



# 銀合控股有限公司 YIN HE HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)  
Stock Code: 8260

Environmental,  
Social and Governance  
Report **2017**



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## SCOPE

This is the first Environmental, Social and Governance (ESG) Report issued by Yin He Holdings Limited (the “Company”, together with its subsidiaries, the “Group”), highlighting its ESG performance, with disclosure reference made to the ESG Reporting Guide as described in Appendix 20 of the Listing Rules and Guidance set out by The Stock Exchange of Hong Kong Limited.

The principal activities of the Group are the provision of human resource services, credit consultancy services, loan facilitation services, asset management services and loan financing services. This ESG report covers the Group’s overall performance in two subject areas, namely, Environmental and Social of the business operations in offices in PRC and Hong Kong from 1 April 2016 to 31 March 2017, unless otherwise stated.

## STAKEHOLDER ENGAGEMENT AND MATERIALITY

In order to identify the most significant aspects for the Group to report on for this ESG report, key stakeholders have been involved in regular engagement sessions to discuss and to review areas of attention which will help the business meets its potential growth and be prepared for future challenges.

## STAKEHOLDERS’ FEEDBACK

The Group welcomes stakeholders’ feedback on our environmental, social and governance approach and performance. Please give your suggestions or share your views with us via email at [info@yinhe.com.hk](mailto:info@yinhe.com.hk).

## ESG COMMITMENT OF THE GROUP

Yinhe recognizes the importance of integrating ESG factors into business model, and is committed to develop ESG-driven initiatives and invest constant effort in implementing effective strategy in its daily operations and future business plans. Moreover, Yinhe will continue to monitor and review its ESG practices to ensure compliance with the regulatory requirements and to meet the expectations of the stakeholders, shareholders and investors.

## A. ENVIRONMENTAL

### I. Emissions

The Group believes that its services are not major sources of environmental pollution, the impact of its business operation in the offices on the environment is minimal. Nevertheless, we are proud to have created a responsible and environmentally friendly office environment with the Green Office initiative. All employees are encouraged to play a part to achieve the objectives:

#### ***In the Short Run***

*Consuming less is the most fundamental step in reducing waste*

#### ***In the Long Run***

*Going Green involves Changes in Attitudes, a Commitment to Monitor and a Commitment to Change*

The Group encourages green initiatives such as promoting a paperless and automatic office environment, providing trainings on environmental protection and conservation, purchasing energy-saving office equipment whenever possible, placing reminders near light switches, ensuring recycling bins are placed in all common areas and corridors to encourage employees sorting waste materials prior to disposal. Waste toner cartridges are collected by licensed recycler for repurposing.

### 2. Use of Resources

Green office management is in place and the Group strictly follows guidelines based on 4-R Principle, which is reduce, reuse, replace and recycle:

#### *Energy*

1. Energy saving light bulbs will replace current light bulbs
2. Keep blinds open to provide more natural lighting in the office
3. Switch off lights and a -conditioning when not in use
4. Switch off all personal computers at the end of the day (Standby mode is not encouraged)
5. Switch energy appliances to energy saving mode if possible
6. The last person to leave the office is to do a quick check on appliances left on



*Paper*

7. Paper Saving – Think before you print
8. Instead printing, practice on screen reading and editing
9. Practice double-sided printing. Printers would now be set to print double-sided as a default
10. Use environmentally friendly paper for printing or faxing purposes
11. Containers will be set aside for collection of paper to reuse and to recycle
12. For internal memos, use internal communication platform or email as medium
13. Engage recognized and approved recyclers for collecting waste paper

*Water*

The Company's water consumption is managed by the Management Office of its office building, therefore respective data is not available. However, it is noteworthy that water consumption of its operation is insignificant. Employees are reminded to turn off the tap after use and to regularly check if there is leakage at water supply systems.

**3. The Environment and Natural Resources**

We care about climate change and our impact on the natural environment, living standard and harmonious development of the society, and the need of future generation. Global warming is something that everyone should be concerned about.

Different industries are using many ways to lower their dependence on natural resources as part of the green trend. In response to this movement, the Group has established an e-form (electronic form) system to replace the traditional printable forms starting 2017. Together with a comprehensive document management system, all the information from paper are now uploaded to cloud server, which significantly reduces paper consumption and relative storage space and makes data searching process much more efficient and effective. Moreover, the e-form system also accelerates the time required for recruitment process as candidates complete the form in electric format and send to interviewers prior to interviews. We look forward to embracing a more automatic data integration system in the coming years as our commitment on using technology to make the business more eco-friendly.

## B. SOCIAL

### I. Employment and Labour Practices

#### (i) *Employment*

The Group complies with laws and regulations regarding minimum wages and basic employee welfare. The Employment Contract has listed out details about employee's remuneration, probation period, working hours, entitlement to paid annual leave, sick leave, medical coverage, mandatory provident fund scheme, and employee compensation.

#### **Recruitment, Dismissal and Termination**

The Group has standard written procedures on recruitment and summarily dismissal/termination to minimize human error and to ensure each step comply with applicable laws, the Group's policy and meet the requirements of the management system.

#### **Appraisal**

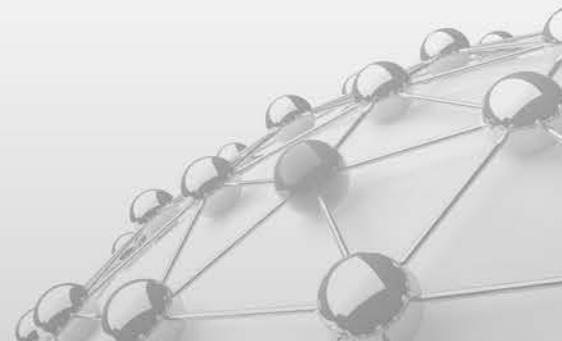
Annual performance appraisal is conducted to encourage a dialogue between the employees and their supervisor so to evaluate individual employee's job knowledge, job quality, initiative and independence, time management, interpersonal relationships, customer focus, compliance/job ethics, creativity, problem-solving and decision-making, and overall goals to achieve in the coming year. The performance appraisal would be used as one of the criteria to consider employee's promotion.

#### **Equal Opportunity**

Employees are not discriminated against or deprived of opportunities based on gender, ethnic background, religion, family status or any other discrimination prohibited by applicable law.

#### (ii) *Health and Safety*

The Company, Management and individual employees all have a role in ensuring a healthy and safe working environment as stated in the Group's policy. Training is provided as part of an employee's induction and courses are arranged according to the needs of the Group and in consultation with designated Health and Safety Officer. Employees are also reminded on a regular basis regarding office cleaning, personal hygiene, preventive measures on flu, and precautionary measures related to business travelling.



**(iii) Development and Training**

The key to building the Group's core competitiveness is talents, as the Group sees training as a valuable tool to equip employees with essential skills, knowledges, market trends, technology and attitudes, and to enhance team spirit, work productivity and efficiency. By investing in people through trainings, we harness their full potential and focus their energies on business' needs and goals, at the same time, fulfilling their needs for personal development and job satisfaction as well.

Three fundamental principles of the Group's training: challenge yourself, strengthen teamwork and be a leader. Training and development usually fall into seven categories: induction, management development, generic training, professional and technical training, qualifications, computer training, and health and safety.

Training Policy has been established to standardize and streamline planning processes, training needs identification, resource allocations, training content and programme development, trainers' requirements and responsibilities, details on reimbursement, event evaluation and review. The Policy also states that management team plays a key role in training by:

1. Demonstrating a commitment to train and develop employees in relation to the Group's objectives.
2. Ensuring that training and development plans are focused on the Group's needs at corporate and service levels and provide adequate resources.
3. Ensuring training and development actions are evaluated in relation to service and organisational objectives and the benefits clearly identified.

**(iv) Labour Standard**

All employment and recruitment strictly abide by the Employment Ordinance, Chapter 57 of the Laws of Hong Kong, and the Labour Law of the PRC. The Group carries out strict pre-employment background check procedure and verification on identity documents on every candidate, to ensure no forced nor child labour in the Group's business operations.

**Forced Labour**

No employee may be compelled to work through force or intimidation of any form, or as a means of political coercion or as punishment for holding or expressing political views. Business partners must not use forced labour, whether in the form of prison labour, indentured labour, bonded labour or otherwise, or permit the trafficking in persons for the purposes of forced labour.

**Child Labour**

The Group and business partners must not employ children who are less than fifteen years old, or less than the age for completing compulsory education in the country of operation where such age is higher than fifteen. Identity documents must be presented by candidate to confirm their actual age during recruitment process.

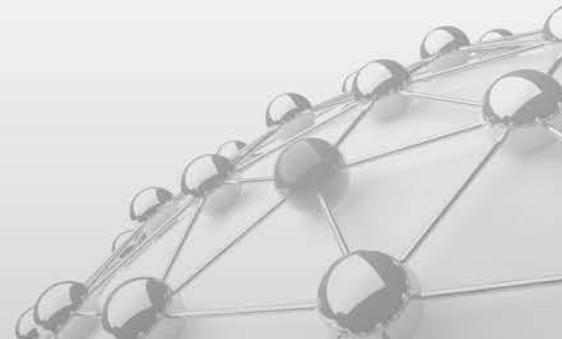
**2. Operating Practices****(i) Supply Chain Management**

The Group encourages green purchasing whenever possible for the office environment. Contractors are reminded, during early engagement process, to make use of environmental friendly and energy saving products for office improvement works.

**(ii) Product Responsibility**

The Group has a standard procedure on handling service related complaints. Responsible department head will be notified once complaint is received, and complainant shall be contacted by responsible personnel from the Group within 24 hours. If applicable, investigation and follow up reports shall be prepared for the concerned complaints.

Data protection and privacy are vital to the Group's business, encryption is enforced at numerous layers of business. Specific monitoring system has also set up to protect intellectual property and sensitive information. The Group strictly follows and complies with government (both PRC and HK) rules and regulations for intellectual property right protection, client data protection and privacy policies, and for our business natures.



**(iii) Anti-corruption**

As stated in the Employment Contract, employee shall comply in all respects with the provisions of any ordinance, regulation or by-law which are in force in their respective countries, including those related to bribery, extortion, fraud and money laundering. Employees shall indemnify the Group against all penalties and liabilities of every kind for their breach of or non-compliance with any such ordinance, regulation or by-law. There were no concluded legal cases regarding corrupt practices brought against the Group or employees during the reporting period.

**3. Community**

**(i) Community Investment**

The Group has not participated in any community investment in the reporting period and the management will start to consider participating activities or partnering with organizations that benefits the community in the next reporting year.