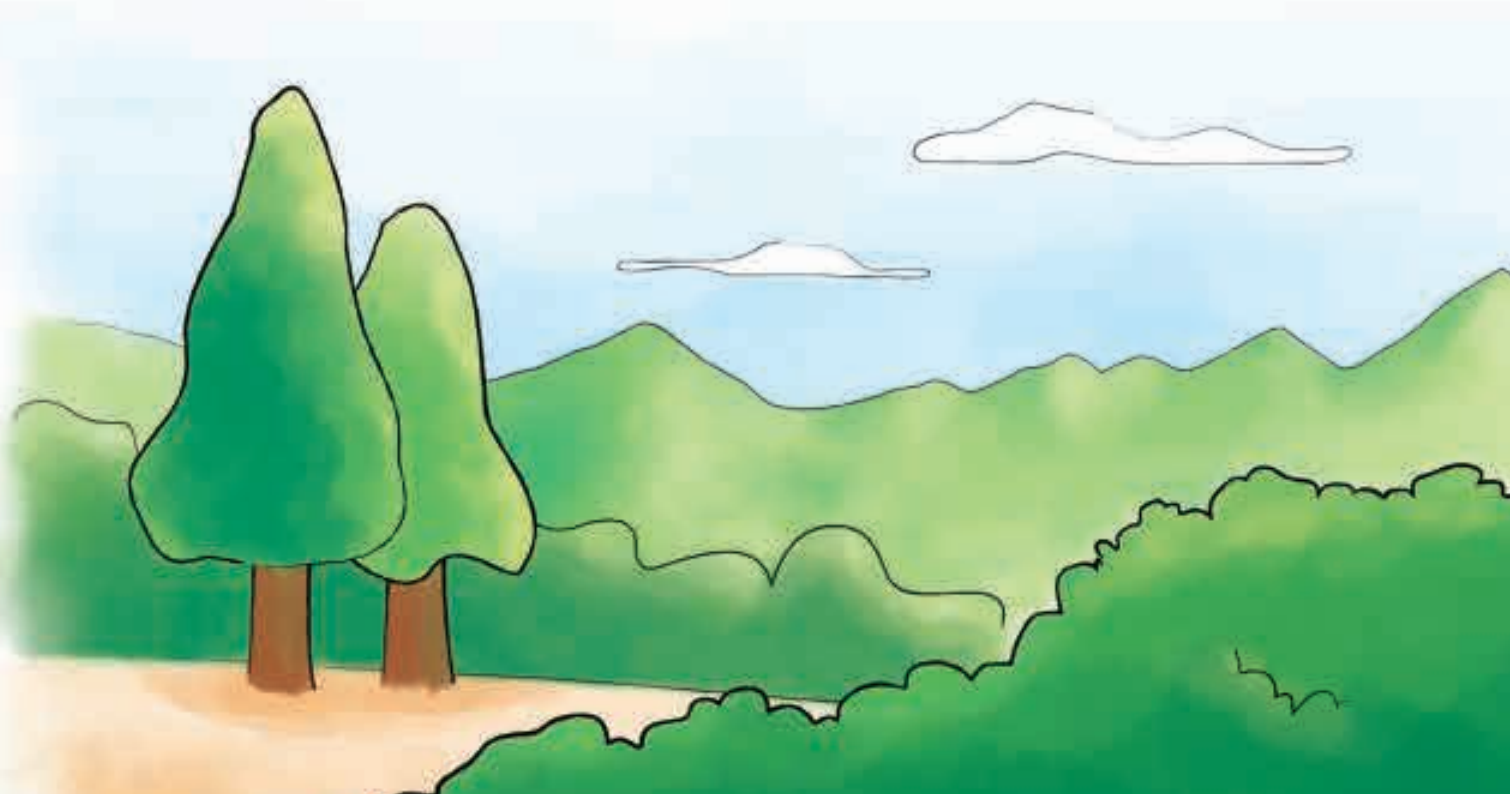
Step 4: Responding to stakeholders' sustainability concerns



STAKEHOLDERS' ENGAGEMENT

TABLE 1: STAKEHOLDERS' EXPECTATIONS AND COMMUNICATION CHANNELS

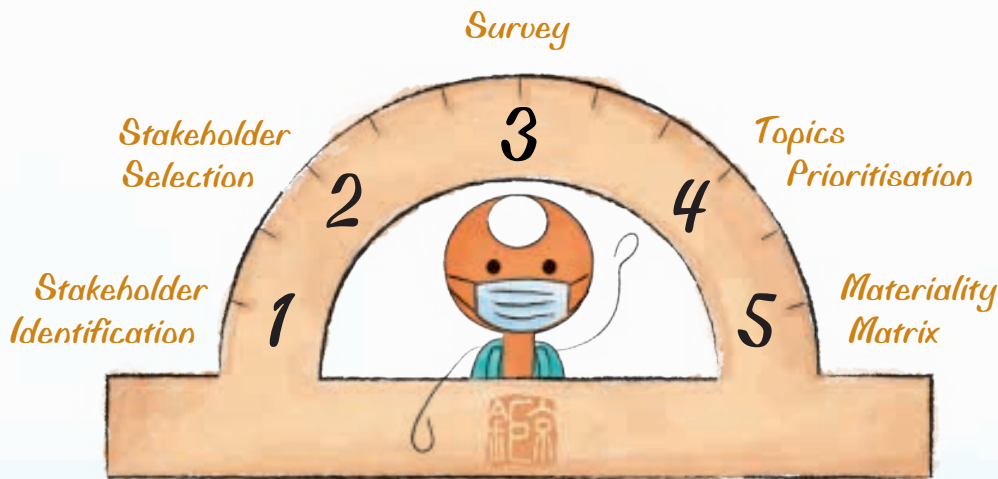
Stakeholders	Expectations and Concerns	Communication Channels
Government and Regulatory Authorities	<ul style="list-style-type: none"> Compliance with laws and regulations Business sustainability 	<ul style="list-style-type: none"> Supervision on complying with local laws and regulations Routine reports
Shareholders	<ul style="list-style-type: none"> Return on investments Corporate governance Compliance with local customs and business norms 	<ul style="list-style-type: none"> Regular reports and announcements Regular general meetings Official company website
Employees	<ul style="list-style-type: none"> Employees' compensation and benefits Career development Healthy and safe working environment 	<ul style="list-style-type: none"> Performance reviews Regular meetings and trainings Emails, notice boards, hotline
Customers	<ul style="list-style-type: none"> High quality products and services Protect customers' rights 	<ul style="list-style-type: none"> Face-to-face meetings and on-site visits Customer service hotline and email
Suppliers	<ul style="list-style-type: none"> Fair and open procurement Win-win cooperation 	<ul style="list-style-type: none"> Open tendering Purchase reviews Face-to-face meetings and on-site visits
General Public	<ul style="list-style-type: none"> Involvement in communities Compliance with local customs and business norms Environmental protection awareness 	<ul style="list-style-type: none"> Media conferences and responses to enquiries Public welfare activities Regular reports and announcements Official company website



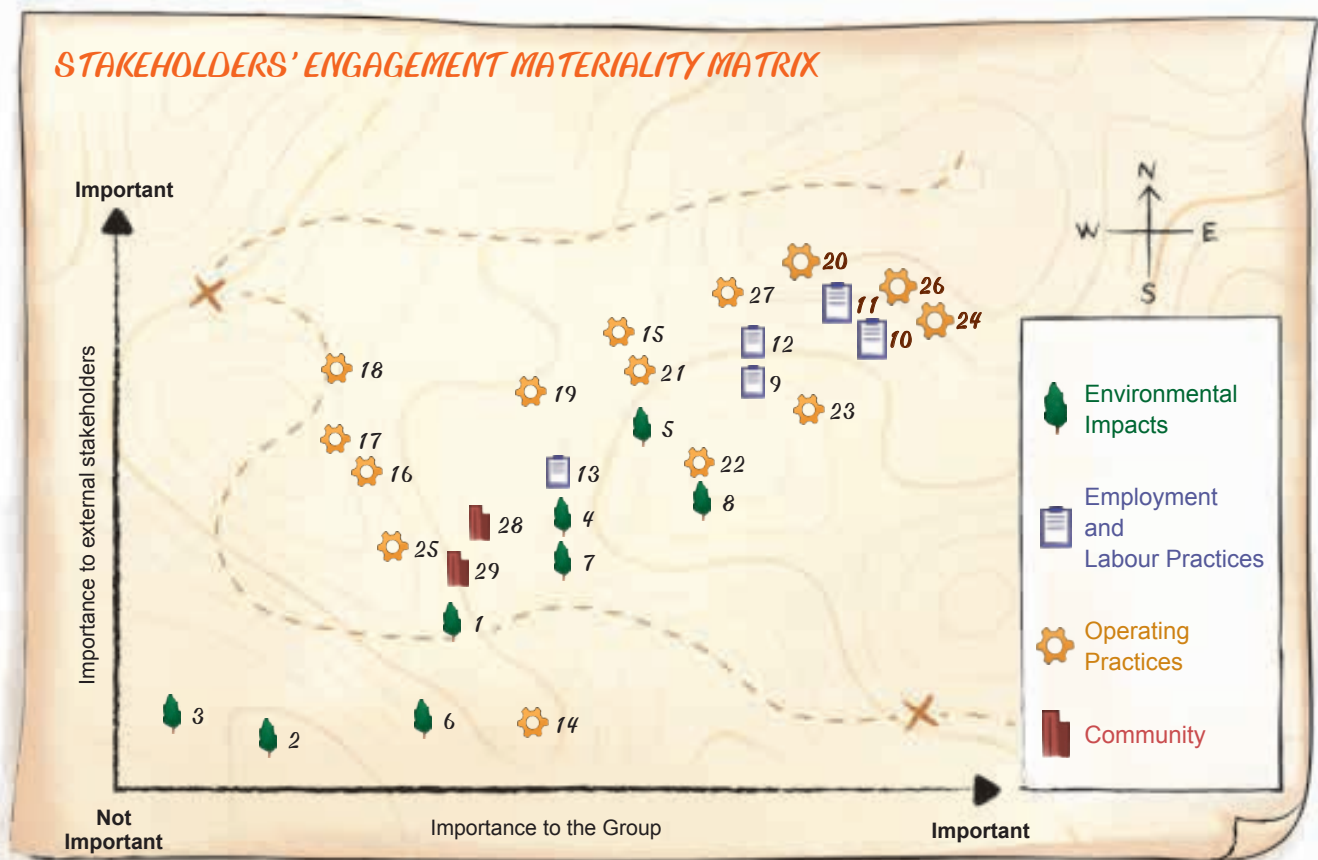
STAKEHOLDERS' ENGAGEMENT

MATERIALITY ASSESSMENT

ESG risks for each company is unique and highly depend on its specific business model. At EDICO, we regularly review our stakeholders' main concerns and material interests for the ESG Report. Internal and external stakeholders including customers, suppliers, business partners, board members and employees from various business units of the Group were chosen and assessed based on their respective influence and dependence on the Group. Stakeholders regarded to be with high levels of influence and dependence on the Group were selected and then invited to express their concerns on a list of sustainability issues via an online survey that was designed by the independent ESG consultant. Then the Group formulated a materiality assessment matrix below, which could genuinely reflect the real concerns of its stakeholders on ESG matters and facilitate the Group to develop actions plans for more effective ESG management. This review and assessment helped the Group to objectively prioritize its sustainability issues and to precisely identify the material and relevant aspects, and made for the disclosure of its ESG performance so as to align them with stakeholders' expectations.



STAKEHOLDERS' ENGAGEMENT



- 1 Air and greenhouse gas emissions
- 2 Sewage treatment
- 3 Land use, pollution and restoration
- 4 Solid waste treatment
- 5 Energy use
- 6 Water use
- 7 Use of raw/packaging materials
- 8 Mitigation measures to protect natural resources

- 9 Composition of employees
- 10 **Employee remuneration and benefits**
- 11 **Occupational health and safety**
- 12 Employee development and training
- 13 Prevention of child and forced labour

- 14 Suppliers by geographical region
- 15 Selection of suppliers and assessment of their products/services

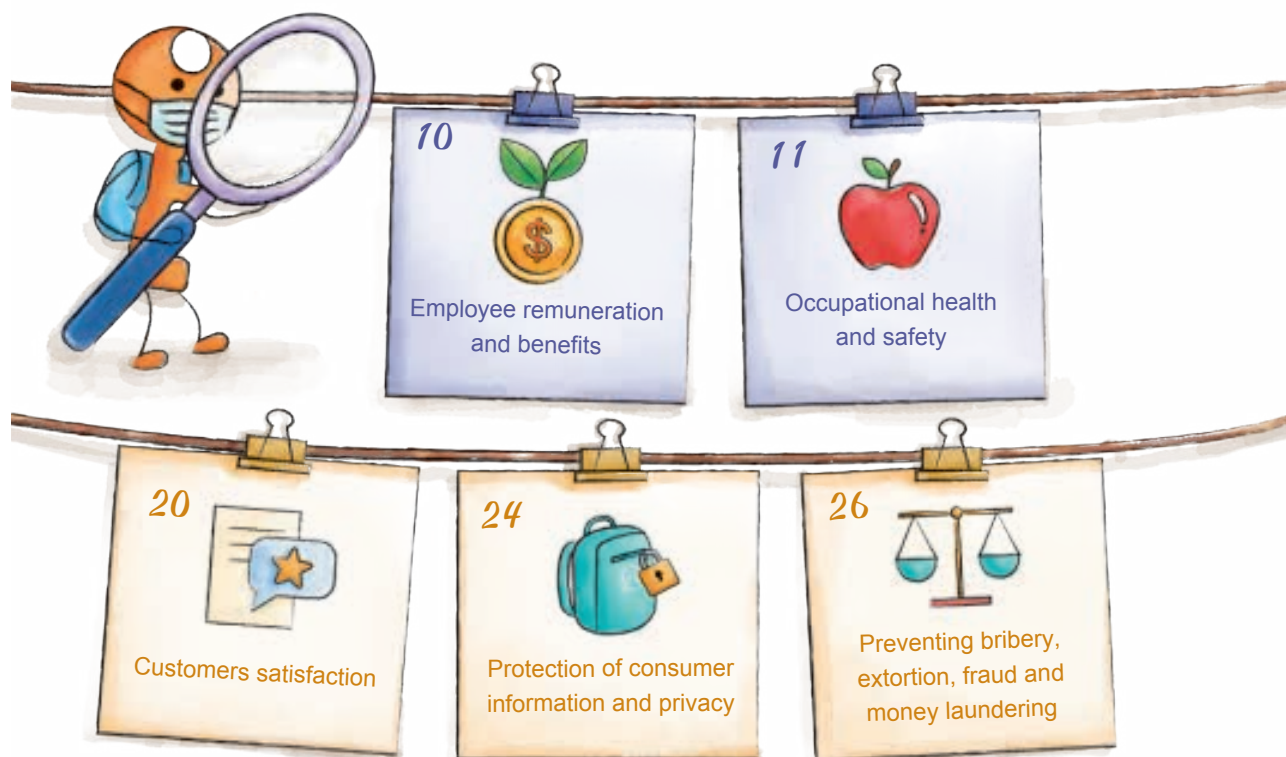
- 16 Environmental assessment of the suppliers
- 17 Social risks assessment of the suppliers
- 18 Procurement practices
- 19 Health and safety relating to products/services
- 20 **Customers satisfaction**
- 21 Marketing and promotion
- 22 Protection of intellectual property rights
- 23 Product quality assurance and recall percentage
- 24 **Protection of consumer information and privacy**
- 25 Labelling relating to products/services
- 26 **Preventing bribery, extortion, fraud and money laundering**
- 27 Anti-corruption policies and whistle-blowing procedure

- 28 Understanding local communities' needs
- 29 Public welfare and charity

Source: the 29 topics mentioned above were derived and summarised from the environmental and social aspects required by the ESG Guide to be disclosed.

STAKEHOLDERS' ENGAGEMENT

The materiality analysis matrix shows that the most material five ESG issues for the Group were:



According to the outcome of the materiality analysis matrix, the Group identified five ESG issues that were of great significance to both the Group and its stakeholders from the inventory of 29 sustainability topics, namely “26. Preventing bribery, extortion, fraud and money laundering”, “24. Protection of consumer information and privacy”, “20. Customers satisfaction”, “11. Occupational health and safety” and “10. Employee remuneration and benefits”. This review and assessment helped the Group to objectively prioritise its sustainability issues and to precisely identify the material and relevant aspects, and made for the purposeful documentation and disclosure of its ESG performance so as to align them with stakeholders’ expectations.

STAKEHOLDERS' FEEDBACK

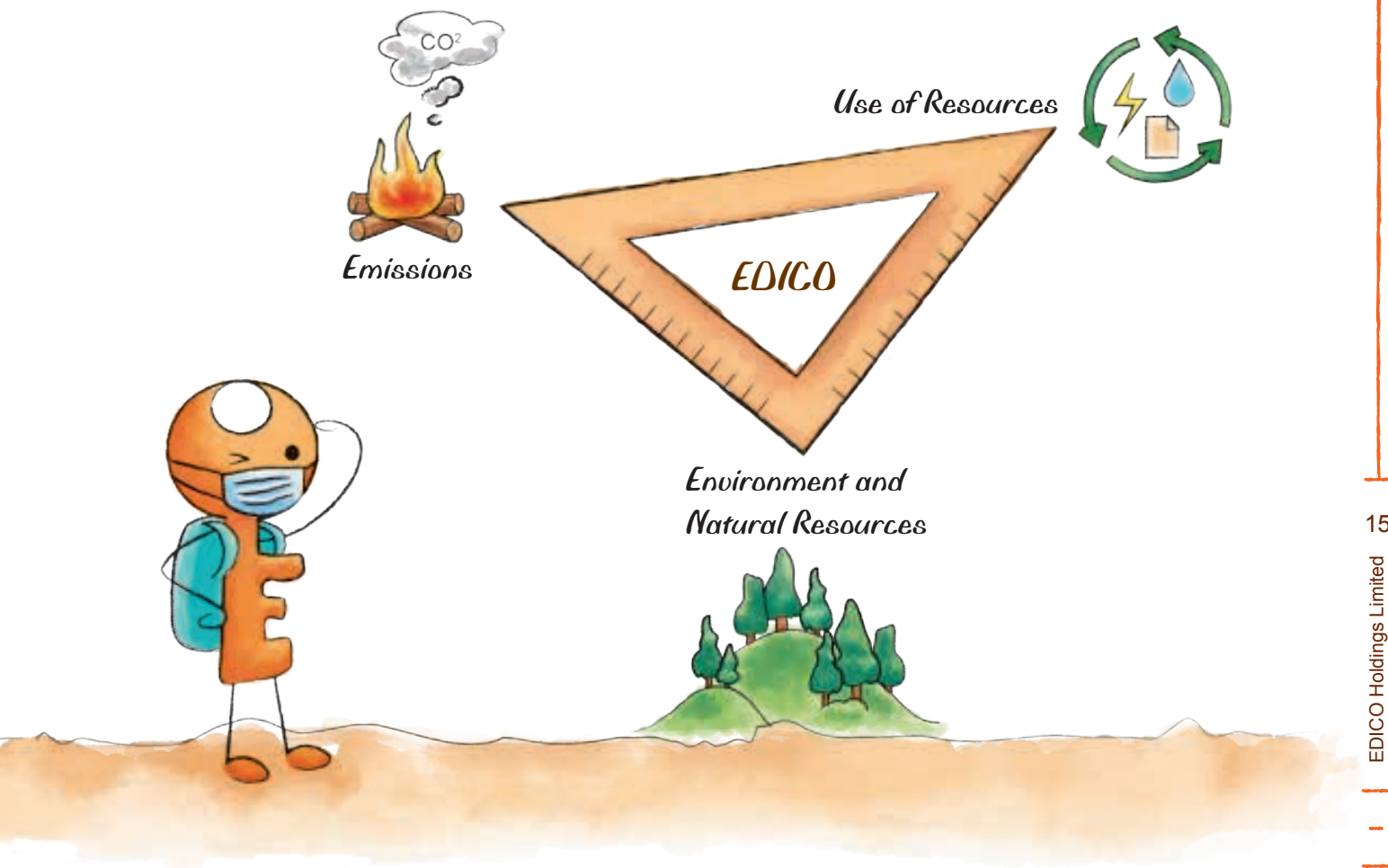
As the Group strives for excellence, EDICO welcomes stakeholders’ feedback, especially on topics listed as the highest importance in the materiality assessment and its ESG approach and performance. Readers are also welcomed to share their views with the Group at corporate@edico.com.hk.

ENVIRONMENTAL SUSTAINABILITY



A. ENVIRONMENTAL SUSTAINABILITY

This section primarily discloses the Group's policies, practices, and quantitative data on emissions, use of resources, and the environment and natural resources in FY2019/2020.



A.1 EMISSIONS

As a premium financial printing services provider, the Group's business operations have immaterial impact on the environment in terms of emissions of air pollutants, discharges into water and land, and generation of hazardous waste. Thus the Scope 1 (Direct Emission) stated in the ESG Guide for the Group was immaterial and the greenhouse gas ("GHG") emissions from the Group were attributed to the Scope 2 (Energy Indirect Emission) and Scope 3 (Other Indirect Emissions) stated in the ESG Guide. During the Reporting Period, the Scope 2 and Scope 3 GHG emissions for the Group were 197.8 tonnes CO₂e (decreased by 2.6% year-on-year) and 77.0 tonnes CO₂e (decreased by 52.2% year-on-year) respectively. The decreases in Scope 2 and Scope 3 GHG emissions were due to the reduction in electricity consumption and paper usage respectively. The total GHG emissions for the Group was 274.8 tonnes CO₂e (decreased by 24.6% year-on-year). Other than GHG emissions, the Group also generated non-hazardous waste of 76.0kg waste toner cartridges (decreased by 17.1% year-on-year) and 680.0 kg other commercial solid waste (unchanged year-on-year) for the Reporting Period.

A. ENVIRONMENTAL SUSTAINABILITY

TABLE 2: TOTAL EMISSIONS BY CATEGORY IN FY2019/2020

Emissions Category	KPI	Unit	Amount	% Change	Intensity (Unit/ Square Meter)*
GHG Emissions	Scope 1 (Direct Emissions)	Tonnes CO ₂ e	N/A	N/A	N/A
	Scope 2 (Energy Indirect Emissions)	Tonnes CO ₂ e	197.8	-2.6%	0.19
	Scope 3 (Other Indirect Emissions) **	Tonnes CO ₂ e	77.0	-52.2%	0.08
	Total (Scope 1, 2 & 3)	Tonnes CO ₂ e	274.8	-24.6%	0.27
Non-hazardous Waste	Waste toner cartridge	Kg	76.0	-17.1%	0.07
	Other commercial solid waste from offices	Kg	680.0	0.0%	0.67

Note:

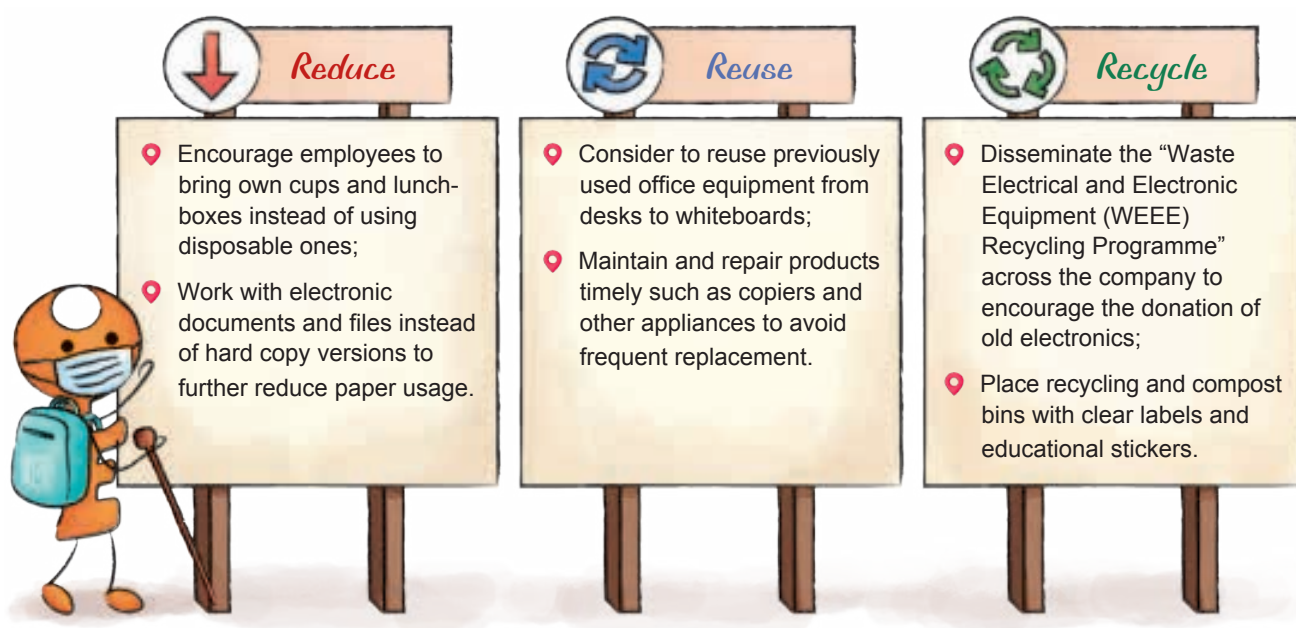
* Intensity was calculated by dividing the floor area coverage by the Group in FY2019/2020 of approximately 1,020 square meter.

** The Group's Scope 3 (Other Indirect Emissions) included only paper waste disposed of at landfills.

The GHG emissions generated by the Group were from the electricity consumption (Scope 2) and paper usage (Scope 3) for daily business operations in offices. To mitigate GHG emissions, the Group adopts a number of measures in new energy-efficient technologies and reduction in the usage of electricity and paper. Detailed measures taken by the Group during the Reporting Period are described in A.2. Use of Resources of this report.

A. ENVIRONMENTAL SUSTAINABILITY

Given our business nature, we paid special attention to the consumption and recycling of toner cartridges used in copiers and printers. We strongly encouraged our customers and staff to proofread and correct the digital version of their documents instead of printing hard-copies. The used toner cartridges will be collected and reused by a specialized recycling company. During the Reporting Period, the waste toner cartridges have been reduced by 17.1% against previous year to 76.0kg. Other commercial solid wastes generated by the Group were wastes from daily business operations in offices such as plastic and paper wastes. We have implemented a classification method for waste collection. Solid wastes that have been sorted by recycling bins will be transported to local recycling center or waste disposal plant for further treatment by sanitary service company. Used spare parts of consumables will be collected and returned to certain suppliers for recycling and reusing based on the contracts. We successfully applied the well-known '3Rs' principle — Reduce, Reuse and Recycle, into daily practice in order to minimize its impact on the environment. During the Reporting Period, the other solid commercial wastes from offices stayed flat at 680.0 kg.



During the Reporting Period, the Group complied with all relevant environmental laws and regulations in Hong Kong and found no non-compliance case relevant to GHG emissions, water or land discharging and hazardous or non-hazardous wastes.

A. ENVIRONMENTAL SUSTAINABILITY

A.2 USE OF RESOURCES

The major natural resources consumed by the Group are electricity and paper. The use of natural resources, especially paper, has always been the key issue for the Group's environmental concern. To effectively manage its paper and natural resources usages, the Group kept improving its tracking of ESG related KPIs and launched an internal monitoring program on the procurement and use of resources.

TABLE 3: USE OF RESOURCES BY CATEGORY IN FY2019/2020

Use of Resources	Unit	Amount	% Change	Intensity (Unit/Square Meter)*
Electricity	kWh '000	257.6	-2.1%	0.25
Paper	Tonnes	16.0	-52.2%	0.02
Paper (by outsourced printing suppliers)	Tonnes	153.4	-1.0%	N/A
Recycled Paper (by outsourced printing suppliers)	Tonnes	11.5	-41.5%	N/A

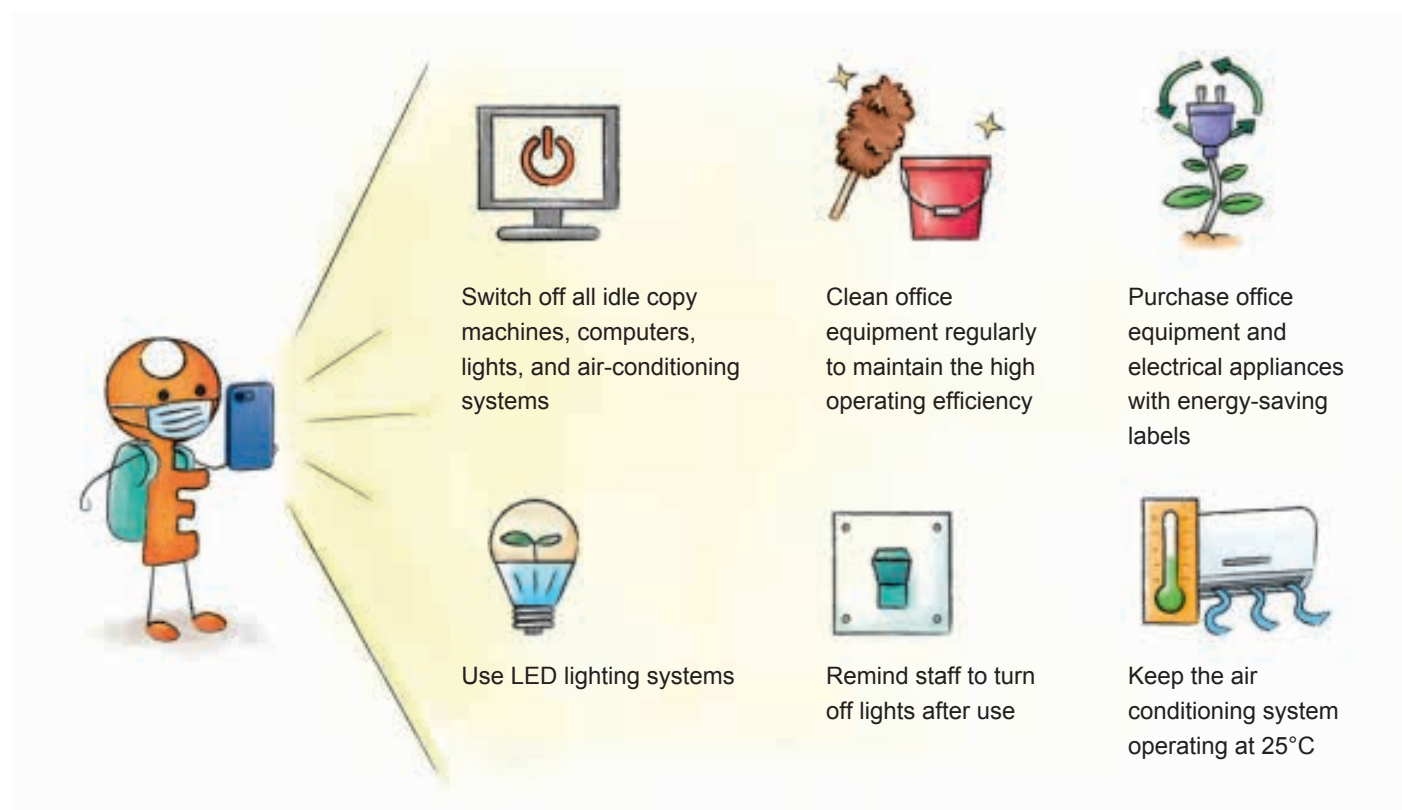
Note:

* Intensity was calculated by dividing the floor area coverage by the Group in FY2019/2020 of approximately 1,020 square meter.

A. ENVIRONMENTAL SUSTAINABILITY

• Electricity

The Group's electricity consumption was from the daily business operations in offices. During the Reporting Period, the total electricity consumption of the Group was 257,600 kWh, slightly decreased by 2.1% year-on-year. We were able to reduce our electricity consumption for two consecutive financial years and it was mainly attributed by continuous effort in promoting the usage of environmentally friendly technologies in our daily business operations and operating procedures, as well as to encourage our staff adhering to the electricity-saving measures. For instance, we replaced energy intensive lightings with energy-saving ones in offices and reminded our staff the importance and approaches of energy conservation and emissions reduction. The Group believes that the reduction of electricity consumption could represent the dwindling GHG emissions and remarkable progress towards better stewardship in ESG management. Following are the electricity saving measures implemented by the Group to ensure the effective use of electricity.



A. ENVIRONMENTAL SUSTAINABILITY

• Paper

The Group's paper usage came from the printing paper for its customers (including in its offices and by outsourced suppliers) and daily business operations in offices. During the Reporting Period, the total paper consumptions of the Group and its outsourced printing suppliers were 16.0 tonnes (decreased by 52.2% year-on-year) and 153.4 tonnes (decreased by 1.0% year-on-year) respectively. Meanwhile, our outsourced printing suppliers recycled 11.5 tonnes of paper for the Reporting Period. The substantial decrease in paper consumption in our offices was mainly due to the fewer customers working on-site for their projects in our offices amid COVID-19 pandemic, as well as the gaining popularity of proofreading and correcting documents by digital files. The decrease in paper consumptions by our outsourced supplier was mainly due to the decline in printing of listing documents.

Paper is always the main natural resource consumed by the Group and the reduction of paper usage has always been our main focus. The Group emphasized on the efficient usage of paper and choosing suppliers with eco-friendly paper sources. Recently, the Stock Exchange published the conclusions on paperless listing and subscription regime, online display of documents and reduction of the types of documents on display, which states that all initial public offerings ("IPO") must be paperless from July 2021 and documents put on display to support listings and transactions must be made available online from October 2021. EDICO is always a keen supporter of sustainable and environmentally friendly practices and we have already invested in both our hardware and software in favour of these paperless initiatives. Apart from that, the Group also paid great attention to the daily business operations involved with paper consumption in detail as illustrated below.

Encourage double-sided printing and take full advantage of both sides of a piece of paper.

Source paper from environmental friendly suppliers through a thorough assessment.

Make the best use of electronic mail, intranet and scanners to send or save documents electronically.

Use electronic devices to introduce printing services to customers instead of paper materials.

A. ENVIRONMENTAL SUSTAINABILITY

• *Water*

The Group's water consumption came from the daily business operations in offices. As the water bill was included in its monthly property management fee, the Group did not have any data on the amount of water consumed for the Reporting Period. Nevertheless we still adopted the following measures on water conservation.



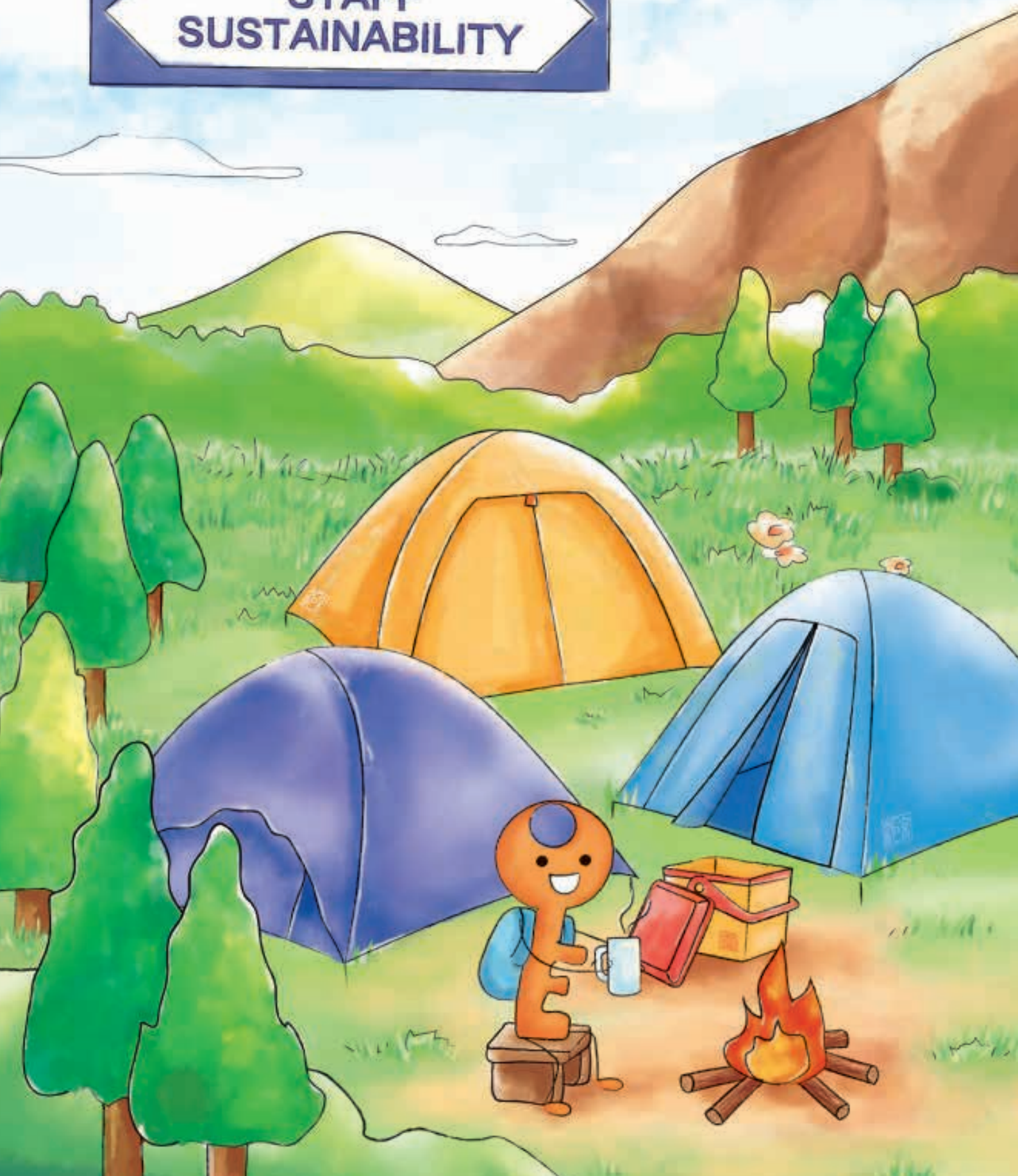
A.3 ENVIRONMENT AND NATURAL RESOURCES

Save for the electricity, paper and water consumptions discussed above, the Group's operations did not have direct material impact on the environment and other natural resources. We will continue to develop our financial printing service according to the "Going Green and Low Carbon" concept and gearing up to incorporate the idea into every office and business unit.

A.4 CLIMATE CHANGE

Climate change is one of the most severe challenges facing the world. Rising temperatures and extreme weather are threatening human life. Thus EDICO regularly reviews the impact of its daily operations on the climate change, and is committed to adopting environmentally friendly operation measures. We leverage the latest technology to enhance our operation efficiency to reduce our greenhouse gas emissions and the pressure on global climate change.

STAFF SUSTAINABILITY



B. STAFF SUSTAINABILITY

This section primarily discloses the Group's policies, practices and quantitative data on employment, health and safety, development and training, labour standards, supply chain management, product responsibility, anti-corruption and community investment in FY2019/2020.



B.1 EMPLOYMENT

Talents are the most valuable asset of the Group, which are also the cornerstone of the Group's sustainable growth. It is our obligation to provide our staff a fair and transparent platform for their professional career development. Our 'Internal Control Policy Handbook and Procedure Manual' clearly states the hiring, termination and promotion procedures and other employment related matters of the Group. The Group's human resources policies fully align with the applicable employment laws and regulations in Hong Kong, such as the Employment Ordinance, the Employees' Compensation Ordinance, the Mandatory Provident Fund Schemes Ordinance, the Sex Discrimination Ordinance, the Disability Discrimination Ordinance, the Family Status Discrimination Ordinance and the Race Discrimination Ordinance. To make sure that the relevant internal policies are in line with the latest laws and regulations, our Human Resources Department is regularly reviewing and updating corporate documents in talent management. As an equal opportunity employer, the Group has been dedicated to creating a fair, respectful and diverse working environment by promoting anti-discrimination and equal opportunity in all human resource matters. Staff assessment, promotion, dismissal and retirement policies are determined irrespective of employees' gender, race, age, disability, family status, marital status, sexual orientation, religion beliefs, nationality or any other non-job related factors. We are zero tolerance to any workplace discrimination, harassment or victimization. Disciplinary actions would be taken if any non-compliance of the equal opportunities policies is discovered.

To attract high-calibre candidates, the Group offers fair and competitive remuneration packages to qualified applicants based on their performance, personal attributes, job experiences and career aspirations. We utilized a variety of channels for talent acquisition such as recruitment fairs, job advertisements in newspapers, magazines and websites.

Salary adjustments and discretionary performance bonus are regularly conducted to retain and motivate our existing well performed staff, with reference to general market standards, inflation, corporate business performance and employees' performance. Any termination of employment contract would be strictly based on reasonable and lawful grounds. The Group prohibits any kinds of unlawful or unreasonable dismissals. To guarantee that any termination of employee's contract is conducted properly, the termination letter and statement of final payment are required to be approved by both Chief Executive Officer and Chief Financial Officer.

B. STAFF SUSTAINABILITY

Maintaining work-life balance is essential to keep up our staff's morale and sense of belonging. Thus EDICO is keen to create a caring workplace and we organized a number of leisure activities for our staff, including Chinese New Year and Christmas lunch parties, Easter egg hunting, monthly staff birthday cake, monthly Green Monday fruits and free face masks at the beginning of the COVID-19 outbreak. Besides the annual leaves stated in the employment contracts and statutory public holidays, employees are entitled to additional leave benefits such as marriage leave, birthday leave and compassionate leave.

During the Reporting Period, the Group was in full compliance with relevant laws and regulations in relation to employment.



B. STAFF SUSTAINABILITY

As at 30th September 2020, the Group had a total staff size of 60 employees and all of them are located in Hong Kong. Twelve employees were resigned during the reporting period which represented an annual staff turnover rate of 20%.

TABLE 4: EMPLOYEES BY CATEGORY AS AT 30TH SEPTEMBER 2020

 Male 26		 Female 34		Full-time 55		 Part-time 5	
Below 30 16		31–40 14		 Senior Management 11		 Middle Management 12	
41–50 16		50 or above 14		 General Staff 37			



B. STAFF SUSTAINABILITY

B.2 HEALTH AND SAFETY

Occupational health and safety is particularly important for the Group under the COVID-19 pandemic. While we are obligated to deliver our premium financial printing services uninterruptedly to our customers and maintain our offices fully operational, we have a legacy of responsible business and we are committed to doing all we can to keep everyone safe. We have been strictly following all the pandemic prevention measures advised by the Hong Kong government, and proactively implementing a range of precautionary measures, from stringent sanitation and cleaning protocols, to workplace distancing, temperature checks, access controls, air-conditioning system cleaning, providing adequate air refreshers and online meetings. We are extremely proud of and grateful to our teams who come on site every day to ensure business continuity.

EDICO is committed to create a safe and productive working environment for our staff and customers throughout the years. In August 2020, we relocated our Kowloon Office into another spacious office within New Kowloon Plaza. The new office neatly provides additional conference room plus facilities for clients as well as roomy workplace for our staff.

Our health and safety policies are in line with the Occupational Safety and Health Ordinance and other related laws and regulations in Hong Kong. The Group has established a comprehensive mechanism and stringent safety and labour practice standards to minimize the risk of accidents in the workplace. Occupational trainings are regularly provided to enhance employees' health and safety awareness. During the Reporting Period, the Group participated in fire drills arranged by management office and cleaned carpets regularly. First aid boxes were placed in the workplace to confront any emergency. Safety inspections and spot checks across all departments were conducted periodically to review the safety and health issues.

During the Reporting Period, the Group did not in violate of any relevant laws and regulations regarding occupational health and safety, and there was no work-related fatalities and loss of working days due to work injury.

B.3 DEVELOPMENT AND TRAINING

The Group acknowledges the importance of staff development. Thus we have provided both standardized and customized on-the-job trainings to our staff in different positions. Those trainings are aimed at to enhance the work related skills and knowledge, in particular for the newly employed staff to understand the Group's corporate culture, business processes, work health and safety measures, management systems and group development. During the Reporting Period, our staff has completed a total of 431 training hours, which represented an average of 7.2 training hours per employee. We also encourage our employees to pursue further career development through continuous learning by attending external trainings, seminars, examinations and obtaining professional qualifications and certifications.

B. STAFF SUSTAINABILITY

TABLE 5: TRAINING HOURS COMPLETED OF EMPLOYEES BY CATEGORY IN FY2019/2020

	Senior Management	Middle Management	General Staff	Total
Number of Training Hours	78	162	191	431
Average Training Hours Per Employee	7.8	13.5	5.0	7.2

B.4 LABOUR STANDARDS

The Group strictly complies with the Employment Ordinance and other related labour laws and regulations in Hong Kong to prohibit any child and forced labour employment. Our 'Internal Control Policy Handbook and Procedure Manual' requires the Human Resources Department to verify the job applicants' identification documents and academic/work records during the recruitment process to ensure that they are lawfully employable. The Human Resources Department is also responsible for monitoring and ensuring the compliance with the latest and relevant laws and regulations that prohibit child and forced labour. Moreover, we requires all our suppliers strictly prohibits to employ any child or forced labour. As a caring employer, EDICO offers meal allowance, birthday welfare, medical insurance and retirement scheme, and allows flexible working hours or working from home for those staff to take care their families.

During the Reporting Period, the Group was not in violation of any laws and regulations related to the prevention of child and forced labour.

B.5 SUPPLY CHAIN MANAGEMENT

The Group outsources some production processes such as printing and translation to third-party suppliers. During the selection and evaluation of the suppliers, we adopt a fair and open process to ensure no conflict of interest and bribery. The Group chooses its suppliers mainly based on their service quality, price, reputation, financial background, track record and delivery time. We have also integrated sustainability and social responsibility into the procurement process. Environmental-friendly requirements are set for the suppliers. The Procurement Department needs to contact at least three potential suppliers to compare price and quality before making a final decision.

The Group will review its approved supplier list annually and keep close monitoring on its suppliers to ensure them complying with their local laws and regulations. Our "Internal Control Policy Handbook and Procedure Manual" requires our representatives must evaluate the performance of suppliers with fair and most importantly, firmly refuse the bribe and commission on sales.

B. STAFF SUSTAINABILITY

B.6 PRODUCT RESPONSIBILITY

Being a premium financial printing service provider, our mission is to provide elite services and top quality products to our customers. The Group established standard operating procedures to ensure the quality of its services and products, including typesetting, proofreading, translation, design, printing, binding, distribution and media placement. Our 24-hour customer service team is dedicated to receive customer instructions and answer service inquiries promptly. Quality control systems were in place with senior management's participation to ensure the services quality. We have set up designated channels such as customer service hotline, emails and facsimiles for customers to lodge complaints. Upon receive the complaints, the Group will investigate in a timely manner and findings will be reported to senior management. Further actions to improve our operating procedures and services will be taken if necessary.

The Group is fully aware of the importance in protecting of customers' data privacy as its core financial printing business frequently handles customers' confidential information. We adhere to the Personal Data (Privacy) Ordinance and other relevant laws in Hong Kong. Internal guidelines and trainings are provided to our staff in how to collect, process and use customers' personal and confidential information. Privacy or confidential information collected would only be used for the purpose for which it has been collected. Customers would be informed of how the data collected would be used in the business. Unless authorization from customers have been obtained, no customer information could be provided to the third parties. Customers always have the rights to review and revise their personal data, including opting out of any direct marketing activities. Our Information Technology Department has set restrictions on software installation and limitations on the business network to prevent unauthorized access, use and export of customer data.

Meanwhile, we are working hard to protect our own and customers' intellectual property rights. Our "Internal Control Policy Handbook and Procedure Manual" regulates the procedures and standards in intellectual property rights protection. The Group follows the legitimate intellectual property application procedures in Hong Kong for its new trademark, labelling, and product design. All of the software and information used in our daily business operations are with legal licenses and the Group would only procure genuine products.

During the Reporting Period, the Group did not violate any laws and regulations regarding the product responsibility and data privacy.

B.7 ANTI-CORRUPTION

The Group is zero tolerance for any form of corruption in order to maintain an ethical corporate culture. We are strictly in compliance with the laws and regulations relating to anti-corruption and anti-money laundering in Hong Kong, including the Prevention of Bribery Ordinance and the Anti-Money Laundering and Counter Terrorist Financing Ordinance. Furthermore internal anti-corruption policies and guidelines have been formulated and enforced in accordance with relevant laws and regulations. Training programs related to the Group's internal anti-corruption policies were provided to

B. STAFF SUSTAINABILITY

both newly hired and existing employees. All employees are subject to disciplinary actions or even being discharged from their duties if they committed any form of corruption or money laundering activities. The Group has established a whistle-blowing channel which allows employees to report any misconduct behaviors to the Audit Committee. The Audit Committee will then conduct investigations into any suspicious or illegal behavior to protect the Group's interests. Investigations are handled confidentially and the management will take corrective actions to resolve substantiated frauds. The Audit Committee reports misconduct activities to the Board at least annually and if the misconduct activities violate the relevant laws, a report would be referred to the law enforcement authorities.

During the Reporting Period, the Group did not receive any corruption lawsuits against the Group or its employees. Meanwhile, the Group and its employees were not in violation of any of the relevant laws and regulations in relation to bribery, extortion, fraud and money laundering.



COMMUNITY SUSTAINABILITY



COMMUNITY SUSTAINABILITY

SUSTAINABLE DEVELOPMENT GOALS

While we strictly comply all the requirements under the ESG Guide of the Stock Exchange, we also commit to integrate those international well-recognized sustainability measures into our business development and strategies. The 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 SDGs, which are an urgent call for action by all countries — developed and developing — in a global partnership. They recognize that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth — all while tackling climate change and working to preserve the oceans and forests. These 17 SDGs are all well-defined and comprised of a total of 169 targets, each of which has several indicators that are taken as metrics to measure the progress toward reaching the targets.



COMMUNITY SUSTAINABILITY

Same as the previous financial years, EDICO has selected Goal 9, Goal 12 and Goal 13 within the 17 SDGs as our prioritized targets.



Goal 9: We insist on technology innovation and adoption of more environmentally solutions in our financial printing services. The Group has refurbished and upgraded its office facilities to provide a better experience for our customers. We also enlarged the working space for our staff to provide them with a better working environment and enhance their efficiency, which is key to remaining competitive in the printing market.



COMMUNITY SUSTAINABILITY



Goal 12: Raising the awareness of environmental protection among employees has long been a key factor for our business development. By continuously encouraging all employees in the office to prevent, reduce, reuse and recycle the wasted items that may still be functional in other areas, the Group hopes to disseminate the concept of sustainable consumption and production across the company.

Goal 13: We consider ourselves as a member of the global community and thus actively promotes the eco-friendly living style in where the company operates. As the urgency of facing those climate-related challenges has intensified over the past year, a joint effort by all parties, including governments, private sectors and individuals is crucial to tackle the climate change.

COMMUNITY SUSTAINABILITY

COMMUNITY INVESTMENT

Over the years, EDICO endeavors to fulfil corporate social responsibilities and thus we continued to support a sustainable community where we operate. Although the social distancing measures under the COVID-19 pandemic restricted us to organize some of the community caring activities such as site visiting the elderlies and people in needs, our Corporate Social Responsibility team collaborated with the Hong Kong Design Institute to arrange online communication design lecturer for their students. We believe that those community caring activities could enhance our staff's sense of responsibility, capability to interact with people, and collaborations with colleagues. In FY2019/2020, the Group's community caring activities are highlighted below:

- 📍 Heep Hong Society Grand Raffle 2020
- 📍 Medecins Sans Frontieres Donation Box
- 📍 Open House for Hong Kong Design Institute
- 📍 Hong Kong Design Institute: Careers in Communication Design
- 📍 Food Grace: Signed the "Eat Wise Charter" of the Green Mid-Autumn Festival 2020 Campaign
- 📍 Wheelock House Recycling Collection of Mooncake Boxes

During the Reporting Period, EDICO has received the following awards and certificates in recognition of our social contributions. We will continue in contributing to the sustainable development and caring of our society.

- 📍 5 Years Plus Caring Company by The Hong Kong Council of Social Service
- 📍 Caring Ambassador by The Hong Kong Council of Social Service
- 📍 Certificate of Excellence- The HKIRA 6th Investor Relations Awards by Hong Kong Investor Relations Association



COMMUNITY SUSTAINABILITY



- 5 Years Plus Caring Company,
Caring Ambassador



- Food Grace: Signed
the "Eat Wise
Charter" of the Green
Mid-Autumn Festival
2020 Campaign



- The HKIRA 6th
Investor Relations
Awards

- Medecins Sans Frontieres
Donation Box

- Heep Hong Society
Grand Raffle 2020

- Wheelock House Recycling
Collection of Mooncake Boxes



- Letter From Hong Kong Design Institution



- Open House for Hong Kong Design
Institute



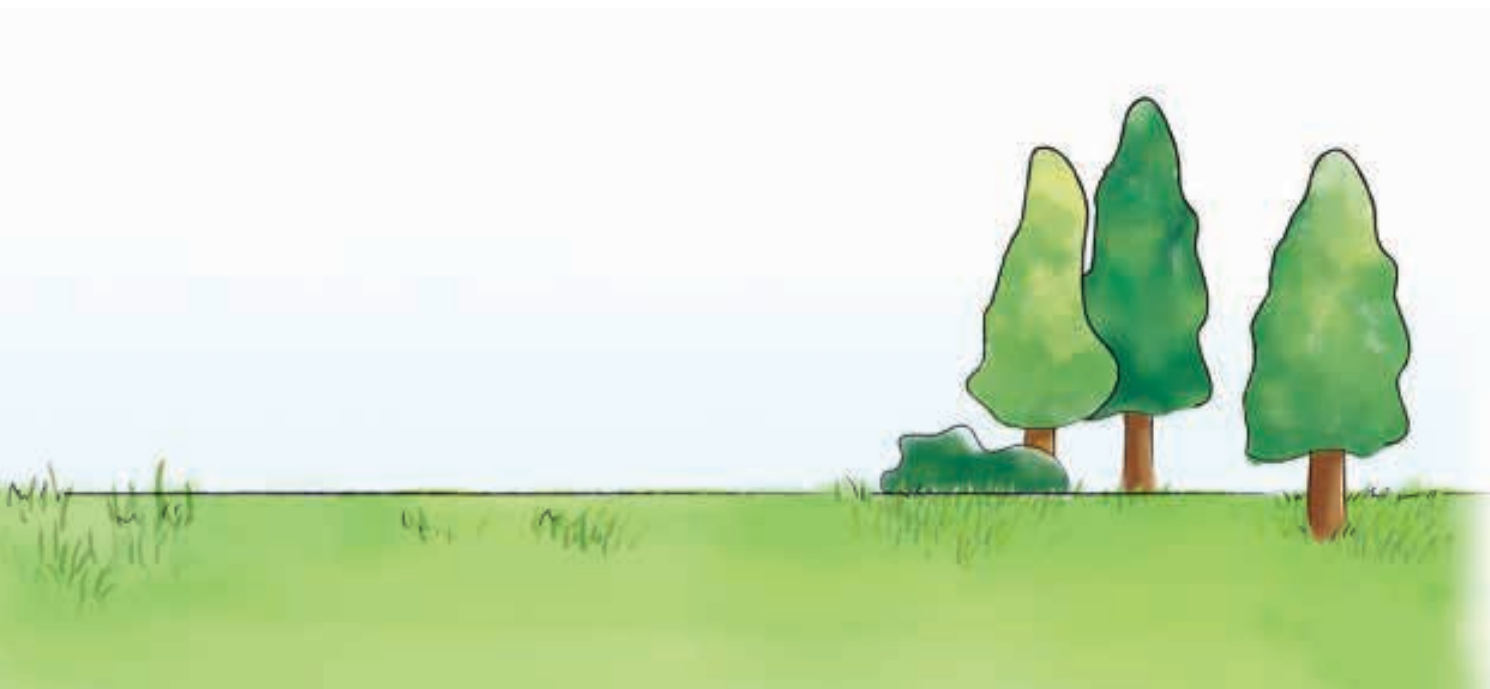
- Hong Kong Design Institute:
Careers in Communication Design

REPORT DISCLOSURE INDEX



REPORT DISCLOSURE INDEX

Aspects	ESG Indicators	Description	Page
A. Environmental			
A1: Emissions	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	15
	KPI A1.1	The types of emissions and respective emission data.	16
	KPI A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	16
	KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	16
	KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	16
	KPI A1.5	Description of measures to mitigate emissions and results achieved.	16
	KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	17



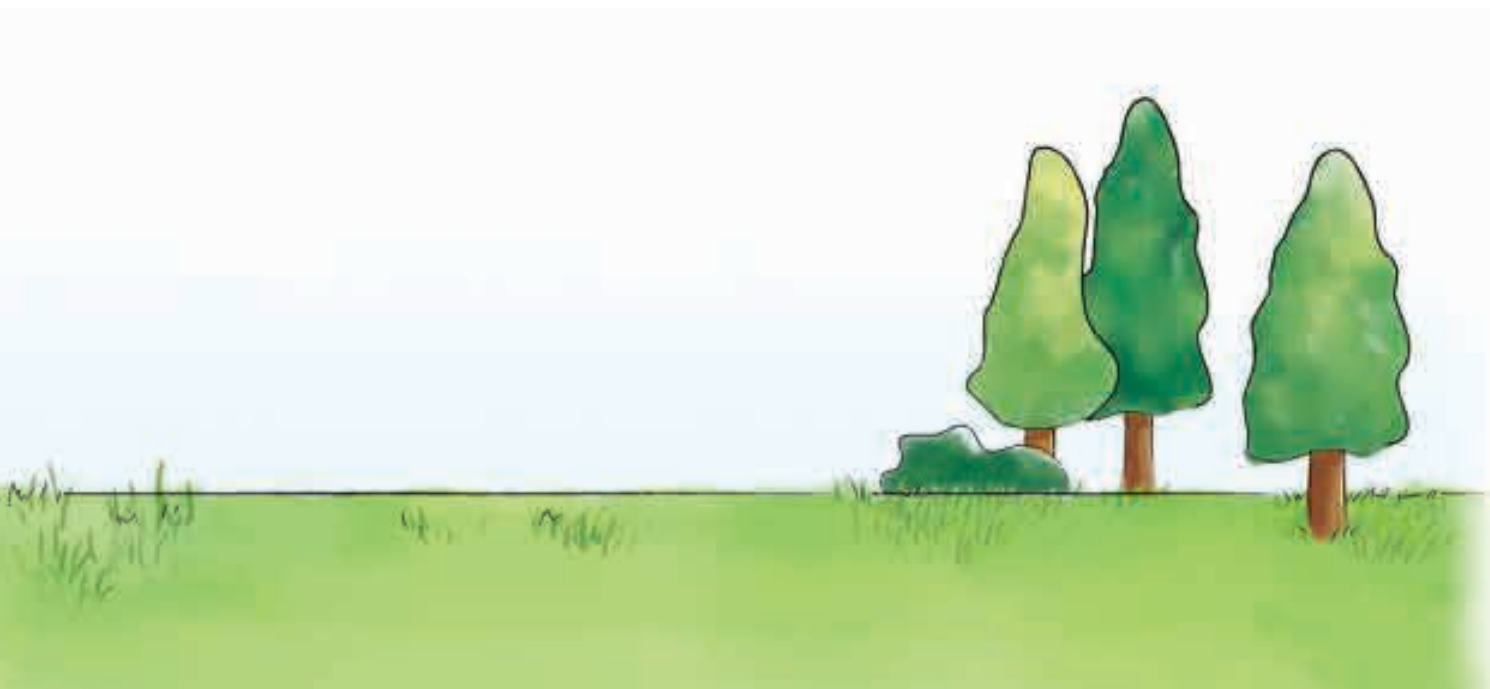
REPORT DISCLOSURE INDEX

Aspects	ESG Indicators	Description	Page
A2: Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	17
	KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	17
	KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	19
	KPI A2.3	Description of energy use efficiency initiatives and results achieved.	18
	KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	19
	KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	17
A3: The Environment and Natural Resources	General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	19
	KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	19



REPORT DISCLOSURE INDEX

Aspects	ESG Indicators	Description	Page
B. Social			
Employment and Labour Practices			
B1: Employment	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	21
B2: Health and Safety	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	22
B3: Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	23
B4: Labour Standards	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	23



REPORT DISCLOSURE INDEX

Aspects	ESG Indicators	Description	Page
Operating Practices			
B5: Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	24
B6: Product Responsibility	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	24
B7: Anti-corruption	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	25
Community			
B8: Community Investment	General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	30







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