

2016

Environmental, Social and Governance Report





About this Report	2
Message from Our Chairman	3
About Paliburg Holdings Limited	4
Our ESG Approach	9
Our Environment	12
Our People	19
Our Suppliers	25
Our Customers	27
Our Community	29
Appendix - The Stock Exchange of Hong Kong Limited's ESG Reporting Guide Content Index	32

About this Report

REPORTING STANDARDS

This report was prepared in accordance with the “comply or explain” provision set out in Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). To meet the standard, this report was prepared in adherence to the following reporting principles: Materiality, Quantitative, Balance and Consistency.

REPORTING SCOPE AND BOUNDARY

This is the first annual standalone environmental, social and governance (“ESG”) report issued by Paliburg Holdings Limited (“Paliburg” or the “Company”, and together with its subsidiaries, the “Group” or the “Paliburg Group”). This report serves as a benchmark for improving our ESG performance. We aim at providing to our stakeholders in this report a holistic overview of the ESG performance of our property and hotel businesses in Hong Kong and Mainland China, which are the core business of the Group.

REPORTING PERIOD

Unless otherwise specified, this report covers our progress and performance on ESG issues for the period from 1 January 2016 to 31 December 2016.

ACCESSIBILITY OF THE REPORT

An electronic version of the report can also be downloaded from Paliburg’s website at: www.paliburg.com.hk. If you have any questions about the report or opinions on Paliburg’s ESG performance, please feel free to contact us through relevant contact details provided in our website.

BOARD APPROVAL

This report was approved by the board of directors of the Company (the “Board”) on 27 July 2017.

Message from Our Chairman

I am pleased to present herewith the 2016 ESG report of Paliburg.

The Group is a diversified group with significant investments in the property and hotel businesses. We reckon that during the course of our business operations, we could cause impacts on our environment and the community. Therefore, while we are committed to create the best long term value for our shareholders, we are equally aware of our corporate social responsibilities. As a dedicated corporate citizen, Paliburg is exercising efforts to make positive contributions towards the community. We strive to provide high quality products and services, operate with a high level of integrity and, at the same time, reduce any adverse environmental impacts with the support of our staff, contractors and suppliers, so as to create shared value for all of our stakeholders.

As a responsible corporate citizen, we aim to operate our business in a sustainable manner by minimising environmental impacts. In order to maintain a sustainable future, we have launched a range of environmentally-friendly initiatives. We have adopted various measures to reduce energy consumption and emissions, conserve natural resources, and reduce waste. All these measures demonstrated our commitment to maintaining a healthy environment for our future generations.

As a responsible employer, our dedicated employees are an invaluable asset for us. By providing them with a high quality working environment with a strong basis of fairness and equality, we expect that our staff can grow and thrive together. Providing appropriate training to our employees is of vital importance in order to nurture them to develop their career. Aiming to minimise workplace health and safety risks, we have devised a set of comprehensive workplace safety policies and procedures for our employees. We promote work-life balance and maintain an open culture by initiating liberal discussions.

We are also conscious of the need to contribute back to the community. We have collaborated with different charitable organisations to organise diversified community programmes, providing platforms to these organisations for the promotion of the community programmes. Through these community programmes, we aimed to spread the message of environmental protection and care for the underprivileged groups in an effort towards building a better society for everybody.

Going forward, the Group will continue to focus on implementing various environmental protection and social caring initiatives. We hope to play an exemplary role to our stakeholders and to leverage their support in creating positive impacts. With an accumulation of these concerted efforts, we believe that we can contribute substantial and meaningful impacts on the community and make progressive improvements in our sustainability journey.

LO YUK SUI

Chairman

Hong Kong

27 July 2017

About Paliburg Holdings Limited

CORPORATE PROFILE

The Company, headquartered in Hong Kong, focuses on its core business in property, hotels, and other investment business. Our hotel business is conducted through our two listed subsidiaries, Regal Hotels International Holdings Limited ("Regal") and Regal Real Estate Investment Trust ("Regal REIT"), while our property development and investment businesses are principally undertaken through P&R Holdings Limited ("P&R Holdings"), a joint venture 50:50 held by the Company and Regal. Apart from its property development and investment businesses in Hong Kong, P&R Holdings is also engaged in property development and investment in the People's Republic of China through a listed subsidiary, Cosmopolitan International Holdings Limited ("Cosmopolitan").

OUR PROPERTY DEVELOPMENT IN HONG KONG



Domus and Casa Regalia at Nos. 65-89 Tan Kwai Tsuen Road, Yuen Long, New Territories

This residential project has a site area of approximately 11,192m² and provides a total of 170 units, comprising 36 luxurious garden houses, named Casa Regalia, and a low-rise apartment block, with 134 units, named Domus, having aggregate gross floor area of approximately 11,192m².



iclub Ma Tau Wai Hotel at No.8 Ha Heung Road, To Kwa Wan, Kowloon

The project has an aggregate site area of approximately 700m² and has been developed into a 22-storey hotel (including 1 basement floor) with 340 guest rooms, having total gross floor area of approximately 6,298m² and covered floor area of approximately 9,490m². The hotel licence for the property was issued in May 2017.



**Sha Tin Town Lot No.482 at Po Tai Street,
Ma On Shan, Sha Tin, New Territories**

This development site has a site area of 5,090m² and a maximum permissible gross floor area of 15,270m². The site is being developed into a shopping mall with 5 storeys above ground level. The development is scheduled to be completed in the fourth quarter of 2017.

**Sha Tin Town Lot No.578, Area 56A, Kau To,
Sha Tin, New Territories**

The project has a site area of 17,476m² and is being developed into a luxurious residential development comprising 7 mid-rise apartment blocks with about 136 units, 24 detached garden houses and 198 car parking spaces, with aggregate gross floor area of approximately 32,474m². The superstructure works are in progress. The completion of this development is presently scheduled for 2018.

**Nos.5-7 Bonham Strand West and
Nos.169-171 Wing Lok Street, Sheung Wan**

The project has an aggregate site area of approximately 345m² and is planned for the development of a hotel with 98 guest rooms and suites, with total gross floor area of approximately 5,236m². The foundation works have been completed. Excavation works for pile caps are in progress.



**The Ascent at No.83 Shun Ning Road,
Sham Shui Po, Kowloon**

This is a joint venture project awarded by the Urban Renewal Authority of Hong Kong through a tender process in March 2014. The land has a site area of 824.9m² and is being developed into a 28-storey commercial/residential building (including 1 basement floor) with total gross floor area of 7,159m², providing 157 residential units, 2 storeys of shops and 1 storey of basement carpark. The superstructure works are in progress and the development is scheduled to be completed before the end of 2017.

**iclub Mong Kok Hotel at Anchor Street/Fuk Tsun
Street, Tai Kok Tsui, Kowloon**

This is a hotel development project also awarded by the Urban Renewal Authority of Hong Kong through a tender process in June 2015, which has a site area of 725.5m². The project has total permissible gross floor area of approximately 6,529m² and covered floor area of approximately 9,355m² and is being developed into a 20-storey hotel building comprising about 288 guest rooms, with ancillary accommodation. The superstructure works have commenced and the development project is anticipated to be completed in 2018.



OUR PROPERTY DEVELOPMENT IN MAINLAND CHINA (UNDERTAKEN BY COSMOPOLITAN)



Chengdu Development Project – Regal Cosmopolitan City

The Chengdu development project aims to equip the dynamic neighbourhoods with high quality properties and amenities. This extensive integrated project is located in Xindu District of Chengdu City and is highly accessible with a multi-directional transportation network. It is a mixed-use development project with an overall total gross floor area of approximately 497,000 square metres (5,350,000 square feet), encompassing a high-class hotel, a large-scale entertainment and shopping centre, top-grade offices, luxury serviced apartments, up-market residential units and car parking spaces. The hotel is scheduled to open in phases from 2018. The residential towers in both the first and second stages of the development are expected to be completed in the latter part of 2017. Other components within the development comprising commercial, office, serviced apartment and residential units will continue to be developed in stages.



Tianjin Development Project – Regal Renaissance

Located in the Hedong District near the city business centre, the Tianjin development project - Regal Renaissance entails a development site with a total area of about 31,700 square metres (341,000 square feet). Its favourable location endows it with high accessibility and a scenic view. The project is planned for a mixed-use development comprising four residential towers, a commercial complex with boutique shopping arcades and commercial streets as well as two SOHO office towers with a total gross floor area of about 145,000 square metres (1,561,000 square feet). Being one of the highest skyscrapers in the district, the project is expected to become a new landmark of the city. Extensive landscaped gardens with natural greeneries are provided for both the residents and public to enjoy. While the superstructure works of the four residential towers and the commercial complex have been completed, the superstructure works of the two office towers are in progress.



OUR CONSTRUCTION AND BUILDING RELATED BUSINESSES

Paliburg's wholly owned construction arm, Chatwin Engineering Limited ("Chatwin"), is undertaking building construction contracting business. Chatwin is currently undertaking the main contract works for P&R Holdings' hotel development project at Anchor Street/Fuk Tsun Street, Tai Kok Tsui, which was awarded to Chatwin through competitive tender processes. The Group also has a development consultancy division, which provides professional services on architectural, engineering and interior design aspects, principally supporting the needs of the Group's member companies.

OUR HOTEL PORTFOLIO

Regal REIT currently owns eight hotels in Hong Kong, namely Regal Airport Hotel, Regal Hongkong Hotel, Regal Kowloon Hotel, Regal Oriental Hotel, Regal Riverside Hotel, iclub Fortress Hill Hotel, iclub Sheung Wan Hotel, and iclub Wan Chai Hotel. The five initial Regal Hotels, the iclub Sheung Wan Hotel and the iclub Fortress Hill Hotel are under lease by Regal REIT to Regal for hotel operation, while the iclub Wan Chai Hotel is self-operated by Regal REIT. In June 2017, Regal REIT entered into a conditional sale and purchase agreement to acquire from P&R Holdings the iclub Ma Tau Wai Hotel, which soft opened in May 2017. In addition, two new hotels, iclub Mong Kok Hotel and iclub Soho Hotel are being developed by P&R Holdings group. Furthermore, in February 2017, Regal was awarded the contract for the development of a hotel project at the SKYCITY at Hong Kong International Airport. These new hotels, when completed, will further strengthen the market presence of the Group's hotel network in Hong Kong. In Mainland China, Regal is managing nine hotels, four in Shanghai, two in Dezhou and one in Foshan, Xi'an and Zhengzhou respectively. We will further expand our presence in Mainland China with the new hotel being built by the Cosmopolitan group in Chengdu and two other new hotels currently under construction in Kunshan and Jiangmen to be managed by Regal.



Hong Kong

- Regal Airport Hotel
- Regal Hongkong Hotel
- Regal Kowloon Hotel
- Regal Oriental Hotel
- Regal Riverside Hotel
- iclub Fortress Hill Hotel
- iclub Ma Tau Wai Hotel
- iclub Sheung Wan Hotel
- iclub Wan Chai Hotel
- iclub Mong Kok Hotel (2018)
- iclub Soho Hotel (2019)
- the new SKYCITY Hotel project (2021)

Shanghai

- Regal International East Asia Hotel
- Regal Jinfeng Hotel
- Regal Plaza Hotel & Residence
- Regal Shanghai East Asia Hotel

Dezhou

- Regal Kangbo Hotel
- Regal Kangbo Hotel & Residence

Foshan

- Regal Financial Centre Hotel

Xi'an

- Regal Airport Hotel, Xi'an

Zhengzhou

- iclub Yuhong Hotel

Chengdu

- Regal Xindu Hotel (2018)

Jiangmen

- a Regal Hotel (2018)

Kunshan

- Regal Huaqiao Hotel (2018)

Our ESG Approach

The Company believes that sustainability is the cornerstone of our successful business. In support of the Company's goal of constructing sustainable communities in which we develop and operate, we incorporated sustainable approaches into our day-to-day operations. To maintain sustainable practices across our businesses, we maintain a sound corporate governance structure and established policies to ensure that our activities demonstrate a high level of ethics and integrity. We periodically review the procedures and practices to introduce and implement appropriate new measures. We conducted materiality assessment to better understand our stakeholders' expectations and manage our ESG risks. This report encapsulates the highlights of our performance, contributions, achievements and goals in 2016.



Our Company Philosophy

- Building an environmentally-friendly and sustainable community for society
- Creating brand value for the enterprise, steady cash flow and long-term value addition for investors
- Constructing a superior living space and a warm and comfortable home for our customers
- Providing development platforms and professional training to nurture outstanding staff teams

CORPORATE GOVERNANCE

Good corporate governance is an issue of concern to our stakeholders. Paliburg has adopted the Code Provisions in the Corporate Governance Code as set out in Appendix 14 of the Listing Rules. The Board has established three board committees, namely the Audit Committee, the Remuneration Committee and the Nomination Committee, for overseeing different functions delegated by the Board. All existing policies and practices in relation to management and corporate matters are reviewed by the Board on a regular basis for compliance with new requirements. In addition, new measures are introduced and implemented where appropriate.

More information about our governance and the Board can be found in our Annual Report 2016.

ETHIC AND INTEGRITY

We set high standards of integrity for our business operations. With a strong commitment to preventing bribery and corruption, we established anti-corruption policies in our operations. All of our employees are expected to uphold high standards of honesty and integrity in the performance of their duties in accordance with the provisions set out in the Employee Handbook. We have zero tolerance on violations of code of conduct and any inappropriate behaviour. All subsidiaries, departments, business units and projects are subject to rigorous control mechanisms.

During the reporting period, there were no concluded legal cases relating to bribery, extortion, fraud or money laundering in our operations which are of material importance.

STAKEHOLDER ENGAGEMENT

We believe that transparent and regular communications with stakeholders can drive Paliburg's growth and improvement. Each of our material subsidiaries has developed communication channels with their respective key stakeholder groups, which are reviewed on a regular basis to ensure that the stakeholders' views can be collected effectively. The common communication channels for each of the stakeholder groups are tabulated below:

Stakeholder Group		Communication Channels
Internal Stakeholder	Management	Regular meetings
	General Staff	Questionnaires, regular meetings, orientation, notice boards, annual appraisal meeting, employee engagement activities
External Stakeholder	Customers/Tenants	Questionnaires, guest satisfaction surveys, website, day-to-day communication with frontline staff, customer feedback mechanism, hotlines
	Investors/Shareholders	Analyst briefing, investor meetings, general meetings, annual and interim reports, press releases/announcements
	Media	Press releases, website
	Industrial Association	Questionnaires, industry forums
	Suppliers/Contractors/ Business Partners	Questionnaires, regular meetings, progress meeting, owners committee meeting

MATERIALITY ASSESSMENT

During the preparation stage of our first ESG report, we commissioned an independent consultant to conduct a special survey for our stakeholders to help identify stakeholders' key areas of concerns and develop the framework of this ESG report. The independent consultant successfully collected over 30 questionnaires from our internal and external stakeholders.

Based on the findings of the surveys and stakeholder interviews, observations during the site visit, together with documentation review, media review, and peer analysis, the consultant has identified 13 issues which are material to Paliburg. The following 13 material issues will be discussed throughout this report.



ENVIRONMENTAL

- Environmental Impact
- Waste Management
- Energy Conservation



OPERATING PRACTICES

- Anti-corruption
- Product and Service Quality Management
- Customer Privacy Data Protection
- Supply Chain Management
- Customer Safety and Responsibility
- Customer Feedback Mechanism



EMPLOYEES

- Employment Relations
- Employee Retention
- Occupational Health and Safety
- Labour Standard Compliance

Our Environment

COMMITMENT TO THE ENVIRONMENT

Paliburg Group has for many years engaged in the property and hotel businesses and understands the importance of balancing profit maximisation with environmental sustainability. We not only incorporate high standards of environmental performance into production, construction and property management, but also take the surrounding and natural environment into account. To achieve our belief in sustainability, the Group's environmental policy is strictly followed for better environmental management. Not merely being compliant with the relevant environmental laws and regulations, we take the initiatives in energy saving, water conservation, noise control and waste management, in order to minimise our impact on the environment.

During the reporting period, we were in compliance with all relevant laws and regulations.

ENVIRONMENTAL MANAGEMENT

Paliburg has established an environmental management structure to guide the Company towards green operation and construction. Our environmental management structure is led by designated Directors of the Company, with members comprising the project manager and other relevant senior staff of the Company, and mandated to review and promote the environmental initiatives throughout the Group. Under the environmental committee, the project manager and site agent are assigned to ensure the proper implementation of all environmental requirements. There are clear duties and responsibilities laid down for each component within the management structure and the whole team works together to improve environmental performance.

In addition to the environmental management structure, Paliburg formulated group-wide policy for all its development projects and construction sites to follow. One of the principal objectives of the stated policies is to deliver quality services with minimal impact on the environment. For this purpose, our policy focuses on the prevention of pollution. We strictly comply with all applicable local legislation and requirements relevant to environmental protection. Keeping our policy up-to-date, we continue to carry out regular performance reviews to ensure environmental objectives and requirements are met. The following sections exhibit our environmental initiatives in energy saving, water management and waste management.

Regarding our hotel operation, Regal formulated a group-wide Environmental Policy Statement for all hotels to follow. The Environmental Policy Statement is set to make sure that the business operations at our hotels are carried out in a legal and environmentally acceptable manner. Through constantly monitoring and reviewing our environmental performance, minimising any adverse environmental impact, enhancing our associates' environmental awareness and adopting green procurement practices, we are committed to safeguarding the environment. Additionally, most of our hotels in Hong Kong have implemented the Environmental and Social Policy, which provides more guidance on environmental and social sustainability in our operation. Some of our hotels have also implemented certified Environmental Management Systems to enhance their environmental management capacity.

ENERGY AND EMISSIONS

PROPERTIES – Hong Kong

We are dedicated to incorporating green operation in our Company. Apart from our daily operation in the office, we spare no effort in energy conservation when implementing development projects and, to this end, a series of energy conservation measures have been carried out.

Air conditioning in commercial and residential buildings requires intense energy consumption. We have adopted a number of green building designs to reduce energy consumption at our buildings. We strive to minimise the solar gain so as to reduce energy consumption from air conditioning. The main facade of the building in our development project in Sham Shui Po faces northeast, which receives fewer solar gains compared with other directions. Moreover, we select construction materials carefully. We used glass with lower shading coefficients in order to minimise air conditioning energy. Balconies and unity platforms are included in the building facade to provide external shade, which helps block solar heat radiation and reduce the solar heat load of the building. Reduced artificial lighting power density is also conducive to energy conservation. The lighting power density in the common areas, club houses, plant rooms, and car park in our development projects is at least 10% lower than the EMSD requirement. We believe that energy should be used properly. With other measures applied to offset carbon emissions, our commitment to reducing energy consumption and carbon emissions is clearly demonstrated.

More precise management of our energy and greenhouse gas emissions can be achieved with more detailed data on our carbon emission profile. An energy and carbon audit study is carried out for our development projects. During the study, predicted energy consumption and carbon emissions are estimated in detail. More importantly, a list of green features are proposed to minimise the impact brought by the construction and operating activities of the buildings. We will continue to conduct the energy and carbon audit study to take an active role in managing our impact.

HOTELS

Regarding our hotel operation, Regal closely monitors the level of energy consumption and greenhouse gas emissions of its hotels. Every year, all hotels are required to set their respective energy and carbon reduction targets, and come up with feasible measures to achieve them. To better organise our energy and carbon management, some hotels have adopted Energy Management System certification under ISO 50001 and Greenhouse Gas Accounting and Verification certification ISO 14064. Regal has been an industry leader in seeking ways to manage environmental performance, with Regal Airport Hotel being the first hotel in Hong Kong to attain these two international standards.

In addition, Regal's participation in EarthCheck subject Regal to ongoing environmental performance assessment and benchmarking. As part of the program, energy use and carbon emissions are monitored regularly and audits are conducted annually to identify reduction opportunities and implement improvement plans. A number of measures in hotel operation are undertaken to reduce energy consumption. Regal's hotels have replaced or are in the process of replacing all less-energy-efficient lighting with LED lights. Some of the hotels also take energy efficiency into account in their centralised air-conditioning system. Regal also raised energy-saving awareness among its associates, reminding them to switch off all lighting and electronic devices after use. On the other hand, hotel guests are encouraged to join Regal in conserving energy, by providing energy-saving tips in hotel lobbies and reminders in guest rooms.

Regal also implemented specific measures on curbing our greenhouse gas generation. For example, most of our hotels are equipped with electric vehicle charging stations to promote low-carbon transportation. Diesel-powered equipment has been completely phased out and replaced with natural gas-powered equipment, which is less carbon-intensive, in hotels such as Regal International East Asia Hotel. With other measures applied to offset carbon emissions, iclub Wan Chai Hotel was the first carbon neutral hotel in Hong Kong.



Electric vehicle charging station at Regal Airport Hotel



Organic farms at the garden of Regal Airport Hotel

PROPERTIES – Mainland China

Whether it is in the construction or operational phase, Cosmopolitan strives to apply energy-saving technologies in its projects to curb consumption and emissions.

Cosmopolitan adopted various measures to lower energy consumptions and emissions of its development projects. During the construction phase, solar-powered and LED lighting are used at the construction sites. The construction materials and component parts used are certified with Construction Energy Efficiency Performance Labelling Certificates. A variety of measures, including the adoption of low-e windows, LED lighting, building automation system and equipment with energy-saving features, are incorporated to reduce the consumption of energy during the operational phase. Cosmopolitan's projects fulfil the Design Standard for Energy Efficiency of Public Buildings and Design Standard for Energy Efficiency of Residential Buildings.

Cosmopolitan has also put in efforts to minimise the emissions from its development projects. For example, construction materials which generate less dust are used. Landscaping is also employed to absorb pollutants. These arrangements minimise air-suspended dust, reducing air pollution. To build low-carbon communities, our properties are designed to be equipped with electric vehicle charging systems and bicycle parking areas, which allow residents to commute via low-carbon options.

WATER MANAGEMENT

PROPERTIES – Hong Kong

We understand that water resources are becoming scarce in today's world. Upholding our environmental responsibility, water is always considered a precious resource. Our construction process relies on the use of water, from preparation of mortar to mixing of cement concrete. Induction training courses including environmental protection are delivered by environmental officers. The workers and technicians at construction sites make precise use of water in order to minimise water consumption.

Wastewater management is also an essential element in water resource management. Since water pollution can seriously affect available water resources, we carefully treat wastewater before discharge. Construction activities generate wastewater from groundwater extraction and surface run-off. Several measures are carried out in our construction sites to abate wastewater pollution. For instance, to deal with wastewater generated from surface run-off, all our construction sites

are required to set up designated areas to collect surface run-off and ensure proper treatment before discharge. In addition to surface run-off collection, we minimise the exposure of soil at the construction site after excavation and backfilling in order to prevent soil erosion and water pollution. Regarding our water management initiative, we strictly comply with the applicable local laws and regulations including Water Pollution Control Ordinance.



Wastewater treatment facilities at construction site

HOTELS

Hotel operation also relies on the use of water, from catering and cleaning to consumption by guests. As a result, proper water management is essential for Regal to fulfil its environmental responsibility. Apart from monitoring, several measures have been implemented to reduce our water use. For instance, Regal recycles chiller water and reuses the water for toilet flushing, and installed automatic faucets and toilet flushers in public toilets. Guest rooms are also equipped with dual-flush toilets which allow guests to use the right amount of water. As part of Regal's "We Love Our Planet" initiative, guests' linen and bath towels are washed every third day of their stay, unless requested otherwise. This measure can effectively reduce the overall water consumption for laundry.

PROPERTIES – Mainland China

Cosmopolitan identifies water efficiency enhancement opportunities in its operation as a means of water resources management. Cosmopolitan's water efficiency enhancement measures begin with construction activities. The wastewater generated from construction activities is collected, treated and reused on-site where possible. Water meters are installed to help review the water consumption level on each floor in the buildings and the entire project. Corrosion-resistant and durable water pipes are used to prevent water leakage. Regular water seepage tests are also conducted.

Understanding that extracting water from the ground may cause severe problems for the nearby environment, Cosmopolitan undertakes groundwater replenishment (i.e., recharging the groundwater supplies with treated wastewater) in the Tianjin development project. Cosmopolitan will also expand the use of reclaimed water in the future to reduce dependence on freshwater.

Cosmopolitan takes care of used water to ensure that disposal will not have negative impacts on the environment. Before discharging effluent to the municipal sewage system, wastewater is collected and handled in the on-site water treatment tank to ensure the effluent quality is up to standard.

WASTE MANAGEMENT

PROPERTIES – Hong Kong

We have established a comprehensive waste management system and plan with policies and guidelines to achieve waste reduction in our operations. During construction, several types of waste are generated, including quarry, metal, paper, timber, plastic products, etc. We strive to save the resources and increase the reuse and recycling of materials, which helps in reducing waste disposal at landfills. We keep track of the amount of our waste generation and recycling regularly and review the situation to enable continuous improvement.

We impose active management on usage of resources. Proper planning of works and site management are carried out to prevent over-ordering. At the same time, the construction works strictly follow standard working procedures, aimed to avoid cross contamination of reusable or recyclable materials. With proper management of the construction works, the building materials can be put to the most effective use.

We are devoted to increasing our reuse and recycling rate. Sorting of waste products is required in advance. We install well-labelled waste disposal bins in designated waste stockpile areas. Equipment and material packaging are recovered and properly stockpiled in dry and covered conditions to prevent cross contamination for recycling of materials. Many types of waste in the construction site can be further reused and recycled. For example, we use sustainable timber certified by the Forest Stewardship Council, the American Forest and Paper Association or "Known Licensed Sources". To reduce use of timber, aluminum formwork are used for the construction of typical floors. Timber in good form will be reused as many times as possible. In addition to timber, the reinforcement bars and falsework material are collected and delivered to local recycling factories. We can reduce the cost for sourcing construction material, and reduce the burden on the landfills subsequently.



Timber collected at construction site for recycling



On site waste sorting area



Aluminum formwork are used for the construction of typical floors to reduce timber use

To ensure all waste management measures are put into practice, we have formulated a monitoring system in the construction site. All the environmental officers are responsible for conducting waste inspections. Site inspections are undertaken weekly to check compliance of all construction activities with all waste mitigation measures. Thus, we can ensure that the waste arising from works are handled, stored, collected, transferred and disposed of in an environmentally-friendly way. In addition, we placed waste separation bins and set up recyclable waste collection point to encourage recycling at our managed properties.



Three-coloured waste separation bins and glass bottle recycling bins are placed at Regalia Bay, a luxury residential development in Stanley, Hong Kong managed by the Group, to help build up recycling habits of residents.



Waste paper, cardboard and scrap iron collection point is established at Regalia Bay for the purpose of recycling.

HOTELS

Regal understands hospitality operation involves significant material consumption and waste generation. Thus, Regal has put in place various measures for different aspects of hotel operations. In offices, Regal makes use of electronic means to replace paper-based work for paper consumption reduction, and empty cartridges are recycled. In addition, disposables, such as paper coasters, slippers and placemats, are substituted with reusable counterparts. Some of the hotels have adopted dispensers for shampoo and body wash to reduce plastic waste. Many items in guest rooms, such as pencils and notepads, are made of recycled materials. Rather than disposing of all items in rubbish bins, cleaning associates help sort waste into paper, plastic, metal, glass, food, waste oil, soap and non-recyclable materials.

Food from catering service contributes another major type of waste in hotel operation. To reduce the amount of food waste sent to landfills, several initiatives have been implemented. Minimising food waste at its source, the hotels order ingredients from suppliers with reference to the number of guests and meal reservations to minimise over-purchasing. The leftovers from restaurants are served in hotels' staff canteens, given that the food items are safe for consumption. Meanwhile, Regal has partnered with Foodlink Foundation – Hong Kong's leading hunger relief charity – to help minimise food wastage at some of its hotels in Hong Kong.

PROPERTIES – Mainland China

Cosmopolitan prioritises waste avoidance over other waste management methods. Measures for each project or different parts of operations are assessed on an individual basis. For example, light-duty walls as room dividers are used to reduce waste in case of renovation in the Tianjin development project. Cosmopolitan strives to use recyclable resources and durable construction materials, including steel, glass and aluminium alloy. During refurbishment of office, the office furniture was sent to the construction sites for reuse to reduce wastage. Remaining filling materials were also used for eco-friendly landscaping in the Chengdu development project.

For waste that cannot be recycled or reused, it is disposed of in a responsible manner. Procedures have been established to effectively handle different types of waste including domestic waste, construction waste and sludge. General waste is gathered and transported from the garbage chamber in every building to designated collection points on a daily basis. Building debris and waste engine oil generated in construction sites are handled by qualified contractors. Sludge is cleared and sent to landfills regularly.

For more information about the environmental performance and measures of Regal and Cosmopolitan during the reporting period, please refer to the respective environmental section in their respective ESG reports for 2016.

Our People

COMMITMENT TO THE EMPLOYEES

Paliburg maintains a policy that aims to foster long-term co-operative relationships with our employees. Apart from adhering to relevant laws and regulations, we are devoted to developing a good working environment for all of our staff.

Our comprehensive human resources policies attach importance to the various needs of our employees. We formulated competitive employment benefit packages to retain our talents. In addition to staff benefits, we also provide opportunities to help them to achieve better performance. We offer clear career path and training programmes to our employees. We aim to equip our employees with relevant skills and knowledge through appropriate staff training, which can, on the one hand, further enhance their contribution to the Company and, on the other hand, increase their own promotion opportunities. These employee-friendly policies and initiatives are vital to the delivery of quality products and services.

We comply with all relevant laws and regulations with regard to employment and labour issues, including compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and provision of benefits and welfare.

EMPLOYMENT

We are an equal opportunities employer which selects talents through a structured and fair recruitment system. We understand that retaining and developing talents are essential for sustaining business success. We do not only establish competitive remuneration packages to attract and retain talents, but also provide a diversity of opportunities to develop their potentials and to help them to advance progressively in their career paths.

We provide employees with a handbook which sets out clearly their roles and responsibilities. We reward employees' contribution through annual salary reviews and different award programmes. We established different communication channels to listen to employees' feedback and we organised regularly various recreational activities for our staff members.

In Mainland China, we also established appropriate welfare policy to motivate our employees. Apart from welfare and benefits that are required by law, we provide monetary rewards on major holidays like the Mid-Autumn Festival and birthdays. We provide job security insurance for each employee as well as occasional leaves, including parental leave and wedding leave, where appropriate.

TRAINING AND DEVELOPMENT

We plan for the continuous career development of our employees through training programmes to enable them to improve performance, assume greater responsibilities and achieve career goals. Our staff training and development policy is clearly stated in our Employee Handbook. Every year, we launch a series of training programmes to enrich the knowledge and skill of our employees. Our training programmes are tailored for our employees based on their needs and expectations on future development. We organise induction programme for all newly recruited employees, introducing them to our working environment and our Company's culture. In addition to the induction programme, we offer on a regular basis on-the-job training and health and safety training to equip our employees with essential techniques and knowledge for their job duties.

We provide substantial support for staff to improve and learn. Beyond internal training, we also encourage our employees to receive training outside the office. We offer training subsidies to provide our staff with financial assistance to attend courses organised by external institutions. The sponsorship covers tuition and related fees such as application and examination fees. By virtue of our continuous support in staff training and development, we believe that our employees can continuously improve themselves and strive for greater success in the future.



Employees training and development seminars



Orientation training for new joiners

WORKPLACE HEALTH AND SAFETY

PROPERTIES – Hong Kong

Our employees' health and safety is regarded as one of our highest priorities among all aspects of our operations. There are many safety black spots in the construction sites. We have contributed substantial efforts in minimising the health and safety risk in the project sites. Our management have developed a high standard safety and health working system to ensure the effective implementation of the health and safety policy. Under the system, a series of health and safety measures have been carried out, aiming to eliminate the risks emanating from work activities as much as possible.

Paliburg has established the Safety Management Committee overseeing the safety performance of the individual operations of our development projects. Internal and external safety audits are carried out periodically every year. We are committed to maintaining a high standard for work procedures, facilities, environment, materials, etc. in terms of health and safety. Follow up measures are made after reviewing the audit results in committee meetings. The health and safety policy is also reviewed by the committee annually, in order to ensure that it is upgraded to the latest standard in compliance with the relevant laws and regulations and industry norms.

We promote the health and safety of our employees by means of education, propaganda and training. Before construction works begin, all site staff and workers are required to attend a site specific induction training, which covers health and safety. The workers in the project site should wear protective equipment and are trained to follow safe working practices strictly. Additionally, regular evaluation drills are carried out to prepare the workers in case of emergency. These measures as a whole work to minimise risk in the workplace as much as possible.

HOTELS

Regal has published a Safety Manual to outline the management, control and coordination of work to protect its employees' health, safety and welfare. Responding to the relevant health and safety legal requirements, a Safety Policy is implemented for its different operations. A Safety Committee has been established to assist the Hotel General Manager to review the implementation of the Safety Manual at least once a month. The policy is reviewed periodically to keep up with the latest developments in workplace safety and health standards, and regulations.

Through inspections, job hazard analysis, monitoring and safety audits, and implementing safety management systems and accident prevention measures, Regal strives to minimise workplace safety and health risk. A safety management system has been maintained to comply with all relevant laws and regulations. The safety and security officers are responsible for identifying any potential hazards and recommend alternatives at the operational level. All hotels are required to maintain adequate personal protective equipment and first aid materials. To safeguard the overall safety and health in workplace, personnel found not following the safety rules and practices may be penalised.

All Regal's associates engaging in work with occupational safety risk receive job safety trainings. External parties are invited to provide training to supervisory and managerial personnel, and trainers to further the application of their safety knowledge in our daily operation. In terms of emergency preparedness, Regal appoints an adequate number of suitably trained personnel who are competent in the use of fire-fighting equipment, provision of first aid and rescue techniques. Emergency drills are organised regularly for all emergency and rescue teams.

Continuous awareness building is essential to creating a healthy and safe environment and, therefore, Regal puts up posters and distributes health and safety information sheets, newsletters and bulletins. Relevant warning signs, emergency and rescue procedures, notices and placards are placed strategically in hotel offices, workshops and welfare facilities as reminders. As an incentive programme, Regal introduced a Safety Award to recognise the personnel with the best health and safety performance periodically.



Safety training for our hotels' employees.

PROPERTIES – Mainland China

Cosmopolitan reckons the importance of occupational health and safety in establishing a comfortable and safe working environment. Trainings are provided for workers regularly. Only qualified workers who have passed safety training courses are allowed to work on-site. Apart from providing training to workers, Cosmopolitan understands that suppliers play an important role in maintaining workplace health and safety. In view of this, suppliers are engaged to work together with Cosmopolitan through meeting, workshop and trainings. Cosmopolitan requires all its suppliers to provide safety training and experience for every new worker and its work has been recognised by the Ministry of Housing and Urban-Rural Development of the People's Republic of China and the Tianjin Municipal People's Government.

A comprehensive Safety Construction Management Policy has been implemented at the construction sites in the Chengdu development project and is managed by the project manager. Cosmopolitan undertakes efforts to promote a safe working environment including, for example, placing signs to remind workers to prevent accidents and actively taking preventive measures to avoid fire and other major hazards. Fire-prevention system complies with relevant laws in Mainland China and is regularly maintained by qualified professionals.



Safety training provided on site



Safety Experience Hall to raise worker safety awareness

EMPLOYEE ENGAGEMENT

As a caring employer, we endeavour to create a harmonious working environment. Our Staff Recreation Club organises different functions to engage all of our employees, providing motivation through after-work activities, such as sports competitions, annual dinners and festival celebrations. These activities could strengthen the cohesion among employees in the work place.



Annual staff party and other festival activities to celebrate Chinese New Year

In addition to the activities organised by the Staff Recreation Club, we encourage our employees to build mutual trust. Our employees are personally counselled by their supervisors from time to time. Our staff can better understand their performance and set out their career goals during the counselling process. Supervisors also have the opportunity to hear employee opinions about our Company and pass them on to senior management. Apart from the counselling sessions, employees are welcome to approach their division or department heads to discuss matters related to work. Our human resource policies are reviewed regularly to take into account new developments and inputs from employees.



CASE STUDY: TRIP TO RUOERGAI GRASSLANDS IN SICHUAN

The Chengdu office of Cosmopolitan successfully organised a company trip to the Ruoergai Grassland in Sichuan from 23 to 25 July 2016. The trip was aimed at providing a relaxing time for employees and to increase their sense of belonging. During the trip, our employees visited magnificent scenic sites, including Ruoergai Huahu and learned about the life of the local nomadic people. Our employees recognise the importance of taking time to rest and re-energise so that they can better devote themselves to their career and profession.



Our Suppliers

Paliburg is committed to adhering to high ethical standards and we also encourage our suppliers and contractors to share a common goal. In our ongoing efforts to improve the way we procure and the services we provide, the Group gives preference to vendors who currently are working towards responsible and sustainable operation. We believe that through managing and engaging with our supply chain, we can better support and promote fair and effective operating practices. Working together with our suppliers, customers, investors and employees, we aim to contribute positive influence in our supply chain, in order to create positive environmental and social impacts with respect to ESG performance.

SUPPLY CHAIN MANAGEMENT

PROPERTIES – Hong Kong

Our supply chain includes a range of suppliers and contractors to provide various product and services for our business operations. Suppliers and contractors are considered as one of the important stakeholder groups that can affect our ultimate product and service quality. In view of this, we have developed a set of standard procurement and tendering procedures. The responsibility and duties of each different role in the supply chain management system is clearly defined. We monitor our suppliers in diverse aspects, from product and services quality to occupational health and safety policies, in order to ensure compliance with applicable environmental and social regulations.

We believe that while our procurement can ultimately affect our product and service quality, it can as well impact on our community and the environment. We collaborate with our suppliers to achieve our sustainability goal. For this purpose, we select suppliers that uphold similar environmental and social values.

We are cautious in our selection, monitoring and review processes to ensure that the work and practice of our suppliers and contractors strictly comply with the relevant laws and regulations. In the tendering process, the tenderers are required to provide the record and history of their work for the purpose of inspection and examination. Person-in-charge from the management office and engineering department is responsible for monitoring and reviewing the performance of the suppliers. We have prepared a set of checklist to evaluate the final product and services of our suppliers and contractors. Apart from the product and service quality, we carried out on-site checking to review whether the contractors have provided a safe workplace and upheld the environmental standards. The evaluation results will be used to assess future cooperation opportunities with suppliers and contractors. Through close cooperation with our suppliers and contractors, we hope to maintain sustainability throughout the supply chain.

HOTELS

Regal has an extensive and complex supply chain that consists of vendors from various nations and provides a wide range of products and services, ranging from food and beverages to cleaning and laundry services. The purchasing department of the hotels is responsible for procurement of daily operations in accordance with the Contractor Code of Conduct and Safety. The Code of Conduct ensures that the suppliers share similar core values with Regal to create a socially and environmentally-friendly supply chain.

From an environmental perspective, Regal purchases environmentally preferable products (e.g., LED lighting, recycled paper packages, cleaning products with eco-certificates or labels, etc.) in accordance with the Green Purchasing Policy. Whenever it is feasible to meet economic and performance objectives, Regal purchases products with relative least adverse environmental and human health impacts. Through this practice, Regal strives to enhance efficiency and improve the ESG performance of its suppliers by fulfilling corporate social responsibility at source.

PROPERTIES – Mainland China

As a company pursuing a fair and competent environment, a holistic approach is used in which tendering management and decision-making power is decentralised. The internal legal functions are responsible for the efficient and collaborative operation of purchasing and service delivery. To better manage the interfaces between different roles and entities involved in the supply chain, duties are clearly segregated and assigned. The cost control functions at different operating levels serve as good communicators within the management system. All departments work together to oversee the financial policies and maintain a fair, standardised and transparent tendering process.

Throughout the reporting period, Cosmopolitan adhered to the core principles of ESG responsibility in its procurement management strategy. All purchasing items are required to be subject to tender invitations in compliance with its policies and procedures. Cosmopolitan upholds its responsibility in the performance of its contractual obligations and strives to promote a fair and competitive business environment.

ANTI-CORRUPTION**PROPERTIES – Hong Kong**

Adhering to the Prevention of Bribery Ordinance (Cap.201), Paliburg established policies to ensure that its work place is corruption-free. Non-compliance with the anti-corruption policies, including bribery, anti-competition, money laundering, fraud and corruption, will strictly not be tolerated.

HOTELS

Same as Paliburg, Regal adheres to the Prevention of Bribery Ordinance (Cap.201) and established relevant policies to ensure that its hotel business operations is corruption-free.

PROPERTIES – Mainland China

Cosmopolitan adopts a strong stance against corruption and misconduct. Either the total transaction value or the unit value is set before tendering process to avoid misconduct. A feedback mechanism and a telephone hotline are in place to receive suggestions and complaints regarding procurement management. During the reporting period, there were no reported incidents of corruption related to the supply chain which are of material importance.

Our Customers

PROTECTION OF PRIVACY

We place great significance to our customers' right to privacy. We fully comply with the requirements of the Personal Data (Privacy) Ordinance of Hong Kong and other applicable laws and regulations in China. Under our privacy policy, all personal data collected is handled with strict confidentiality. For example, Personal Information Collection Statement must be provided to all purchasers of residential properties in the preliminary agreement for sales and purchase. In our hotels, all personal information collected for our hotel membership maintenance will only be used for membership programme administration and marketing with the customers' consent. Various levels of access rights have been set up so that only authorised staff are permitted to access customers' personal information. We use paper shredders to destroy documents containing private and confidential information. All of our employees are committed to take privacy issues seriously. Where appropriate, they are requested to sign a confidentiality agreement stating that they have the legal responsibility to keep information confidential, such as trade secrets and personal customer information. Any disclosures of such information for unauthorised use are strictly prohibited.

PRODUCTS AND SERVICES QUALITY

PROPERTIES – Hong Kong

In virtue of our commitment, we strive to assure the quality of the property and services offered to our customers and tenants, which is monitored by a sound quality assurance system. In addition to products and services quality, we attach importance to customers' needs by collecting their feedback regularly. Customer opinions are well addressed and serve as the basis for future improvement.

We adopted a three-pronged quality management approach to assure the building quality. Quality management work is divided into stages, including the pre-construction phase, construction phase and post-construction phase. In the pre-construction phase, we have stringent control over the building plans and construction materials. The building plans are reviewed by architectural and construction experts. We require certificates of compliance and assessment reports for each of these materials to ensure the quality of the building, and thus protect the safety of the end-users. In the construction phase, we focus our monitoring on the structural work, construction of reinforced concrete, construction of sample layouts and information management. With the close monitoring throughout the whole construction process, we strive to ensure that our buildings are completed with optimum quality. The post-construction phase serves as a critical procedure in our quality management approach. A set of criteria is prepared for each section of the construction works to achieve a high level of safety and quality standards.

Apart from the building quality, quality service can further enhance the customer experience. This requires ongoing effort in the long run. With respect to property management, residents and tenants' opinions can contribute to our continuous improvement in service quality enhancement. We gather feedback from our customers through customer satisfaction surveys covering diverse aspects, including staff attitude, safety and clubhouse services, etc. Key areas of improvement can be identified after detailed analysis of the survey. We also provide a view-collection box for advice and suggestion at our management office and hotlines for our different developments in order to collect feedback from residents and tenants.

We also established customer complaint handling procedures. A designated staff is responsible to follow up on complaints from residents, tenants, customers, public, etc. received through hotlines, view-collection box or internet.

HOTELS

Regal is devoted to offering premium services to its guests. Its long-standing commitment to quality and attention to details have enabled Regal to become a world-class hotel management group and one of Asia's preeminent hotel brands.

In order to create a memorable experience for its guests, Regal is always open to listening to their needs and wants. It proactively engages and communicates with its guests through various channels, including the Regal Rewards and 925 Club, to seek guests' opinions on its services. Regal strictly protects customers' privacy throughout its operations in order to provide reliable services to its guests.

Regal takes customers' opinions as valuable inputs for its continuous improvement. Regal's Guest Comments Reply standards serve the purpose of ensuring that guest feedback, regardless of nature, is regarded as a priority in guest service standards.

Regal treats complaints as a driver for improvement of its facilities and services. Regal gathers feedback from its guests through various means including verbal communication, guest questionnaires, food and beverage outlets and websites. Guest comments whether in verbal or written format are categorised and handled effectively and efficiently by the relevant departments at all times. All guest comments are reported and followed up on by contacting the guest in person or in writing within 48 hours. Follow-up Actions are taken accordingly whenever necessary.

PROPERTIES – Mainland China

Cosmopolitan strives to assure the building quality and prioritise customer needs. Quality assurance and monitoring systems targeted at development projects are in place. Same as Paliburg, Cosmopolitan has also adopted a three-pronged quality management approach to assure the building quality. Cosmopolitan makes use of customer satisfaction surveys covering diverse aspects, including staff attitude, safety and clubhouse services, etc., to collect feedback of its customers. Key areas of improvement can be identified after analysis of the survey result. Cosmopolitan is assessing the possibility to establish a complaint system in the near future to construct a more comprehensive communication channel with its customers.

Our Community

COMMUNITY COMMITMENT

PROPERTIES – Hong Kong

We are determined to make positive impact to the local community and consider social participation as a key element. We believe by taking up more corporate social responsibilities, it can create values for our customers and society in the long run. We are obliged to contribute to society for a better tomorrow and actively engage ourselves in a series of volunteer activities.

During the reporting period, we put our objective into practice by initiating a charitable event together with Medicins Sans Frontiers and The Salvation Army. We launched a Christmas Recycle Programme of Toys and Books at one of our properties, Regalia Bay. After gathering clothes, toys and books donated by residents, the items were sold in the Christmas fair held in the club house. All the collected money was then donated to the appointed charities and the unsold items were sent to The Salvation Army or placed in the club house to share with other residents. Not only do we care about our residents, we are happy to make a difference in our community by recycling and utilising our resources.



Christmas fair and donation programme co-organised with Medicins Sans Frontiers and The Salvation Army

HOTELS

Regal is dedicated to boosting the talent pool in the hospitality industry. Starting in 2015, Regal launched the “Regal Hotels International Youth Development Programme”, in which students from IVE Hotel, and Service and Tourism Studies disciplines can enjoy internship opportunities in various operating functions, such as front office, food and beverage and housekeeping in Regal.

Regal provides young people with learning experience outside classrooms. Hospitality has become a hot industry in recent years and Tourism and Hospitality Studies is now an elective subject in the new Hong Kong Diploma of Secondary Education Examination. Regal has spared no effort to support education in local community. Students studying in relevant disciplines require real-life experience to enhance their learning. Regal Riverside Hotel and Regal Oriental Hotel have cooperated with NGOs to organise hotel tours for students.

Ronald McDonald House Charities of Hong Kong provides families with sick children with housing close to hospitals. In May 2016, Regal's volunteer team participated in a cleaning day organised by the Ronald McDonald House in Sha Tin. The volunteer team assisted with cleaning, cooking and chores in the house to show support to families experiencing difficulties.



Our volunteers visited Ronald McDonald House.

In 2016, Regal initiated various charity sales to raise funds for NGOs providing support to people with disabilities or illnesses throughout the year. In November 2016, Regal Hongkong Hotel held a 2-day Cookie Charity Sale with Fu Hong Society. The cookies sold in the event were made by people with disabilities which Regal employees helped to sell. The activity recognised the contributions made by people with disabilities, and also raised funds for the organisation.



The Charity Cookies Sale held with Fu Hong Society was a great success.

PROPERTIES – Mainland China

In the winter of 2016, Cosmopolitan carried out a donation programme in the Xindu district of Chengdu. The donation programme successfully collected various daily necessities including rice and cooking oil and our volunteers helped distribute these daily necessities to people in need in the community. The objective of this programme was to ensure that the poor and the elderly had access to daily supplies and met their basic needs. Through these activities, our volunteers understood more about the groups in need in the society with higher awareness about charity, and gained better satisfaction in life about what they own.



Representatives from Banqiao community presented a flag to Cosmopolitan's volunteers to express gratitude for their contribution during the activity.

For more information about the community programmes of Regal and Cosmopolitan during the reporting period, please refer to the respective community section in their respective ESG reports for 2016.

Appendix - The Stock Exchange of Hong Kong Limited's ESG Reporting Guide Content Index

Subject Areas, Aspects, and General Disclosures		Chapter
A. Environmental		
Aspect A1: Emissions	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Our Environment
Aspect A2: Use of Resources	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.	Our Environment
Aspect A3: The Environment and Natural Resources	General Disclosure Policies on minimising the issuer's significant impact on the environment and natural resources.	Our Environment
B. Social		
Employment and Labour Practices		
Aspect B1: Employment	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Our People
Aspect B2: Health and Safety	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Our People

Subject Areas, Aspects, and General Disclosures		Chapter
B. Social		
Employment and Labour Practices		
Aspect B3: Development and Training	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Our People
Aspect 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.	Our People
Operating Practices		
Aspect B5: Supply Chain Management	General Disclosure Policies on managing environmental and social risks of the supply chain.	Our Suppliers
Aspect 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.	Our Customers
Aspect 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.	Our ESG Approach
Community		
Aspect 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.	Our Community



www.paliburg.com.hk