



Jebsen Group

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Jebsen Group
Corporate Social Responsibility Report
2015



About this Report

This report marks the 7th consecutive year that Jebsen Group has been publishing its annual Corporate Social Responsibility Report ever since 2009. It explores and documents our effective practices in the area of sustainability. The report covers relevant activities in 2014, examining the current efforts and future aspiration in CSR management, business partnership, environmental conservation, staff well-being, and philanthropy across our diverse business units.

Report Scope

The report covers all entities under Jebsen Group that have control or major impact over the Group's finance, operations policies and practices, including but not limited to, Industrial, Consumer, Beverage and Motors Units, etc.. It summarises the Group's operations in the Greater China region and its economic, environmental and social implications from January to December 2014. All data used in this report are collected from Jebsen official documents and reporting.

Jebsen Group herein may be referred to as "We", "Jebsen", or "the Group".

For more information about the Jebsen Group, please visit: www.jebsen.com.

Report Index

This report is compiled based on the Sustainability Reporting Guidelines (G3.1) set by the Global Reporting Initiative (GRI).

Report Publication

This electronic report will be released simultaneously in Simplified Chinese and English in October 2015. For online reading or downloads, please visit: www.jebsen.com.

Feedback

Jebsen continues to strive for even better performance for the environment and our stakeholders. Your comments will enable us to refine future CSR plans and are therefore highly valued. For any feedback and/or input, please contact us at feedbackonCSR@jebsen.com. All correspondence will be treated in strict confidence.

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Message from the Group Managing Director

Progress with Composure, Success breeds Success

The year 2014 was challenging. China's economic growth has slowed and is gradually transitioning from a manufacturing and export-led economy to one where domestic consumption is to play a larger part. With our 120 years' experience in the region, Jebsen understands that there are economic cycles that we need to manage, yet at the same time we do not lose focus of our long-term strategy of being a committed participant in the Greater China economies with the vision to look ahead of market changes and the agility to tackle different challenges. In 2014, the Group has achieved a total turnover of HKD 15.2 billion; and to secure long-term sustainability, the Group has further restructured and optimised its businesses in early 2015, enabling us to be ready to capitalise on new opportunities.

At Jebsen, we believe Corporate Social Responsibility and sustainability are an integral part of our business, and they are delivered through a series of programmes ranging from environmental conservation, staff well-being to philanthropy. In 2014, we extended our collaboration with Climate Friendly, a global carbon solutions provider, and invested in new green and low carbon projects, thereby once again supporting our objectives to be

carbon neutral. Jebsen also established its Employer Value Proposition (EVP) of "Success breeds Success" and redesigned the career website to share a series of employees' stories to showcase their experience working at Jebsen. We launched the Employee Abundance Programme (EAP) that provides care for our employees through effective yet confidential communication and consultation in the event they are under stress due to personal or work challenges. The Group has come to the fourth year of its "Project Morning Star" with ORBIS, continuing our joint mission to save sight and avoid preventable blindness in China. By diversifying our volunteering initiatives with the support of our Corporate Social Responsibility (CSR) ambassadors, we have expanded our employee's ability to give back to their communities, thereby, hopefully, gaining a greater sense of fulfilment through their own direct contributions.

Moving forward, we remain confident about the market prospects and will continue to invest not only in our businesses, but also in our people who are the foundation for our success. Staying true to our core purpose of enriching people's lives, we will continue to grow in a responsible and sustainable manner.

Helmuth Hennig
Group Managing Director

1st July, 2015



Depictions of 2014 Social Responsibility Performance

Business Development

Revenue reached HKD

15.2 billion



Business Partnership



In 2014, Jebsen Motors delivered **8,393** Porsche cars in China.

Porsche Centre Hangzhou Westlake celebrated its 10th anniversary, and a new Porsche Centre was opened in Kowloon Bay in Hong Kong.



Jebsen Beverage was designated by **Anheuser-Busch InBev** as the exclusive distributor for their full portfolio in Hong Kong and Macau.



Jebsen has increased point of sales of Dyson products to more than **140** locations, covering **50** cities across Greater China with a satisfactory market share.

BLAUMANN

Jebsen Industrial launched the new own brand of **BLAUMANN**



Jebsen's own Blue Girl Beer has been the leading beer by volume and value in Hong Kong for **eight consecutive years**.

Staff Well-being



Jebsen established its new Employer Value Proposition as

"Success breeds Success"



Jebsen's new career website (careers.jebsen.com) was unveiled as a direct communication channel with potential employees and to share success stories of employees.



female employees comprises of

49.9%

of total employees and

39.7%

of management.



Total training volume was **2,797** person-times and **18,395** hours, and at the expenditure of HKD **3.9 million**.



A total of **194** employees were promoted in 2014, accounting for **7.24%** of all employees.



A total of **33** staff activities were organised with **637** person-times of participation. The **"Enjoy Your Life and Health"** series for all employees attracted over **8,000** person-times of participation and promoted a healthy work and personal lifestyle.

Some **50** lunch-time seminars were delivered with **945** person-times of participation. The **Employee Abundance Programme (EAP)** was improved with an addition of a 24-hour hotline (in three languages) to better serve employees in need of aid or consultation.

Environmental Conservation



Emissions of the Jebsen Group totalled at **7,209.74** tonnes of CO₂-e, with carbon intensity having decreased by **3%** as compared to 2013.

Investment in two climate friendly projects enabled the Jebsen Group to purchase

6,702.12 tonnes of carbon credit

and achieve **carbon neutrality** again through offsetting its 2013 carbon emissions.



Launched in Hong Kong offices, the **"Total Green Office Solution"**

reduced printing equipment by

43%



reduced printer energy consumption by

38%



and reduced paper usage by

3%



Philanthropy

Jebsen's CSR investment totalled at HKD **4.2 million** in 2014.

Philanthropic contributions in the **"Project Morning Star"**

have accumulated to over RMB **4.1 million**.



Jebsen organised **39** volunteer activities and participated in **14** philanthropic activities, with total attendance of **746** person-times and fund raised of HKD **200,000**.



Over the past five years, the Group has donated scholarships in the amount of HKD **6 million** to the Hong Kong University of Science and Technology and the Chinese University of Hong Kong.



In September 2013, Jebsen funded the Hong Kong University of Science and Technology's (HKUST) School of Business and Management with HKD **10 million** to establish the "Michael Jebsen Professorship in Business" which was in support of the University's global recruitment of top scholar in business.



JEBSEN

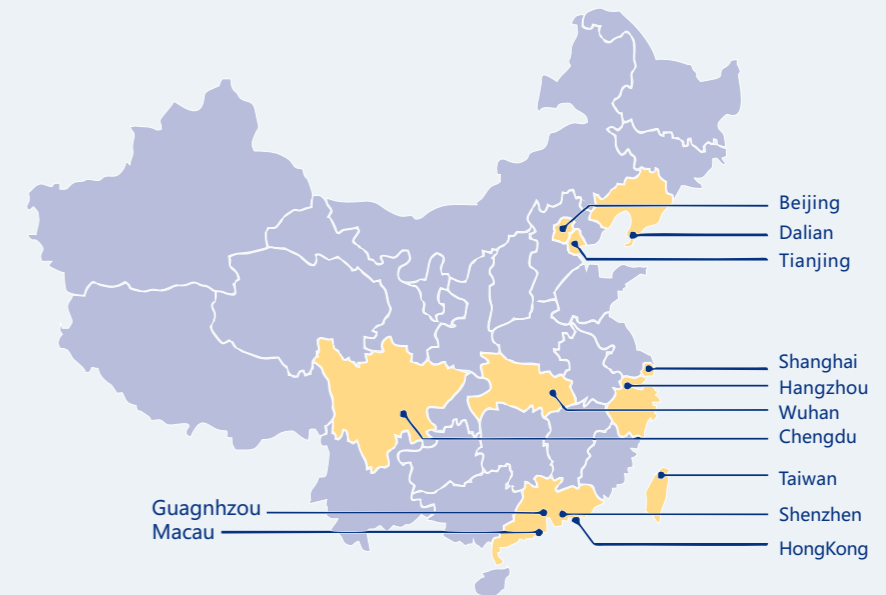


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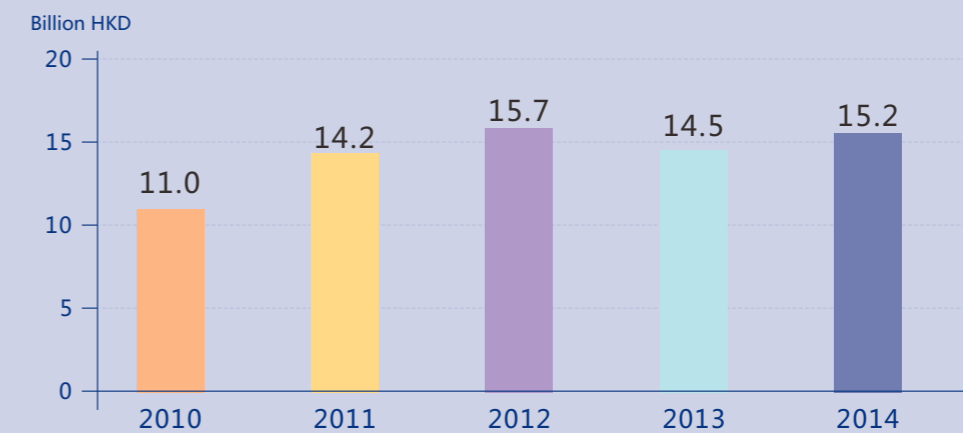
About Us

1.1 Profile

From a shipping agency established at the end of 19th century, Jebsen Group has evolved into a marketing and distribution organisation, deeply embedded in the industries and markets it serves. It keeps pace with the rapidly changing business landscape and consumer lifestyles in Greater China, leveraging its long established presence, local knowledge and industry specialisation to offer unique value to companies around the world—enabling targeted and effective market access in Mainland China, Hong Kong, Macau and Taiwan. Jebsen Group is known for representing quality products, services and solutions across the consumer, industrial, beverage and motors sectors. Jebsen has set up its headquarter in Hong Kong with subsidiaries in Beijing, Shanghai, Guangzhou, Chengdu, Dalian, Hangzhou, Shenzhen, Tianjin and Wuhan. Outside the region, Jebsen enjoys close ties with sister companies in Southeast Asia, Australia, Germany, Denmark, Middle East and the United States.



Financial Index



1.2 Business Units

In early 2015, Jebsen reorganised and optimised its business structure in response to the needs of suppliers and clients and for better sector focus and sustainability in major business units. Diverse businesses are unified by a single master brand of Jebsen and in four key strategic areas of Industrial, Consumer, Beverage and Motors, and specialised industrial segments such as logistics and marine.

Business Structure

Industrial

- Automation & Services
- Automotive Technik
- Building Products
- Cinematic & Broadcasting Solutions
- Cleantech
- Specialty Ingredients & Solutions

Consumer

- Consumer Electronics
- Health & Beauty
- Home Enrichment
- Watch
- J Select



Beverage

- Beer
- Fine Wines

Motors

- Porsche

Others

- Logistics
- Marine

Business Model



1.3 24 Hours with Jebsen



Jebsen distributes more than 200 quality products from leading brands, including consumer electronics, health & beauty products, nutrition and health ingredients, beverages and automotive that are closely related to people's everyday life from day to night, from home to the office, from work to leisure, bringing them richer lifestyle.



RISE AND SHINE

Time to freshen up with matching Oral-B power toothbrushes!

Oral-B Professional Series™ toothbrushes remove up to 100% more plaque than manual brushes!

GOOD GROOMING!

Getting ready is easy with the Braun electric shaver for him and the Ya-Man Platinum White Sonic for her.

1 device, 4 facial treatments! Cleansing, moisturising, lifting and eye care in one handy gadget.

BREAKFAST

Finishing off breakfast with a special drink full of inulin helps keep good shape!

The R&D team of Jebsen Industrial, using Sensus's inulin as a base, created a weight-loss beverage boldly infused with plum, hawthorn and dates, which is an all-natural solution to weight management.

OFF TO WORK

A smooth drive to the office!

Joint venture Mitec-Jebsen supplies balancers to global automakers like Volkswagen China and Chinese automotive brands like BAIC.

CLEANING HOUSE

Cleaning is easy with the Dyson DC62 cordless vacuum cleaner, especially when the Dyson Hot+Cool™ fan heater is keeping temperatures just right either in winter or summer.

DID YOU KNOW?

Jebsen made Dyson available in close to 200 stores across 40 Chinese cities in just 16 months!

AT THE OFFICE

Take the NutriGreen Eye Care Formula before starting work.

Developed in collaboration with The Chinese University of Hong Kong, this natural blueberry and wolfberry supplement relieves eye fatigue—great for office workers!

STAYING HYDRATED

An instant supply of tasty and clean water thanks to the Cleansui TM704 tumbler, wherever you are, whenever you want.

Cleausui's water purifiers also come in a convenient leak-proof bottle.

LUNCHTIME

Cool! Spotted the classic Porsche 911 on the road!

ONE-CLICK SHOPPING

Love shopping for premium products at Jebsen's J-Select online store (www.jselect.hk). It's so convenient!

There's also a physical J-Select store in Hong Kong and the J-Select Tmall Flagship store (jebsen.tmall.com) is now open!

BUSINESS MEETING

Delighted that my Raymond Weil Maestro is getting compliments. What a great investment!

Champagne and fine wines are a must for tomorrow's dinner party!

AT THE SUPERMARKET

May we recommend James Bond's favourite bubbly, Champagne Bollinger, and Twinwoods, 1 of Jebsen's 6 fully-owned wine brands?

FIRE DRILL!

Surprised by the fire drill exercise in the office but feeling safe.

High-performance fire-rated doors like Shadbolt by Jebsen Building Products can keep people safe for up to 2 hours!

BUSINESS FUNCTION

Amazing idea to have an event on a luxury yacht!

Jebsen is proud to have been a major sponsor of the ABC Waglan Series for 5 consecutive years running!

RELAXING AFTER DINNER

These single-serve coffee creamers are really handy.

If the mini milk cartons you have at home were made with Benco Pack's packaging machine, be assured they're completely hygienic!

SELFIE TIME

This calls for a selfie with my Casio EX-TR50!

Jebsen bought Blue Girl Beer from Germany in 1906 and made it the beer in Hong Kong for 8 years running.

HOME SWEET HOME

Movie night with the family!

'Guardians of the Galaxy' was filmed with the ARRI Alexa digital camera, which we are proud to have brought to local filmmakers.

GOODNIGHT

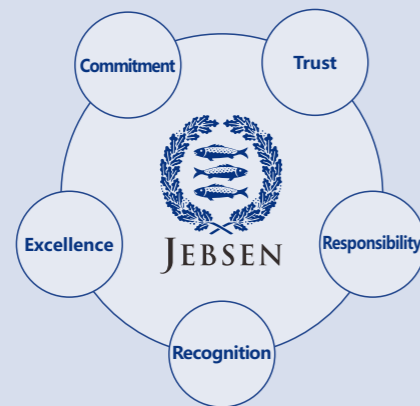
Sweet dreams with fresh air by the AirFree® P150 air steriliser.

AirFree® is completely silent so it won't disturb even the lightest sleepers.

1.4 Development Philosophy

Over the past century, Jebsen Group has built up its role as a bridge across regions and cultures, and between suppliers and consumers, grounded by its core values of Commitment, Excellence, Recognition, Responsibility, and Trust, as well as its core purpose of “enriching people’s lives by providing a choice of quality products and services”. Inspired by the Chinese philosopher Mencius’ creed from the 3rd century BC “Within the four seas, all men are brothers”, our employees and departments are working closely for the economic, societal and environmental sustainability of Jebsen and its stakeholders.

Core Values



Core Purpose

Jebsen Group is committed **to enrich people’s lives by providing a choice of quality products and services**

For decades, Jebsen Group represents a diverse combination of products, enabling over 200 leading companies and their brands to successfully market their products throughout the fast growing market of Greater China.

Employer Value Proposition

“ At Jebsen, success breeds success. ”

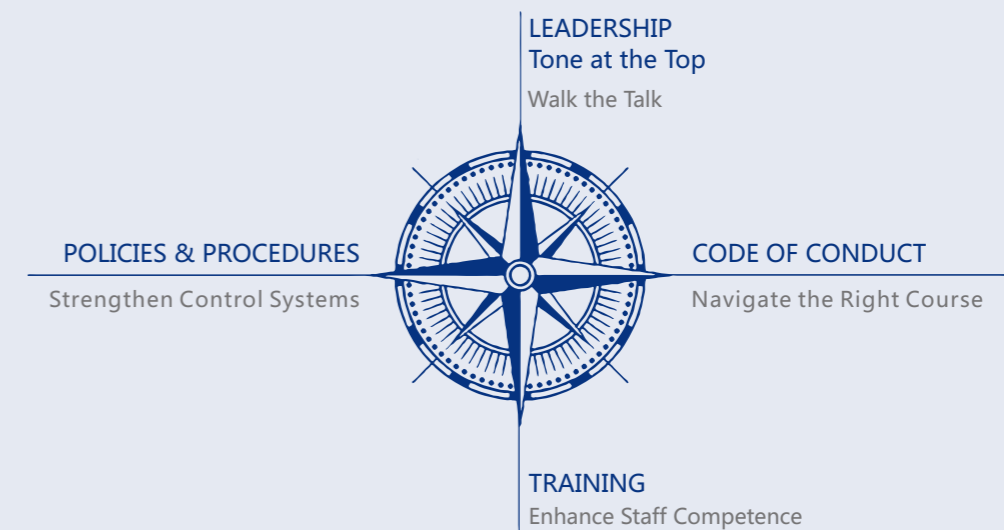
The Employer Value Proposition at Jebsen stipulates “With over 100 years of history, Jebsen’s success has been made possible through our commitment to our partners, to our communities, and to our most valuable asset—our people. We offer dedicated and talented individuals the opportunity to engage with a family of premium global brands. Employees who pursue excellence are given a diverse platform that provides continuous development and career exposure. At Jebsen, success breeds success.”

The Employer Value Proposition now forms not only our commitment to be a good employer, but also the foundation of internal communications among our employees.

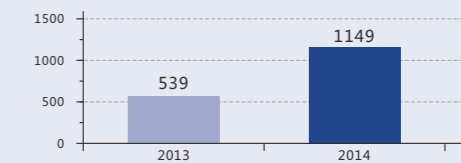
1.5 Compliance Management

Jebsen Group strictly complies with laws and regulations in the countries and regions in which it operates. Tone at the Top, Code of Conduct, Policies and Procedures and Compliance Training serve as the Ethics Compass to guide our employees to determine the right course of actions in performing their daily work when acting on behalf of Jebsen.

Jebsen Ethics Compass



The Code of Conduct and Policies and Procedures are continuously reviewed, updated and communicated to our employees. Compliance trainings are regularly conducted to ensure they have the knowledge and skills in handling compliance matters.



Number of Staff Participated in Compliance Trainings

In addition to the Ethics Compass, risk management, auditing, investigation and reporting act as the monitoring functions in Jebsen’s compliance management system:

1. Risk Management

At Jebsen, risk management is an integral part of our businesses. On a bi-annual basis, risks faced by our businesses are evaluated both from business unit and group perspectives covering existing, emerging, internal and external risks. These risks are evaluated against a pre-defined evaluation matrix to assess their impact and likelihood. Counter measures are identified to reduce risks to acceptable levels within our risk appetite. Results from the bi-annual risk management exercise are incorporated in Jebsen’s business plan and strategy.

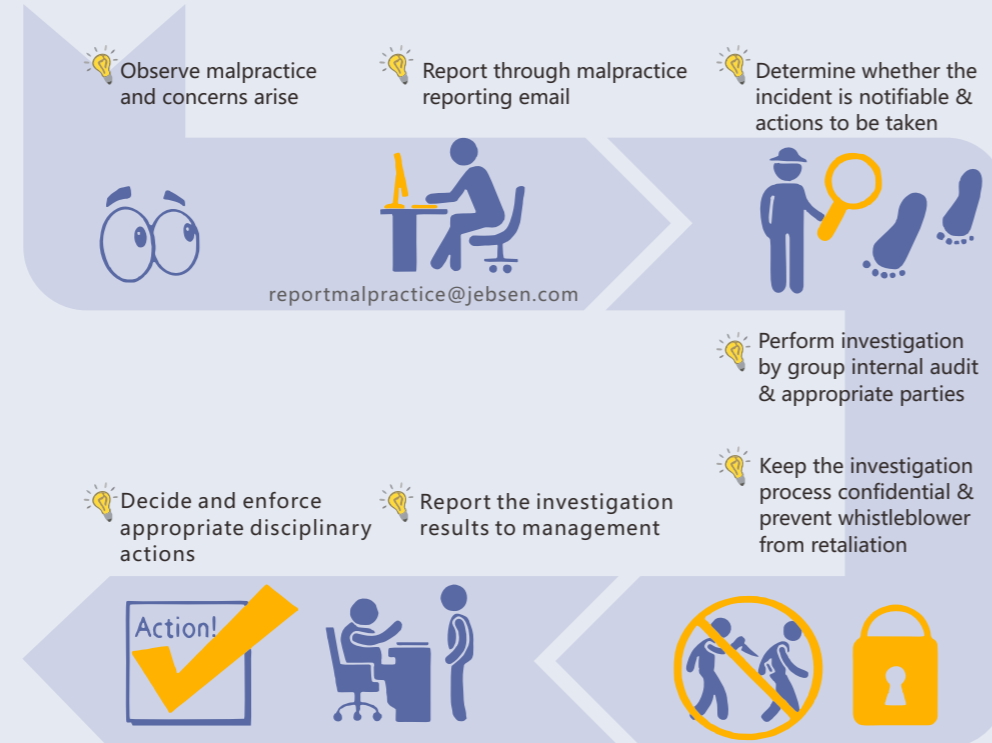
2. Auditing

Group Internal Audit is responsible for providing independent and reasonable assurance on the adequacy and effectiveness of the system of internal controls, governance and risk management processes for Jebsen Group. The Head of GIA reports to the Group Managing Director administratively and to the Board of Directors functionally to ensure independence. In 2014, GIA conducted 10 operations audits and reported 88 audit findings for management actions. Management reported to have remediated 186 previous and new audit findings in 2014.

Number of Audit Findings reported and Remediated in 2014		
Reported before 2014	Reported in 2014	Remediated in 2014
143	88	186

3. Investigation and Reporting

Jebsen staff and business partners are encouraged to report any malpractice observed and raise their concerns to the Head of GIA through the designated whistleblowing channel. Identity of the whistleblower is kept confidential under the duly developed investigation process to prevent retaliation against the whistleblower. The speaking up and investigation process in Jebsen is summarized in the diagram below:



1.6 Information Security

2014, Successfully blocked endpoint anti-virus / anti-malware count:

11,610

blocked malware website access:

832,482

Jebsen's Customer Relationship Management (CRM) system developed by each business unit not only provides comprehensive customer management and service, but also protects its client information and privacy, thus reducing risk of information leak and creating greatest values for the company and its customers.

In line with the global trend, GIS further invested in the development of mobile platform in 2014. In addition, GIS regularly strengthened Jebsen's computer/network security systems for employees and timely distributed software updates to protect the information security of the company and its clients. For instance, we adopted ransomware precautions, suggested employees to regularly update their user passwords and updated Windows patches, and successfully prevented the intrusion of malicious attacks and computer virus.





2 Social Responsibility Management

2.1 Social Responsibility Strategy

Concept of Social Responsibility

In today's society, responsible corporate citizenship and business reputation have become some of the most valuable assets of any organisation. With articulated objectives and commitment, the Group's CSR programmes have taken economic, social and environmental considerations into the company's strategic development and operation. Jebsen's primary objective remains to provide premium products and services for customers and drive business growth. Apart from these, Jebsen also recognises people as an important asset and underpins ethical conduct, value and quality of life for all staff.

We believe that the CSR programmes provide a win-win solution for not only the environment and the community but also business sustainability.

Areas of Endeavours

Jebsen Group places its CSR focuses on the pillars of environmental conservation, staff well-being and philanthropy. We evaluate the internal and external impact of our operations in those areas, and work closely with our stakeholders to give back to our society.



2.2 Social Responsibility Management System

Jebsen has set up a comprehensive CSR management framework of which the Group CSR Committee is responsible for coordinating and implementing CSR programmes, supervising CSR management of the Group, and reporting directly to the Group management. As a critical part of Jebsen's CSR system, CSR Ambassadors are selected from all levels of employees and are much engaged in the planning and organising related activities, serve as a communication channel between the Group and employees on CSR matters, and act as role models for other employees in contributing to the community through active promotion and volunteerism.

CSR Management Structure of the Group



CSR Ambassadors in action

In January 2014, the first Jebsen CSR Ambassador Engagement Training Workshop was held in Hong Kong, participated by 13 CSR Ambassadors from Beijing, Shanghai, Guangzhou and Hong Kong. Experts from World Green Organisation (WGO) shared with Jebsen ambassadors the status of Jebsen's CSR development, insights of CSR communication strategy and best practices in organising volunteer activities.

Over the past year, the pioneered group of Jebsen CSR ambassadors successfully organised various meaningful CSR activities in their regions, winning our colleagues' support and recognition. Examples of activities include: "Remaking notebooks with recycled paper", "Clothes Exchanging Party", "Jebsen Adventure Teams' completion of the MoonTrekker 30KM race", "Cake DIY in the Children Welfare Home" and "Collaborating with local restaurant owner to distribute lunch boxes to the homeless in Sham Shui Po".

■ Collaborating with local restaurant owner to distribute lunch boxes to the homeless in Sham Shui Po

Jebsen CSR ambassadors organised a series of community caring activities. In November 29th, 2014, Jebsen Volunteers went to Sham Shui Po to gain a profound understanding of the situations and difficulties of the homeless, and assisted the owner of "Pei Ho barbecue restaurant", Ming, to distribute dinner boxes to the homeless. During the event, the volunteers were deeply moved by Ming for his generosity, and felt warmth of the help from local residents.



■ "Remaking notebooks with recycled paper" — Cover Design Competition

In order to encourage everyone to protect forest resources, from April to May, 2014, Beijing CSR ambassadors organised a cover design competition for notebooks that were made from waste paper. A total of 15 designs from employees or their family were received, 10 of which were adopted and made into notebooks and distributed to employees.



■ Cake DIY in the Children Welfare Home

In December, 2014, Guangzhou CSR Ambassadors invited volunteers and their family and friends to join the baking workshop, afterwards, the volunteers visited the Children Welfare Home and shared the cakes along with baking skills with the children. Volunteers from HR Department also conducted a learning and career planning seminar for the senior students to help them be prepared for the future.



■ CSR Ambassador Speech

Lily Liu
CSR ambassador, Shanghai

"As a CSR ambassador, I hope to help all my colleagues learn about it, embrace it and become their own ambassador so that they are motivated to do their part—and to inspire others to do the same."

Cronus Jiang
CSR ambassador, Guangzhou

"I hope our CSR team would have a well-rounded development and help people in need more efficiently."



Keenie Sin
CSR ambassador, Hong Kong

"We hope that one day our passion for CSR can motivate all our colleagues to join and support future CSR initiatives!"

Jean Li,
CSR ambassador, Beijing

"After being a CSR ambassador for more than one year, I've grown more mature owing to this experience of laughter, sweat, and even tears. Undoubtedly, we'll move on along the CSR track, hoping that one day a single spark would light up the whole world."

2.3 Stakeholder Communication

Having come a long way to evolve from a shipping agent to a specialised marketing and distribution organisation, Jebsen relates itself with extensive stakeholders ranging from governments and customers, to partners, shareholders, employees, non-profit organisations, environment and universities. We are part of a value chain that every component is integrated developed together. In view of this, Jebsen has committed itself to proactively address our stakeholders' diversified CSR needs, to achieve comprehensive and sustainable development together.





3.1 Jebsen Motors

In 2014, Jebsen delivered

8,393

Porsche cars to customers

marking a

25%

increase year over year

Accelerating Porsche's success in China

In 2014, Jebsen has delivered a remarkable total of 8,393 Porsche cars to the customers, marking a 25% increase year over year. The Group opened its second Hong Kong Porsche Centre in Kowloon Bay, upgraded the Porsche Centre in Shanghai Puxi, and celebrated the 10th anniversary of the Porsche Centre Hangzhou Westlake. As one of the largest Porsche dealer groups in the world, Jebsen will continue to provide best-in-class products and services to our customers and greater value-add to our partners, as the Jebsen-Porsche partnership enters its 60th year in 2015. In 2014, Porsche Centre Beijing Goldenport was ranked second in the nationwide dealer of the year ranking.



3 Business Partnership and Product Responsibility

Jebsen's story spans over 120 years developed from a sole distributor to a well-established organisation with manufacturing capability through joint venture establishments. The Group is dedicated to offer our partners with extensive distribution channels, robust logistic networks, reliable management talents and investments in order to facilitate their entry and expansion in the Greater China market.

Delivering exemplary customer experience and setting superb after-sales service standards

Jebsen Motors is committed to understand and meet various customer needs, and constantly enhance its after-sale service.

Airport pick-up service is one of Jebsen Motor's value-added services introduced in several Porsche Centres, allowing customers to leverage their time out of town to receive full maintenance of their cars. Customers are chauffeured between the airport and Porsche Centre and enjoy the convenience and efficient service. Jebsen Motors also launched own APP designed for Porsche owners to reserve service at a nearby Porsche Centre through mobile phone at any time.



Several Porsche Centres have established official Weibo and Weixin, connecting Porsche owners and fans closely with the brand.

Fun-filled Family Day at Porsche Centre

Porsche Centre Shanghai Minhang Family Day was held in April, 2014. Around 1,000 visitors including Porsche owners and fans, and Jebsen employees and their family members were invited to this two-day event over the weekend. The event theme was “A Journey through China”, taking the guests to a virtual tour of different cities where Jebsen’s Porsche Centres are located.



Improving the professional capability of technicians

Jebsen Motors has always been committed in developing the capability of its staff, hence actively supports talented mechanics to become Certificated Porsche Technicians (CPT), which is an important training platform organised by Porsche China. Eight Jebsen Motor’s technicians have successfully earned Gold or Silver ratings through this strict training programme in 2014. CPT is a training programme for mechanics to be recognised as service and maintenance technician, system technician and diagnostic technician, therefore ensuring our Porsche Centres offer competitive service by a team of skilful mechanics.

Porsche Centre Hong Kong teamed up with Uber for Operation Santa Claus

Porsche Centre Hong Kong and Uber teamed up as UberSanta in December 2014 to raise HKD 100,000 for Operation Santa Claus.

For a minimum donation of HKD 200 customers could enjoy Uber service in a variety of different Porsche models.

Customers were thrilled to have the opportunity to drive the fantastic cars while able to contribute to this worthwhile cause.

“Our Porsche Centre in Hangzhou Westlake has achieved much success in Zhejiang province, attributing to our deep insights of China’s luxury car market and 59 years of close partnership with Porsche. I am confident that Jebsen Motors will continue to shine in the next 10 years and more to come.”

Mr Joachim Eberlein
Managing Director of Jebsen Motors

3.2 Jebsen Industrial

More than
100 brands

More than
500 products and solutions

Jebsen Industrial works with a variety of partners and customers, bridging more than a hundred brands with more than five hundred products and solutions ranging from automobile manufacturing, mining, energy, textile, and transportation to catering, nutrition and broadcasting, through optimal customised solutions.

In 2014, Jebsen Automotive Technik (JAT) under Jebsen Industrial launched its new own brand of BLAUMANN offering quality after market products, components and services to automotive customers in Greater China.



The fourth joint venture under Jebsen Industrial was established—Jebsen Automotive Technik (JAT) and tedrive Steering set up “Jebsen tedrive Steering Systems”; the joint venture aims to bring tedrive Steering’s advanced steering technologies to China.

A new own brand, WeiWanJia, with portfolio of healthy, safe and tasty products, includes seasoning for bakery products, yoghurt concentrate and condiments. The product ingredients follow the GMP standard, and are sourced around the world.



Jebsen Industrial helps China’s cinematic and broadcast sector accelerate its digital transformation


Jebsen Industrial showcased a range of digital film products and technologies at Beijing International Radio, TV & Film Exhibition (BIRTV) 2014. Technologies being featured at the Jebsen Industrial booth encompassed the entire movie-making workflow and included pre- and post-production solutions and equipment, peripheral products and software from more than 20 leading brands. A range of systems for high-tech filming, 3D TV production and other high-value applications were highlighted, many of which made their debut in China at the trade show, including: the first Easyfocus distance measurement tool in Greater China, China’s first AB-Live television system and the latest lenses from the world’s top four brands. Jebsen Industrial ranked number one in China’s lenses sales, accounting for 75% of the market share between 2011 and 2013.



“We are going through a transformation process where tradition meets innovation. I see embracing the customer-centric and value-adding mindset as an ever more critical ingredient to our success. From Marketing and Distribution, we are now exploring creative new ways to serve China with quality solutions and to help more businesses with their market entries and penetration.”

Mr Maximilian Stillfried
Managing Director of Jebsen Industrial


3.3 Jebsen Beverage



Blue Girl Beer has been the leading beer by volume and value in Hong Kong for

8 years

Jebsen Beverage was designated as Anheuser-Busch InBev's exclusive distributor in Hong Kong and Macau



As one of the leading independent importers and distributors of premium beverages in Greater China, Jebsen Beverage expanded its portfolio of own brands and represented brands and further strengthened its market position.

2014 marks the eighth consecutive year that Blue Girl Beer, Jebsen's own beer brand, solidified its position as the most popular beer in volume and value in Hong Kong; while continued to increase its market share in Eastern and Southern China. In addition, Jebsen Beverage was designated as Anheuser-Busch InBev's exclusive distributor in Hong Kong and Macau, responsible for the sales of its lager brands which include Corona Extra, Budweiser, Harbin, Hoegaarden, Stella Artois, Leffe, Löwenbräu, Becks and Boddingtons.

In 2014, Jebsen Fine Wines continued to expand its portfolio by introducing a series of premium Japanese sake to Hong Kong, and coming into new partnership in Hong Kong and Mainland China with Justin Winery, the award-winning American organic wine maker.



"There can be no compromises when it comes to product quality. We are very careful about selecting our partners. This is in part due to our quality standards, but it is also because we are selecting a long-term partner. Some of our wine partners, for example, have been collaborating with us for over 20 years ever since our wine business was established."

Mr Michael Glover
Managing Director of Jebsen Beverage

3.4 Jebsen Consumer

Jebsen has increased point of sales of Dyson products across Greater China in

50 cities

and

140 locations

Expansion of quality home product

To meet consumers' demand of healthier life style, Jebsen Consumer expanded its quality home product in 2014 with Mitsubishi Rayon Cleansui, a multiple premium water purifier brand, in Hong Kong, and AirFree, air purifier brand from Portugal, in Mainland China.

2014-A Harvest Year for Jebsen Consumer's Dyson Business

Since representing the Dyson brand from 2008, Jebsen has increased point of sales of the technology products to more than 140 locations, covering 50 cities across Greater China with a satisfactory market share and continuously growing. In 2014, Jebsen Consumer held a number of Dyson outdoor roadshows and tech tours at high-end shopping malls in key cities including Beijing, Shanghai, Guangzhou, Hong Kong, Shenyang, Tianjin and Harbin; as well as a series of consumer and media events to introduce Dyson's new products, enabling potential customers to experience the possibility of lifestyle change with its innovative technology.



In 2014, Jebsen Consumer was presented with Dyson's annual awards for distinguished consumer goods agent and marketing influence.

Innovative O2O sales model with J Select

J Select, the Group's brand new concept of own retail platform, was launched in December 2013. Besides dedicated eCommerce portal in Hong Kong (www.jselect.hk) and flagship shop on Tmall (jebsen.tmall.com) in Mainland China, its first brick-and-mortar store was opened in Shatin, Hong Kong in October 2014. It aims at bringing consumers with innovative O2O experience that is convenient and differentiated.



Supporting the Community with NutriGreen

NutriGreen sponsored Hong Kong Rehabilitation Power and Redford Charitable Foundation to join the Rehab Power Day 2014 to raise public attention of integrating disabled people in the community. Every year, NutriGreen also gives out Chinese medicine scholarships and awards to 10 outstanding students at the School of Chinese Medicine of the Chinese University of Hong Kong to develop talents in Chinese medicine.

"With the economic growth in Mainland China, middle class is evolving and demand for premium products is rising. These macro environment factors also lead to great business development opportunities for companies like Jebsen, who are familiar with the market dynamics and have accumulated rich experience in developing the market."

Mr Denis Li, Group Director



4 Environmental Conservation Commitment

Environmental conservation is a core area of Jebsen's CSR endeavors, and carbon management is our foundation to fulfil the commitment as an environmentally friendly company. All business units contribute to the green development within their respective industries such as promoting clean energy technologies, encouraging plastic recycling, and offering green building products. We have also upgraded our logistics fleet with lower emission vehicles, and the Green Office initiative has been rolling out in every office, fostering employee participation in environmental conservation.

4.1 Carbon Management

Carbon Emission of Jebsen totalled at 7,209.74 tonnes of CO ₂ -e	Carbon intensity has dropped by 3% as compared to 2013	Investment in two climate friendly projects enabled Jebsen Group to purchase 6,702.12 tonnes of carbon credit
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Carbon Audit

The internal Carbon Audit Team continues to lead the carbon management effort for the Group. An annual Carbon Audit Report is developed by the Carbon Audit Team and is verified by Carbon Care Asia, a third party carbon audit and management organisation. Based on the carbon audit results, the Group proactively reviews its internal management and facilities and seek ways for energy saving and carbon emission reduction, ultimately to play a part in protecting the environment and reducing operational impact on global warming.

Carbon Performance

According to the verified Carbon Audit Report, the total carbon emission of Jebsen Group in Hong Kong, Macau and Mainland China in 2014 was 7,209.74 tonnes of CO₂-e, an increase compared to the previous years, undoubtedly due to continuous business growth. However, the carbon intensity has dropped by 3% to 546.19 tonnes of CO₂-e per billion HKD compared to its 2013 level of 563.03 tonnes of CO₂-e per billion HKD.

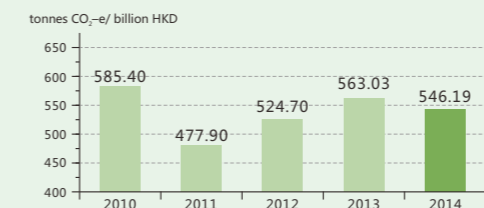
2010-2014 Jebsen Group Carbon Emissions



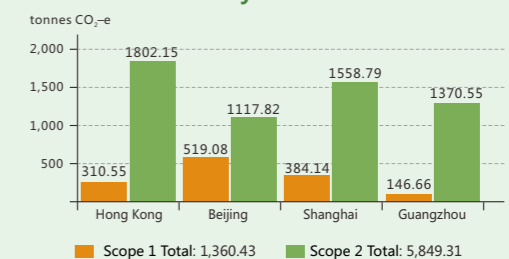
2010-2014 Jebsen Group Carbon Emissions per Capita



2010-2014 Jebsen Group Carbon Intensity



2014 Jebsen Group Scope 1 and Scope 2 Carbon Emissions by Locations



Note: Scope 1 refers to direct emissions resulting from activities within Jebsen's control. Scope 2 refers to indirect emissions from electricity, heat or steam purchased and consumed by the Group. Classification of carbon emissions are based on the Greenhouse Gas Protocol: a Corporate Accounting and Reporting Standard (revised edition) by the World Resources Institute (WRI) and World Business Council on Sustainable Development (WBCSD) and ISO14064-1.

Carbon Neutrality

Since 2012, in an effort to achieve carbon neutrality, the Group contracted Climate Friendly, an Australian-based carbon trading company, to purchase carbon credits to offset its carbon emissions. Through this partnership in 2014, Jebsen invested in two green projects in Asia to equalise emissions of the Group's operations in 2013 by purchasing 6,702.12 tonnes of carbon credit, once again achieved carbon neutrality and fulfilled its environmental commitment.

Jebsen participates in the Earth Hour

Being one of the founding members and double diamond members of WWF-Hong Kong, Jebsen, for the 6th consecutive year, pledges to participate in the meaningful event. During the Earth Hour, all non-essential lights, neon signs, billboards and computers were turned off at Jebsen offices and Porsche Centres across Greater China. Employees were also encouraged to join this pledge to turn off lights and other unnecessary electrical appliances at home.



4.2 Green Products and Services

Green living

Jebsen offers consumers a variety of products in our diverse portfolio that supports the concept of green and healthy living. Jebsen Fine Wines has established a new partnership with Justin Winery, an awards-winning fine wine from California, the U.S.A, that uses organic winemaking techniques for its collection. Jebsen Consumer expanded its quality home products by cooperating with Mitsubishi Rayon Cleansui to launch multiple premium water purifiers in Hong Kong. AirFree, the Portuguese air

purifier that can eliminate over 99% of the bacteria and virus in the living environment, was introduced into mainland China. Dyson cordless vacuum cleaners, distributed by Jebsen in Hong Kong and PRC, are scientifically proven to reduce PM 2.5 and allergens helps to reduce indoor dust to provide a healthier lifestyle. Jebsen Porsche Centres also launched the Cayenne S E-Hybrid to advocate energy-saving and low-carbon driving.

Green Building Products

Jebsen Building Products is always dedicated to source green building products and provide environmentally friendly building solutions to our customers.

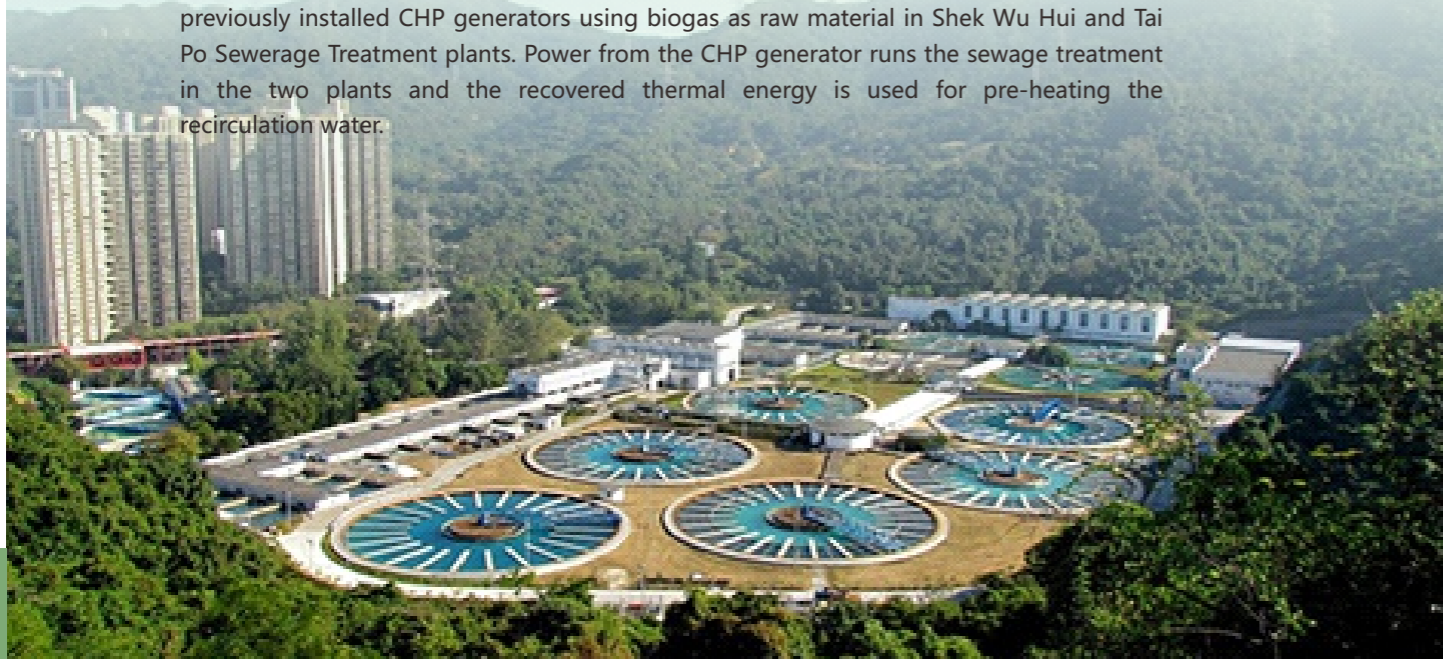
Green Products	Project Title	Area of Application	Eco-friendly Features
Dyson hand dryer	Jardine House, Central Renovation Prince's Building, Central Renovation Alexandra House, Central Renovation	Restroom	Reduced use of paper towels
Twyford dual flush WC	Hong Kong International Airport Midfield Expansion Project West Kowloon Law Court Kwun Tong Community Health Centre	Restroom	Water saving feature which eliminates wasted flow and cuts water consumption
Iqua sensor faucet / sensor urinal control unit	Kwun Tong Community Health Centre West Kowloon Law Court Redevelopment of Fire Services Training School	Restroom	Water saving feature which eliminates wasted flow and cuts water consumption
Exterpark hardwood decking system	Kwun Tong Promenade Stage 2 Tsun Yip Street Playground Phase 1, Kwun Tong	Decking	FSC certified timber floor covering
Buzon screwjack pedestal system	Kwun Tong Promenade Stage 2 The Hong Kong Jockey Club Shatin Communications and Technology Centre	Decking	The polypropylene used in the pedestals is made from 78% recycled material and they are 100% recyclable
Biowood fire retardant wood composite board	Tai Kok Tsui Advance Promenade	Landscape area	100% recyclable and PEFC certified



Introducing Clean Energy Technologies to Hong Kong

Jebsen Industrial collaborated with GE Jenbacher in delivering to the Drainage Service Department (DSD) Hong Kong's first high-voltage biogas-fuelled combined heat and power (CHP) generator installed in the Sha Tin Sewerage Treatment Plant that creates clean energy and reduces GHG emission in Hong Kong. The new system uses a GE Jenbacher Type 4 CHP generator to generate clean energy using the biogas produced during the sewerage treatment process. Jebsen Industrial provided the technical consultation, installation, commissioning and testing services, as well as connected the new Sha Tin generator with local power grid so that excess energy is transferred to households in Hong Kong.

In first six months of operations, the new set of CHP generator has produced more than 3 million kWh of electricity, saving about 2,300 tonnes of CO₂ emissions, with annual energy cost savings of HKD 7 million. In collaboration with Jebsen Industrial, Hong Kong DSD has previously installed CHP generators using biogas as raw material in Shek Wu Hui and Tai Po Sewerage Treatment plants. Power from the CHP generator runs the sewage treatment in the two plants and the recovered thermal energy is used for pre-heating the recirculation water.



4.3 Green Office

Jebsen Group seeks to reduce daily energy and resource consumption through use of technology and active management so as to reduce the wastage of power, water and paper.

Roll out "Total Green Office Solution" in Hong Kong Office

The "Total Green Office Solution (TGOS)" project was first kicked off in Jebsen's Hong Kong Office in 2013 and gradually realising results. The project has successfully reduced 43% of printers, 38% of electricity consumed by printers (equals to approximately 12 tonnes of CO₂ emission), and 3% of paper use. The Group plans to adopt more energy saving equipment and measures such as double-sided printing, further integration of equipment, printing through Document Process Outsourcing, and continues to roll out the solutions to other locations.



Beijing Office: Advocacy for Green Actions

- 1 Replaced the leased all-in-one printer with a new one without extra cost that provides enhanced printing quality while reducing toner power emission.
- 2 Set black-and-white and duplex printing as default on every computer.
- 3 Replaced paper cups with glass ones.
- 4 Set energy-saving mode for all office machines.
- 5 Strengthened maintenance and management of office equipment.
- 6 Recycled plastic waste: reuse plastic bottles as plant containers to make the office greener.
- 7 Put friendly posters in cafeteria to advocate environment friendly habits in daily work.

Clothes Exchanging Party

Under the CSR ambassadors' initiative, the "Clothes Exchanging Party" were organised in Beijing, Shanghai and Guangzhou at the end of August 2014. 515 pieces of clothes were gathered, of which 482 pieces were donated to a public welfare partner, Buy42.com. In September, "Keep Caring Clothing Drive" was organised in Hong Kong office, encouraging staff to donate unwanted clothes in support of environmental conservation, charity and community organisation.



"Green Workplace" by Porsche Centre Shanghai Minhang

The Green Workplace project was implemented by Porsche Centre Shanghai Minhang in partnership with Greenovate, a social enterprise. In 2014, the project organised a series of monthly green events, in themes of waste composting, electrical waste recycling in exchange of gifts, as well as clothes exchanging and donation. The employees' awareness of environmental protection was greatly enhanced as a result of these continuous activities.

GREEN TIPS

4.4 Green Logistics

Jebsen Logistics sets its focus on energy conservation in the fleet, and on improving the drivers' consciousness about energy conservation and environmental protection. To help improve air quality and to respond to the Hong Kong government's initiative to eliminate commercial vehicles that are below the Euro IV standard, new European Union IV diesel trucks were being purchased in 2014. Another two European Union V vehicles have been ordered and the overall fleet upgrading is underway.



4.5 Supporting Environmental NGOs

Sponsoring China Exploration and Research Society (CERS)

It has been three years since Jebsen first directly supported the China Exploration and Research Society in 2012. To raise the awareness of culture and nature conservation among employees, in January 2014, Jebsen invited Mr. How Man Wong, founder of CERS, to make a keynote speech, titled Exploration and Conservation in China, to depict the work of CERS in the field of nature protection.

In September 2014, Jebsen sent its first visiting group to CERS project site in Shangri-La, Yunnan Province. During the five-day trip, the eleven participants from offices across Greater China ventured to its Zhongdian Centre, black-neck crane site, Lisu Hill Tribe in Shangri-La, and had a close encounter with Yunnan Golden Monkey. The trip, though short, has cemented life-long enlightenment and memory for the Jebsen volunteers.

Volunteers' Sharing

Ken Li (Jebsen Consumer)

"CERS' efforts in easing the tensions between social development and natural environment conservation are remarkable. It has taken the precious first step in environmental conservation."



Lucy Liu (Jebsen Industrial)

"In order to protect and inherit the natural and cultural resources, explorers of CERS have been making much effort that ordinary people can't do. Their spirit and dedication to protecting natural and cultural heritage are admirable."

James Wang (Jebsen Motors)

"I visited Shangri-La, this dreamland with reverence, which reminds me to treat people and things around with gratitude."





5

Staff Well-Being and Development

5.1 Staff Diversification



As of the end of 2014, Jebsen Group had 2,679 employees in Greater China, including 1,007 in Hong Kong, 1,608 in Mainland China, and 64 in Taiwan and Macau. About 49.9% of employees and 39.7% of management staff were female given Jebsen's efforts to attract diversified talents.

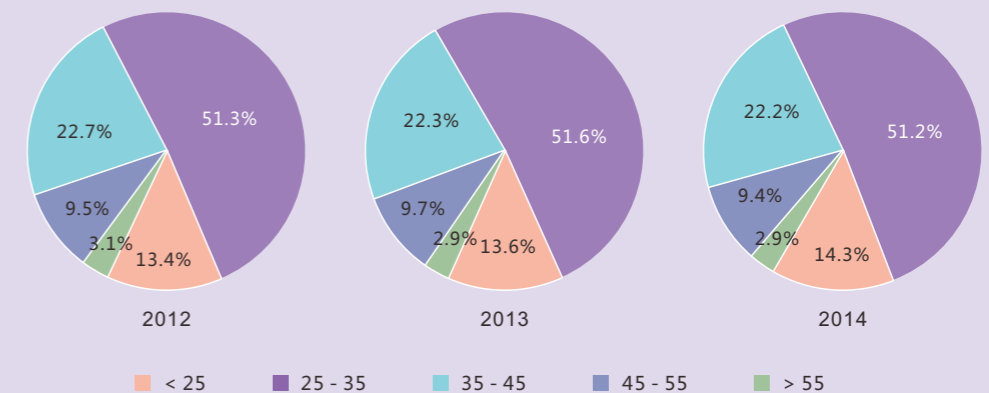
2012-2014 Jebsen Group Total Number of Staff



Gender Ratio of Staff



Age Distribution of Staff



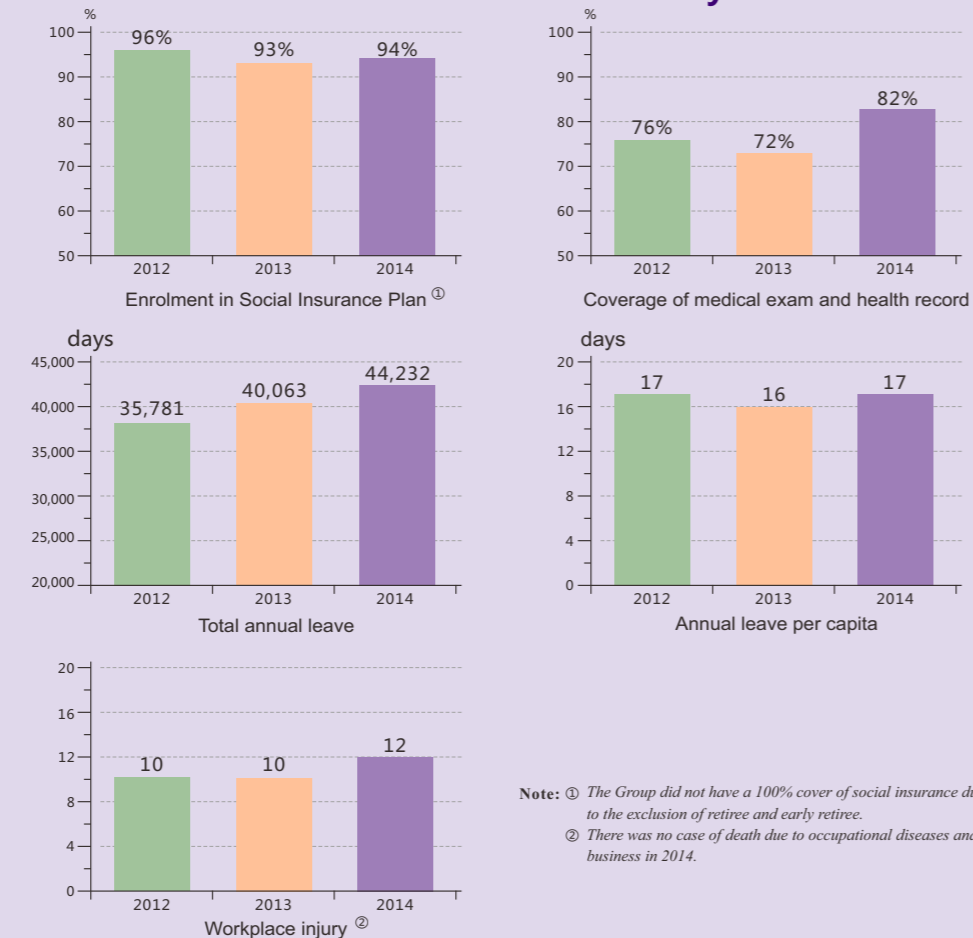
5.2 Benefits

People have always been one of the key factors attributing to Jebsen's success over the past 120 years. Our core values of Commitment, Excellence, Recognition, Responsibility, and Trust guide our corporate culture as a Group.

As a people-oriented company, Jebsen Group is tremendously focused on employee welfare. We follow legitimate and equalising terms of employment, and provide employees with a safe, healthy and green workplace. Apart from statutory Social Insurance Plans, the Group provides diverse supplementary benefits which include the Group Life Insurance, Personal Accident & Additional Medical Insurance, Gift Vouchers, Condolence Allowance, Long Service Awards etc. Beyond employees' support, Jebsen offers Scholarships recognising the academic and social achievements of our employees' children. In 2014, eight scholarships were awarded. In addition, Jebsen regularly provides discounts on selected products for our employees.

Based on the results of 2013 Employee Insight Survey (EIS), the Group further improved benefits for employees which include a) a gift package to all PRC-based employees on the Dragon Boat Festival, Mid-Autumn Festival and their respective birthday; b) improving the employee Long Service Award to every 5 years of service in the Group; c) enhancement in the commercial health insurance plan, and voluntarily upgrade the medical plan for dependents to increase reimbursement ratio for medical costs from 50% to the same level of employees; d) expansion of insurance coverage for business travel; and e) adjusting the ceiling of daily meal allowance for business travel.

Basic Benefits and Assurance Accountability



Note: ① The Group did not have a 100% cover of social insurance due to the exclusion of retiree and early retiree.
 ② There was no case of death due to occupational diseases and business in 2014.

5.3 Employer Brand

Based on the 2013 Employee Insight Survey, Jebsen has developed new platform for staff to advance their personal development—Learning and Development discussion, Career Development Discussion as well as the Career Pathing Framework, to support the employee growth within the organisation.

Career Pathing Framework

In 2014, Jebsen has developed a Career Pathing Framework to support employees to understand, explore and chart a course of career development, both horizontally and vertically, in the Group. The tool explains the meaning of career development and provides a general career roadmap in which employees can better understand the different skills, knowledge, behaviours, deliverables and critical experiences that are needed for success at each career level.

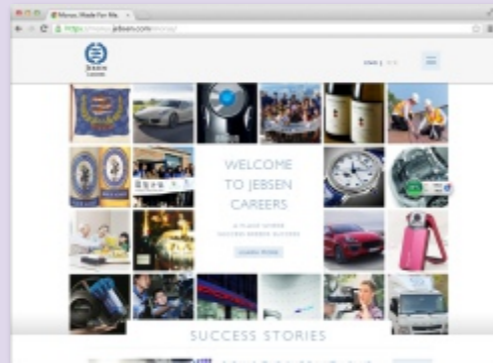


“The idea behind the Career Pathing Framework is to empower and support our employees in their professional development. I firmly believe that everyone is the driver of her/his own career. What we as an organisation can do is to make sure that our staffs have the adequate information, training and opportunities to pursue the career they can take pride in. From the Group’s perspective, it will also help us develop a pipeline of talents from inside the organisation that we can tap as the business grows and diversifies.”

Ms Bianca Wong
 Group Human Resources and
 Corporate Communications Director

Employer Value Proposition

Employer Value Proposition (EVP) is Jebsen's brand as an employer. Our rapid business growth in recent years has necessitated an articulated and strong EVP to attract and retain talents. To materialise Jebsen's EVP of "Success breeds Success" and make our employer brand more visible, Group HR department has redesigned the careers website with posting series of personal stories. The website is available since May 2014 at careers.jebsen.com.



"With over 100 years of history, Jebsen's success has been made possible through our commitment to our partners, to our communities, and to our most valuable asset—our people. We offer dedicated and talented individuals the opportunity to engage with a family of premium global brands. Employees who pursue excellence are given a diverse platform that provides continuous development and career exposure. At Jebsen, success breeds success." The statement reflects our belief in employees' work experience in the Group.



"In June 2013, I joined Jebsen's Group HR as a Group Human Resources Executive. I was assigned to a new HR system development and proud to represent Compensation & Benefits. While it was a great opportunity for me to apply my knowledge in this area, what I enjoyed most about the experience was working with colleagues from other HR functions. Soon after that, I was transferred to Jebsen Industrial with my first assignment to be the Project Coordinator for its 2014 On Target Bonus Review. In the few months I spent working on this project, I felt like I have grown enormously — from a complete rookie to a recognised Jebsen Industrial employee. Jebsen Group, being such a large and diverse organisation, offers many opportunities for internal transfers as well as the support and guidance for its people to make successful transition."

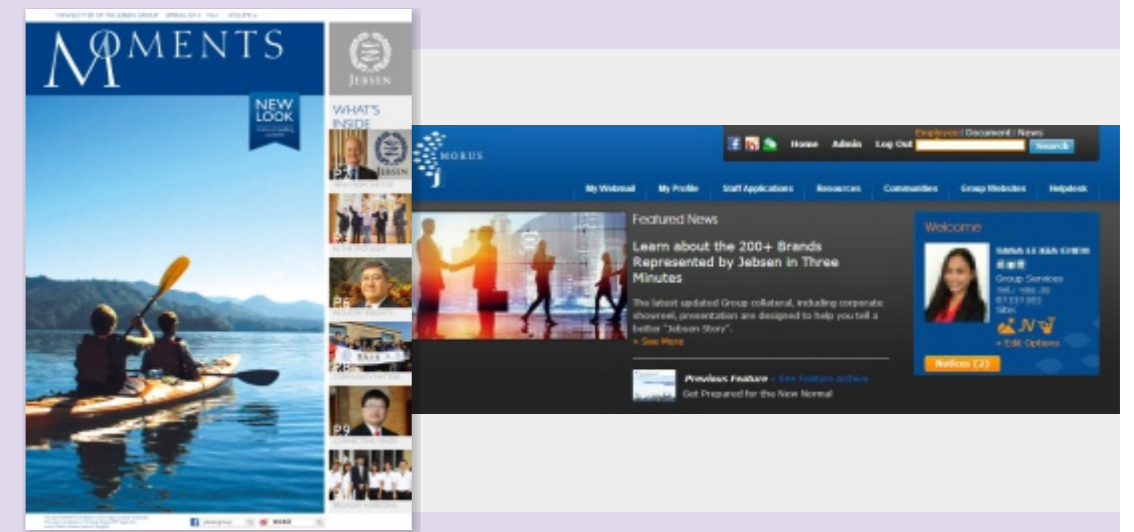
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Jebsen Industrial

5.4 Staff Communication

Employees are Jebsen's most valuable assets. We understand the importance of communication with employees and have adopted various channels to facilitate it, including:

Intranet Morus and Moments

Jebsen intranet, Morus, is an essential communication platform for employees, while Moments is an electronic newsletter for readers within and outside the Group featuring important updates and information from the Group and all our business units.



The Employee Insight Survey

In an effort to understand employees' experience and thoughts about the workplace and to improve HR management, Jebsen launched the Employee Insight Survey (EIS) in September 2013. Some 1,800 employees based in Mainland China, Hong Kong, Macau and Taiwan were eligible to take the survey, and more than 80 percent (more than 1,400 staff) responded. In general, feedback providers acknowledged Jebsen as a responsible employer with strong focus on social responsibility, occupational safety, and interaction of people, especially with clients and colleague. Around 80 percent of participants felt generally positive about their engagement, yet room for future improvement was identified with regards to staff communication, work processes and career opportunities.



In response to the survey feedback, the Group has not only increased staff benefits but also kicked off discussions on learning and development in 2014 to review and create more professional development opportunities within Jebsen, and subsequently proposed its unique Employer Value Proposition (EVP) of "Success breeds Success". In practice, we launched the Red Carpet system for new joiners, redesigned the careers website (careers.jebsen.com) as a direct channel to communicate with potential employees and to share stories of successes, and embarked on the Jebsen Career Pathing Framework in 2014.

Town-Hall Dialogue

Each business unit organises regular town hall dialogue to exchange views with staff regarding business updates and future development, as well as to provide an open platform for employees to discuss with management on various issues concerning the company and employees themselves.



Red Carpet System to Welcome New Joiners

With the newly introduced Red Carpet system, Jebsen has extended its care for people to the pre- and on-boarding experience of new joiners. The programme, which was designed considering not only the technology but also the user experience, helps the new joiners adapt to the company and their new roles at ease by reducing their anxiety, fear and uncertainty about the new work environment through timely and comprehensive information.

5.5 Staff Development



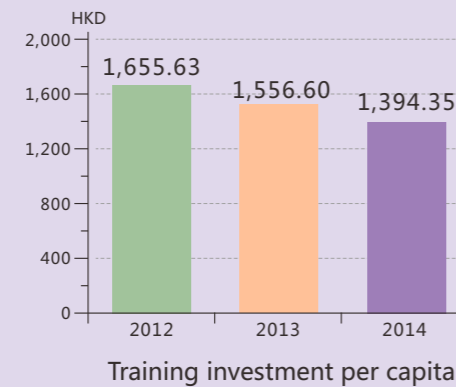
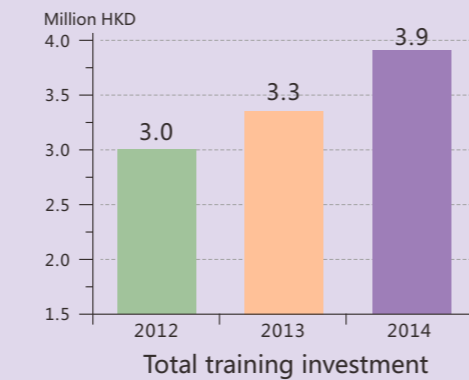
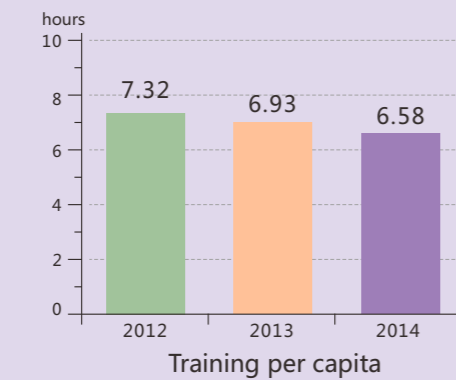
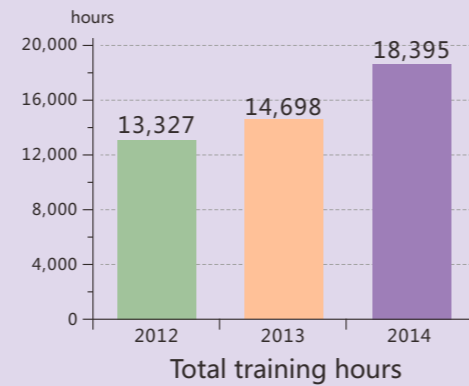
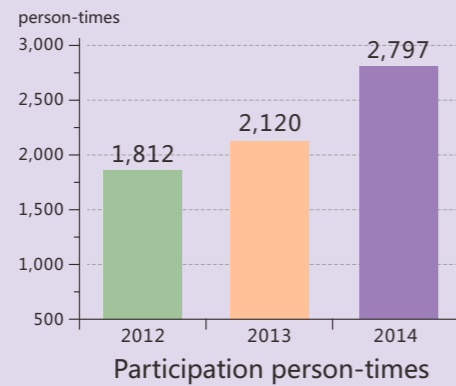
Training System

Jebsen Group has established a comprehensive training system to develop knowledge and skills among employees. The training curriculum covers the entire organisation from new employees, to first and senior level management employees.

Target Staff	Curriculum
New staff	Orientation
All staff	Personal Skills Training: Core Capacity Based courses, Learning Online, language training, IT, etc.
Management staff at different levels	Leadership Development programme, etc.
Staff in all positions and business units	Certified Porsche Technicians, Consumer Services Training, etc.



Staff Training Performance



New Training and Development Mechanisms

■ Leadership Development Programme

To facilitate the skill and competency enhancement necessary for successful career development, Corporate Training Programme was enhanced in 2014 to provide a more structured and competency-based approach to learning and development, based on the Career Pathing Framework. Leadership Development programme was also launched with three levels of roadmaps, for Business / Strategic Leaders, Functional Leaders and First Line Managers with people management responsibilities, covering critical leadership skills in four areas including Management, Leadership, Coaching and Team Development.

The people managers attended a series of leadership development workshops including “Situational Leadership”, “Essentials of Leadership”, “High Impact Feedback and Listening”, “Managing Self & Others”, “Supervisory Management”, “Effective Communications” and “Coaching for Results” with purpose to enhance their management and leadership skills so as to build an engaging and high performance team, and as a result, to strengthen Jebsen as a great place to work and an organisation with long-term success.

■ Learning Online

To facilitate a more flexible and personalised learning experience, Jebsen implemented on-line learning to supplement classroom training. An e-learning platform was designed and developed with training modules covering six core competencies: Work Effectiveness; Innovation, Adapting and Responding in Change; Analysing, Decision Making & Problem Solving; Customer Focused; Drive & Results Orientation; as well as Relationship Building & Communications.

5.6 Staff Well-Being

A total of 33 staff activities were organised with 637 person-times of participation	Employees attracted over 8,000 person-times of participation and to promote a healthy work and personal lifestyle	Some 50 lunch-time seminars were delivered with 945 person-times of participation
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The Group advocates a positive work and life attitude, guiding its employees to maintain physical and mental well-being and ensure work-life balance.

Caring for Staff's Physical Health

Health is wealth. To promote greater health consciousness among employees, the Group organised Wellness Week in various office locations in September 2014 with great success. A series of free health services and experience were delivered and appreciated by staff. To raise staff health awareness, lunch-time seminars were delivered to around 350 staff on variety of topics from healthy diet to mental health management.

The Group also set October 23th as Work-Life Balance Day to promote the concept, on which all staff receive fruits and were encouraged to leave the office on time, rest and exercise amidst work as much as they can.



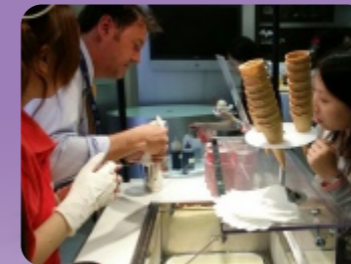
Caring for Staff's Mental Health

Employee Abundance Programme is a service provided by the Group to assist Jebsen staff in enhancing mental health by resolving their personal or work concerns in a strictly confidential manner. It offers a professional 24-hour hotline in English, Cantonese and Mandarin to staff and their immediate family members for guidance, mentoring and consultation.



Staff Leisure Activities

Jebsen Group holds a variety of staff leisure activities every year in Hong Kong, Mainland China and Taiwan to enrich the lives of employees. In 2014, 33 staff activities attracted 637 person-times of participation. The series of "Enjoy Your Health and Life" activities had welcomed over 8,000 person-times of participation to make work and life at Jebsen more enjoyable. The Group also held 50 lunch time seminars hosting a total of 945 person-times of participation in the same year (excluding activities organised by individual business units).





6 Care for Our Community

In 2014, Jebsen invested HKD 4.2 million on philanthropic activities. The Group organised 39 volunteer activities and took part in 14 charity events, which involved 746 person-times of participation and additionally raised HKD 200,000 for charitable organisations.

6.1 Support to Education

Education Fund to the Hong Kong University of Science and Technology (HKUST)

The HKUST scholarship, amounting to HKD 1 million to HKD 2 million each year, has been set up under Jebsen Education Fund since 1995. Over the past five years, Jebsen has donated approximately HKD 6 million to HKUST and the Chinese University of Hong Kong.

In September 2013, the Group agreed to donate HKD 10 million to HKUST to establish the "Michael Jebsen Professorship in Business" at the School of Business and Management, to support its global recruitment of a top scholar in business. Professor Jitendra Vir Singh, who joined the HKUST in September 2014 as the new dean of the School of Business and Management, has been named the Michael Jebsen Professor of Business.



About Jitendra Vir Singh:

Professor Singh, who was the Saul P Steinberg Professor of Management at the Wharton School, University of Pennsylvania, prior to joining the HKUST, is a world-class management scholar and business educator. He has extensive connections with global academic institutions as well as public and private sector companies. On top of the various roles he played in Wharton which helped boost the school's global presence, Professor Singh has also served as a board member to many private and public corporations in the US, the UK, Singapore and India.

"With over 100 years of history, the Jebsen Group's success has been made possible through our commitment to the individuals that make up our group, our business partners, and the communities we operate in. Jebsen is committed to fostering the development of local talent as well as promoting competitiveness in the markets we operate. We feel honoured to be able to sponsor HKUST, one of the pivotal centers of educational excellence in Greater China, in their recruitment of world class global scholars in the fields of business, economics and marketing, as well as help fuel world class academic research."

Mr Hans Michael Jebsen
Jebsen Group Chairman

Nankai-Jebsen Education Fund and Internship Programme

The five-year Nankai-Jebsen Education Fund and Internship Programme started in 2010. Each year, RMB 100, 000 is awarded to teachers for their excellence in advancement of their expertise and to outstanding students in encouraging them to give back to the society. With the 10 teachers and 20 students awarded in 2014, beneficiaries of the fund have reached 150 by end of 2014.

In 2014, the Group offered exclusive summer intern sponsorship to undergraduate students from Jilin University Business School. Seven interns, who were offered accommodation subsidies, spent eight weeks in Jebsen's different offices in Beijing, Shanghai, Guangzhou, Hangzhou and Shenzhen to gain hands-on work experience to prepare them for future career upon graduation.

6.2 Project Morning Star with ORBIS

The Project Morning Star is a philanthropic initiative by Jebsen in partnership with ORBIS, an international non-profit organisation dedicated to sight-saving and visual impairment prevention. Launched in 2011, the project has accumulated contribution from Jebsen at over RMB 5.2 million as of 2015, 20% of which was to support the third generation of Flying Eye Hospital and 80% was for blindness prevention and treatment to local residents in Gansu, Heilongjiang, Guangdong, Yunnan and Liaoning. In April and September 2014, Jebsen volunteers had two field trips to project sites in Shandong and Guangdong, respectively.



On April 24th to 29th, Jebsen joined hands with ORBIS for the fifth field trip under the Project Morning Star, and the ten volunteers visited Jinan and Linyi in Shandong province to assist local visual impairment prevention and treatment. Jebsen volunteers donated stationery to local students and daily necessities to beneficiary families. Using their language and photographing skills, the volunteers also provided translation service for the ORBIS specialists and local medical team, and recorded the whole activity by camera and audio for ORBIS China to set up and improve its archive.

During the four-day trip from December 3rd to 6th, Jebsen volunteers conducted eye screening for students at Jingkou Primary School and residents in Jingkou village; organised eye-care workshop and "Blindfold Lunch" activity with the students; supported "Hands-on training" programme by documenting the eye screening materials in Sihui Hospital of Traditional Chinese Medicine; as well as visited three beneficiaries.



■ Bright Future of Xun Sisters

Xun Yanfei and Xun Yantian, twin sisters in Lvnan County of Linyi, Shandong were born with strabismus. For a family with an annual income of only RMB 2,000 but burdened with some RMB 10,000 per year medical expenses on their mother for treatment of her anxiety disorder, corrective operations remained a distant wish for the little sisters.



It was the Project Morning Star that made it come true. The normal eyesight restored after operation has made the bright girls more confident. Their shabby home, experience of food no better than instant noodle, and little understanding about how different their lives would be after the operation could never erase the sweet smile from their faces.

■ Eyesight Restored for the Elderly Zeng

Zeng Wenhao, an impoverished elderly man living alone in his Jingkou Village old house in Sihui of Guangdong province, suffered from blurry vision and liver disease for many years. His eyesight conditions were exacerbated by the side effects of the hormone therapy over years, and were finally diagnosed of acute glaucoma in the right eye.



Proved eligible for free glaucoma surgery subsidy under the Project Morning Star, Zeng enjoyed fee exemption of over RMB 4,000 for the operations. The glaucoma surgery he had in the Sihui City Hospital has successfully helped him avoid blindness caused by secondary retinal damage. After the surgery, the hospital continued to monitor his eyes, and found glaucoma preclinical condition with his left eye in November 2014. A second free surgery was conducted for prevention of optic nerve damage caused by the acute glaucoma. After the surgery, Zeng's vision has gradually restored. He can now take care of himself, easing the burden and stress.

Marie Wang (ORBIS Development Manager)

"Among the many enterprises that support ORBIS projects in China, Jebsen Group stands out as our partner because it not only provides philanthropic support, but also encourages employees to participate in the projects as volunteers, which is admirable."

Doctor Ma (Red Cross Eye Hospital of Jinan)

"As a hands-on trainee of 'Project Morning Star', I am lucky to have taken part in the week-long ORBIS training programme, led by Professor Grace Sun, Assistant Professor of Ophthalmology Weill Cornell Medical College of New York City, who was extremely patient to explain every little detail step by step to us. Thanks to the programme, I am now confident to carry out regular cataract surgeries by myself."

6.3 Shutterbug Club

As urbanisation increased, migrants are coming to coastal cities to look for better opportunities. However, living in outskirts of the cities, their children are isolated from the local communities and may not receive sufficient care and support from both families and communities. Some of them may as a result become less confident and even losing their hope for the future.



Since October 2014, Jebsen Group joined hands with HandsOn Shanghai to organise the half-year long Shutterbug Club Programme in Beijing, Shanghai and Guangzhou. Approximately 60 children from different migrant families and 65 Jebsen volunteers participated in this search for new perspective. Through a series of workshops, outdoor photographic exploration, DIY albums and mini galleries, the children gained the opportunity to observe the world in different lens and learn about colour and beauty.



In November, the children brought with the fresh knowledge and started their photographic exploration to capture the beautiful moments. Their unique perspectives to discover the world gave birth to numerous interesting yet original works. To make their photos seen by more people, a small photo exhibition for the shutterbugs' first art pieces was held at school before the end of the semester with the theme of DIY Photo Album. The children's gift in finding and capturing

scenes of beauty not only touched the volunteers, but also exhilarated themselves.

In addition, a charity sale of postcards and eco-bags featuring the photographs taken by the participants was held among Jebsen staff. All products were sold out in one week. The sales proceeds contributed to the continuous support to the Shutterbug Club with the purchase of 15 cameras and other photographic materials for more children through the programme.



Aloof Xie (Jebsen Beverage)

"I am glad that I have joined the Shutterbug Club programme. The volunteers are all ordinary people leading busy lives. Yet they are willing to spare their valuable personal time, after five hectic days and away from family or lover, just to join these students whom they didn't know at all. I saw how much the students trusted the volunteers, and how the volunteers treated them with sincerity, and I was touched."

HandsOn Shanghai (Non-Profit Organisation)

"In 2014, HandsOn Shanghai and Jebsen launched for the first time a sustainable and replicable CSR volunteer project which provides training to children of migrant families in Beijing, Shanghai and Guangzhou. Jebsen volunteers' active participation, enthusiasm and energy on site have made the event successful and beneficial to the local communities."

Voices of the Children

Danni Yang (Beijing Tongxin Experimental School):

"I took a lot of beautiful photos today and really had a good time."

Yangqing Zheng (Guangzhou Kangle Elementary School):

"My teachers (Jebsen volunteers) and I took a field trip today. Where we went was so pretty and I really appreciated those teachers who brought us here."

Ying Zhang (Guangzhou Kangle Elementary School):

"Today, I took a field trip of photography class and felt really excited about taking a lot of pictures and having McDonald's food. It is my most memorable day."

Weiye Wang (Shanghai Hongmei Elementary School):

"I took part in the field trip on this sunny day and really appreciated the volunteers."



Yueyu Liao (Guangzhou Kangle Elementary School)



Peng Chen (Beijing Tongxin Experimental School)



Shengchi Yang (Shanghai Hongmei Elementary School)



Yu Chen (Guangzhou Kangle Elementary School)

6.4 Philanthropy Never Ends

Benevolence being part of Jebsen's culture, our employees across regions devote time every month to visit elderly homes and orphanages, support animal protection or making donation for the needed groups in their communities.



Awards and Recognitions



Jebsen Awarded CarbonCare® Label 2014

After receiving the CarbonCare® Label 2013 award from Carbon Care Asia (CCA), Jebsen retained the laureate in October 2014, and again achieving full carbon neutrality in 2014 through purchase of carbon credits for Climate Friendly's environmental projects.



Jebsen Awarded Best Practice Awards 2014 in Corporate Social Enterprise and Green Development by Best Practice Management Group (2014)

In October 2014, Jebsen received the Best Practice Awards in Corporate Social Enterprise and Green Development from the Best Practice Management Group. These external recognitions are continued testament of Jebsen's fulfilment of our CSR commitment as well as our active response to protect the environment.

GRI Indexes

No.	GRI G3.1	Disclosure Location
1 Strategy and Analysis		
1.1	Statement from the most senior decision-maker of the organisation (e.g., CEO, chair, or equivalent senior position) about the relevance of sustainability of the organisation and its strategy	Message from the Group Managing Director (P3-P4)
1.2	Description of key impacts, risks, and opportunities	Message from the Group Managing Director (P3-P4)
2 Organisational Profile		
2.1	Name of the organisation	About Us- Profile (P8)
2.2	Primary brands, products, and/or services	About Us- Business Units (P9-P10)
2.3	Operational structure of the organisation, including main divisions, operating companies, subsidiaries, and joint ventures	About Us- Profile (P8)
2.4	Location of organisation's headquarters	About Us- Profile (P8)
2.5	Number of countries where the organisation operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report	About Us- Profile (P8)
2.6	Nature of ownership and legal form	About Us- Profile (P8)
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries)	About Us- Profile (P8)
2.8	Scale of the reporting organisation (including number of employees and operations, net sales, total capitalisation broken down in terms of debt and equity, and quantity of products or services provided)	Depictions of 2014 Social Responsibility Performance (P5-P6) About Us- Profile (P8) Staff Well-Being and Development-Staff Diversification (P40)
2.9	Significant changes during the reporting period regarding size, structure, or ownership	No Significant Changes
2.10	Awards received in the reporting period	Awards and Recognitions (P59-P60)
3 Report Parameters		
3.1	Reporting period (e.g., fiscal/calendar year) for information provided	About this Report (P1)
3.2	Date of most recent previous report (if any)	About this Report (P1)
3.3	Reporting cycle (annual, biennial, etc.)	About this Report (P1)
3.4	Contact point for questions regarding the report or its contents	About this Report (P1)
3.5	Process for defining report content	-
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers)	About this Report (P1)
3.7	State any specific limitations on the scope or boundary of the report	About this Report (P1)
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organisations	About this Report (P1)
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the indicators and other information in the report	About this Report (P1)
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods)	Not Applicable
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods in the report	No Significant Changes
3.12	Table identifying the location of the Standard Disclosures in the report	GRI Indexes (P61-P64)
3.13	Policy and current practice with regard to seeking external assurance for the report. If not included in the assurance report accompanying the sustainability report, explain the scope and basis of any external assurance provided. Also explain the relationship between the reporting organisation and the assurance provider(s)	Not Applicable
4 Governance, Commitments, and Engagement		
4.1	Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organisational oversight	Social Responsibility Management- Social Responsibility Management System (P19)
4.2	Indicate whether the Chair of the highest governance body is also an executive officer (and, if so, their function within the organisation's management and the reasons for this arrangement)	-
4.3	For organisations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members	-
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	Social Responsibility Management- Stakeholder Communication (P22) Staff Well-Being and Development- Staff Communication (P44-P45)

No.	GRI G3.1	Disclosure Location
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executive (including departure arrangements), and the organisation's performance (including social and environmental performance)	-
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided	-
4.7	Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity	-
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation	About Us- Development Philosophy (P13) About Us- Compliance Management (P14-P15) Social Responsibility Management- Social Responsibility Strategy (P18) Environmental Conservation Commitment (P29-P38) Care for Our Community (P51-P58)
4.9	Procedure of the highest governance body for overseeing the organisation's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles	About Us- Compliance Management (P14-P15)
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance	-
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organisation	About Us- Compliance Management (P14-P15)
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organisation subscribes or endorses	-
4.13	Memberships and roles in associations (such as industry associations) and/or national/international advocacy organisations	Environmental Conservation Commitment- Supporting Environmental NGOs (P37-P38)
4.14	List of stakeholder groups engaged by the organisation	Social Responsibility Management- Stakeholder Communication (P22)
4.15	Basis for identification and selection of stakeholders with whom to engage	Social Responsibility Management- Stakeholder Communication (P22)
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group	Social Responsibility Management- Stakeholder Communication (P22)
4.17	Key topics and concerns that have been raised through stakeholders engagement, and how the organisation has responded to those key topics and concerns, including through its reporting	Social Responsibility Management- Stakeholder Communication (P22)
5 Management Approach and Performance Indicators		
Economic		
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments	Depictions of 2014 Social Responsibility Performance (P5-P6)
EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change	-
EC3	Coverage of the organisation's defined benefit plan obligations	-
EC4	Significant financial assistance received from government	-
EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation	-
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation	-
EC7	Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation	-
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement	Care for Our Community (P51-P58)
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts	-
Environmental		
EN1	Materials used by weight or volume	-
EN2	Percentage of materials used that are recycled input materials	-
EN3	Direct energy consumption by primary energy source	-
EN4	Indirect energy consumption by primary source	-
EN5	Energy saved due to conservation and efficiency improvements	Environmental Conservation Commitment-Green Office (P33-P36)
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives	-
EN7	Initiatives to reduce indirect energy consumption and reductions achieved	-
EN8	Total water withdrawal by source	-

GRI Indexes

No.	GRI G3.1	Disclosure Location
EN9	Water sources significantly affected by withdrawal of water	-
EN10	Percentage and total volume of water recycled and reused	-
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	-
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	-
EN13	Habitats protected or restored	-
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity	-
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	-
EN16	Total direct and indirect greenhouse gas emissions by weight	Environmental Conservation Commitment-Carbon Management (P30-P31)
EN17	Other relevant indirect greenhouse gas emissions by weight	-
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved	Environmental Conservation Commitment-Carbon Management (P30-P31) Environmental Conservation Commitment-Green Office (P33-P36)
EN19	Emissions of ozone-depleting substances by weight	-
EN20	NO, SO, and other significant air emissions by type and weight	-
EN21	Total water discharge by quality and destination	-
EN22	Total weight of waste by type and disposal method	-
EN23	Total number and volume of significant spills	No spills
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III and VIII, and percentage of transported waste shipped internationally	-
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organisation's discharges of water and runoff	-
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation	Environmental Conservation Commitment-Green Products and Services (P31-P33)
EN27	Percentage of products sold and their packaging materials that are reclaimed by category	-
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	No relevant fines or non-monetary sanctions
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organisation's operations, and transporting members of the workforce	-
EN30	Total environmental protection expenditures and investments by type	-
Labour Practices and Decent Work		
LA1	Total workforce by employment type, employment contract, and region, broken down by gender	Staff Well-Being and Development-Staff Diversification (P40)
LA2	Total number and rate of new employee hires and employee turnover by age group, gender, and region	-
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	Staff Well-Being and Development-Benefits (P41) Staff Well-Being and Development-Staff Well-Being (P48-P50)
LA4	Percentage of employees covered by collective bargaining agreements	-
LA5	Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements	-
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programmes	-
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	-
LA8	Education, training, counseling, prevention, and risk-control programmes in place to assist workforce members, their families, or community members regarding serious diseases	Staff Well-Being and Development-Staff Well-Being (P48-P50)
LA9	Health and safety topics covered in formal agreements with trade unions	-
LA10	Average hours of training per year per employee by gender, and by employee category	Staff Well-Being and Development-Staff Development (P46-P48)
LA11	Programmes for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	Staff Well-Being and Development-Staff Development (P46-P48)
LA12	Percentage of employees receiving regular performance and career development reviews, by gender	-

No.	GRI G3.1	Disclosure Location
LA13	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	Staff Well-Being and Development - Staff Diversification (P40)
LA14	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation	-
LA15	Return to work and retention rates after parental leave, by gender	-
Human Rights		
HR1	Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human right screening	-
HR2	Percentage of significant suppliers, contractors, and other business partners that have undergone human rights screening, and action taken	No irregularities were found
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	-
HR4	Total number of incidents of discrimination and corrective actions taken	No relevant incidents
HR5	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights	No relevant operations or suppliers
HR6	Operations and significant suppliers identified as having significant risk for incidents of child Labour, and measures taken to contribute to the effective abolition of child Labour	No relevant operations or suppliers
HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory Labour, and measures to contribute to the elimination of all forms of forced or compulsory Labour	No relevant operations or suppliers
HR8	Percentage of security personnel trained in the organisation's policies or procedures concerning aspects of human rights that are relevant to operations	-
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken	No relevant incidents
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments	-
HR11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms	No relevant grievances
Society		
SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programmes	-
SO2	Percentage and total number of business units analysed for risk related to corruption	-
SO3	Percentage of employees trained in organisation's anti-corruption policies and procedures	-
SO4	Actions taken in response to incidents of corruption	-
SO5	Public policy positions and participation in public policy development and lobbying	-
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country	-
SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	No relevant legal actions
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	No relevant fines
SO9	Operations with significant potential or actual negative impacts on local communities	No relevant operations
SO10	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities	Not Applicable
Product Responsibility		
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures	-
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes	No relevant non-compliance
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements	-
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	No relevant non-compliance
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	-
PR6	Programmes for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship	-
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes	No relevant non-compliance
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	No relevant complaints
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	No relevant non-compliance and fines