

# About this Report



This report marks the 12<sup>th</sup> consecutive year that Jebsen Group publishes its annual Corporate Social Responsibility Report ever since 2009. It explores and documents our effective practices in the area of sustainability in 2019. The previous report was issued in October 2019. The report covers our relevant endeavours in 2019, examining the current efforts and future aspiration in environmental conservation, staff well-being, and philanthropy across our diverse business lines.

### **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 Group Management, Beverage, Consumer, Industrial, Motors, Logistics, and Jebsen Capital. It summarises the Group's operations in the Greater China region and its economic, environmental and social implications from January to December 2019. All data and information used in this report are sourced from Jebsen official documents and reporting.

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

### **Report Index**

This report is compiled based on the Sustainability Reporting Standards set by the Global Reporting Initiative (GRI), and referred to Sustainable Development Goals (SDGs) set by the United Nations.

### **Report Publication**

This electronic report will be released simultaneously in Simplified Chinese, Traditional Chinese, and English in November 2020. For online reading or downloads, please visit: www.jebsen.com.

### Feedback

Your comments will enable us to refine future CSR plans and are therefore highly valued. Please contact us at feedbackonCSR@jebsen.com, all correspondence will be treated in strict confidence.

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## Message from the CEO



We knew 2020 was going to be unforgettable as it marks Jebsen Group's 125th anniversary, but like the rest of the world, we didn't anticipate the global COVID-19 pandemic that completely changed the way we work, live and communicate. We have been fortunate that we went into this pandemic as a strong, well-run company with an experienced and adaptable team. Due to the trust built over the past 125 years of great work and success, our premium brand partners, like Porsche, ABI, Dyson, Casio and Blue Girl Beer, continue to work with us to figure out the best way to bring inspiring products and experiences to consumers in Greater China.

As a corporate citizen, Jebsen has a duty to promote sustainable development in society. We seek not only to create commercial value, but also social value in our long-term relationships with business partners and employees, using our position as a connector and enabler to build a better world together with our communities. Our goals are aligned with the United Nations Sustainable Development Goals, which include carrying out diverse programmes in environmental conservation, staff wellbeing and philanthropy, as well as joining stakeholders in building a harmonious community.

In terms of environmental protection, we have put in place a complete carbon management system to reduce the carbon footprint of our operations. In 2019, we expanded the JGreen programme, advocating green office practices within the Group and encouraging employees to adopt daily practices to protect the environment. We work hard to achieve our carbon neutrality goal,

and have been awarded the CarbonCare® Champion title for seven consecutive years, as well as the CarbonCare® Star Label Award once again, from Carbon Care Asia.

Every employee is a valuable asset to Jebsen's work towards sustainable development. Guided by our Employer Value Proposition "Success Breeds Success", we strive to create a diverse working environment that embraces innovation and fosters trust and support between employer and employees. We not only look after employee's welfare, but also support them to continuously improve their professional abilities. In 2019, we carried on our employee development efforts, establishing an integrated online and offline training system focused on leadership development, succession planning and talent development, and performance management. Through these efforts we have continued to build a high-performing and stable team.

In 2019, many of the Group's philanthropic programmes yielded fruitful results. Project Morning Star, designed to equalise medical resources and strengthen ophthalmic care in poor areas, achieved noteworthy progress. The project not only helped nearly 16,000 cataract patients regain vision through operation, it also contributed to the improvement, scalability and replicability of the local ophthalmology medical model in pilot areas. A breakthrough was also made in the Life is Art programme, established to provide and show care to autistic children. Working together with experts on special education, we developed an art course under the theme "A Journey through Transport – Building Your Community", to bring joy to the beneficiary children.

Our concern for the community not only drives us to constantly invest in philanthropy, but also enables the Group to continue operating efficiently in the face of sudden social crises. With COVID-19 spreading globally, we have actively responded to actions by local government and public health authorities. We have been closely monitoring the development of the epidemic. activating remote or on-site production work arrangements based on the situation in different locations. We donated RMB 2 million to the Guangzhou Charity Association to support the medical team sent to combat COVID-19 in Hubei Province. We also made donations to three charities in Hong Kong, providing hand sanitisers, nutritious meals, and medical services to the homeless, the elderly, and low-income families. Since the epidemic is not over yet, we will continue to keep a close eye on its changes and do our part in safeguarding the health of employees, partners and the community.

We are very excited to share with you the fruits of our CSR efforts in the past year and to reaffirm our commitment to CSR. Our hope is to create a virtuous cycle in which our employees, business partners, customers and the public all play a part in building a better future. We believe that practicing sustainable development and making positive contributions to society, are responsibilities that we, as a Group, share with all stakeholders.

> Mr Alfons Mensdorff-Pouilly CEO of Jebsen Group

## **Social Responsibility Performance 2019**

## **Business Achievements**

Jebsen Group achieved a total revenue of HKD 14.1 billion

Jebsen has been a strategic investor in MiniCC Self-Storage since September 2017. and has been increasing its shares in the past 24 months.

Jebsen Motors has taken pole position in heading Porsche China's Dealership Rankings in 2019, and Porsche Centre Hangzhou Westlake once again claimed top honours in the prestigious "Dealer of the Year".



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Jebsen Beer maintained the largest brewery in Hong Kong, and its own proprietary brand, Blue Girl Beer, entered the **13**th year as the No.1 beer brand in Hong Kong by volume and value.



Opened J SELECT first-ever flagship store at K11 MUSEA in Tsim Sha Tsui, Hong Kong



In collaboration with Eyesight, Jebsen explored autonomous driving technologies and actively participated in China's self-driving car revolution.



Purchased 11.087 tonnes of carbon credit to offset the carbon emissions of 2018, and achieved carbon neutrality for **7** consecutive years.



The carbon emissions were 11.481 tonnes of CO2e in total with carbon intensity

increased by 2.4% comparing with the 2009 baseline level.

Encouraged employees to adopt environmentally sustainable lifestyles through Green Column, Green Tips, JGreen Campaign and a series of environmental conservation workshops.



Took part in a series of resources saving and environmental protection activities, including participating in the Earth Hour event for 11 consecutive years.





Staff Well-being

and **43**, **6%** of management staff were female.





The Group introduced a brandand is planning to launch a Professional Qualification Examination Policy in 2020.

A total of **186** employees for 9.1% of all employees.

A total of **22** staff engagement activities and **21** lunch time seminars/workshops were organised, attracting a total of 3,544



Among them, approximately **46**,**5%** of employees

expenditure of HKD 1,42 million.







CSR investment including donation was around HKD 8,28 million in total.

Project Morning Star went smoothly in 2019. The county-level eye care services as well as local doctors' professional skills showing improvement at pilot sites.





By the end of 2019, around 160 Jebsen volunteers have participated in **13** field trips of Project Morning Star.

The Life is Art programme launched "A Journey through Transport - Building Your Community" course. In six years, **522** children have been benefited from 392 art courses with the support of 503 Jebsen volunteers.



# **About Us**

Jebsen Group represents quality products, services, investments and solutions across its Beverage, Consumer, Industrial, Motors, Logistics, and Jebsen Capital businesses. As the Group marks its 125th anniversary this year, we at Jebsen remain committed to bringing the best opportunities and a brighter future to our stakeholders.

In 2019, despite the global economic slowdown and trade flow adjustments, Jebsen Group still achieved a total revenue of HKD 14.1 billion.

Under the unified master brand of Jebsen, the Group has six business lines, namely Beverage, Consumer, Industrial, Motors, Logistics and Jebsen Capital. ment Environmental Conservation

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## **Company Profile**

### **Financial Performance**

From a shipping agency established at the end of 19th century, Jebsen Group has evolved into a marketing, distribution and investment 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. Outside the region, it enjoys close ties with sister companies in Southeast Asia, Australia, Germany and Denmark. In 2019, despite the global economic slowdown and trade flow adjustments, Jebsen Group still achieved a total revenue of HKD 14.1 billion. This steady performance reflects the Group's resilience and as well as its deep understanding of the Greater China market. According to the National Bureau of Statistics, per capita disposable income of urban households increased by 7.9% in 2019, reaching RMB 42,359, while per capita expenditure of urban households increased by 7.5%, at RMB 28,063. These figures have driven a growth in Chinese consumers' demand for quality products and services, providing opportunities for Jebsen's continued development.



#### **Regional Presence**

#### **Business Lines**

#### **Mainland China Market**

Ever since the inception of Jebsen, Mainland China business has been at the heart of our operations. The Jebsen & Co. (China) Ltd was established in Beijing in 2004, providing an effective business platform for Jebsen's core businesses in the rapidly evolving Mainland China market. At present, former liaison offices have transformed into branches and representative offices in Shanghai, Guangzhou, Tianjin, Dalian, Hangzhou and Shenzhen.

#### Hong Kong and Macau Market

Hong Kong market provides a strong base for the Group to develop throughout the Greater China region. With a comprehensive sales and service network, supported by an efficient logistics and IT infrastructure, Jebsen continues to play a leading role as a distributor of premium products in our home base.

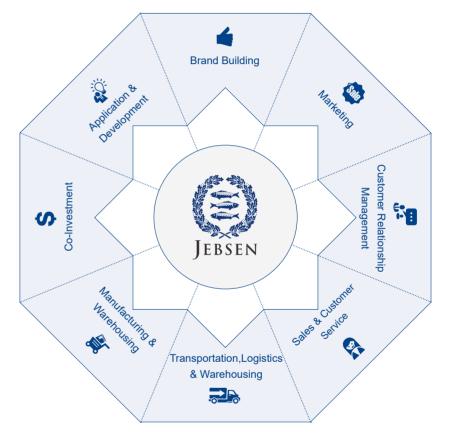
#### **Taiwan Market**

Jebsen in Taiwan delivers high-quality products such as beer, fine wines and spirits.

Under the unified master brand of Jebsen, the Group has six business lines, namely Beverage, Consumer, Industrial, Motors, Logistics and Jebsen Capital. Jebsen supports our partners' value chain, from brand-building, marketing, investment, import, logistics, and sales, to distribution to a wide network of wholesalers, retailers and consumers.







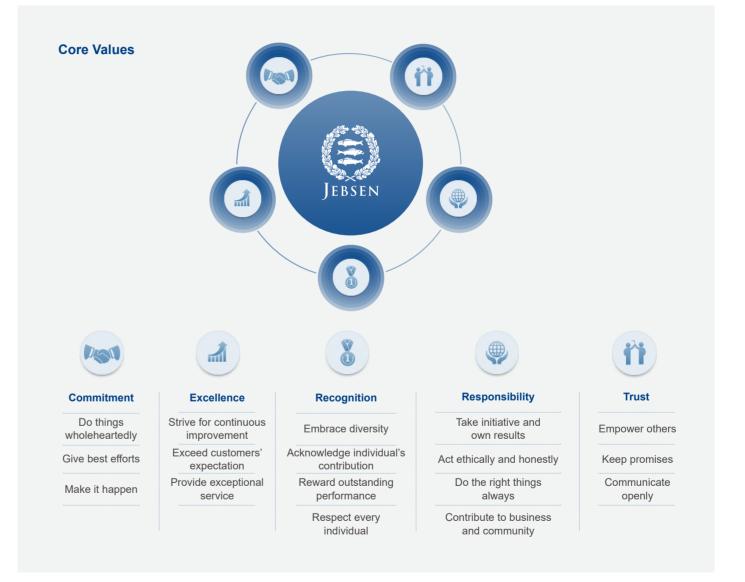
## Development Philosophy

Central to the values of Commitment. Excellence, Recognition, Responsibility and Trust, is Jebsen Group's dedication to its core purpose: to enrich people's lives by providing a choice of quality products and services. Since the establishment, we have served as a bridge between continents and cultures, and between suppliers and consumers. Jebsen's respect for different cultures stems from a strong sense of heritage within our own business. Our company culture today, as it has been for the past century, is rooted in a commitment to contributing to Asia and its prosperity, by embracing the uniqueness of each market and letting this diversity inspire us towards success

### **Core Purpose**

"To enrich people's lives by providing a choice of quality products and services"



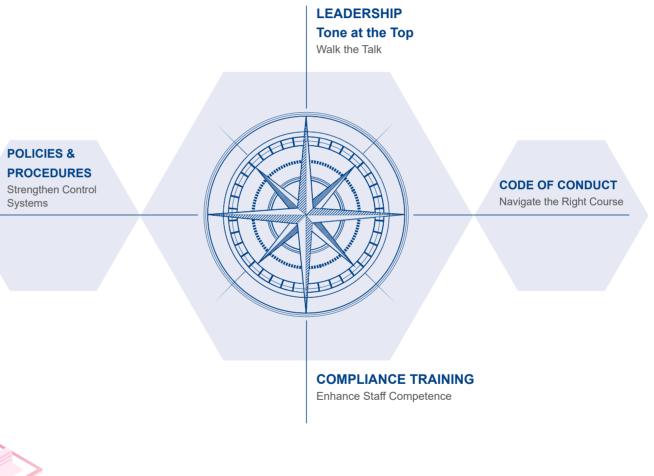


## **Compliance Management**

The Jebsen Group strictly complies with laws and regulations in the countries and regions where it operates. In response to growing business complexities and shifting regulatory requirements, the Group implemented the Ethics and Compliance Programme (ECP) in 2015 aiming to set a clear ethics and compliance baseline and to communicate management expectations to employees in a clear and transparent manner.

#### **Jebsen Ethics Compass**

Tone at the Top, Code of Conduct, Policies and Procedures, and Compliance Training form the "Jebsen Ethics Compass", which guides our employees in determining the correct course of action when acting on behalf of Jebsen.



#### Code of Ethics and Business Conduct

The Code of Ethics and Business Conduct is an invaluable resource for our employees when facing ethical dilemmas or hesitating to report an observed malpractice. This principlebased document establishes expected professional behaviours of the Group as a whole, as well as of each employee. Doing business in a fair, upright and ethical manner is critical to safeguarding the credibility and reputation not only of the Group, but also of each employee.

### **Policies & Procedures**

Jebsen constantly reviews and updates its Policies and Procedures (P&P). Following the introduction of the P&P Development Guidelines in 2015, a P&P Steering Committee was set up in 2016 to oversee the P&P development progress at Group and Business Line levels, ensure proper coverage of P&P, as well as review and approve P&P that are critical to Jebsen.

## Compliance Training & Internal Audit

Jebsen consistently provides compliance training focusing on business ethics, company policies, laws and regulations, as well as fraud awareness to selected employees, to keep them abreast of company requirements and shifting laws and regulations.

The Group Internal Audit (GIA) provides independent and reasonable assurance on the adequacy and effectiveness of our internal control system. The Internal Audit Director reports to the CEO administratively, and to the Board of Directors functionally. Jebsen employees and business partners can report any observed malpractice, or express their concerns to the management team or the Internal Audit Director through a designated whistle-blowing channel (reportmalpractice@ jebsen.com). The identity of the whistle-blower is kept confidential. To prevent any retaliation, each reported report case is thoroughly investigated by GIA under a well-established process.

#### **Risk Management**

Risk management is an integral part of Jebsen's business processes. The Group and each business line assess the risks facing the business every six months. The assessment and evaluation include existing risks, potential risks, internal and external risks, and a comparative consideration of the industry's top companies and emerging risks. A preset evaluation matrix is used to evaluate the possibility of the above risks and their potential impact. The evaluation results serve as an important basis for Jebsen's business planning and group strategy. Based on the Group's risk appetite, a risk response strategy is formulated and implemented to reduce the risk to an acceptable range.



## Information Technology and Security

The Group Information Technology Department (GIT) is committed to providing advanced information technology and creating an efficient office environment, to help business lines and the Group's functional departments enhance their work efficiency.

#### Information Technology

Jebsen sees the connectivity brought by advanced information technology as an important boost to workplace productivity. In April 2019, GIT organised a showcase in Hong Kong headquarters to enhance our colleagues' understanding of GIT and the latest technological developments. Five booths were set up, covering different topics including OneDrive, data security, new computer equipment standards, Microsoft Forms, and robotic process automation (RPA). In addition to discussing important topics in the field of IT, GIT also spent time answering colleagues' questions and figuring out their needs based on their daily work experience.



"It has always been our priority to provide technology solution that contributes towards a more efficient working environment. Jebsen sees technology as an underlying necessity for all of its employees, enabling them to conduct business activities seamlessly."

> -----Mr Brian Chan Information Technology Director Jebsen Group

#### **Information Security and Privacy Protection**

Rapid digital developments have made protecting confidential information more challenging than ever. For Jebsen, protecting confidential information is not only a priority for the Group, but also for our clients, partners and principals. In 2017, the Group internally released a new Confidential Information Policy, helping employees understand the types of confidential information under protection, the situations or processes under which they can access confidential information, and how they should protect this information from unauthorised disclosure in their daily work. In May 2019, GIT launched an online training programme called the "Jebsen Cyber Security Awareness Training Academy". Through online videos and guizzes, the programme seeks to transform employees from potential cyber-attack victims

into a crucial line of defence for the security of our business information. Externally, Jebsen's Customer Relationship Management (CRM) system provides comprehensive customer management and service, ensuring the protection of its clients' information and privacy, and maximising value for the Group and customers.



# **Social Responsibility Strategy**

Responsible corporate citizenship is a key factor in achieving business sustainability, and one of the Group's key strategic goals. Guided by "Enrich People's Lives, Enrich Your Lives" philosophy, Jebsen has integrated economic, social and environmental considerations into its organisational strategies and operations, and implemented a series of corporate social responsibility (CSR) programmes that open up more possibilities for the Group and the society to achieve sustainable development.

> lebsen CSR focuses on three billars, namely environmental conservation, staff well-being, and philanthropy.

Jebsen has been actively using SDGs as benchmark for is social responsibility actions, and as a guideline for implementing sustainable development programmes such as the JGreen programme.

## System and Philosophy of Social Responsibility Management



With a well-established social responsibility management system and programme framework, Jebsen CSR focuses on three pillars, namely environmental conservation, staff well-being, and philanthropy. A CSR Committee, led by the CEO, is responsible for formulating CSR policies and supervising CSR management, while a professional CSR team is responsible for launching CSR programmes and organising volunteer activities.

"Rather than thinking of 'excellence' as a single result, we prefer to approaching it as a daily habit." In the words of Mr Hans Michael Jebsen, the Group Chairman and the fourth generation of Jebsen family, "The Jebsen Group today is the result of many generations'

hard work, skill, dedication and loyalty. Each generation lived in a different time and dealt with different challenges but, as a Group, we have never once steered off our path in pursuit of excellence. That is because our core values have remained unchanged throughout the years." This persistence is reflected in the many long-standing relationships that we enjoy with our business partners and our employees. This belief also has a deep influence on our social responsibility philosophy: "sustainable development" is not only a concept of public welfare, but a longterm goal to enhance social and business value, together with our partners, employees, and other stakeholders

## Jebsen and United Nations Sustainable Development Goals (SDGs)

As United Nations' sole guidance on sustainable development, SDGs provide enterprises with reference on how to solve social problems and promote sustainable development in the society, while achieving their own business sustainability.

While enterprises are an important driving force for SDGs, we understand that an enterprise's own sustainable development must be aligned to society's best interest.

At the same time, we acknowledge that responding to the SDGs can bring profound potential value to Jebsen.

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The Chinese government's response to the SDGs will remove some obstacles in developing the nation's consumption potential, and thereby accelerate consumption. This will bring business opportunities to Jebsen, an enterprise that focuses on highquality sustainable products.

- Integrating SDGs into our business strategy will help Jebsen develop more sustainable business and service solutions, enhancing our competitive advantage among the industry.
- The 17 SDGs present a guideline for Jebsen to address social problems together with our stakeholders.

In recent years, Jebsen has been actively using SDGs as benchmark for its social responsibility actions, and as a guideline for implementing sustainable development programmes such as the JGreen programme.

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8 DECENT WORK AND ECONOMIC GROWTH

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**SUSTAINABLE** 

DEVELOPMENT

GOALS

4 QUALITY

5 GENDER EQUALITY

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- Launch Project Morning Star to cure preventable blindness, relieving families from sight-related dependence on others.
- Launch Project Morning Star and Life is Art programme to care for people with special needs.
- Reduce negative environmental impact on cities and communities from business operations, and improve the emission control standards of company-owned vehicles and office waste management.
- Introduce eco-friendly equipment and measures in logistics and offices, and improve employees' environment protection awareness.

- Focus on the education and development of the next generation, establishing scholarships at HKUST and Nankai University.
- Uphold gender equality in salary, welfare and recruitment, providing necessary assistance for female employees with special needs, such as lactation rooms for working mothers.
- Improve employee welfare and internal communication systems, provide professional training and relevant funds, observe occupational health and safety, and ensure employee work-life balance.
- Establish a diverse and welcoming work environment, respect employees from different regions and cultures, and communicate all internal regulations and notifications in both Chinese and English.

- Reduce business-induced impact on climate change, conduct a strict annual third-party verified carbon audit, and invest in clean energy projects to achieve carbon neutrality.
- Organise environmental protection activities to improve employee awareness on marine life protection.
- Protect land ecosystems by reducing the use of paper, plastic products and disposable utensils.
- Communicate with stakeholders and publish annual CSR reports.



n Staff Well-being

## **Awards and Recognition**

In 2019, the Group received a number of CSR accolades. These recognitions not only acknowledge our ongoing efforts, but also inspire us to better respond to our stakeholders' expectations and pursue even higher standards in the future.



## **Stakeholder Communication**

Jebsen's stakeholders range extensively from governments, customers, partners, employees, communities, environmental organisations and educational institutions. We attach great importance to communicating with all relevant stakeholders and carefully consider the impact of our operations may have on them. We also strive to establish a diversified communication mechanism, with

multiple channels through which we can proactively understand and address stakeholders' needs, attend to problems in a timely manner, and promote the Group's sustainable development. We also encourage our partners to continue providing valuable opinions and suggestions about Jebsen's development.



# **Business Development**

In response to the changing consumer trends in Greater China, Jebsen Group is committed to fulfilling growing demands for better customer experiences and higher quality lifestyles with the collaboration with the world's top brands, including Porsche, Dyson, Casio, Budweiser, Warburg Pincus, Beam Suntory and our own brand Blue Girl Beer. In 2019, Jebsen faced obstacles to business development amid a global economic slowdown and trade flow adjustments. However, armed with abundant local knowledge and professional industry insights, we keep up with market changes, and continue to enhance our six business lines, namely Beverage, Consumer, Industrial, Motors, Logistics and Jebsen Capital. In future, we will keep focusing on our core businesses and make them more competitive while tapping more quality partner brands worldwide.

Jebsen Capital is Jebsen Group's innovative investment business line, driven by the ambition of the Group to capture new growth opportunities and to strengthen the Group's existing business lines through well-considered investments and joint ventures.

Jebsen Motors set a new sales record in 2019, delivering more than 10,000 cars in Mainland China, Hong Kong and Macau. nservation Staff Well-being

## **Jebsen Capital**

Jebsen Capital is Jebsen Group's innovative investment business line, driven by the ambition of the Group to capture new growth opportunities and to strengthen the Group's existing business lines through well-considered investments and joint ventures.



### The Self-Storage Sector Takes Off in China

In October 2019, China's leading selfstorage brand MiniCC Storage launched its flagship store, the fourth independent self-storage facility in Shanghai. Jebsen Group has been a strategic investor in MiniCC Self-Storage since September 2017, and has been increasing its shares in the past 24 months.



Key focus industries of Jebsen Capital include automotive, consumer, beverage, industrial, logistics, and healthcare.

#### Currently, Jebsen Capital is focused on:

**Greater China:** Invest in opportunities globally where businesses demonstrate a record of success in their home market, along with significant growth potential in Greater China;

**Growth:** Further strengthen Jebsen's existing business foundations, whilst also capturing growth opportunities in new industries;

Adding Value: Deliver our knowledge, resources, and expertise to best support our portfolio of companies and achieve optimal results;

**Long-term Value Creation:** Combine flexible cooperation model with a long-term investment approach.

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Looking ahead, Jebsen Capital will primarily focus on these strategic directions:

Seek growth opportunities through balanced investments in the Group's core businesses and selected growth industries;

Maintain and intensify investment-related dialogue and activities with other business lines;

Conduct active management for existing and new investments.

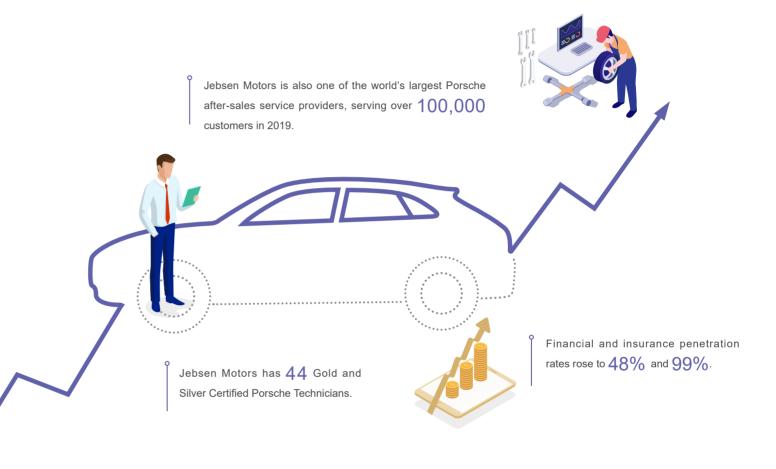
"Jebsen sees great potential in China's self-storage industry, especially due to a growing demand for storage space amongst urban residents in China. For Jebsen, MiniCC Storage represents an important investment into China's selfstorage sector."

——Mr Alfons Mensdorff-Pouilly CEO of Jebsen Group Managing Director of Jebsen Capital

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## **Jebsen Motors**

As one of the largest Porsche dealers in the world, Jebsen Motors retained its industry leadership and continued its strong business growth in 2019. Jebsen Motors set a new sales record in the same year, delivering more than 10,000 cars in Mainland China, Hong Kong and Macau. With 44 Gold and Silver Certified Porsche Technicians, Jebsen Motors has equipped with strong technical capabilities and competitiveness in the industry. We saw further growth in the business line's financial services, which continued to lead the industry with financial and insurance penetration rates rising to 48% and 99% respectively. Jebsen Motors is also one of the world's largest Porsche after-sales service providers, serving over 100,000 customers in 2019.



Jebsen Motors set a new sales record in 2019, delivering more than 10,000 cars in Mainland China, Hong Kong and Macau.

Amidst growing competition in the auto market and a gloomy global economy, Jebsen Motors will, on the one hand, further develop its customer service, providing a consistently enjoyable customer experience; on the other hand, it will pursue technological innovation in order to maintain its leading position in the industry.

#### **Staying Ahead**

Jebsen Motors has maintained its position as Porsche China's Top Dealership for the 5<sup>th</sup> consecutive year. Porsche Centre Hangzhou Westlake once again claimed top honours in the prestigious "Dealer of the Year", with Porsche Centre Shenzhen Longgang and Futian placing 7<sup>th</sup> and Porsche Centre Guangzhou Tianhe placing <u>\_</u>

10<sup>th</sup>. Meanwhile, Porsche Centre Shenzhen Longgang and Futian, Porsche Centre Guangzhou Tianhe and Porsche Centre Hong Kong claimed the top 3 positions in the South China region. These recognitions give testament to Jebsen Motors' continued commitment to the Porsche brand and excellent sales and after-sales performance.

#### Customer Activities

Jebsen Motors organises enjoyable customer activities as part of its goal to curate a first-class customer experience. In 2019, it teamed up once again with the renowned European artist Tanja Stadnic to host Season II of the Jebsen Exclusive Painting Event. From 17 to 25 May, close to 70 customers participated in five innovative art activities held at Porsche Experience Centre Shanghai, Porsche Centre Hong Kong, Porsche Centre Shenzhen Futian, Porsche Studio Guangzhou and Porsche Centre Hangzhou West Lake. During the activities, Ms Stadnic provided guidance to every guest as they painted and put finishing touches on their work, helping each guest complete a one-of-a-kind Porsche masterpiece of their own.



### Sales Elites

Jebsen Motors has always put a premium on talent development, viewing employees as its biggest competitive advantage. On 3 April 2019, the final round of the Jebsen Motors Sales Elite Skill Competition was held at Porsche Centre Shanghai Minhang. Six Porsche Centres under Jebsen Motors in Mainland China sent a total of 18 Sales Representatives to compete in this championship. As the second sales competition organised by Jebsen Motors since 2017, the event provided a platform for sales elites to display their skills and communicate with each other, while further enhancing sales skills across the whole Jebsen Motors team

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## **Jebsen Beverage**



In 2019, Jebsen Beer remained the biggest beer producer in Hong Kong, with a 31% local market share. Blue Girl Beer, Jebsen's own brand, kept its position as the leading premium beer brand in Greater China, leading the Hong Kong beer market in both sales volume and becoming one of the most popular imported beers in Mainland China. In 2019, Jebsen Beverage also formed a joint venture with AB InBev in Mainland China. In addition, Suntory Beer registered an 88% increase in sales volume from 2018, with draught beer towers growing by 67%, and held 150 beer quality training activities throughout the year.

In 2019, Jebsen Fine Wines further sharpened its online sales focus, renovating the online store and achieving a surge in B2C sales. It also actively expanded its brand portfolios, particularly accelerating the development of sake.

Facing a complex market, Jebsen Beverage has formulated a business strategy that merges foundation with advantage. Specifically, this means building a solid foundation through a strong brand portfolio, an efficient platform catering to specific markets, and a comprehensive talent development mechanism, and leveraging advantage by integrating suppliers, controlling management costs and seeking investment opportunities. Going forward, Jebsen Beverage will continue advancing an objective of becoming a highly integrated beverage company, pursuing an even more attractive brand portfolio and broader business coverage.





## Savour Fine Wines

In September 2019, Jebsen Fine Wines officially formed a cooperation with the Spain-based Osborne Group, becoming the exclusive importer of Montecillo products for hotels and restaurants in Mainland China. Based in Spain, the 250-year-old Osborne Group is dedicated to offering authentic and premium Spanish food and wine to global customers. Established in 1870, the Montecillo brand became a member of the Osborne family in 1973. Jebsen Fine Wines' partnership with Osborne indicates the optimisation and enrichment of the company's product categories, which will deliver more choices and better services for industrial customers and wine consumers.

## **Jebsen Consumer**

With deep insights into consumer demand and forward-looking market forecast capabilities, Jebsen Consumer has been a leader in the lifestyle market, providing quality products like consumer electronics, healthcare & beauty, and home enrichment items that add excitement to consumers' lives.

## In 2019, Jebsen Consumer Products achieved many impressive results:

Number of Members

Increased by 38%, from 521,000 in 2017 to 718,000.

Member Sales

Increased by 26%, from HKD 1.59 million in 2017 to HKD 2 million.

Diversified E-commerce Channels

Number of Stores Successfully launched J SELECT WeChat applet, YA-MAN brand page, B2B2C promotion page, and Casio Online, built to provide comprehensive interactive platforms and an omnichannel shopping experience, and to gain a deeper understanding of every customer's needs.

Dyson China currently has 117 stores in Beijing, Shanghai, Guangdong and Guangxi.





## Introduced Advanced Beauty Products

In the last few years, Jebsen Consumer has actively cooperated with Japanese beauty brands such as YA-MAN and ARTISTIC & Co. to bring consumers a richer product portfolio that meet their beauty and health goals.

In 2019, YA-MAN launched the new Photo Plus EX Eye Pro RF regenerative eye brightening beauty device and Medi Lift EMS facial lifting firming mask. The Photo Plus EX Eye Pro RF was developed based on the research and development of the HRF-10T beauty instrument, with more than one million sold worldwide. For the first time, the eye enhancement RF technology was added to enhance the facial skin's overall radiance. Jebsen Consumer and ARTISTIC & Co. reached a strategic cooperation in 2018 to launch Dr Arrivo's series of advanced home beauty equipment for Chinese consumers. In August 2019, Jebsen Consumer opened Dr Arrivo's first flagship store in Mainland China at the China World Mall to provide consumers with a better shopping experience. The store integrates technology, space design, and minimalist art to create an experiential shopping environment, with a team of professional beauty consultants ready to help customers. The store organises various customised activities to provide consumers with a full range of product experiences and warranty service.

tion Staff Well-being

## **Jebsen Logistics**





As a marketing and distribution organisation, Jebsen has developed strong supply chain management capabilities on which its logistics business was founded. As an independent provider with presence in Mainland China and Hong Kong, Jebsen Logistics offers efficient and optimised services in air and sea freight management, warehousing and has specialised capabilities to move and store delicate goods like fine wines. In January 2019, Jebsen Beverage and Jebsen Logistics jointly held an opening ceremony for Jebsen Beverage's new warehouse in Hong Kong. The warehouse was built to streamline and address Jebsen Beer's inventory management challenges by serving as a centralised storage hub for Blue Girl Beer, Suntory and other AB InBev beer brands.

In 2019, Jebsen Logistics also launched an internal warehouse logistics certificate course, which commenced in November. This first session combined classroom and field trainings designed to support the professional development of the participating employees.

# **Environmental Conservation**

Jebsen Group is committed to making a positive contribution to the environment. Ensuring compliance with environmental laws and regulations and in support of the UN Sustainable Development Goals (SDGs), we implement green initiatives with our employees and business partners in order to establish an environmentally-friendly enterprise. In 2019, we continued to promote the JGreen programme to propagate the green office concept among our employees, encouraging them to adopt low carbon practices in daily life. For the 7<sup>th</sup> consecutive year, Jebsen has been awarded the CarbonCare® Champion Label from Carbon Care Asia for reaching our carbon neutrality goals. These green values also permeate to the services we deliver to our clients, as we continue to offer them more eco-friendly products and solutions.

In 2019, through Green Column, Green Tips, JGreen Campaign and environmental conservation workshops, Jebsen encouraged employees to adopt environmentally sustainable lifestyles.

14 BELOW WATER

3 climate

15 LIFE ON LAND

In 2019, Jebsen was awarded by the Carbon Care Asia with the CarbonCare® Champion Label for the 7<sup>th</sup> consecutive year, and the CarbonCare® Star Label Award for the 2<sup>nd</sup> consecutive year.

## **JGreen**



### SDG 15: Life on Land

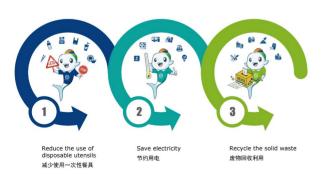
conservation.

Sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss. Deforestation and desertification - caused by human activities and climate change - pose major challenges to sustainable development and have affected the lives and livelihoods of millions of people in the fight against poverty.



In 2019, Jebsen continued to promote the JGreen to strengthen our employees' understanding about environmental Scan to know more about JGreen

Launched in 2018. JGreen is an environmental conservation programme aimed at instilling green values among Jebsen employees. Through collaboration among different teams, internal promotions and educational activities, the programme encourages employees to make a concerted effort towards green living and environmental sustainability.







JGreen activities are designed around three goals specifically aligned to the UN SDGs: "Reduce use of disposable utensils", "Save electricity" and "Recycle solid waste". In 2019, through Green Column, Green Tips, JGreen Campaign and environmental conservation workshops, Jebsen helped employees understand the importance of environmental protection, and encouraged them to adopt environmentally sustainable lifestyles.

### **Reduce Use of Disposable Utensils**

To gradually reduce the use of disposable utensils among our employees, the JGreen programme launched the first and second editions of the Green Column and introduced the JGreen campaign #ReUtensilTuesday. Both were enthusiastically received by our employees.

### **Save Electricity**

Through the third edition of Green Column and a series of themed activities, JGreen helped employees understand the relationship between saving activity and curbing climate change, encouraging them to reduce their personal carbon footprint.

"To reduce the use of disposables, I keep a set of reusable utensils in the office. This helps me avoid singleuse utensils even when I buy take-out meals. I also always keep a portable cup or water bottle in my bag to take on-the-go." "I always bring my own cup whenever I attend our company's monthly birthday parties. After participating in this activity and learning about the hazards of plastic waste, I will encourage my colleagues to bring their own cups to birthday parties, too!"

-----Jackie Choi (Group Functions)



From April to May 2019, 12 papermaking workshops were organised under JGreen. A total of 178 Jebsen employees participated in the workshops, learning to make coasters and decorative artwork with waste papers from the office. They gained a better understanding and appreciation for our forest resources and were inspired to reduce use of single-use wooden chopsticks in their daily lives.

#### The second secon

On 21 September 2019, Jebsen employees, with their friends and families, participated in the "A Low Carbon Saturday" themed workshop. After sharing an enjoyable time learning how to calculate their personal carbon footprint, colleagues became more motivated to take action in saving energy and adopting low-carbon lifestyles.

#### T·PARK Guided Tour

During an inaugural visit to T·PARK last 21 December 2019, Jebsen colleagues and their families experienced Hong Kong's waste-toenergy efforts first-hand. The T·PARK sludge treatment park demonstrates green technology that turns waste into energy that powers the whole facility. The tour encouraged employees to reflect on how they can pursue more eco-friendly habits in their lives.



## **Green Footprint in 2019**

**14** LIFE BELOW WATER

### SDG 14: Life below Water

Conserve and sustainably use the oceans, seas and marine resources. Careful management of this essential global resource is a key feature of a sustainable future.

Through environmental protection activities, Jebsen Group has helped raise employee awareness on environmental conservation and nature protection, helping them integrate an appreciation of biodiversity into their daily lives.

Jebsen joined the Corporate Membership Programme of World Wildlife Fund Hong Kong (WWF-HK) in 2000, and has been a Double Diamond member since 2004. Through this collaboration, the Group hopes to better participate in local and global efforts to protect the environment, and will continue to organise education activities to enhance environmental awareness among its workforce.



### T "Earth Hour"

For the 11<sup>th</sup> consecutive year, Jebsen turned off non-essential lights, neon signs and billboards at all offices and Porsche Centres across Greater China for an hour in support of Earth Hour on 31 March 2019. The Group encouraged all employees to participate by turning off their lights and other unnecessary electrical appliances at home. Along with helping raise awareness around environmental protection, the campaign also encouraged employees to contribute to a better environment by making small changes to their everyday lifestyle and consumption choices.



nt Environmental Conservation

Staff Well-being



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### Transfor Wild 2019

On 7 April 2019, 33 Jebsen employees participated in WWF-HK's annual Run for Wild event. Our colleagues' participation raised not only public awareness around climate change, but also funds in support of wildlife protection.

# Gardening Experience at Island House

On 13 April 2019, Jebsen employees, families and friends experienced the joy of gardening at Island House. They lent a hand to gardeners in caring for the plants, while strengthening their knowledge about nature.



#### Gei Wai Shrimp Harvest at Mai Po Nature Reserve

On 23 June 2019, Jebsen staff, families and friends explored the Mai Po Nature Reserve. They had the unique opportunity to harvest shrimps, and also discovered the history and traditional management practices of tidal shrimp ponds.



### 😙 Hoi Ha Wan Snorkelling Activity

On 3 August 2019, Jebsen employees, families and friends visited the Hoi Ha Marine Life Centre. Through boat-riding and snorkeling, they explored the Hoi Ha Wan environment and precious underwater species, learning more about marine life and biodiversity protection.



## **Carbon Management**



### SDG 13: Climate Action

Take urgent action to combat climate change and its impacts. To strengthen the global response to the threat of climate change, countries adopted the Paris Agreement at the COP21 in Paris, which went into force in November of 2016.

By conducting strict carbon audits, and purchasing carbon credits to achieve carbon neutrality goals, Jebsen has been intentional in improving its carbon management. The Group recognises its part in helping combat climate change and is continuously working hard to reduce its operational impact.

### **Carbon Audit**

Jebsen has established a dedicated Carbon Audit Team to oversee its carbon management activities. This team publishes the Group's annual Carbon Audit Report, which is reviewed by Carbon Care Asia, a thirdparty organisation that verifies the report's data accuracy and reliability. Based on the carbon audit results, Jebsen has reinforced its internal energy consumption management, contributing robustly to efforts against global climate change. In 2019, Jebsen was awarded by the Carbon Care Asia with the CarbonCare® Champion Label for the 7<sup>th</sup> consecutive year, and the CarbonCare® Star Label for the 2<sup>nd</sup> consecutive year. According to the verified Carbon Audit Report, Jebsen's total carbon emissions in Hong Kong, Macau and Mainland China in 2019 was 11,481 tonnes of CO2e (including direct and indirect emissions). It was higher than previous years due to business growth. In 2019, the Group's carbon intensity increased by 10% to 739 tonnes of CO2e per billion HKD compared with 2018 (i.e. 670 tonnes of CO2e per billion HKD), and increased by 2.4% compared with the baseline year 2009.

#### Carbon Emissions (tonne CO2e)

Carbon Emissions per Capita (tonne CO2e/capita)

4.52

2018

3.83

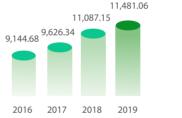
2017

3.37

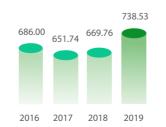
2016

4.92

2019



#### Carbon Intensity (tonne CO2e/billion HKD)





#### 2019 Scope 1 and Scope 2 Carbon Emissions by Locations (tonne CO2e)



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) and ISO14064-1.

### **Carbon Neutrality**

Since 2012, Jebsen has invested in renewable energy projects and purchased carbon credits to offset its carbon footprints, as part of the Group's carbon neutrality goals. In 2019, we continued our cooperation with South Pole Group, an international carbon finance organisation, to invest in three climate-friendly projects: Siam Cement Group Biomass to Energy in Thailand, Nakhon Biogas in Thailand and Za Hung Hydro in Vietnam. These projects enabled the Group to offset 11.087 tonnes of carbon emissions in 2018, achieving carbon neutrality for the year.

## Siam Cement Group Biomass to Energy in Thailand

The infrastructure built through this project investment enables cement manufacturing plants to use biomass residue as alternative fuels. Five plants are now able to utilise rice husks, wood-processing residues and other agricultural waste to generate energy, thus reducing their consumption of fossil fuels.

#### 🍸 Nakhon Biogas in Thailand

This project facilitated the installation of a closed lagoon anaerobic system that captures methane gas and uses it to generate clean energy. The system addressed the gas pollution emitted from wastewater that is directly discharged into the lake by the local cassava starch industry. The project not only helps reduce the emission of greenhouse gases but also displaces energy sourced from the burning of fossil fuels.

#### 🍸 Za Hung Hydro in Vietnam

This project replaces fossil fuels with hydropower to generate electricity, reducing greenhouse gas emissions and helping the country to meet its growing energy demands. The hydropower plant has two turbines with a total installed capacity of 30 MW and an annual output of over 120,000 MWh, providing clean electricity to about 19,870 homes.

## **Green Operations**

### **Green Logistics**

Jebsen places great importance on the environmental compliance of its logistics vehicles. To contribute to improving urban air quality, the Group stringently purchases diesel trucks that meet the Euro V standard, and actively enhances driver awareness about energy conservation.



### **Green Office**

Adhering to the concept of green office, Jebsen has been promoting eco-friendly behaviours to reduce energy and resource consumption in its daily operations. This concept has gradually permeated the Jebsen culture over the past years, becoming an embraced value across all offices.

#### Reduce paper use

Employees are encouraged to replace paper documents with electronic ones; cease purchase of printed newspapers; order business cards made with recycled paper; reduce colour printing and choose double-sided printing, and use eco-friendly or recycled paper as much as possible.

#### Reduce fuel consumption

Since campaigning for the reasonable arrangement of vehicle use, Jebsen has seen a meaningful decrease in fuel consumption. Compared to 2018, the fuel consumption was reduced by 59.8% in Beijing, 27.0% in Guangzhou, and 16.4% in Shanghai offices.

### 🕜 Save energy

All office facilities are set to energy-saving modes. Airconditioners are all set at 24-26 degrees, and employees are encouraged to turn off lights when leaving meeting rooms or offices, and shut off computers and display screens after work.



#### Reduce the use of disposable items

Disinfection cabinets and refrigerators are made available at the office. Porcelain tea pot and cups are also used instead of disposable cups. Employees are encouraged to bring and use reusable drinking and eating utensils.

### II Recycle & Reuse

Offices are encouraged to collect and recycle reusable papers and items, such as boxes, as well as consumable parts of copy machines, printers and fax machines, including toner cartridges. Clean empty tissue boxes are reused. Employees have also been using fruit peel to make eco-friendly enzyme detergents and growing small plants in used beverage bottles.





# **Staff Well-being**

An outstanding workforce has been the foundation of Jebsen Group's continued development over 125 years. The Group continues to optimise its Employer Value Proposition — "Success Breeds Success", placing values on every employee's contribution to the Group, in return, to provide excellent benefits and a great workplace. While employees drive success for the Group, we also offer opportunities for them to develop and grow, inspiring a healthy mutual trust with and among our people.

MOMENTS

To support employees in their training and development, the Group introduced a brand-new External Learning Policy in 2019, and is planning to launch a Professional Qualification Examination Policy in 2020.

Since 2019, the employee portion of the MPF voluntary contribution has been made optional at our Hong Kong headquarters. During the same year, the Group Medical Insurance Scheme has been extended to the second child of employees in Mainland China.

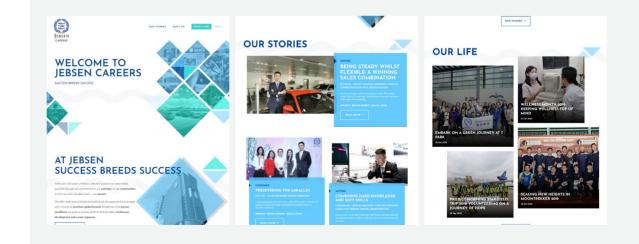
## **Employer Value Proposition**

#### **Employer Value Proposition**

\*\*\*\*\*

"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." At Jebsen, "Success Breeds Success" is the value proposition we share with potential and current talents. We believe that the Group's success depends on each individual's efforts. To help employees achieve sustainable growth and fulfil their potential, we provide a multicultural work environment where they can pursue meaningful career paths and collaborate with premium brands around the world.

We deeply value how each individual employee experiences, and identifies with, the Employer Value Proposition. We interview outstanding employees and share their stories through the Jebsen Careers website and through our WeChat account, as a source of inspiration to existing and potential colleagues.



Staff Well-being



### A Legacy of Excellence

**Charlie Xu –** Sales Consultant, Porsche Centre Guangzhou Tianhe (Porsche Globally Certified Sales Consultant)

In 2019, I made a sale that marked Jebsen's 5,000<sup>th</sup> car delivery of the year. The occasion called for celebration, and my colleagues and I decided to throw the customer a surprise car delivery party. When he arrived with his family, huge smiles stretched across their faces; my heart, too, swelled with happiness. My most distinct recollection from that day, however, was not the number 5,000. Rather, it was the fact that this was not the first, but second Porsche Mr Xie bought from me. He later told me that my excellent service showed in the first time impressed him a lot, so he decided to buy



a Porsche again - this time for his daughter. As a salesperson, there is no better reward than knowing that a customer would choose Porsche again for his beloved child, and I loved seeing how a common fondness for Porsche products bonded father and daughter together.

Working at Jebsen has already exposed me to the idea of legacy. The company's strong commitment to people development means that both new joiners and old-timers are encouraged to learn from one another. I have already sold more than 1,000 Porsche vehicles since joining Jebsen as a sales consultant in 2007. This was no coincidence. Rather, I like to think that it was the way the company and my managers encouraged me, that helped me hone my skills. The company gave me various development opportunities, including participation in - and completion of - Porsche Approved Qualification assessment three times, sales and driving training programmes, and even a visit to Porsche factories in Germany. All of these experiences have strengthened my professional knowledge at Porsche.

### **Breaking Through Barriers**

Frankie Wong - General Sales Manager, Jebsen Beer

Facing changing customer preferences and general market challenges means there's never a boring day at work. Each day, my team and I try to find better, more innovative ways to respond to the changing tastes and needs of our customers. With current widespread health and safety concerns in Hong Kong, fewer people are choosing to go out. So why not bring the fun to them instead? This is why we are looking into opportunities to work with local food delivery services, creating new modes of product delivery to our clients and in turn enabling them to serve their clients better with direct food and service delivery.

While beer drinkers are loyal to their beer brands, we know that they are savvy and are always keeping an eye out for something better. Because of this, we need to be creative in keeping our customers satisfied. This means continuing to explore unique ideas or collaborations that surprise and delight people.



Of course, none of these would be possible without my supportive team. While we all bring our unique gifts and experiences to the table, we see eyeto-eye on the bigger, common goals. Everyone on the team will always be working hard to meet the objectives that we set out, from breaking through traditional barriers to nurturing the loyalty our brands have earned throughout the years.

## **Staff Diversity and Gender Equality**

# 5 GENDER EQUALITY

## SDG 5: Gender Equality

Achieve gender equality and empower all women and girls. Gender equality is not only a fundamental human right, but a necessary foundation for a peaceful, prosperous and sustainable world.

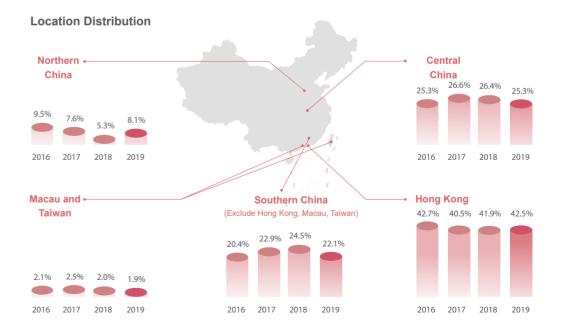
As a multinational and multicultural group, we have always been committed to creating a diverse and inclusive work environment for employees. We respect and value talent from all regions and backgrounds. We maintain gender equality in our recruitment, employment, remuneration, welfare, and career development activities and decisions. We also recognise the unique needs of working mothers and offer assistance to them as necessary.

### **Staff Diversity**

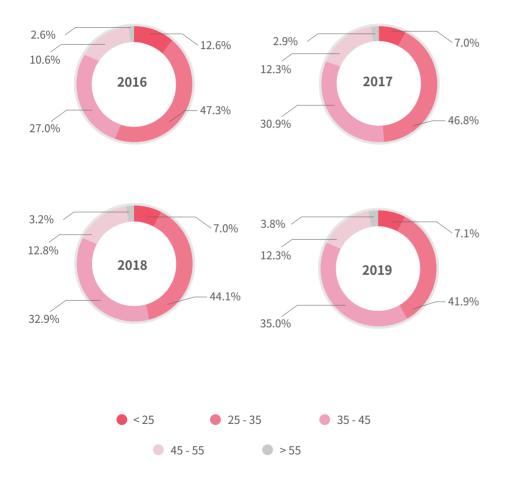
As of the end of 2019, Jebsen has 2,033 employees in the Greater China region. Of these, 44.4% are based in Hong Kong, Macau and Taiwan, while the remaining 55.6% are located in Mainland China. In order to facilitate communication among employees from different cultural backgrounds, we always issue regulations and notices in both Chinese and English.

#### **Total Number of Staff (Person)**





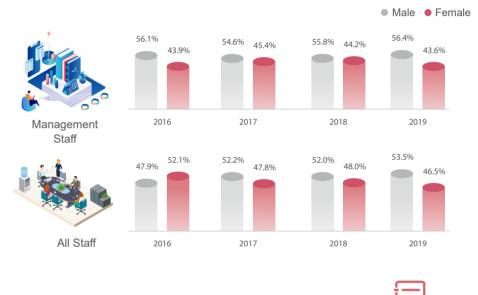
#### Age Distribution



# **Gender Equality**

As of the end of 2019, approximately 46.5% of employees and 43.6% of management staff are female. These numbers reflect the Group's commitment to gender equality.

#### **Gender Ratio**



#### **Caring for Female Staff**

To support working mothers, Jebsen provides lactation rooms equipped with a mini refrigerator and baby wipes in its Hong Kong headquarters and Beijing, Shanghai and Guangzhou offices. Since 2019, the Group has offered a 10week fully paid maternity leave, and a 5-day fully paid paternity leave to parents working in the Hong Kong offices.

# Staff Communication and Development

Jebsen acknowledges the importance of effective communication channels in building a harmonious team. We also believe in utilising effective staff training to achieve a mutually beneficial relationship between the Group and its people. As we continue to grow our business, we continue to strengthen the communication with our employees, and design people development activities that help create a stable and sustainable workforce.



# **Employee Communication**

Jebsen continues to increase and improve multichannel communication between the Group and employees, fostering more efficient collaboration and creating a transparent, connected and trusting working environment. To understand employees' feelings about the Group and their jobs, we regularly conduct Employee Insight Surveys from which we generate improvement ideas across all our businesses. Moreover, we maximise technology, and use modern internal communication tools and social media to provide employees access to the latest news from the Group in a timely manner.

#### 🎲 Morus

Jebsen uses this internal communication platform to share the latest news, corporate policies and event announcements to employees.

### 🚊 Jebsen Careers Website

Through these public pages, Jebsen shares employee success stories ("Our Stories") and Jebsen's staff activities ("Our Life"), which help in promoting our employer brand to prospective talent.



# Moments

This is our quarterly newsletter, featuring important Group updates.

## Social Media

Employees can conveniently access information and news about the Group through our corporate WeChat, Weibo, and LinkedIn accounts.

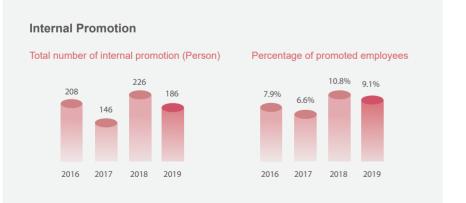
Philanthropy

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# **Career Development for Staff**

Jebsen has established a clear set of career development goals and corresponding promotion paths for its employees. In 2019, the Group focused on three growth support areas, namely Leadership Development, Succession Planning and Talent Development, and Performance Management.









# Staff Training

Jebsen invests significant resources in employee training. The ultimate goal of employee training is to foster a culture of learning, where employees continuously enhance their knowledge, skills, and overall professionalism. This allows the Group to sustainably foster and retain talent. To support employees in their training and development, the Group introduced a brand-new External Learning Policy in 2019, and is planning to launch a Professional Qualification Examination Policy in 2020.

In 2019, Jebsen organised various training programmes to advance overall employee proficiencies, including computer, English, and compliance management. The Group also launched online training sessions for Mainland China employees, enabling them to learn no matter where they are based.



### Science 2018 Sector 2018 Secto

In addition to providing internal training, Jebsen also subsidises employees to enroll into external courses that can upgrade designated skills to meet the needs of the current job, or can enhance the current job performance and career development potential.

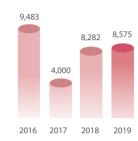
## ి Online Training

In 2019, Jebsen launched two online training courses. A total of 48 employees from different business lines and levels participated, accumulating a total of 96 learning hours. The modules focused on Microsoft Excel as a practical tool for business, training employees to manage, analyse, and present data more efficiently. Participants agreed that the rigorous course design was effective in helping them master the techniques. Going forward, the Group will continue to explore other online education resources that provide immediate practical application in the workplace.



#### **Staff Training Performance**











# **J** Inspire

Since 2016, Jebsen Group has conducted J Inspire lectures around different themes at the Hong Kong headquarters and various offices in Mainland China. J Inspire serves as a knowledge-sharing platform where guests and employees share professional knowledge and career development experiences. In 2019, Jebsen organised 9 J Inspire lectures, attracting 332 employees to attend physically. More employees around the world were able to tune in to the event via video conference. In March, we invited consultants from Mercer (Hong Kong) to share on the topic of Design thinking, and Jennifer Kho, Division Director of Beer to tell the story of Jebsen Beer. In April, Mr King Chau talked about market trends in Mainland China, and Ms Carolyn Butt, a professional marketing consultant, showed how we can be more persuasive through storytelling. In May, we invited Ms Eliza Wong, an expert in marketing and big data, to talk about big data in the automobile industry, and in July, we invited Mr Chois Choi, KOL and popular speaker to share his opinion on e-commerce transformation in China, and Dr Royce Yuen, a review board member of the Hong Kong SME Development Fund and BUD Fund, to expound on how to establish, manage and strengthen brands through real cases.



### **⇔** Learning Carnival

The Learning Carnival of 2019 commenced in July, attracting nearly 200 employees to participate in a series of J Inspire Sharing Sessions and 1:1 Learning and Development Discussions. J Inspire session participants in Guangzhou and Shanghai offices explored knowledge and case studies, including e-commerce transformation, the development of TikTok, and the winning formula of brand management, led by invited speakers. These sessions were well-received by the audience. Between July and August, 70 employees had the opportunity to identify their learning needs and development plans through the 1:1 Learning and Development Discussions. Department managers took part in these sessions to support their team members' individual development.



# **Staff Welfare and Health**



8 DECENT WORK AND ECONOMIC GROWTH

Promoting inclusive and sustainable economic growth requires different stakeholders in societies to create conditions that allow people to have quality jobs while not harming the environment.

Jebsen Group is committed to constantly optimising employees' work experience through improving remuneration and welfare system, and as ensuring the occupational health and safety, after employees' recognition and job satisfaction, while attracting and retaining talent.

# **Remuneration and Welfare**

Jebsen values the basic rights and welfare of its people. Apart from statutory benefits, the Group provides diverse fringe benefits, including paid leaves, Group Life Insurance, Personal Accident and Additional Medical Insurance. Employees are also entitled to gift vouchers, condolence allowance, Long Service Award, and Jebsen Scholarship for employees' children. In addition, employees receive special product discounts when purchasing products from the brands operated by the Group.

Since 2019, the employee portion of the MPF voluntary contribution has been made optional at our Hong Kong headquarters. During the same year, the Group Medical Insurance Scheme has been extended to the second child of employees in Mainland China. From 2020, employees will be able to enjoy half-day leaves before holidays, plus upgrades in accommodation standards for business trips in Mainland China.



\* The coverage of Group's social insurance doesn't count the retiree and early retiree.



# Occupational Health and Safety

At Jebsen, employees' health and safety is key to cultivating a great workplace. The Group has implemented a series of health and safety activities, including health seminars, physical checks and a wellness service hotline, among others. Since 2019, the Group has extended medical benefits to children of Grade 6 to 9 employees in Hong Kong and Macau, and increased the annual health check allowance from RMB 400 to RMB 500 per employee in Mainland China.

#### Coverage of Physical Check and Health Record



#### Reployee Abundance Programme (EAP)

Jebsen's Employee Abundance Programme supports employees in achieving mental and emotional health. Employees and their immediate families (including spouses, and children under 21 years of age) can access this 24-hour hotline service to request confidential consultations on either work or personal concerns. In 2019, the EAP provided a total of 18 consulting services.

### **Wellness Month**

The annual Wellness Month is one of the organisation's longterm commitments anchored on safeguarding employee health. In October 2019, 17 Wellness Month activities were held cross the Hong Kong headquarters, Mainland China offices and Porsche Centres, under a theme of "An ounce of prevention is worth a pound of cure". This message resonated through the month-long event, where a total of 874 staff members underwent screening for health risks like heart disease and diabetes, and attended massage and stretch therapy sessions.





In addition to health, employee safety is also a priority at Jebsen. Here are the measures we have put in place to keep our people safe:



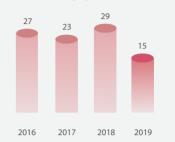
Strictly implement "Office Safety Regulations and Procedures" and "Regulations on Employee and Visitor Identification and Access Cards".

Implement security checks, regularly update the emergency mechanism and exit route maps, and regularly replace fire extinguishers. Issue timely notices related to these protocols via email.

Each office has at least one executive professionally trained as a First Aider. Every year, we actively participate in fire drills and safety seminars organised by the property management offices at our various locations. In 2019, staff in Guangzhou and Shanghai offices participated in these scheduled activities.







\* There was no case of death due to occupational diseases and business in 2019.

**Enriching Lives** 

Cheer



Every year, the Group organises diverse staff activities intended to bring meaningful experiences to employees outside their familiar work routines. In 2019, we continued to adopt the "3C" model (Cares, Cheers and Celebrates) through 22 leisure activities and 21 lunch-time seminars/workshops, which attracted 3,544 participants in total.

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- 7	
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## ి Run for Health

In 2019, a new 10-week after-work running programme Run for Health was launched in Hong Kong headquarters. Under the guidance of a professional running coach, participants honed and perfected their physical skills, and many of them successfully completed their very first 10km race after the training.

### 🔗 Stanley Dragon Boat Warm Up Races

In May 2019, the Jebsen Dragon Boat Team successfully took home two gold trophies in the Mixed (Standard Boat) Bronze Bowl and Mixed Small Boat Plate racing categories.



# Philanthropy

Practicing corporate responsibility is part of Jebsen Group's core strategies. On top of creating business values with our stakeholders, Jebsen also devotes continuous attention to sustainable development, launching a series of philanthropic programmes in the community, encouraging staff participation, as well as inspiring a volunteer culture across its offices. Recently, Jebsen has made efforts in four local community projects: establishing a sustainable system of ophthalmic treatments and promoting equal access to medical resources in rural areas of Mainland China through Project Morning Star; caring about children with autism through Life is Art programme; supporting the future generation by education sponsorship, and creating a more harmonious environment in the communities through local volunteer activities.

The Phase II of Project Morning Star went well in 2019 with enhancing county-level eye care services and local doctors' professional skills at pilot sites.

In 2019, we brought the "A Journey through Transport – Building Your Community" course to children in Guangzhou, Beijing, Shanghai and Hong Kong.

# **Pursuing Brightness with Project Morning Star**



# SDG 3: Good Health and Well-Being

By providing more efficient funding on health systems to improve sanitation and hygiene and increase access to physicians. It makes significant progress in helping to save millions of lives.

Adhering to our intention to improve public health and carry out the United Nations SDGs, Jebsen Group launched Project Morning Star in Mainland China in partnership with Orbis in 2011. In 2019, Phase II of the project was implemented step by step at pilot sites and generated positive results.

# The "Morning Star": Shining for 9 Years

Encouraging healthy lifestyles and promoting well-being across all ages is essential to sustainable development. Jebsen has joined hands with Orbis, an international non-profit organisation, to launch the sightsaving Project Morning Star in rural areas of Mainland China. This initiative aims not only to cure eye diseases, but also to address the acute problem of insufficient, low-quality and unevenly distributed ophthalmic resources in these areas. With a core mission to build sustainable ophthalmic medical systems in these communities, this project has successfully completed its first five-year plan and has recently entered its second phase.

# Brightening the Future of Disadvantaged Ophthalmic Patients

Project Morning Star Phase I (2011-2015) made progress in improving the quality of ophthalmic treatment services in rural areas. This was achieved by sponsoring the conversion of the Flying Eye Hospital, training of medical personnel at local hospitals, and conducting eye screening in rural areas, among others.

## Establishing a "Vision Network" in Rural Areas

After accumulating abundant eye care experience in Phase I, we set out to build a sustainable ophthalmic medical system for rural areas in Phase II (2016-2020). Rather than extending one-time care to individuals, this system provides long-term solutions to ophthalmic diseases by establishing prevention, examination, and treatment facilities locally.



About Us

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#### Starting the Journey to Brightness since 2011

During the period of 2011-2015, Jebsen Group donated over RMB 5.15 million to Orbis. These funds were allocated to support Orbis' projects in Gansu, Heilongjiang, Guangdong, Yunnan, Shandong and Liaoning provinces, as well as the conversion of Orbis third-generation Flying Eye Hospital.

#### Phase I: Brightening the Future for the Disadvantaged Ophthalmic Patients

About 1.2 million patients with eye diseases in rural areas of Mainland China have benefited from Project Morning Star.

Jebsen volunteers visited the project sites in Yunnan, Guangdong, Gansu, Shandong, Liaoning and Heilongjiang provinces through 10 field trips.

"I have never received this type of professional training in Tibet before. Although there is limited medical resource and with no advanced ophthalmic equipment, I learned how to use a variety of methods without using advanced equipment to check for diseases such as myopia, hyperopia and astigmatism through this training."

#### **Relaying the Brightness Mission in 2016**

From 2016 to 2020, Jebsen has invested RMB 7.4 million in funding China's first "National Model of Comprehensive Rural Eye Care Network Building Project", an initiative by the National Institute of Hospital Administration (NIHA) of the National Health Commission and Orbis.

#### Phase II: Establishing a "Vision Network" in Rural Areas

The goals of Project Morning Star Phase II include conducting surgery for 20,000 cataract patients, among which 600 disadvantaged patients will receive subsidies for their procedures; distributing 120,000 pairs of glasses to patients in need; conducting free ophthalmic checks for 600,000 local residents and eye care education for 1,000,000 local residents, as well as developing a brand new, sustainable and duplicable model of ophthalmology medical system for 2,411 county-level hospitals in rural areas of Mainland China. The project has selected six county-level hospitals as pilot sites from the east, middle and west regions of China, covering a population of 3.5 million in total. The goal is for local eye patients to be able to receive diagnosis and treatment in time to avoid preventable blindness.

- Through three field trips, Jebsen volunteers visited project sites at Anhui, Guangdong, Jiangxi provinces, and Orbis' project sites in Mongolia and Vietnam.
- "The training has been really inspiring. It increased my knowledge and broadened my horizons. I am so proud to take part in this meaningful research and to contribute towards stopping preventable blindness through timely diagnosis and treatment of glaucoma."

— Doctor Chen Yanan from Jinzhai, Anhui

# The Exploration of a Sustainable Model

Unlike pure funding programmes, Project Morning Star aims to create a sustainable model of ophthalmology medical system in rural areas of China. This involves equipment purchase and facility construction, medical personnel training, and the establishment of an eye care network. The key to the eye care network establishment is the Three-level Eye Care Services proposed by the National Model of Comprehensive Rural Eye Care Network Building Project.





Staff Well-being

The project went well in 2019 with enhancing county-level eye care services and local doctors' professional skills at pilot sites. Local models of eye treatment, such as the Jinzhai and Yudu Medical Community Model and the Chaozhou Comprehensive Screening Model are improved, and that paves the way for future promotion and duplication.

#### **Project Output**

No. of county-level doctors received training

2017	28
2018	31
2019	36

No. of nurses/optometrist received training

2017	5
2018	12
2019	22

No. of residents received eye screening

2017	314,035
2018	276,514
2019	146,818

IEC (Information, Education, Communication) materials distributed

2017	82,500
2018	32,928
2019	67,907

#### No. of "Vision Centre"

2017	12
2018	18
2019	-

No. of township/village-level doctors received training

2017	1,196	
2018	135	
2019	128	

No. of administrative staffs received training

2017	24
2018	49
2019	55

No. of cataract surgeries conducted

.017	5,570
018	4,951
019	5,392

People informed/educated with eye care knowledge

2017	191,500
2018	282,587
2019	335,859

Note: There was no construction of "Vision Centre" in 2019 because the target (i.e. to build 30 "Vision Centres" in total) had already been achieved in 2018.



servation Staff Well-being

# The Volunteering Journey towards Hope

Apart from donation, the Group also encourages employees to take part in Project Morning Star as volunteers. Every year, we organise a field trip for employees to visit a project site where they can communicate with local medical personnels who received training from the project, visit beneficiaries, participate in eye screenings as well as promote eye care knowledge. By the end of 2019, we have already conducted 13 field trips allowing around 160 Jebsen volunteers to visit project sites in China and abroad and witness the changes brought by Project Morning Star.



#### 2019 Field Trip to Jiangxi Province and Vietnam



In 1-6 September 2019, a group of 19 volunteers went on a Project Morning Star field trip to Yifeng County in Jiangxi Province, and then to Hue in Vietnam.

At the Yifeng County People's Hospital and the Fangxi Village Clinic in Jiangxi Province, Jebsen volunteers experienced the local medical facilities and conducted eye screenings for local residents. They also had the opportunity to do eye checks and share eye care information with children of Shishi Central Primary School and Tanshan Central Kindergarten. Before heading to their next stop, the volunteers met Grandpa Peng Yesheng, Grandma Zhong Yunxiu, and Grandma Dai Meixiang, whose quality of life has since been improved after receiving cataract surgery through Project Morning Star.

The last stop of the field trip was Hue in Vietnam, where volunteers visited Hue Central Hospital and Orbis Flying Eye Hospital. Through these experiences, employees gained a better understanding of the challenges faced by the healthcare system in developing countries. Moreover, they were able to appreciate the impact of Orbis' training programmes and sight-saving work in the local community.

# **Shaping Dreams through Life is Art**



# **SDG 10: Reduced Inequalities**

Reduce inequality within and among countries. To reduce inequality, policies should be universal in principle, paying attention to the needs of disadvantaged and marginalised populations.

Jebsen Group also attends to the health and development of people with special needs, particularly children with autism. Through special education activities, we hope to provide them with the care and equal learning opportunities they need.





Launched by Jebsen in 2014, the Life is Art programme caters to children with autism, enriching their lives by supporting positivity and community connections through art. Through various art-focused activities, Jebsen volunteers and the public are given the chance to better understand and care for these children. Over the past six years, we have organised a total of 392 art lectures, through which 522 children began and shared their art journey with 503 Jebsen volunteers. In 2019, riding on the positive feedback of the "Building a Railway-connected Community" course from the previous year, we brought the "A Journey through Transport – Building Your Community" course to children in Guangzhou, Beijing, Shanghai and Hong Kong.

# A Journey through Transport – Building Your Community



In 2019, we invited Dr Clifford Choy from the Hong Kong Polytechnic University and Ms Su Zhaoxin from the Children's Palace Guangzhou to design and host the course "A Journey through Transport – Building Your Community". Together with Jebsen volunteers, students were guided to design and create models of their dream community and use railway tracks to connect its different parts. Then, students used remote-controlled toy trains to explore their designed communities. During the simple design practice, students were able to practice their communication, problem-solving and self-expression skills, integrating their ideas into their artwork after observing surroundings from their daily lives.



While it may not be easy for children with autism to connect with others, they are usually attracted to moving vehicles like trains and cars. This inspired us to incorporate these elements into our classes as a way to engage these children. Our art courses enable them to use and improve their social skills with classmates, helpers and volunteers, while also cultivate their imagination and problem-solving skills. Together, the children successfully complete their projects.



# **Supporting the Youth through Education**

4 QUALITY EDUCATION

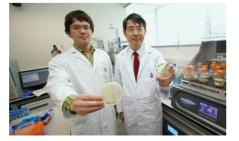
# **SDG 4: Quality Education**

Obtaining a quality education is the foundation to creating sustainable development. Over the past decade, major progress was made towards increasing access to education and school enrollment rates at all levels.

Jebsen Group has always been supportive of the development of the next generation contributing to their growth by funding the education sector.

Since 1995, the Group has supported the Hong Kong University of Science and Technology (HKUST) Scholarship through the Jebsen Education Fund. To support business and scientific research by top scholars, the Group made two significant donations separately in 2013 and in 2015, resulting in the creation of the "Michael Jebsen Professorship in Business" and the "David von Hansemann Professorship of Science". These donations commemorate the former Group Chairman, Mr Michael Jebsen VI, and the former Group Director, Mr David von Hansemann. At present, the "Michael Jebsen Professorship in Business" is awarded to Professor James Y.L. Thong, and the "David von Hansemann Professorship of Science" is awarded to Professor Pei-Yuan Qian.

In 2019, Professor Pei-Yuan Qian led an inter-disciplinary team of researchers to unravel cancer-causing mechanism of E. coli Toxin with a synthetic biology approach. The research has not only offered new insights into the health impact of this prevalent bacteria, but also facilitated future research on the prevention of colorectal cancer, the third most common cancer worldwide.



With the Nankai-Jebsen Education Fund established in 2010, Jebsen encourages outstanding students to study diligently and give back to the society. It also supports the ambitions of outstanding young teachers as they work hard and improve themselves continuously. This fund is now in its second phase, from 2015 to 2019, with annual donations of RMB 200,000 to the Nankai-Jebsen Teachers Award and the Nankai-Jebsen Scholarship.

A long-term supporter to HKUST, Mr Hans Michael Jebsen, the Group Chairman, has been appointed as the Chairman of its Advisory Board since September 2017. Mr Helmuth Hennig, the former Group Managing Director and regular visiting professor at Jilin University and Jilin University of Finance and Economics, has given lectures to help increase Mainland students' local knowledge of Hong Kong.



# **Build Harmonious Community through Staff Volunteering**



# **SDG 11: Sustainable Cities and Communities**

Make cities inclusive, safe, resilient and sustainable. We expect future cities provide opportunities for all, with access to basic services, energy, housing, transportation and more.

We always encourage Jebsen employees to participate in the Group's CSR activities and get involved personally in these outreach programmes. By organising philanthropic activities tailored to the needs of local communities, we seek to make an impact on local sustainable development.



## 🏈 "Save & Share" Food Bank Campaign

During the Chinese New Year and Mid-Autumn Festival of 2019, Jebsen launched the "Save & Share" Food Bank Campaign to collect surplus food from the offices. In addition, Jebsen volunteers in Hong Kong and Shanghai took the initiative to deliver food to communities and visit the elderly, bringing them warmth and blessings during the festive seasons.

# Siu San Wan Christmas Party for the Elderly

On 14 December 2019, Jebsen volunteers and their families visited the Siu Sai Wan Jockey Club Housing for the Elderly, joining 60 residents for an early Christmas celebration. They filled the elders' home with gifts, songs, and laughter, leaving them with truly joyful holiday memories to remember.

About Us

#### **Philanthropy Never Ends**



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