

# **Sustainability Report 2018/19**

**For**

**Ascent Partners Group Limited**

**Environmental,**

**Social,**

**Governance,**

**The way forward**

**DATE : 06 MARCH 2020**

**REF :**

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## **Message from the CEO**

This year mark the 11st year of Ascent Partners. Like everybody, we have experienced ups and downs throughout the years. During the challenging times, we found that an environmental, social and governance ("ESG") mindset can serve as our guiding principle.

Thank you for our stakeholders' support! We have identified key areas that our stakeholders are concerning about and have great impact to our business, so that we can focus on the key areas to improve upon. One of the significant changes that we have this year is that we have started to employ an "open book" management system. Staff members can now gain access to the financial information relevant to their daily operations, which enhanced the transparency of the organization.

Understanding that achieving long-term sustainability is a continuous journey, we believe that having an ESG mindset lays the foundation for success.

## **About This Report**

Ascent Partners Holding Limited (“Ascent Partners”) is a leading service provider of independent valuation, corporate advisory and technology advisory. We understand that sustainability is essential in the businesses as well as to the global development. We seize the opportunity to integrate sustainability into our operation and to communicate our sustainability performances and progress through this report.

Through effective and transparent communication with our stakeholders, we hope to build competitive advantage, reputation and trust within our Group and with our stakeholders, and hence bring sustainable returns to our business. The report has been reviewed by internal professional teams to enhance credibility and overall integrity of the contents.

### **1. Scope of the Report**

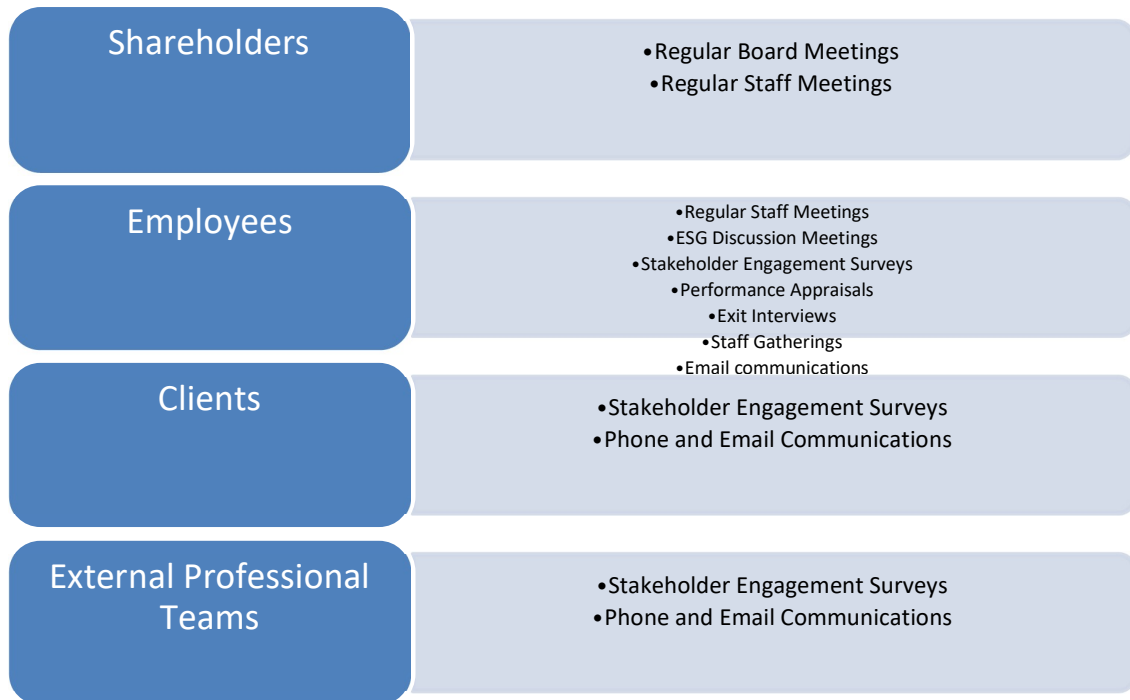
This is the second Sustainability Report by Ascent Partners, prepared in accordance with the Global Reporting Initiative (“GRI”) Standards: Core option, with reference to Sustainability Accounting Standards Board (“SASB”) Sustainability Accounting Standard for Professional Services. This Sustainability Report covers the Group’s overall performance in the economic, environmental and social aspects of its major business operations in the Ascent Partners offices in Hong Kong and Shenzhen, the People’s Republic of China (the “PRC”), from 1 July 2018 to 30 June 2019, unless otherwise stated. The office in Singapore has been excluded from the scope due to its relatively insignificant contribution to the Group’s operation.

### **2. Stakeholder Engagement and Materiality**

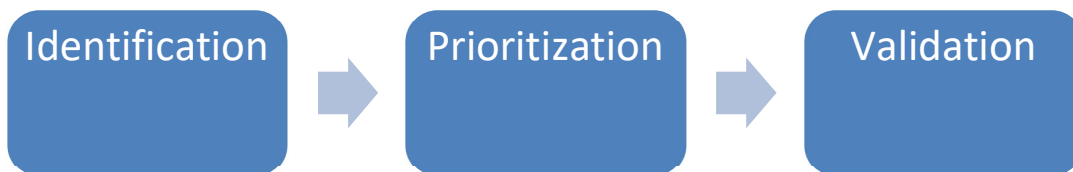
Our sustainability reporting approach is to identify material aspects that are important to our stakeholders and our business operation, realign the aspects with our business strategy and prepare ourselves for future challenges while achieving sustainable growth with our stakeholders.

In order to identify the most significant aspects for our Group to report on, key stakeholders including shareholders, employees, clients and external professional teams have been identified and involved in engagement sessions to discuss and to review areas of attention which would prepare us for future challenges and potential growth.

### Stakeholder Engagement Channels



### Stakeholder Engagement Process



**(i) Identification – Identify sustainability context**

- a. 25 aspects were identified to be relevant to our business operation out of the 33 GRI topics by the Board of Directors (“the Board”) members.
- b. 3 business-specific topics were also identified as material and influential to Ascent Partners’ business by the Board members.
- c. After analyzing sustainability reports of organizations with similar business nature and size, key stakeholders including the shareholders, employees, clients and external professional teams were identified.

**(ii) Prioritization – Prioritize material aspects**

- a. In order to determine economic, environmental and social aspects that are highly concerned by our stakeholders and influential to our business, surveys were distributed to our stakeholders (including the shareholders, employees,

clients and external professional teams) to rank the importance of the 28 aspects and the corresponding impacts on our business.

**(iii) Validation - Check completeness of the material aspects**

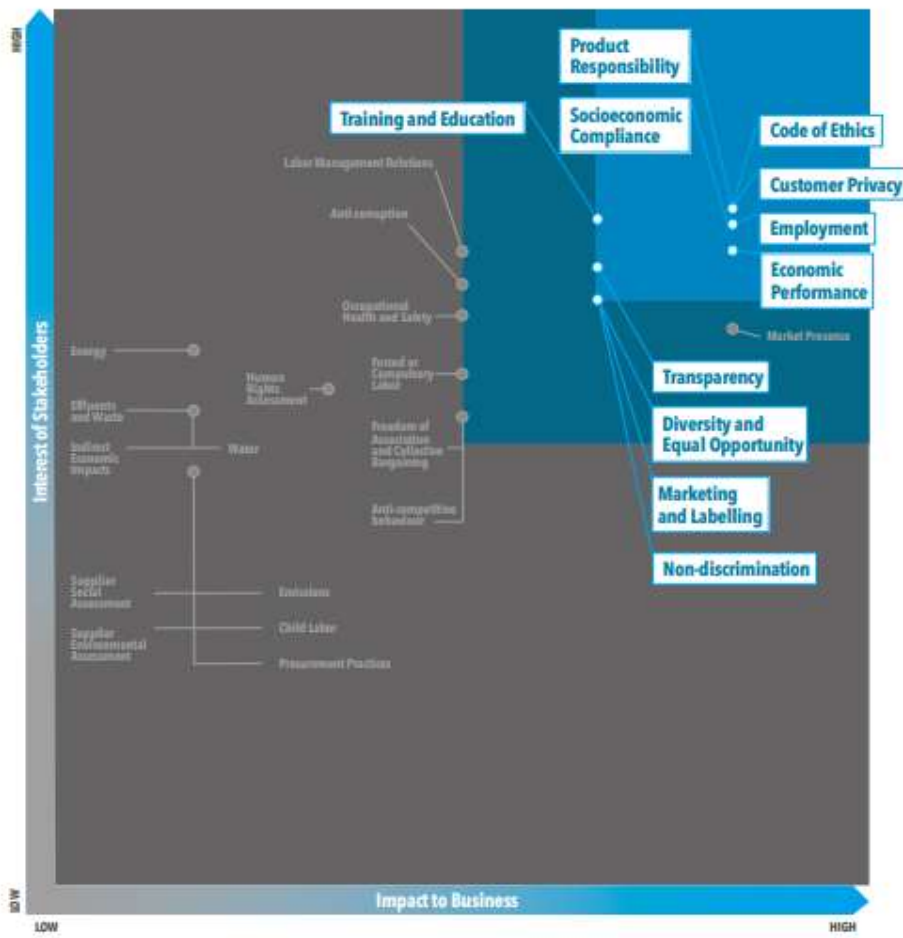
- a. The material aspects were checked against coverage of topics in the reporting scope and period to ensure completeness of the reporting contents.
- b. Results from stakeholder engagement were mapped into a materiality matrix.
- c. A total of 11 material aspects were identified and endorsed by the Board members.

**Key Topics raised by Stakeholder Groups**

The stakeholder engagement was conducted in the financial year 2018/19 and will be reviewed and conducted on a regular basis.

Stakeholder Group	Key Topics Raised
Shareholders	<ul style="list-style-type: none"> <li>• Economic Performance</li> <li>• Product Responsibility</li> <li>• Code of Ethics</li> </ul>
Employees	<ul style="list-style-type: none"> <li>• Economic Performance</li> <li>• Code of Ethics</li> <li>• Training and Education</li> </ul>
Clients	<ul style="list-style-type: none"> <li>• Customer Privacy</li> <li>• Training and Education</li> <li>• Socioeconomic Compliance</li> </ul>
External Professional Teams	<ul style="list-style-type: none"> <li>• Employment</li> <li>• Training and Education</li> <li>• Customer Privacy</li> <li>• Socioeconomic Compliance</li> <li>• Product Responsibility</li> <li>• Code of Ethics</li> </ul>

# Materiality Matrix





**Material Aspects and Impacts Boundaries**

Material Aspects	Impact Location (Inside or outside Ascent Partners)	
	Inside	Outside
<b>Economic</b>		
Economic Performance	√	
<b>Social</b>		
Employment	√	
Training and education	√	
Diversity and equal opportunity	√	
Non-discrimination	√	
Marketing and labeling	√	√
Customer privacy	√	√
Socioeconomic compliance	√	√
<b>Business-specific Topics</b>		
Product responsibility	√	√
Code of ethics	√	√
Transparency	√	√

### **3. Acknowledgements**

This report would not have been possible without the leadership and support from our senior management. We would like to express our deepest appreciation to our senior management and all of our staff, clients and business partners who contributed to our report and facilitated the integration of sustainability into our business.

### **4. Stakeholders' Feedback**

The Group welcomes stakeholders' feedback on governance approaches and performances of our environmental and social issues. Please give your suggestions or share your views with us via email at [contact@ascent-partners.com](mailto:contact@ascent-partners.com).

## **Company Profile**

Ascent Partners is a leading service provider of independent valuation, corporate advisory and technology advisory. We partner with our clients to ensure that our tailored solutions align with their strategic visions to deliver stellar results. The firm's vision is to build and grow long-term business relationships with our clients.

Our clients will enjoy the benefits of leveraging the vast experience from our multidisciplinary team, in financial, accounting, property surveying, environmental science, risk management and engineering fields. Ascent Partners offers our clients unparalleled access to the resources of our carefully cultivated network of professional and business contacts, which will be particularly critical when they are market seeking investors or potential targets for acquisitions.

We do not provide advice in isolation. Our cross-functional teams work together to offer clients an integrated service that considers the big picture, orchestrating different processes and connecting parties, establishing plans and monitoring the progress of each project to ensure timely delivery and sustainable returns.

### **1. Our Vision and Commitment**

As a trusted corporate valuation firm and advisory firm, Ascent Partners always have your back with our professional knowledge and services that underlie all your most important decisions. When you aim for the peak, leave the rest to us and we will get you there.

### **2. Our Sustainability Commitment**

In Ascent Partners, we place values in our people and our community. We believe that enhancing diversity, well-being and professional development of our people will empower our business. We are also committed to serving our community and protecting the environment for our future generations.

We actively participate in the activities and events organized by the associations to promote interest within the business community and network with peers. We are one of the pioneers supporting the earliest adoption of the GRI standards, also referencing the SASB Sustainability Accounting Standard to lead, support and promote sustainability reporting.

Upholding responsible corporate values paves the way for long-term success. the United Nations ("UN") Global Compact set out the ten principles that meet the fundamental responsibilities with respect to human rights, labor, environment and anti-corruption. We are delighted to announce that our CEO has committed to incorporating the ten principles set out by the UN Global Compact into our operating strategy and policies. This will help guiding us to a more sustainable business management and nourishing a more virtuous corporate culture.

#### The Ten Principles of the UN Global Compact

##### **Human Rights**

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

## Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

## Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

## Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

To stay abreast of the industry trends, we are also a corporate member of the Hong Kong General Chamber of Commerce (“HKGCC”), gold community member of the GRI and an organizational member of the SASB.

### 3. Our Services

Valuation Services	Corporate Advisory Services	Technology Advisory Services
<ul style="list-style-type: none"><li>• Business Valuation</li><li>• Financial Instrument Valuation</li><li>• Property, Plant &amp; Machinery Valuation</li><li>• Natural Resources &amp; Biological Assets Valuation</li></ul>	<ul style="list-style-type: none"><li>• Sustainability Consultancy</li><li>• Enterprise Risk Management Advisory Service</li><li>• Transaction Advisory Service</li></ul>	<ul style="list-style-type: none"><li>• Financial Solution</li><li>• Aerial Photography</li><li>• Patent Landscaping</li></ul>

### Sectors Served

In the financial year 2018/19, we have provided services (including valuation, corporate advisory and technology advisory services) in around 240 projects. Our business expertise covers the following sectors:

- Mining
- Construction
- Agriculture, Forestry and Fishing
- Manufacturing
- Wholesale Trade
- Retail Trade
- Transportation and Public Utilities
- Services (including business, educational, entertainment and health services)
- Finance, Insurance and Real Estate
- Public Administration (including environmental and waste management)

Geographical locations where products and services are offered:

- Argentina
- Australia
- Hong Kong
- India
- Macau
- Madagascar
- Mainland China
- Mongolia
- Singapore
- Taiwan
- The United Kingdom

### **3. Financial Performances**

The financial performances including values generated and distributed are managed by the Board through monthly management meetings. Financial information is reviewed annually and audited by external independent auditors. No mergers and acquisition, and financial assistance (including contribution in our shareholding structure) from the government had been involved.

Our focus remains on valuation and corporate advisory services, with a minor revenue contribution from technology advisory services. While we made a substantial progress on improving the debt-to-equity ratio. Therefore, we have adopted a new sales and marketing strategy – dedicating professional sales and marketing team to valuation and corporate advisory services respectively. This helps increasing sales and enhancing our brand name recognition while developing expertise of our sales and marketing team.

Whilst the growth of businesses in Hong Kong became anemic for the past few years, we are exploring growth opportunities for the same services in other geographical regions such as the PRC and Singapore.

#### **4. Supply Chain**

Our business operation involves daily office procurement in the areas of administration, telecommunications, cleaning, maintenance and courier services. Without significant changes to last year, we sourced products and services mainly from Hong Kong, while some others were sourced from the Mainland China, Macau, Singapore, Australia, Netherlands, the United Kingdom, the United States and Canada.

## **A. Advancing Effective Governance**

Sound governance is the way to stay competitive in rapidly changing market.

### **1. Governance Structure**

Our five Board members, with diverse backgrounds, expertise and experience, lead Ascent Partners by setting strategies and targets, establishing and reviewing management policies, monitoring financial and non-financial performances, and evaluating management approaches. To reinforce our management on the economic, environmental and social issues and enterprise risks, we established a Corporate Social Responsibility (“CSR”) Committee. The CSR committee assists Ascent Partners in overseeing the company’s initiatives, plans and practices regarding CSR issues that are significant to the company and the communities in which we operate.

Strong corporate governance underpins integrity of a company. During the financial year 2018/19, we placed focus on strengthening transparency. While transparency has always been a material aspect of our operation, our performance on improving transparency will be further discussed in Upholding our Ethics – Transparency.

[Org chart:]

- Simon Mak  
Chief Executive Officer  
As a co-founder and the CEO of Ascent Partners Group Limited, Simon Mak has grown the company from scratch to an organization serving more than 400 leading corporate clients with offices in Hong Kong, China and Singapore.
- Paul Wu  
Director of Technology Advisory  
Paul received his MSc. and BSc. Degrees from Simon Fraser University in Canada in 1989 and 1986 respectively. Paul also obtained the Certified Management Accountant (“CMA”) certificate in Australia from CMA Institute, and served as Vice-Chairman of its Committee of Strategic Development of its Committee of Strategic Development since 2016.
- Hauman Yeung  
Director of Corporate Advisory  
Hauman is a CMA and a member of the Institute of Public Accountants (“IPA”) of Australia, has been involved in the environmental movement in Hong Kong since 1988.
- William Yuen  
Director of Valuation Service  
William became a Certified Financial Risk Manager (“FRM”) from Global Association of Risk Professionals (“GARP”) in 2007 and earned the Chartered Financial Analyst (“CFA”) credential from the CFA Institute in 2008.

- Stephen Yeung  
Principal of Property Valuation  
Stephen is a Member of the Royal Institution of Chartered Surveyors (“MRICS”), the Hong Kong Institute of Surveyors (MHKIS), China Institute of Real Estate Appraisers and Agents (“CIREA”), a Registered Professional Surveyor of the Surveyors Registration Board (RPS, GP) as well as a CMA, Australia.

## **2. Compliance with Legal Requirements**

All employees shall undertake and agree to fully abide by, comply with and act pursuant to the Code of Ethics and Standards Professional Conduct published by the CFA Institute (“CFA Code”), whether they are a CFA member or not. The CFA Code stipulated that all applicable laws, rules and regulations of any government, regulatory organization, licensing agency, or professional association governing professional activities must be complied with. Reasonable efforts must be made to detect and prevent violations of applicable laws, rules, regulations and the CFA Code. We ensure that our employees are aware of the applicable laws and regulations through training, case studies and news sharing sessions.

There were no non-compliances with laws and regulations in the social and economic area in the financial year 2018/19.

## **3. Our Management Approach**

We discuss, monitor and evaluate the economic, environmental and social issues through regular meetings involving our employees, the management and the Board. As with our risk management approach, we apply the precautionary principle when making decisions that may cause serious or irreversible damages. We are in the process of setting up whistle-blowing channels and procedures regarding any breach of business ethics.

Negative feedback or grievances from our employees are always welcomed as they provide us with precious opportunities to improve our work environment and facilitate fair settlement.



## **B. Investing in Our Employees**

We have the right people to make the right things happen.

Employees' contributions are conducive to our success. Supportive work culture enables an inclusion of opinions from distinct perspectives, which is integral to delivering comprehensive and professional solutions to our clients.

We recruit on open recruitment platforms and screen candidates based on criteria including technical knowledge, experience, personality, interpersonal skills and work attitude. We assess technical knowledge of job candidates through examinations and interviews. Through interviews, we ensure that our employees uphold values align with our core values so that we can strive collaboratively and effectively to achieve our business goals. Promotion opportunities are also provided in line with our business growth.

To boost productivity and employee satisfaction, we allocate employees in suitable roles in which they can unleash their full potential. There was a total of 22 employees as of 30 June 2019, with all employed under fixed-term contract. We care about our employees and encourage employees to raise concerns or grievances openly.

While the overall organizational scale, headcount and structure remain the same, we had a shift of staff geographical allocation. During the year, we faced challenge of recruiting and retaining high-caliber talents for the Hong Kong team. However, since our long-term goal is to explore market opportunities in Mainland China, the relatively high turnover rates of the Hong Kong team have not adversely impacted on the company. We have implemented strategy to build execution capability among our Shenzhen team and Shenzhen team have demonstrated a successful execution of the strategy.

### **1. Compensation and Benefits**

We provide attractive compensation and benefits to retain talents. Employees are entitled to basic salary with discretionary bonuses, as well as commission depending on their job nature. Salary is reviewed on an annual basis. Upon statutory holidays, employees are entitled to various types of leave including annual, sick, maternity, paternity, social service and examination leave. We make contribution towards the Mandatory Provident Fund ("MPF") Scheme, pension fund, unemployment insurance fund, medical insurance fund, work-related injury fund, maternity insurance fund and the housing provident fund for our employees in accordance with the requirements specified in the MPF Schemes Ordinance, Cap. 485 of the Laws of Hong Kong and the Social Insurance Law of the PRC.

Other benefits provided to full-time employees include:

- Medical insurance scheme (inclusive of body check);
- Annual health screening scheme for employees over 30 years old;
- Reimbursement of course fees for trainings, allowance for professional examinations and membership fees for professional bodies;

- Reimbursement of dinner and transportation costs due to overtime work; and
- Reimbursement of costs for sports and fitness programs.

## **2. Health and Wellbeing**

Improving the wellbeing of employees helps to sustain our business success. Wellbeing includes employees' physical and mental health as well as their workplace relationships.

### **(a) Promoting Staff Wellness**

We look after our employees' health through medical insurance and health screening schemes with comprehensive coverage catering to diverse needs of our employees. To foster healthier lifestyles, we provide a wide variety of fresh fruits in office. This boosts employees' immune system and draws our employees away from their desks to the communal area where they take short breaks and socialize among themselves.

### **(b) Improving Our Work Environment**

Employees spend most of the time in office during the day. It is vital to provide our employees a work environment that optimizes work productivity as well as personal comfort. We are particularly dedicated to improving indoor air quality ("IAQ") and acoustics of our workplace.

IAQ is now an important aspect when concerning indoor environmental quality. We therefore engaged an accredited consultant to assess our IAQ at our office. We also participated in the voluntary IAQ Certification Scheme for Offices and Public Places launched by the HKSAR Government. As the first tenant of our office building participating in the scheme, we are proud to announce that our office has achieved an "excellent class" certification.

We are aware that good workplace acoustics help employees to stay focused on their work. Upon the receipt of feedback that our employees had experienced distractions from surrounding group discussions or telephone conversations, we created an additional meeting room for discussion and improved the overall sound insulation of our meeting rooms.

### **(c) Fitness Reimbursement Program**

Regular exercise has a lot of health benefits such as keeping us away from illness and disease, maintaining healthy weight and reducing stress. Starting from the financial year 2017/18, our employees are now entitled to reimbursement of a certain amount of costs for sports and fitness activities including gym memberships and fitness classes. This promotes regular exercises while allowing employees to choose the type of sports to take part in at their own discretion. Our employees had actively engaged in various sports activities such as yoga classes, Muay Thai classes and boot camps since the launch of this program.

### **(d) Interacting with Peers**

We organize gatherings, festive celebration parties and birthday parties to engage our employees. By encouraging team work and workplace camaraderie, we aim to create a healthy and vibrant environment for our employees not only to work in, but also to interact and flourish with peers.

### **3. Diversity and Equal Opportunity**

A diverse workplace culture with different talents, skills and experiences enables us to provide a variety of solutions and services to our clients in the prevailing fast-changing market. We hire candidates from different backgrounds, from fresh graduates to experienced professionals, and provide internship opportunities to local and overseas students who want to gain hands-on experience, develop skills and build networks.

We also maintain a fair work environment to build trust among ourselves. We provide equal opportunities to our employees in respect of recruitment, training and development, job advancement, and compensation and benefits. They are not discriminated against or deprived of such opportunities on the basis of race, sex, age, disability, national origin, religion, sexual orientation and any other discrimination prohibited by applicable laws.

There were no reported incidents of discrimination during the financial year 2018/19.

### **4. Training and Development**

Apart from providing on-job and staff transition trainings, we encourage employees to take part in external trainings and join professional bodies. Participation in trainings and professional bodies allows our employees to gain and share expert knowledge, keep themselves updated with industrial news and attain networking opportunities which enable them to provide better insights and services to our clients, hence value added to businesses. For that reason, our employees are entitled to full reimbursement of training costs, examination fees and necessary leave for approved professional examinations.

Ascent Partners and our employees strive to make continuous development. We conduct performance appraisals every half year. Together with our employees, we evaluate their biannual work performances, analyze their strengths and weaknesses, identify training needs and set goals for improvement in the future.

In the financial year 2018/19, 100% of our employees have received regular performance appraisals.

## **C.Serving Our Clients**

A reliable partner who understands what our clients need.

### **1. Marketing Communications**

We aim to flourish with our clients, through cultivation of reliable and long-term relationships. Building trust with our clients is critical to the maintenance of long-term relationships. We are cautious about product and service labeling, aiming to provide our clients with accurate and adequate information of our products and services. We allocate resources to ensure that our sales and marketing team acquires full knowledge of our products and services as well as being competent to communicate effectively with our clients.

In the financial year 2018/19, no non-compliance incidents with regulations or voluntary codes concerning product and service information or labeling occurred.

### **2. Delivering Professional and Quality Services**

Our solutions and technological products enable our clients to make better decisions and improve their management strategies. We exercise diligence, independence and thoroughness in analyzing information and making recommendations. Through multiple-level reviews and independent audits, we ensure the credibility and reliability of our solutions and recommendations.

We also screen our prospective clients to avoid any engagement in market manipulation.

We are professional, diligent, efficient and enthusiastic as acclaimed by our clients in the testimonials, and will continue to improve our services to surpass expectations from our clients.

### **3. Client Privacy**

We are vigilant when dealing with client information, especially non-public information. All our employees undertake to keep confidential information highly confidential and not to disclose to any third party. Confidential information includes but is not limited to:

- Information and/or documents of “Insider Dealing” governed by the Securities and Futures Ordinance, Cap. 571 of the Laws of Hong Kong;
- Information and contact details of clients; and
- Raw materials in support of the accuracy and/or truthfulness of all finished works issued to clients.

There were no substantiated complaints received concerning breaches of client privacy, identified leaks, thefts, or losses of customer data in the financial year 2018/19.

## **D.Upholding Our Ethics**

We only champion the highest standard.

### **1. Code of Ethics**

We set the bar high in terms of our business ethical standards, and abide by all applicable laws regarding business ethics and the CFA Code. We have stringent rules on conduct in the workplace, especially on the conflict of interest and corruption. Misconduct can lead to disciplinary action or dismissal. All staff of Ascent Partners shall act with:

- Professionalism;
- Integrity;
- Duty of loyalty;
- Due diligence;
- Transparent disclosure; and
- Avoidance of conflict of interest.

There were no legal and regulatory fines and settlements associated with professional integrity or duty of care in the financial year 2018/19.

### **2. Transparency**

We pledge to go extra miles with our service. Ascent Partners believes that our services should be performed in a professional and transparent manner. We fully support and cooperate with clients' internal and external audit reviews in a timely manner. We also disclose to clients and prospective clients the basic format and general principles of the processes we use in analysis and any changes that might materially affect the processes.

Internally, we define our corporate goals and action plans clearly for our employees. During the financial year 2018/19, we went further on disclosing our annual financial performances with our employees. Our CEO presented key financial data to our teams and evaluated on the performances so as to set directions for the next financial year. Through regular staff meetings, we keep our employees informed and involved in our company's major decisions and changes. Employees can also voice their opinion and expectations with our "open door" culture.

## **E.Supporting Our Communities**

A successful business needs a healthy community, so we contribute to building a better one.

Ascent Partners is dedicated to enhancing capacity building in our community. Through sponsoring professional and public seminars, researches and studies, we strengthen human and institutional resources to push forward green movement and foster sustainability culture in Hong Kong.

We also continuously support and promote Chi Heng Foundation, which aims to create a harmonious, equal and healthy society by funding and operating projects in education and care for children and adults impacted by AIDS, AIDS prevention and anti-discrimination. During the financial year 2018/19, we have promoted Chi Heng Foundation through distribution of calendars to our clients, which are printed with drawings by the children supported by Chi Heng Foundation.

### **1. Capacity Building**

In the financial year 2018/19, we have sponsored and participated in various events including conferences and seminars regarding green finance, sustainability reporting and sustainability business values. Apart from financial support, we are devoted to promoting environmental and social due diligence by delivering trainings to the professional association members. Our professional teams have shared our knowledge and expertise through conferences and seminars.

#### **(a) Business Valuation for IPO and Corporate Transaction Circular**

We spoke at the Business Valuation for IPO and Corporate Transaction Circular seminar organized by The Hong Kong Institute of Certified Public Accountants on 22 November 2018. The seminar identified items which commonly require valuation in an IPO. For companies that are already listed on the Stock Exchange of Hong Kong, they are subject to Listing Rule disclosure requirements when undertaking merger & acquisition or disposal of assets activities. In many cases, valuations of the underlying assets of these transactions are required and valuation reports have to be disclosed in circulars to shareholders. The seminar was attended by more than one hundred participants and the response was highly positive.

#### **(b) Business Valuation for Listed Companies**

We spoke at the “Business Valuation for Listed Companies” seminar held by the Hong Kong Institute of Chartered Secretaries (HKICS) on 1 March 2019. Mr. William Yuen, Director of Ascent Partners Valuation Limited gave the talk with the following contents:

- Different Types of Valuations;
- When is Valuation needed;
- Notifiable Transactions;
- Business Valuation Approaches;
- Market Approach vs Income Approach;
- SFC on Valuations for Corporate Transactions: &
- Case Studies

The seminar was attended by more than one hundred members of The Hong Kong Institute of Chartered Secretaries.

**(c) Speech to staff of Friends of the Earth Hong Kong**

Mr Hauman Yeung, Director of Ascent Partners Advisory Service Limited gave a speech to the staff of Friends of the Earth on 21 Sept 2018. Mr Yeung shared his life experience on the contribution of environmental movement in Hong Kong for more than 20 years.

**(d) ESG: Greening the Belt and Road Initiative**

Ascent Partners co-organized the “ESG: Greening the Belt and Road Initiative” seminar with China Daily Asia in Hong Kong Maritime Museum on 12 October 2018. Celebrities include:

- **Arcadis**, Dr. Jonathan Beard, Executive Director, Head of Business Advisory and Transportation & Logistics in Asia
- **Airport Authority Hong Kong**, Ms. Ernestina Wong, General Manager of Corporate Development
- **Friends of the Earth (HK)**, Mrs Mei Ng, BBS, Chairperson
- **Intertek**, Mr. Patrick Lee, Executive Vice President, North East Asia and Australasia
- **RATP Dev Transdev Asia (RDTA)**, Mr. Franck – Oliver Rossignolle, CEO
- **Schroders**, Mr. Angus Hui, Head of Asian and EM Credit
- **Six Senses Hotels Resorts Spas**, Mr. Jeffery Smith, Vice President, Sustainability
- **Social Venture Hong Kong**, Mr. Francis Ngai, Founder and CEO

was invited to share their insight in sustainable development. More than two hundred people attended the seminar with a lot of press coverage.

**(e) Sustainable Development Training for Accountants in Zhuhai**

Invited by UNESCO Hong Kong Association, Mr Hauman Yeung, Director of Ascent Partners Advisory Service Limited gave a tutorial on sustainable development in Zhuhai in 1 November 2018. 200 Accountants in Zhuhai has attended. Contents of the tutorial include:

- What is sustainable development
- The opportunities for sustainable development
- The role that can played by Professional Accountants
- ESG reporting

**(f) The Latest Development of ESG**

Invited by Hong Kong Business Accountant Association, Mr Hauman Yeung, Director of Ascent Partners Advisory Service Limited gave a talk on “The Latest Development of ESG” 24 May 2019. Contents of the talk include:

- HKEx's review and the regulators' attitude. HKEX has issued two documents. One is the review of 200 ESG report and the other is a further guideline. What were in the document and what will be the future development?
- Change of world's attitude towards ESG. Different new standard has evolved, and even China has planned to announce ESG standard in 2020. Will such changes affect the listing companies in Hong Kong?
- Change of investor's viewpoints towards ESG. ESG funds and green blossoming in the world. How can it affect the listing companies in Hong Kong. What are the opportunities and risks;
- Common mistakes in ESG report. We've gone through more than 200 ESG reports. There are a lot of material fatal mistakes that are very obvious to professionals.



## Key Statistics

### Employee Information (GRI and SASB Disclosures)

Category		Unit	2018/19	
<b>102-8</b>	<b>Total no. of employees by employment contract and by gender<sup>#</sup></b>			
			<b>Hong Kong</b>	
			<b>Male</b>	<b>Female</b>
	Permanent contract	No. of people	8	10
	Temporary contract	No. of people	0	0
			<b>Mainland China</b>	
			<b>Male</b>	<b>Female</b>
	Permanent contract	No. of people	3	1
	Temporary contract	No. of people	0	0
<b>102-8</b>	<b>Total no. of employees by employment type and by gender</b>			
			<b>Male</b>	<b>Female</b>
	Full time	No. of people	10	7
	Part time	No. of people	1	4
<b>102-41</b>	<b>Percentage of employees covered by collective bargaining agreements</b>			
	Employees covered by collective bargaining agreements	%	0	0
<b>401-1</b>	<b>Total no. and rate of new employee hires by age group, gender and region</b>			
			<b>Hong Kong</b>	
			<b>Male</b>	<b>Female</b>
	<b>Under 30 years old</b>	No. of people/%	1/12.5%	6/75%
	<b>30-50 years old</b>	No. of people/%	1/12.5%	0/0%
	<b>Over 50 years old</b>	No. of people/%	0/0%	0/0%
			<b>Mainland China</b>	
			<b>Male</b>	<b>Female</b>
	<b>Under 30 years old</b>	No. of people/%	0/0%	0/0%
	<b>30-50 years old</b>	No. of people/%	0/0%	0/0%

	<b>Over 50 years old</b>	No. of people/%	0/0%	0/0%
<b>401-1</b>	<b>Total no. and rate of employee turnover by age group, gender and region</b>			
			<b>Hong Kong</b>	
			<b>Male</b>	<b>Female</b>
	<b>Under 30 years old</b>	No. of people/%	2/100%	5/45.45%
	<b>30-50 years old</b>	No. of people/%	2/40%	0/0%
	<b>Over 50 years old</b>	No. of people/%	0/0%	0/0%
			<b>Mainland China</b>	
			<b>Male</b>	<b>Female</b>
	<b>Under 30 years old</b>	No. of people/%	0/0%	0/0%
	<b>30-50 years old</b>	No. of people/%	0/0%	0/0%
	<b>Over 50 years old</b>	No. of people/%	0/0%	0/0%
<b>SV102-07</b>	<b>Total no. and rate of employee turnover by voluntarism</b>			
	Voluntary departure	No. of people/%	4/100%	5/100%
	Involuntary departure	No. of people/%	0/0%	0/0%
<b>404-3</b>	<b>Percentage of total employees received regular performance review by gender</b>			
	Male	%	100%	
	Female	%	100%	
	<b>Percentage of total employees received regular performance review by employee category</b>			
	<b>Senior management</b>	%	100%	
	<b>Middle management</b>	%	100%	
	<b>Frontline and other staff</b>	%	100%	
<b>405-1</b>	<b>Percentage of individuals in governance bodies by gender</b>			
	Male	%	100%	
	Female	%	0%	
	<b>Percentage of individuals in governance bodies by age group</b>			
	Under 30 years old	%	0%	

	30-50 years old	%	20%	
	Over 50 years old	%	80%	
<b>405-1</b>	<b>Percentage of senior management employee by gender</b>			
	Male	%	83.33%	
	Female	%	16.67%	
	<b>Percentage of senior management employee by age group</b>			
	Under 30 years old	%	0%	
	30-50 years old	%	16.67%	
	Over 50 years old	%	83.33%	
<b>405-1</b>	<b>Percentage of middle management employee by gender</b>			
	Male	%	75%	
	Female	%	25%	
	<b>Percentage of middle management employee by age group</b>			
	Under 30 years old	%	25%	
	30-50 years old	%	75%	
	Over 50 years old	%	0%	
<b>405-1</b>	<b>Percentage of frontline and other staff by gender</b>			
	Male	%	33.33%	
	Female	%	66.67%	
	<b>Percentage of frontline and other staff by age group</b>			
	Under 30 years old	%	66.67%	
	30-50 years old	%	28.57%	
	Over 50 years old	%	4.76%	

*#Information were compiled by our Administrative Department based on the traceable record in our system.*

## Financial Information

Financial Performances Data in 2016/17^	
<b>Net sales</b>	HKD (1,061.447)
<b>Total capitalization</b>	HKD 2,845,528
<b>- Total liability</b>	HKD 9,405,093
<b>- Total equity</b>	HKD (6,559,565)

*^The financial performance data shows audited data in 2017/18. Audited data of 2018/19 will be supplemented in the next reporting period.*

## GRI Content Index

Core Option				
GRI Standard	Disclosure		Page No.	Omission
<b>GRI 101: Foundation 2016</b>				
<b>GRI 102: General Disclosures 2016</b>				
<b>GRI 102: General Disclosures 2016 (Organizational Profile)</b>	102-1	Name of organization		
	102-2	Activities, brands, products, and services		
	102-3	Location of headquarters		
	102-4	Location of operations		
	102-5	Ownership and legal form	Body Corporate	
	102-6	Markets served		
	102-7	Scale of the organization		
	102-8	Information on employees and other workers		
	102-9	Supply Chain		
	102-10	Significant changes to the organization and its supply chain		

	102-11	Precautionary Principle or approach		
	102-12	External initiatives		
	102-13	Membership of associations		
<b>GRI 102: General Disclosures 2016 (Strategy)</b>	102-14	Statement from senior decision-maker		
<b>GRI 102: General Disclosures 2016 (Ethics and integrity)</b>	102-16	Values, principles, standards, and norms of behavior		
<b>GRI 102: General Disclosures 2016 (Governance)</b>	102-18	Governance structure		
<b>GRI 102: General Disclosures 2016 (Stakeholder engagement)</b>	102-40	List of stakeholder groups		
	102-41	Collective bargaining agreements	None of our employees were covered by collective bargaining agreements.	
	102-42	Identifying and selecting stakeholders		
	102-43	Approach to stakeholder engagement		
	102-44	Key topics and concerns raised		

<b>GRI 102: General Disclosures 2016(Reporting practice)</b>	102-45	Entities included in the consolidated financial statements		
	102-46	Defining report content and topic Boundaries		
	102-47	List of material topics		
	102-48	Restatements of information	No restatements.	
	102-49	Changes in reporting	No changes as this report is the first ESG report of Ascent Partners.	
	102-50	Reporting period		
	102-51	Date of most recent report		
	102-52	Reporting cycle	We issue our report in an annual basis.	
	102-53	Contact point for questions regarding the report		
	102-54	Claims of reporting in accordance with the GRI Standards		
	102-55	GRI content index		
	102-56	External assurance		
<b>Economic Material Topics</b>				

<b>Economic Performance</b>				
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary		
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		
<b>GRI 201: Economic Performance 2016</b>	201-1	Direct economic value generated and distributed		
<b>Social Material Topics</b>				
<b>Employment</b>				
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary		
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		
<b>GRI 401: Employment 2016</b>	401-1	New employee hires and employee turnover		
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees		
<b>Training and education</b>				



<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary		
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		
<b>GRI 404: Training and education</b>	404-3	Percentage of employees receiving regular performance and career development reviews		
<b>Diversity and equal opportunity</b>				
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary		
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1	Diversity of governance bodies and employees		
<b>Non-discrimination</b>				
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary		
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		

<b>GRI 406: Non-discrimination 2016</b>	406-1	Incidents of discrimination and corrective actions taken		
<b>Marketing and labeling</b>				
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary		
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		
<b>GRI 417: Marketing and Labeling</b>	417-2	Incidents of non-compliance concerning product and service information and labeling		
<b>Customer Privacy</b>				
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary		
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		
<b>GRI 418: Customer Privacy 2016</b>	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data		
<b>Socioeconomic Compliance</b>				

<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary		
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		
<b>GRI 419: Socioeconomic Compliance</b>	419-1	Non-compliance with laws and regulations in the social and economic area		
<b>Other Material Aspects</b>				
<b>Product Responsibility</b>				
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary		
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		
<b>Code of Ethics</b>				
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary		
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		

<b>Transparency</b>				
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary		
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		

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