



**Infinity Development Holdings Company Limited**  
**星謙發展控股有限公司**

Incorporated in the Cayman Islands with limited liability  
Stock Code : 640

# Infinity Development

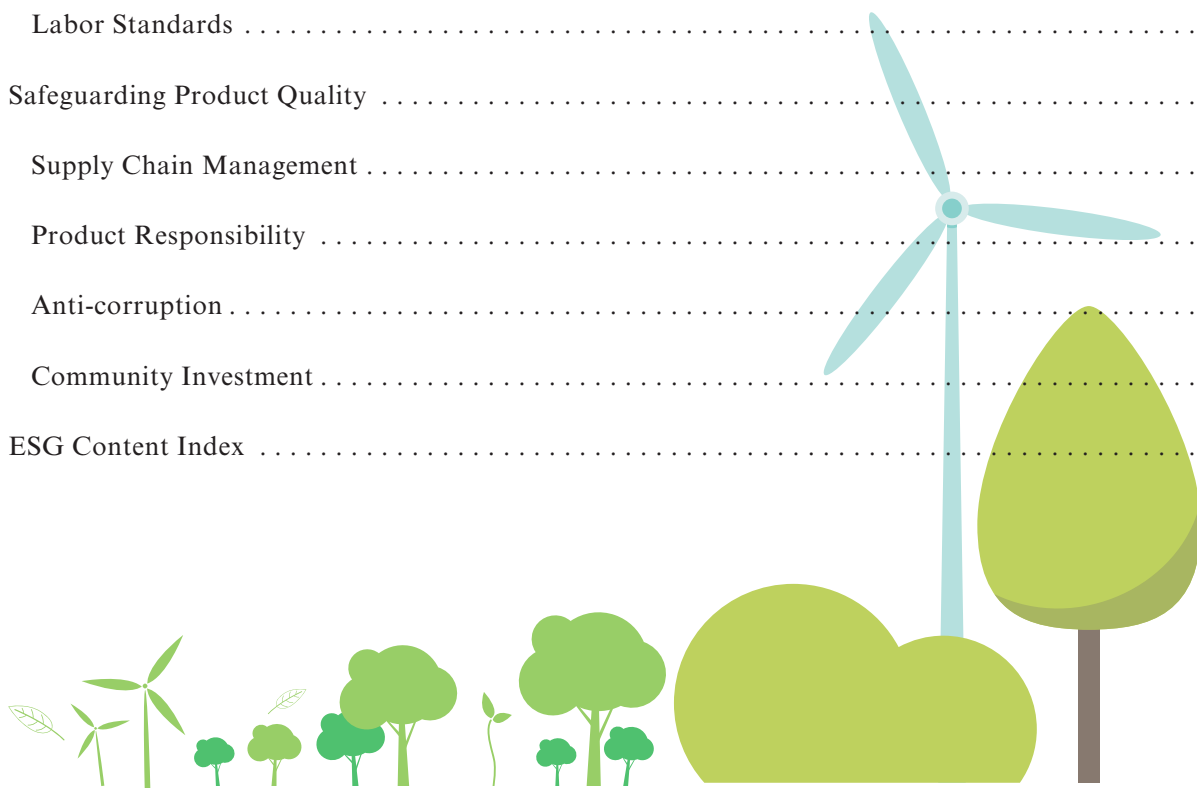
Environmental, Social and  
Governance Report **2015/16**

# Environmental, Social and Governance Report in 2015/16

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## ABOUT US

Infinity Development Holdings Company Limited (“Infinity Development” or the “Group”) is a professional organization which involves in research and development, production, agent and sales of high-quality chemical products. The Group’s main business includes manufacturing and selling adhesives, treating agent, hardener, vulcanized shoe adhesives and related products used by shoe factories, and sales agent of the adhesives used on electronic products.

In response to market demand, Infinity Development has set up two factories in China, Zhuhai factory and Zhongshan factory. At present, the Zhuhai factory is carrying out expansion projects, including the increase in production equipment, storage facilities and additional factory buildings, etc., preparing for the production capacity requirements of the Group’s OEM. The Group has also gradually expanded its business to Southeast Asia and set up factories in Vietnam and Indonesia.

Infinity Development has been regarding the development of new technologies and new products as the important pillars of the Group’s sustainable development, and formulated the environment-oriented research and development strategy. In addition to its own R&D team, the Group has been working with the well-known and successful enterprises as well as academic institutions in the industry to consolidate the Group’s research and development strength and maintain its leading position in the industry.

Infinity Development is committed to meeting the needs of customers beyond their expectations, we provide professional and effective pre-sale, after-sale technical services to our customers. Up to now, the Group has established a team of over 100 professional technical and service personnel in China and Southeast Asia, while most of the team members are experienced professionals in chemical industry.

The Group believes that global demand of footwear will continue to grow and drive the manufacturers’ demand for high-quality adhesives. While continuously improving the operating system, the Group pays close attention to the future direction of the market development, leads the research and development of products that meet the industry demand, and makes effort to implement the business strategy of diversified development.

### Structure of the Group’s business entities by region



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## ABOUT THIS REPORT

This report is the first Environmental, Social and Governance Report published by Infinity Development, it is designed to disclose the Group's measures and performance on sustainable development in a transparent and open manner, and increase stakeholders' understanding of the Group.

### Reporting period

All the information in the Report reflects the performance of Infinity Development in environmental protection and social care from October 2015 to September 2016. In the future, the Group will publish the Environmental, Social and Governance Report annually for all interested parties to access, and continuously enhance the Group's transparency and accountability.

### Reporting scope

This report focuses on the operation of the adhesive production in the Zhuhai factory<sup>1</sup> (not including the expansion project) of Infinity Development. The Group will expand the scope of disclosure until the Group has deepened its work on environmental, social and governance and the data collection system is more mature, the report will eventually cover all operations of the Group. This report does not cover the disclosure of environmental key performance indicators. The Group will conduct carbon audit next year to further refine and standardize the reported indicators.

### Reporting standards

This report is prepared in accordance with the Environmental, Social and Governance Reporting Guide (the "Guide") issued by the Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The report provides a simplified overview of the environmental, social and governance performance of Infinity Development. The information in the report is derived from the Group's official documents and statistical data, as well as the monitoring, management and operational information gathered by its subsidiaries according to the Group's related regulations. The last chapter of the report has a complete content index for quick reference. The report is prepared in both Chinese and English and is available on the Group's website at [www.infinitydevelopment.com.hk](http://www.infinitydevelopment.com.hk). If there are any discrepancies or inconsistencies between the Chinese and English versions, the Chinese version shall prevail.

#### Feedback

Our continued progress depends on your precious comments on the contents and form of this report. Should you have any questions or suggestions, please direct your comment to [ir@infinitydevelopment.com.hk](mailto:ir@infinitydevelopment.com.hk), helping us continue to improve our environmental, social and governance performance.

<sup>1</sup> A wholly-owned subsidiary of the Group, Zhuhai Centresin Chemical Product Company Ltd. is responsible for its operation

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## STAKEHOLDERS ENGAGEMENT

The Stock Exchange has put forward four principles of the reporting in the Guide, including: materiality, quantitative, balance and consistency as the basis for the preparation of the Environmental, Social and Governance Report. As the Stock Exchange has stated, stakeholders engagement is a means of assessing materiality. Through communicating with stakeholders, companies can learn about a wide range of views and identify critical environmental and social issues.

In the view of Infinity Development, stakeholders refer to groups and individuals who have a significant impact on the Group's business or would be affected by the Group's business. The Group's stakeholders include not only internal staff, management, Directors, but also external customers, business partners, investors, regulators and various types of community groups. In the past year, the Group has been communicating with key stakeholders through different channels. During the preparation of the report, the Group specially commissioned the professional consultant to conduct a substantive analysis in the form of management interviews, and clarified the important issues in the report with the help of the advice from the expert consultants, thus laying a foundation for the direction of the Group's sustainable development.

### Stakeholders' form of communication in the reporting period

Internal stakeholders	External stakeholders
• Directors	• Shareholders
• Management	• Investors
• Administration staff	• Customers
• General employees	• Contractors
	• Suppliers
	• Government/regulatory authorities
	• Banks
	• Partners

Form of communication
Email, workshop, interview, conference, seminar, internship, advice box, telephone, exhibition, company website, internal notice, and company activity

Infinity Development's business affects different stakeholders, and different stakeholders have different expectations for the Group. In the future, the Group will continue to intensify the communications with stakeholders, through more diverse ways to gather the opinions of stakeholders, so that the substantive analysis is more complete. At the same time, the Group will also give more consideration to the reporting principles of quantitative, balance and consistency, and define contents of the report and presentation of the information in a manner that is more compatible with the expectations of stakeholders.

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## CHAIRMAN'S MESSAGE

*“Looking into the future, we are convinced that the social concern for environmental protection will bring greater opportunities for the long-term development of the industry.”*

We began our business since 1987. From a small shop called “Iao Son Hong” to a listed company that has a turnover of more than HKD500 million, we rely largely on the corporate culture of “keeping pace with the times” and the environmental protection-oriented development strategy.

In the face of drastic changes in the market environment, our professional technical service team helps Infinity Development to response quickly, meet customers’ expectations, and provide customers with high-quality products. The market demand for environmentally friendly products is growing rapidly, as a leader in this field, we have increased investment in resources to enhance the ability to research and development, promoting environmentally friendly products.

In daily operations, we focus on the use of resources. From raw materials to finished products, we set goals and require the raw materials use efficiency of factories to reach more than 98 percent, so as to ensure the resources are used effectively. At the same time, we also focus on reducing the amount of waste generated. We, as a producer of chemical products, pay great attention to the management of solid waste. We minimize the generation of waste through improvement of the equipment and employ qualified professional companies to properly dispose of the waste generated during the operation in accordance with the operation standards. With a responsible management system, we try to minimize the impact on the environment.

Employees are our most important resource. Through rigorous safety guidelines, we strive to protect the health and safety of our employees, in particular, those who are exposed to chemicals frequently, we provide them with adequate personal protective equipment and annual health check. We also offer staff with pre-job trainings and on-the-job trainings to ensure that employees possess the knowledge and skills of safe production. We sincerely care for our employees and hope that we are able to gather more talents in the future to support the Company’s continuous development and growth.

Looking into the future, we are convinced that the social concern for environmental protection will bring greater opportunities for the long-term development of the industry. We will adhere to the mission of researching, developing, and promoting environmentally friendly products, continue to enhance our environmental and social performance, and bring more sustainable returns to shareholders and business partners.



**Infinity Development Holdings Company Limited**  
**Jeong Un**  
*Chairman*

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## PROTECTING ENVIRONMENT

### Emissions

Climate change has brought unprecedented challenges to global economic development. The extreme weather brought about by climate change directly or indirectly affects the ability of different institutions to access resources and maintain operations. At the Sustainable Development Summit held in 2015, all the members of the United Nations, including China, formally adopted 17 sustainable development goals, and “taking urgent action to address climate change and its impact” is one of these goals.

The Paris Agreement came into effect in November 2016, aiming to limit the rise of global temperature to two degrees Celsius at the end of the century comparing with the pre-industrial era, and try to further control it within 1.5 degrees Celsius.

In the face of global trends in reducing emissions, Infinity Development has developed detailed environmental management policies, including the Quality Environment Handbook in accordance with ISO 9001 and ISO 14001, as well as a series of management procedures to monitor the impact of the Group’s operations on the environment. Although the Group’s current business has not yet been conducted a carbon footprint assessment, the Group has included this into the 2017 Working Plan. The Group will identify the greenhouse gas emissions annually as the first step towards carbon reduction, and set up carbon reduction targets and priorities to make carbon reduction more efficient.

The main business of Infinity Development’s Zhuhai factory is the production of adhesives, the factory’s primary emissions are exhaust gas and wastewater. Accordingly, based on the source of the emissions: vehicle exhaust emissions, chemical volatilization, generator and boiler exhaust emissions, industrial and domestic wastewater discharge, the Group has developed “Exhaust Emissions Management Procedures” and “Sewage Discharge Management Procedures” and formulated the corresponding management principles and measures.

In terms of exhaust emissions management, Infinity Development clearly defines responsibilities and specific requirements in the procedure. For vehicle exhaust, the Group prohibits the use of leaded petrol for outsourced vehicles, requiring vehicles to turn off engine while waiting; the Group has also formulated “Environmental Requirements for Outsourcing Transportations” to request outsourced vehicles to conduct annual inspection and ensure good operation, and thus reduce vehicle emissions. In order to effectively manage the volatilization of chemicals, the Group requires the employees who use hazardous chemicals to develop a good habit of tightening the lid immediately after using, in order to avoid the exposure and volatilization of hazardous chemicals over time; in the production process, the Group also requires employees to ensure that operating reaction kettle, mixing tank and other production equipment operates in an enclosed environment to prevent leakage of exhaust gas.

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## PROTECTING ENVIRONMENT (*Continued*)

### Emissions (*Continued*)

To reduce exhaust emissions from production equipment, the Group stipulates that the generators and boilers of factories must use high-quality low-sulfur diesel to reduce sulfur dioxide emissions. The manufacturing department of factories is responsible for the daily maintenance of generators and boilers, and sustaining the fuel efficiency of facilities at high level. In addition, the Group has also installed ventilation, adsorption, spraying and other emission reduction devices for reaction kettles, generators, boilers and other high exhaust emission production equipment to dispose of exhaust gas, prevent the occurrence of black smoke, and ensure the suspended particulates meet the relevant emission standards. From the point of view of emission control and management, the Group stipulates that no person shall incinerate substances that produce toxic and harmful gases within the scope of the Company. The Group has also formulated the “Emergency Preparedness and Response Management Procedures”. In the event of toxic or harmful gas leakage, factories would handle the situation according to the procedures and immediately work with the relevant government departments to reduce the impact of the accident.

Regarding sewage discharge management, Infinity Development has also drafted detailed regulations to require the relevant departments to monitor the Group’s wastewater discharge, as well as to carry out control and improvement work. The industrial sewage generated by the Group’s business mainly includes the oil-containing wastewater produced by air compressors and the wastewater generated by the sprinkler system of boilers and generators. For the oily wastewater, the Group would collect it and is treated by qualified units. The wastewater from sprinkler system would be treated as required under the Maintenance Instruction of Boiler Waste Gas Treatment Equipment. For domestic wastewater, it should be treated by septic tanks first and discharged if meets the relevant standards. The Group prohibits employees from directly discharging the wastewater, which cleans oil drums and chemical containers, into sewer, and also prohibit the use of phosphorus-containing detergents. The Group also stipulates that the General Affairs Department shall entrust qualified inspection organizations to carry out water quality audit at factories’ sewage discharge ports every year to ensure that the discharged sewage meets the relevant standards.

Compliance is the basic business operation requirement of Infinity Development. On top of this, the Group pursues better emissions performance and makes efforts in reducing direct or indirect emissions of air pollutants and greenhouse gases. The Group replaced the diesel forklifts of factories into electric forklifts. For each replacement, it could reduce the annual consumption of three tons of diesel oil. The Group has also purchased municipal steam instead of the steam produced by oil-fired boilers, effectively reducing air pollution and greenhouse gas emissions from workplaces. During the reporting period, the Group did not identify any non-compliance or complaints related to emissions.

In addition to complying with environmental regulations and best practice codes in the industry, Infinity Development’s business activities strive to respect, promote and popularize the internationally recognized environmental principles, we make good use of natural resources and energy, and properly handle and minimize emissions. At the same time, the Group assesses, monitors and manages the environmental impact of our business in a systematic manner, regularly reviews the implementation of such measures, and communicates with key stakeholders such as employees, customers, suppliers and communities, conducts bilateral communication with them on policies, and continues to improve environmental performance. The Group actively considers the introduction of advanced technologies in green concept and incorporates environmental management into operational decision-makings to achieve its own development in line with the sustainable development of society.



# Environmental, Social and Governance Report in 2015/16

## PROTECTING ENVIRONMENT (Continued)

### Use of Resources

Improving the efficiency of resource use is also a main concern of Infinity Development's environmental protection policies. Electricity and water are the main resources of the Group's business. In view of this, the Group has formulated the "Environmental Objectives, Indicators and Management Plan" to set the management objectives, indicators and implementation timetable for the reduction of electricity and water consumption, we have also appointed the HR Department and General Affairs Department to carry out relevant measures, and provided trainings to employees to raise their awareness of environmental protection. As for the specific energy-saving measures, Infinity Development would try to buy level-1 energy-consuming appliances, such as light-emitting diode ("LED") lamps. To improve the water efficiency, the Group uses circulating cooling water tower equipment to save cooling water, posts water conservation slogans at water supply places in factories, and encourages employees to develop the habit of cherishing water. The Group also advocates waste paper reuse, print on both sides, etc., to enhance paper usage efficiency.

Objective	Monthly Indicators of the Reporting Year	Targets Met
Reducing water consumption	Water consumption per capita fell by 1% per month compared with 2014	Standards are met from February to July 2016
Reducing electricity consumption	Electricity consumption at production units fell by 1% per month compared with 2014	Standards are met from December 2015 and September 2016
Increasing environmental training sessions	100% of the employees have participated in the environmental awareness training	Standards are met in all months

### The Environment and natural resources

Infinity Development is committed to making good use of natural resources and energy in the daily operations, we strictly comply with environmental laws and regulations. The Group has developed Environmental Monitoring and Measurement Management Procedures to closely monitor and assess the impact of our business on the environment to ensure timely identify, monitor and manage important environmental matters. The market demand for environmentally friendly water-based adhesives has increased rapidly, the Group will make great efforts to research and develop products that meet eco-environmental protection standards, and actively adopt advanced environmentally friendly production technology to reduce our business's impact on the environment and natural resources.

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## SHOULDERING SOCIAL RESPONSIBILITY

### Health and safety

Regardless of national laws or international standards, regulators have set the most basic requirements for the health and safety at workplaces. However, the effectiveness of regulation largely depends on the establishment and implementation of each company's internal system. To create a safe working environment, Infinity Development regards occupational health and safety as one of the most important aspects of enterprise risk management. The Group not only strictly enforces the relevant laws and regulations, but also actively develops the internal policies and norms according to the specific departmental requirements of the Group.

To ensure the safety of employees, Infinity Development is particularly concerned about the employees who are exposed with different chemicals, such as the personnel in Technical Department, Manufacturing Department, Quality Department and Warehouse Operations Department. When the Group enters into a labor contract with an employee, we distribute the "Occupational Hazards Notice" to him/her, clearly explaining the chemicals that he/she will be exposed to during the work and the occupational diseases that may cause. The Notice also lists out the personal protective equipment provided by the Group, safeguarding employees' right to know. The Group regards safeguarding the health and safety of our employees as an important commitment to prevent occupational diseases. Therefore, the Group has developed the "Occupational Health Management System and Operating Procedures", which clearly defines the duties of each Department and department head in occupational hazards prevention and control. We have also established detailed occupational disease warning system and accident notification system. In order to improve the occupational safety awareness and ability of employees, the Group will regularly provide trainings and assessments to staff to ensure that the relevant staff have grasped the knowledge to prevent and control occupational hazards, to undertake correct operating procedures and to use personal protective equipment.

The effectiveness of health and safety measures not only relies on the regulations, but also the enforcement, monitoring and periodic review of these regulations. Infinity Development's occupational health management department is responsible for organizing production workshops to identify dust, noise, high temperature and toxic substances and other hazards at workplaces, conducting regular tests and assessments in accordance with the relevant occupational health management standards, and setting up relevant management measures. The Group organises physical examination for its staff every year. During the reporting year, the Group has conducted the examinations of body's toluene content involving approximately 33% of the staff. No exceeding standard and abnormality was found. Although the Group is committed to preventing the occurrence of work-related injuries, there were three work-related injuries in the reporting year, including one burn injury and two minor cuts. After these accidents, the Group has convened meetings to analyse the cause of the accidents. The cause of the burn accident was determined as poor design of the anti-static equipment at the workshop, which was not so convenient to operate, and the relevant staff was not aware of the anti-static measures, resulting in minor burn. The Group regularly expressed concerns about the progress of the rehabilitation of the injured staff. During the period of hospitalization, the Group paid homage to the injured employees and their families and paid hospitalization fees, nursing fees and medical expenses. The injured employees are now fully recovered. In order to prevent the recurrence of similar accidents, the Group prepared the Class A Production Workshop Fire Accident Rectification Plan to carry out rectification and improvement measures. The rectification has been completed in the reporting period. The Group will continue to improve the safety management system, and strive to create a safe and secure working environment for employees.



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## SHOULDERING SOCIAL RESPONSIBILITY (Continued)

### Health and safety (Continued)

#### Project      Rectification plan content

- 1      Prepare rectification plan in accordance with the advice from the government safety supervision authorities and experts
- 2      The management and environmental protection and safety committee carries out comprehensive inspection on the whole plant
- 3      Retrain staff to improve their resourcefulness to respond to emergencies
- 4      Strictly handle cases of employee who does not perform his/her responsibilities per position
- 5      Set up clear contact mechanism, strengthen corporate safety supervision responsibilities
- 6      Conduct monthly emergency drills and emergency equipment inspection
- 7      Hire professional equipment companies and conduct a comprehensive investigation and rectification on electrostatic prevention equipment

#### Health and safety performance indicators summary

	Number of work-related injuries	Work-related injuries per thousand employees	Number of lost work day due to work-related injuries	Working days	Percentage of lost work day due to work-related injuries	Total number of hours absent	Total working hours	Total absence rate
Male	4	30	164	23,520	0.51%	1,312	188,160	0.51%
Female	0		0	8,400		0	67,200	

### Employment

Infinity Development deems employees as the most important resource. The Group believes that every employee should be treated with respect. As a result, the Group has established a clear employment mechanism and helps employees to know about their rights and responsibilities through the Employee Handbook.

Infinity Development treats all employees equally. During the recruitment process, the Group focuses on candidates' knowledge, ability, morality, physique and fitness in job requirements. The Group believes that employees of different cultures, backgrounds and experiences can increase valuable diversity and understanding, contributing to innovations at work. The remuneration and benefits provided by the Group are in compliance with national laws and regulations. The Group adopts the pay system of equal pay for equal work, remuneration will not be different due to age, skin color, nationality, religion, sex or belief, and such regulation is clearly stated in the Employee Handbook.

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## SHOULDERING SOCIAL RESPONSIBILITY (Continued)

### Employment (Continued)

Infinity Development has developed fair standards as the basis for salary adjustment and promotion. The Group conducts performance appraisals for all employees each year, including mid-term and year-end assessments. The assessment lays emphasis on factors such as work ability, work efficiency, work quality, work knowledge, etc, so as to understand the performance of staff. The Group understands that the current staff turnover rate is high and we are committed to looking into the Group's employment system and provide employees with competitive overall remuneration, attracting and retaining outstanding talents. During the reporting period, the Group did not find any non-compliance related to employment and labor practices.

*Number and proportion of employees grouped by gender and age*

Age group	Female employee Number of employees	Percentage (%)	Male employee Number of employees	Percentage (%)
Under 30	21	60	19	30
30-50	14	40	70	63
Above 50	0	0	9	7
Total number	35	100	98	100
Percentage (%)	26	–	74	–



# Environmental, Social and Governance Report in 2015/16

## SHOULDERING SOCIAL RESPONSIBILITY (Continued)

### Employment (Continued)

Number and proportion of recruits grouped by gender and age

Age group	Female employee			Male employee		
	Number of recruits	Number of employees	Percentage (%)	Number of recruits	Number of employees	Percentage (%)
Under 30	12	21	57	12	19	63
30-50	4	14	29	20	70	29
Above 50	0	0	0	0	9	0
Total number	16	35	46	32	98	33

Number and rate of employee turnover grouped by gender and age

Age group	Female employee			Male employee		
	Number of employee turnover	Number of employees	Percentage (%)	Number of employee turnover	Number of employees	Percentage (%)
Under 30	11	21	52	18	19	95
30-50	7	14	50	26	70	37
Above 50	0	0	0	0	9	0
Total number	18	35	51	44	98	45



# Environmental, Social and Governance Report in 2015/16

## SHOULDERING SOCIAL RESPONSIBILITY (Continued)

### Development and training

Infinity Development is convinced that nurturing and retaining excellent talents is the core to ensure the Company's development and strengthen the competitiveness of the Company. The Group regards staff as a strategic partner of the Company, and plans the development and training of employees in a systematic way. From the basic training for newly recruited staff to the management skills training for senior management, the Group provides different types of targeted trainings, including internal training and subsidized training, according to the needs and functions of different departments and helping our employees to achieve sustained improvement in work skills and professional competence.

*Number and proportion of trained staff grouped by gender and employee type*

Employee rank	Female employee			Male employee		
	Number of trained staff	Number of employees	Percentage (%)	Number of trained staff	Number of employees	Percentage (%)
Management	0	0	0	2	2	100
Department manager	2	2	100	8	8	100
General employee	33	33	100	88	88	100
Total number	35	35	100	98	98	100

*Average number of training hours grouped by gender and employee type*

Employee rank	Female employee			Male employee		
	Training hours	Number of trained staff	Average training hours	Training hours	Number of trained staff	Average training hours
Management	0	0	0	2	2	1.0
Department manager	1	2	0.5	8	8	1.0
General employee	66	33	2.0	264	88	3.0
Total number	67	35	1.9	274	98	2.8

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## SHOULDERING SOCIAL RESPONSIBILITY *(Continued)*

### Labor standards

Infinity Development fully recognizes that child labor and forced labor violate the basic human rights and international labor conventions, and pose a threat to sustainable social and economic development. Therefore, the Group has strictly complied with the relevant laws and regulations, clearly stating that the prohibition of child labor and forced labor in the Employee Handbook. The actual age of prospective employee is reviewed during the recruitment process, including inspection of identity documents and other records. The Group will only follow the requirements of standard labor contract and will not unfairly limit the employment relationship between employees and the Company in any way, such as detaining deposit or proof of identity. Employees have the right to terminate the labor contract under the compliance with laws and regulations. During the reporting period, the Group has not observed any cases of child labor or forced labor.

The International Labor Organization is a specialized agency of the United Nations to enact labor standards in the form of international labor conventions and recommendations, thereby improving the standard of work and living standards around the world. China is a founding member of the International Labor Organization and a permanent member of the organization. In Hong Kong, there are currently 41 international labor conventions applicable to working conditions, employment policies, and other matters.

## SAFEGUARDING PRODUCT QUALITY

### Supply chain management

Under the globalized economy, it is common for outsourcing. However, outsourcing does not mean that companies can evade responsibility or risk created due to the poor environmental, social and governance performance by the supply chain. Infinity Development understands that the Group should play a role in the entire life cycle of products and services, and the proper management of the supply chain is the key for the Group to maintain brand reputation, ensure business sustainability and manage operating costs.

Infinity Development attaches great importance to cooperation with suppliers, and deem suppliers as an important business partner, hoping to establish long-term and stable supply chain through mutual cooperation. Under this objective, the Group has developed the “Environmental Requirements on Material Suppliers” to effectively manage suppliers, requiring suppliers to focus on and improve their own environmental performance. For chemical suppliers, the Group will first select accredited suppliers who has obtained ISO 14001 certification. For general suppliers, the Group requires suppliers to adopt advanced crafts and technologies and fully utilize resources and energy, ensuring that the toxic and hazardous substances in the provided materials are in compliance with the relevant requirements. We also ensure the suppliers have taken effective controlling measures on wastewater, exhaust gas and noise generated during the production process, making sure they have complied with national and local laws and regulations.

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## SAFEGUARDING PRODUCT QUALITY (*Continued*)

### Supply chain management (*Continued*)

In the long run, Infinity Development is willing to work closely with all business partners and effectively communicate the criteria for sustainable development. The Group will also encourage business partners to exchange experiences, driving their improvement on environmental and social performance. The Group obligates to promote sustainable development throughout the industry by the development of innovative business models.

### Product responsibility

Under the highly competitive market environment, customers has raised their expectation on products and services. Infinity Development understands that it has to create maximum value for customers in order to win their trust and support. To this end, the Group has developed the “Inspection Management Procedures” and “Customer Complaints and Returned Product Management Procedures”, which set out the quality testing process, detailed procedures of handling customer complaints and returned products, and responsible personnel, ensuring product quality is in compliance with relevant national laws and regulations and meeting customers’ expectations for the Group.

Infinity Development’s commitment to the environment and society implies that in addition to ensuring our products are safe and reliable, the Group is also committed to having a positive impact on the environment and society during the manufacturing process and customer use. In the future, the Group will continue to explore innovative ways to produce more environmentally friendly products with technologies generating less pollution, consuming less energy and water. During the reporting period, the Group did not identify non-compliance related to product responsibility.

### Anti-corruption

Transparency International, an international organization, defines corruption as the trustee abuses the entrusted power to seek personal gain. Anti-corruption is already one of the fundamental elements of corporate social responsibility as defined by international community. The United Nations Convention against Corruption, which came into effect in 2005, was the first global convention that fully covers corruption issues. Many countries have developed relevant laws in accordance with the Convention, and taken measures to implement. The Chinese government has been actively pursuing an anti-corruption culture in recent years. The United Nations Convention has entered into force for China (including Hong Kong).

Infinity Development is convinced that integrity management is the basis of corporate social responsibility, and the foundation of the Company’s competitive advantages and sustainable operation. Consequently, we have systematically integrated the anti-corruption management principles into business operations. The Group’s Employee Handbook states that employees should not receive gifts, money or benefits from work-related parties, if a gift cannot be refused, employees should report to the relevant supervisor and submit the gift to the Company for further handling. If any relevant non-compliance is identified, employees can report to the Administration Department by email or opinion box, the management will discuss and arrange follow-up actions. During the reporting period, the Group did not identify any case of corruption and related litigation involving the Group and its employees.



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## SAFEGUARDING PRODUCT QUALITY (Continued)

### Community investment

With the market's focus on corporate behavior and the "Social License to Operate", pursuing maximum financial performance in short-term to reward shareholders is no longer the only goal of business management. Infinity Development thoroughly understands the importance of meeting the expectations of different stakeholders and the communities where we operate. Therefore, from the perspective of long-term development of the Company, the Group emphasizes balancing the interests of shareholders and all other stakeholders so that the Group can develop in a long-term, stable and healthy manner.

Infinity Development concerns about the education of poverty-stricken areas. In 2006, the Group donated to the "Iao Son Pei Mao Ding An Primary School" in Teng county, Guangxi, and continued to subsidize various types of teaching and recreational facilities each year. During the reporting period, the Group contributed scholarships to the students, and donated moon cakes to the school. As a socially responsible organization, the Group is committed to making efforts in knowing about the needs of the communities where it has operations, contributing to the sustainable development of the communities.

## ESG CONTENT INDEX

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<b>A2 Use of Resources</b>		
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<b>B1 Employment</b>		
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.	10
<b>B2 Health and Safety</b>		
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.	9
<b>B3 Development and Training</b>		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	13
<b>B4 Labor Standards</b>		
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 labor.	14

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<b>B5 Supply Chain Management</b>		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	14
<b>B6 Product Responsibility</b>		
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, labeling and privacy matters relating to products and services provided and methods of redress.	15
<b>B7 Anti-corruption</b>		
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.	15
<b>B8 Community Investment</b>		
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.	16

