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中投國際

中國投資基金國際控股有限公司

CHINA INVESTMENT FUND INTERNATIONAL HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)
Stock Code : 00612



Environmental, Social and Governance Report

2016

TABLE OF CONTENT

1.	ABOUT THIS REPORT	2
2.	ENVIRONMENTAL PROTECTION	2
2.1	ELECTRICITY CONSUMPTION	3
2.2	NON-HAZARDOUS WASTE MANAGEMENT	3
2.3	ENVIRONMENTAL PERFORMANCE	3
3.	EMPLOYMENT AND LABOUR PRACTICES	4
3.1	CORPORATE POLICY OF EMPLOYMENT AND LABOUR	4
3.2	CORPORATE POLICY OF TRAINING AND RECRUITMENT	4
3.3	CORPORATE POLICY OF HEALTH AND WORK SAFETY	5
3.4	SOCIAL PERFORMANCE	6-7
4.	OPERATING PRACTICES	8
4.1	CORPORATE POLICY OF SUPPLY CHAIN	8
5.	COMMUNITY INVESTMENT	8-9
6.	SEHK ESG GUIDE CONTENT INDEX	10-16

1. ABOUT THIS REPORT

China Investment Fund International Holdings Limited (the “Group”) is pleased to present our first Environmental, Social and Governance (“ESG”) Report (“ESG Report”). The report involves environmental and social impacts, policies and initiatives of the Group to demonstrate our long-term commitment in ensuring that our activities, at all levels, are sustainable economically, socially and environmentally. Additional information in relation to the Group’s corporate governance and financial performance can be referred to our Annual Report 2016.

The scope of this ESG Report covers the operating core activities of the Group which include investment in both listed and unlisted securities in Hong Kong. This ESG Report highlights our sustainability activities spanning over the period from 1 January 2016 to 31 December 2016.

The ESG Report is prepared according to the “Environmental, Social and Governance Reporting Guide” (the “ESG Reporting Guide”) under Appendix 27 of the Main Listing Rules of The Hong Kong Exchanges and Clearing Limited. With reference to the definition stated in the ESG Reporting Guide, the presentation of our ESG Report will divide those aspects and key performance indicators (“KPI”), which are considered to be relevant and material to the Group’s businesses and operations, into four subject areas: Environmental Protection, Employment and Labour Practices, Operational Practices and Community Contribution. A complete list of index in compliance with the ESG Reporting Guide is also available at the end of this Report for reference.

In order to define what are relevant and material to our business with respect to sustainability, the key is to understand what issues that concerned our stakeholders most. In our daily business, we actively exchange information with our stakeholders through our transparent platform while we are devoted to continuous improvement of our communication system. We are committed to maintaining a long-term partnership with our stakeholders and are actively engaged in addressing their concerns with timely follow-up actions. If you, as one of our stakeholders, have any questions about the content of the ESG Report or comments on the Group’s sustainability issues, please contact us via info@cifund.com.hk.

2. ENVIRONMENTAL PROTECTION

The Earth, our precious planet, is the most valuable asset for us. We are held accountable to protect this planet and to build a sustainable future for our generations and their generations. The Group is committed to upholding high environmental standards to fulfil relevant requirements under applicable laws or ordinances during the operation of our business.

As a company that is principally engaged in investment, we do not own any industrial production at the moment. As a result, the Group does not directly produce greenhouse gas during its operation. Nevertheless, the Group is committed to actively minimizing our impact on the environment, especially air quality by implementing several environmental protection measures in the office and workplace.

2.1 Electricity consumption

Electricity consumption is a major source of our indirect greenhouse gas emission. The Group enhances the awareness for energy savings of all employees through “reducing carbon footprint” activities by maintaining an indoor temperature at an optimal level for comfort, installing LED lighting system in the offices, encouraging the employees to turn off the computers and monitors when not in use, setting office machines such as copiers and TV monitors to turn off automatically after office hours, encouraging the employees to make the best use of telecommunication system to avoid unnecessary travel arrangement, and putting up signage emphasizing the importance of energy saving in the offices.

2.2 Non-Hazardous waste management

Besides implementation of energy saving initiatives in the office, the Group also promotes other environmental friendly measures to reduce disposal of non-hazardous waste (such as used paper) throughout the entire operation. We encourage our employees to reduce paper usage by a common use of electronic information systems for material sharing or internal administrative documents as part of our environmental protection campaigns.

2.3 Environmental performance

In accordance with the ESG Reporting Guide set out by the Hong Kong Stock Exchange, the data of the “Emissions” and “Use of Resources” of the Group during the reporting period of 2016 are tabulated below.

Energy use and emissions	Unit	2016
Electricity	kWh	16,409
Unleaded petrol	L	11,164
Greenhouse gas emissions	CO ₂ e (Kg)	12,963
NO _x	g	5,561
SO _x	g	164
PM	g	409

Resources use	Unit	2016
Paper	Piece (kg)	88,882 (444.41)

Despite of the fact that our business has no direct adverse impact on the environment and natural resources, the Group continues to strengthen our contribution to environmental protection and strive to build a green and healthy environment to fulfil our responsibilities as a responsible corporate citizen.

3. EMPLOYMENT AND LABOUR PRACTICES

3.1 Corporate policy of employment and labour

Human capital has always been considered as the most important asset for the Group's long-term operation and business development. Through providing desirable workplace, continuous training and prospective career opportunities to our employees, the Group has set itself in a good position to maintain a robust business performance and growth.

The Group safeguards the rights of our employees, who are mainly located in Hong Kong, by strictly complying with the requirements of the Labour Law of Hong Kong and regulations related to child labour and force labour by providing medical insurance, disability and invalidity coverage, maternity leave, Mandatory Provident Fund (MPF) Scheme, incentive and bonus to all our full-time employees.

3.2 Corporate policy of training and recruitment

The Group see each of the position is of unique professional and technical needs. The Group ensures that every new joiner receives proper orientation training and mentoring in order to help them adapt to the new working environment affirmatively and quickly. Continuous training is committed by the Group in different ways including on-the-job training, internal training courses, and continuous professional training for relevant employees. Through a variety of training programs, the Group can nurture the employees to elevate their personal qualities, reinforce their skill sets and keep up with the most advanced professional knowledge.

The Group aims to uphold a fair and equitable human resource policy, in which quality and merit of the candidates are the most important elements during the recruitment and promotion processes. The Group offers equal employment opportunities to different genders, age groups and nationalities such that a sound diversity of human resources can be achieved.

Sense of belonging and morale of the employees are the key drivers of the healthy growth of every commercial organization. The Group promotes open and direct communication between employees and management. Causal and festival gatherings such as Christmas and Chinese New Year dinners are organized to enhance the harmonious spirit throughout the Group.

3.3 Corporate policy of health and work safety

The Group has been attaching great importance to a comfortable and safe working environment for our employees which protect them from any potential occupational hazards. Air purifiers are installed in areas where are relatively crowded such as conference and meeting rooms. Ample space between workstations, clean and tidy common space such as corridors and pantry, sufficient ventilation and lighting system are essential in our offices. At each individual workstation, adjustable chairs and monitor screens for eye protection are provided. Addition occupational safety guidelines including appropriate work postures and posters of proper lifting method were accessible on the intranet and were put up at appropriate locations in offices respectively to raise the safety awareness of employees.

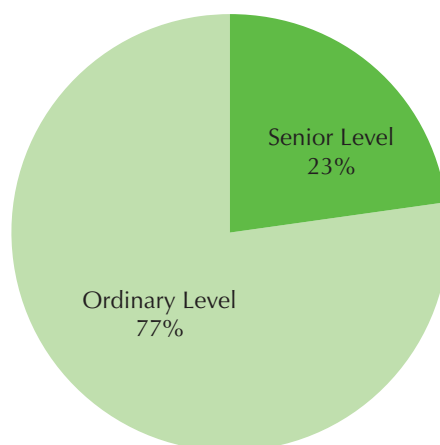


3.4 Social performance

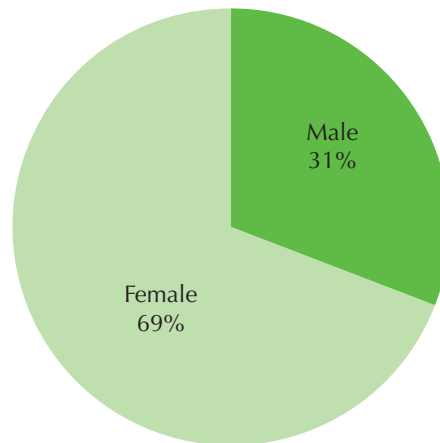
In accordance with the ESG Reporting Guide set out by the Hong Kong Stock Exchange, the data of the “Social Performance” of the Group during the reporting period of 2016 are tabulated as well as presented in graphs below.

Employee Training	Unit	2016
Average hours of training received per employees	hours	4.42
Average hours of training per employee by gender		
Female	hours	6.00
Male	hours	16.75
Average hours of training per employee by employment category		
Senior level	hours	15.17
Ordinary level	hours	1.2
		2016
Total Workforce as of 31 December 2016		13

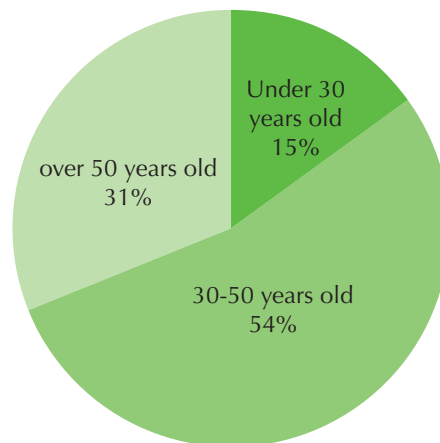
Total Workforce by Employment Category



Total Workforce by Gender



Total Workforce by Age Group



4. OPERATING PRACTICES

4.1 Corporate policy of supply chain

As a responsible corporate citizen, one of our missions is to integrate sustainability into our core business. In case we need to select our suppliers and contractors in the process of our business operation, we do not just consider economical and commercial factors in the tendering processes but whether they comply with all the applicable laws and regulations; safeguard workers' health and safety; and mitigate environmental impacts or not are also taken into account. To maintain a good corporate control and governance, the Group has developed a series of management systems and procedures to be aligned with the Corporate Governance required by the Hong Kong Stock Exchange. In addition, the Group encourages all business partners to develop energy-saving and consumption-reducing policies in order to work together in our pursuit of sustainable development.

5. COMMUNITY INVESTMENT

We take pride in contributing to the community. As a part of the community that we cherish, it is our responsibility to contribute to the well being of a community beyond financial support. We constantly encourage our employees to play an active role in the communities where they live and work and to help people in needs.

In line with this commitment, we have chosen to share our care to persons with disabilities and hospitalized children during the reporting period. The Group has purchased cookies produced by Madam Hong's Bakery, a professional bakery established by Fu Hong Society, and further donated the cookies to seriously ill children in the Ronald McDonald House during the Mid-Autumn Festival. Fu Hong Society has operated over 40 service centres providing services for about 3,600 persons with disabilities annually. One of their operations, Madam Hong's Bakery, is operated by a team of professional pastry chefs and persons with disabilities. We always believe the motto "It is more blessed to give than to receive" and will consistently help and support the people in needs.



6. SEHK ESG GUIDE CONTENT INDEX

Aspects, General Disclosures and KPIs	Description	Relevant Section in the ESG Report	Remarks
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	Environmental Protection	
KPI A1.1	Types of emissions and respective emissions data	Environmental Protection	
KPI A1.2	Greenhouse gas emissions in total and, where appropriate, intensity	Environmental Protection	
KPI A1.3	Total hazardous waste produced and, where appropriate, intensity	–	The Group has not identified any hazardous waste was produced in our core business
KPI A1.4	Total non-hazardous waste produced and intensity	–	No significant non-hazardous waste was produced by our core business
KPI A1.5	Description of measures to mitigate emissions and results achieved	Environmental Protection	
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved	Environmental Protection	

Aspects, General Disclosures and KPIs	Description	Relevant Section in the ESG Report	Remarks
Aspect A2: Use of Resources			
General Disclosure	Policies on efficient use of resources including energy, water and other raw materials	Environmental Protection	
KPI A2.1	Direct and/or indirect energy consumption by type in total and intensity	Environmental Protection	
KPI A2.2	Water consumption in total and intensity	–	The Group believes that our water consumption is mainly used for domestic purpose and no issues have been identified at this moment.
KPI A2.3	Description of energy use efficiency initiatives and results achieved	Environmental Protection	
KPI A2.4	Description of whether there is any issue in sourcing water, water efficiency initiatives and results achieved	–	The Group believes that our water consumption is mainly for domestic use and no issues have been identified at this moment.
KPI A2.5	Total packaging material used for finished products, and if applicable, with reference to per unit produced	–	Use of packaging material is not applicable to our core business

Aspects, General Disclosures and KPIs	Description	Relevant Section in the ESG Report	Remarks
Aspect A3: The Environment and Natural Resources			
General Disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources	Environmental Protection	
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and actions taken to manage them	Environmental Protection	
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	Employment and Labour Practices	
KPI B1.1	Total workforce by gender, employment type, age group and geographical region	Employment and Labour Practices	
KPI B1.2	Employee turnover rate by gender, age group and geographical region	–	The turnover rate is 0% during the reporting period

Aspects, General Disclosures and KPIs	Description	Relevant Section in the ESG Report	Remarks
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	Employment and Labour Practices	
KPI B2.1	Number and rate of work-related fatalities	–	No work-related fatalities were recorded during the reporting period.
KPI B2.2	Lost days due to work injury	–	No lost days due to work injury were recorded during the reporting period
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	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	Employment and Labour Practices	
KPI B3.1	The percentage of employees trained by gender and employee category	Employment and Labour Practices	
KPI B3.2	The average training hours completed per employee by gender and employee category	Employment and Labour Practices	

Aspects, General Disclosures and KPIs	Description	Relevant Section in the ESG Report	Remarks
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	Employment and Labour Practices	
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour	Employment and Labour Practices	
KPI B4.2	Description of steps taken to eliminate child and forced labour practices when discovered	–	No such incidents were reported during the reporting period.
Aspect B5: Supply Chain Management			
General Disclosure	Policies on managing environmental and social risks of the supply chain	Operating Practices	
KPI B5.1	Number of suppliers by geographical region	–	No suppliers were used for our core business during the reporting period
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	Operating Practices	

Aspects, General Disclosures and KPIs	Description	Relevant Section in the ESG Report	Remarks
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	–	Not identified as material aspect
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	–	Not identified as material aspect
KPI B6.2	Number of products and service related complaints received and how they are dealt with	–	Not identified as material aspect
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights	–	Not identified as material aspect
KPI B6.4	Description of quality assurance process and recall procedures	–	Not identified as material aspect
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	–	Not identified as material aspect

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	–	The Group has strictly complied with the Prevention of Bribery Ordinance (Cap 201 of the laws of Hong Kong) during this reporting period.
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Aspects, General Disclosures and KPIs	Description	Relevant Section in the ESG Report	Remarks
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases	–	No concluded legal cases regarding corrupt practices were brought against the issuer or its employees during the reporting cases.
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	–	At this moment, the Group has no whistle-blowing procedure and is planning to review the feasibility and appropriateness of it in the coming years.

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 takes into consideration communities' interests	Community Investment
KPI B8.1	Focus areas of contribution	Community Investment
KPI B8.2	Resources contributed to the focus areas	Community Investment