

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

OVERVIEW

Realord Group Holdings Limited (the “Company”, together with its subsidiaries, the “Group” or “we”) is a conglomerate listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), which included the Property Segment, the Financial Services Segment, the EP Segment, the MVP Segment, the Commercial Printing Segment, the Department Store Segment, and the LAC Segment with geographic coverage in Hong Kong, the People’s Republic of China (the “PRC”), Japan, and Grenada.

This Environmental, Social and Governance Report (the “ESG Report”) summarises the environmental, social and governance (“ESG”) initiatives, plans and performances of the Group and demonstrates its commitment to sustainable development during the reporting period from 1 January 2023 to 31 December 2023 (the “Reporting Period”).

The ESG Report has been prepared in accordance with the Environmental, Social and Governance Reporting Guide (the “ESG Reporting Guide”) as set out in Appendix C2 of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

THE ESG GOVERNANCE STRUCTURE

The Group conducts a top-down management approach regarding its ESG issues. The board of directors (the “Board”) oversees and sets out ESG strategy for the Group. The Board is also responsible for ensuring the effectiveness of the Group’s risk management and internal control mechanisms. To develop a systematic management approach for ESG issues, the Group has arranged designated personnel from various departments to manage the Group’s ESG matters as a working group. The working group is responsible for collecting relevant information on the ESG aspects for the preparation of the ESG Report. It periodically reports to the Board, assists in identifying and assessing the Group’s ESG risk, and evaluates the implementation and effectiveness of the Group’s internal control system, to evaluate, prioritise and manage material ESG-related issues. It also examines and reviews the Group’s ESG performance against the Group’s ESG-related goals and targets, including environmental, labour practices, and other ESG aspects.

REPORTING SCOPE

The reporting scope of this ESG Report remains consistent with last year, which covers the below business segments:

- 1) Office of holding company located in Hong Kong;
- 2) Commercial printing segment located in Hong Kong;
- 3) Distribution and sales of motor vehicle parts in Hong Kong;
- 4) Financial services segment in Hong Kong;
- 5) Property investment, development and commercial operation in Shenzhen, China;
- 6) Environmental protection industry in Japan and Guangxi, China;
- 7) Department store in Hong Kong; and
- 8) Grenada Project in Grenada.

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REPORTING PRINCIPLES

We have taken the following reporting principles into account in development of this ESG Report:

Materiality

We regularly engage our stakeholders to better understand their concerns relating to sustainability issues that affect them. We also make regular reference to our peers and both local and regional sustainability criteria when we review our sustainability context, materiality and disclosures in order to keep our sustainability priorities and strategy relevant. The Board and the management regularly review the sustainability issues that are most significant to our business and operations, and consider the issues discussed in this report to be material to the Group.

Quantitative

For the quantitative information we report on, we provide explanation on how we collect and analyse relevant data in appropriate circumstances. The environmental key performance indicators include the disclosure of comparative data to allow stakeholders to make analysis based on our performance.

Balance

We aim to keep our report balanced and make fair disclosures on critical aspects of our performance, both in terms of progress made and continuing challenges that we are dealing with.

Consistency

We have reported in accordance with the ESG Reporting Guide of the Stock Exchange, which allows for year-to-year comparison with our previous performance.

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COMMUNICATION WITH STAKEHOLDERS

The Group strives to accommodate views and interests of stakeholders (including but not limited to shareholders, customers, employees, suppliers, regulatory authorities and the public) through constructive communications with them to determine the direction of the Group's long-term development and maintain close relationships with stakeholders. The financial performance of the Group is summarised in the Group's interim report and annual report and reported to investors through the Group's official website (www.realord.com.hk).

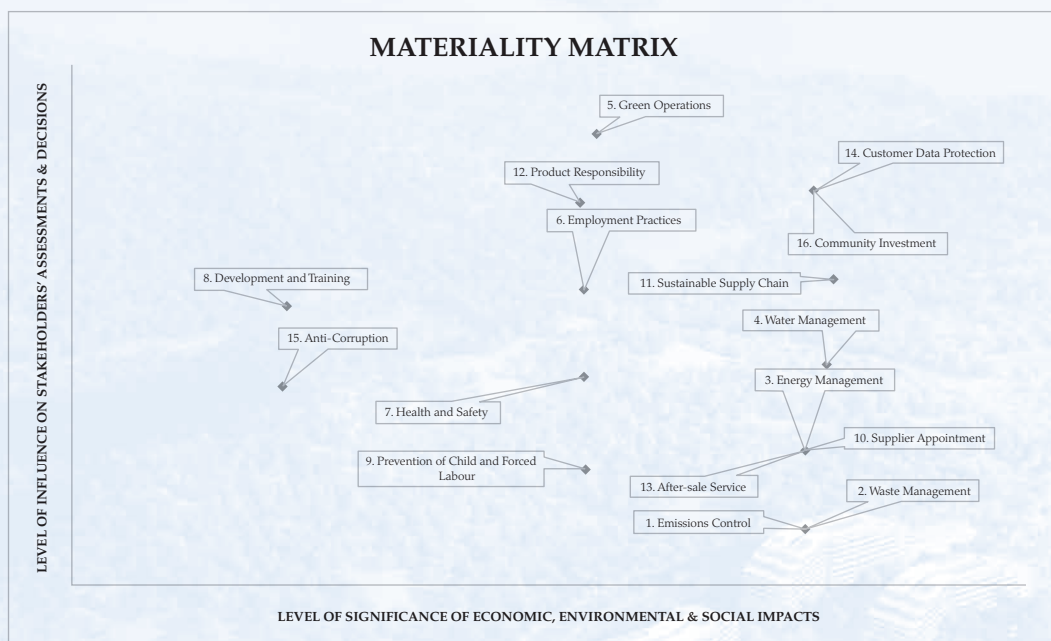
Stakeholders	Possible issues of concern	Communication channels
The Board	<ul style="list-style-type: none"> • Corporate governance • Regulatory compliance • Financial performance • Strategic development 	<ul style="list-style-type: none"> • Board meetings • Committee meetings • Annual general meeting • Emails
Shareholders and investors	<ul style="list-style-type: none"> • Corporate governance system • Business strategies and performance • Investment returns 	<ul style="list-style-type: none"> • Annual general meeting and other shareholder meetings • Financial reports • Announcements and circulars • Company website and email
Customers	<ul style="list-style-type: none"> • Good customer service • Reasonable prices • Privacy protection • Business integrity and ethics 	<ul style="list-style-type: none"> • Customer service hotline • Interim and annual reports, corporate websites • Regular meetings and communication
Employees	<ul style="list-style-type: none"> • Remuneration and compensation • Equal opportunities • Career development • Health and safety 	<ul style="list-style-type: none"> • Training • Employee handbook • Staff appraisals
Suppliers	<ul style="list-style-type: none"> • Payment schedule • Stable demand • Fair and open tendering 	<ul style="list-style-type: none"> • Emails • Regular assessment of suppliers' performance • Supplier management meetings and events
Regulatory bodies and government authorities	<ul style="list-style-type: none"> • Regulatory compliance • Prevention of tax evasion • Social welfare 	<ul style="list-style-type: none"> • Interaction and visits • Government inspections • Compliance advisor
Media, community and the public	<ul style="list-style-type: none"> • Environmental protection • Employment and community development • Social welfare 	<ul style="list-style-type: none"> • Community activities • Employee voluntary activities • ESG reports • Media

We aim to collaborate with our stakeholders to improve our ESG performance and create greater value for the wider community continuously.

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MATERIALITY ASSESSMENT

The Group’s management and staff in major functions are involved in the preparation of the ESG Report. They have assisted the Group to review its operations, identify key ESG issues, and assessed the importance of those relevant matters to our business and stakeholders. Last year, the Group has compiled a survey in accordance with the identified material ESG issues to collect information from relevant departments, business units, and stakeholders of the Group. During the Reporting Period, the materiality matrix is still applicable as no significant changes in the Group’s business segments. The following matrix is a summary of the Group’s material ESG issues:



During the Reporting Period, the Group confirmed that it has established appropriate and effective management policies and internal control systems for ESG issues and confirmed that the disclosed contents comply with the requirements of the ESG Reporting Guide.

CONTACT US

We treasure your feedback and comments on our sustainability performance. You can provide valuable advice in respect of the ESG Report or the Group’s performance in sustainable development by writing us to 24/F, Jardine House, 1 Connaught Place, Central, Hong Kong.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

A. ENVIRONMENTAL

A1. Emissions

Environmental protection and sustainable development rely on concerted efforts from all industries and society. Engaging into various businesses, we strive to integrate environmental sustainability into our business operations and are committed to reducing our environmental footprint.

Due to our business nature, we recognise that our day-to-day operations can impact both, directly and indirectly, the environment. Therefore, we have formulated the Environmental Policy to protect and improve the environment and promote sustainability within our business. We constantly uphold the principles of emission reduction and resource efficiency in our environmental management approaches by implementing measures and adopting best practices that promote energy efficiency, wastes reduction, and other green initiatives. The Group is also committed to educating our employees in raising their awareness of environmental protection and complying with relevant environmental laws and regulations. Within our policy framework, we continually look for opportunities to pursue environmentally friendly initiatives and enhance our environmental performance by reducing energy consumption and the use of other resources.

During the Reporting Period, the Group was not aware of any material non-compliance with environmental related laws and regulations that would have a significant impact on the Group, such as the Environmental Protection Law of the People's Republic of China (《中華人民共和國環境保護法》), the Environmental Impact Assessment Ordinance of Hong Kong and The Basic Environment Law in Japan. During the Reporting Period, there was no case of prosecution against the Group in relation to the violation of environmental laws.

EMISSIONS CONTROL

Air and Exhaust Gas Emissions

All our operating locations strictly comply with the Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution (《中華人民共和國大氣污染防治法》), the Air Pollution Control Ordinance of Hong Kong and Air Pollution Control Act in Japan and emission standards specified by different provinces and cities, to keep the exhaust emissions within the thresholds under relevant laws and regulations, and minimise the impact on neighbouring regions.

The air pollutant we generated is mainly due to automobile emissions of the Group. Therefore, we have been focusing on the exhaust emissions of various equipment and has implemented a series of emission control such as arranging regular repairment and maintenance for the Group's automobiles, maintaining engines and other mechanical systems in proper condition to improve fuel efficiency and reduce pollutant emissions. In order to minimise exhaust emissions, the Group has prepared to replace traditional diesel vehicles with energy saving vehicles gradually amidst the business growth of the Group, expecting to slow down the emission.

In view of the impact of wasted gas produced by waste plastics processing machines on the surrounding environment, the Group has installed a gas collecting and extracting device at the exhaust outlet of the waste processing machinery in our Japan Recycling Yard. The device with the activated carbon fiber adsorption technology is to discharge waste gas after it is being collected and processed. In addition, the Group also focuses on improving the ventilation in the workshops, reducing the concentration of exhaust gas in the workshops effectively through air-diluting. After being processed and purified, relevant exhaust gas has already met the standards of the Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution (《中華人民共和國大氣污染防治法》), the Air Pollution Control Ordinance of Hong Kong and Air Pollution Control Act in Japan that effectively safeguard employees' occupational health.

During the Reporting Period, the Group exhaust gas emissions have slightly reduced except Sulphur oxides due to the emissions control measures. The table below sets out the Group's exhaust emissions in the last two reporting years:

Types of exhaust gas	Unit	Emissions	
		2023	2022
Nitrogen oxides (NO _x)	kg	174.15	184.71
Sulphur oxides (SO _x)	kg	0.88	0.96
Particulate Matter (PM)	kg	15.78	17.18

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GHG Emissions

It is an indisputable fact that global warming is becoming more and more serious. The Group has been paying attention to climate change issues. In this regard, it seeks to take the optimal measures to reduce greenhouse gas emissions from business operations and combat climate change.

We also conduct data monitoring to identify and classify sources of greenhouse gas emissions in accordance with requirements and guidelines of the Stock Exchange, so as to compare the data performance of various sources.

The Group has set the emission target to maintain the total GHG emission intensity level in FY2023 as in FY2022 (FY2022: approximately 3.80 tCO₂e per employee). Due to the emissions control measures, the Group has successfully achieved a decrease in total GHG emissions as well as total GHG emissions intensity during the Reporting Period. We aim to achieve the target of maintaining the total GHG emission intensity level in the year ending 31 December 2024 (“FY2024”) as in FY2023. In order to achieve this emission target, the Group has implemented a number of energy-saving measures. For measures on energy conservation and emission reduction, please refer to the section headed “Use of Resources”.

The table below sets out the total GHG emissions and intensity of the Group in the last two reporting years:

Indicators ¹	Unit	Emissions	
		2023	2022
Scope 1 – Direct GHG emissions			
• Fuel consumed by vehicles and machinery	tCO ₂ e	369.97	349.46
Scope 2 – Indirect GHG emissions			
• Purchased electricity	tCO ₂ e	1,335.63	1,468.70
Total GHG emissions	tCO ₂ e	1,705.60	1,818.16
Total GHG emissions intensity ²	tCO ₂ e/no. of employee	3.68	3.80

Note:

1. GHG emission data is presented in terms of carbon dioxide equivalent and are based on, but not limited to, “The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standards” issued by the World Resources Institute and the World Business Council for Sustainable Development, “How to prepare an ESG Report – Appendix II: Reporting Guidance on Environmental KPIs” issued by the HKEX, the latest published Baseline Emission Factors for Regional Power Grids in China and the latest published emission factors of Japan.
2. As at 31 December 2023 and 31 December 2022, the Group had 463 and 478 employees under the specified ESG reporting scope respectively. The data is also used for calculating other intensity data.

NOISE POLLUTION MANAGEMENT

In accordance with the standards of the Law of the People’s Republic of China on the Prevention and Control of Pollution from Environmental Noise (《中華人民共和國環境噪聲污染防治法》), the Noise Control Ordinance of Hong Kong and Noise Regulation Law in Japan, the Group adopted enclosed design for its Japan Recycling Yard and set up sound barriers to prevent noise and from affecting the surrounding environment during operation.

SEWAGE DISCHARGE

Due to the Group’s business nature, the sewage discharge into land is insignificant. Similarly, there was no significant and unreasonable amount of sewage water discharged; used water was discharged to the municipal sewage network to the regional water treatment plant.

WASTE MANAGEMENT

The Group develops and implements strict management measures for waste generated in the production process in reference to the List of National Hazardous Wastes (《國家危險廢物名錄》), the Prevention and Control of Environmental Pollution by Solid Waste (《中華人民共和國固體廢物污染環境防治法》) and the Management Measures for Transfer Forms of Hazardous Waste (《危險廢物轉移聯單管理辦法》), the Waste Disposal Ordinance of Hong Kong, The Basel Law and Waste Management and Public Cleansing Law in Japan, to systematically identify environmental factors of production process and made detailed guidelines of waste management available.

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Hazardous Waste Management

The hazardous wastes generated during the operation of the Group's Japan Recycling Yard mainly involve waste machine oil, circuit boards, scrap rubber, activated carbon, etc. The Group strictly complies with the regulations and requirements in the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste (《中華人民共和國固體廢棄物環境污染防治法》) and the Administrative Measures for Hazardous Waste Transfer Manifest (《危險廢物轉移聯單管理辦法》), the Waste Disposal Ordinance of Hong Kong and The Basel Law in Japan on hazardous waste disposal in the course of centralised collection and temporary storage management of hazardous wastes, and have entered into service agreements with qualified waste disposal companies designated by local governments to assist the Group in proper disposal of all hazardous wastes. During the Reporting Period, all of the hazardous wastes were legally disposed of by a licenced hazardous waste collector.

Non-Hazardous Waste Management

The Group adopts the 5R (i.e. Refuse, Reduce, Reuse, Repair and Recycle) management strategy for the management of non-hazardous waste. The Group's Japan Recycling Yard has set up a recycling center where employees collect, mark and separate different types of solid waste in accordance with the Law on Prevention and Control of Environmental Pollution by Solid Waste (《固體廢物污染環境防治法》), and the Administrative Measures for Municipal Domestic Waste (《城市生活垃圾管理辦法》), the Waste Disposal Ordinance of Hong Kong and The Basel Law in Japan.

The reusable waste, including paper, plastic, and metal, will be sent to recycling agencies for proper treatment. We endeavour to improve the recycling rate and achieve the highest resource efficiency through internal operation management, publicity, training, labelling, classification, recycling, and other policy controls. In addition, in order to improve the efficiency of energy and resource use, the Group regularly engages qualified professional agencies to carry out environmental monitoring, and from time to time invites environmental experts to propose improvement plans which will be studied and implemented. To effectively control the paper usage and its subsequent disposal, the Group has implemented related reduction initiatives, which can be found in "Aspect A3-The Environment and Natural Resources".

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The table below sets out the non-hazardous wastes' total volume and intensity of the Group in the last two reporting years:

Types of non-hazardous waste	Unit	Disposal Amount	
		2023	2022
Total non-hazardous wastes disposed	tonnes	22.70	19.87
Total non-hazardous wastes intensity	tonnes/no. of employees	0.05	0.04

The Group has set a target for waste generation to maintain the total non-hazardous wastes disposal intensity level in FY2023 as in FY2022 (FY2022: approximately 0.04 tonnes per employee). Although the total non-hazardous wastes disposal intensity was slightly increased during the Reporting Period due to the resume of business activities after COVID-19 pandemic, we aim to achieve the target of maintaining the total non-hazardous wastes disposal intensity level in FY2024 as in FY2023. In order to achieve this waste disposal target, the Group has adopted green office practices to reduce paper consumption. The Group has implemented an electronic office system to encourage the use of electronic forms for internal communication, such as business trip application and expense reimbursement application. In addition, the Group has set duplex printing as the default mode for printers.

A2. Use of Resources

In order to use all resources including energy, water, and other natural resources more effectively and prudently, we continuously invest in the upgradation and improvement of technologies and equipment, energy-saving and consumption reduction, as well as environmentally friendly facilities, so that it can utilise the resources more efficiently and, to some extent, reduce the consumption of various resources.

ENERGY MANAGEMENT

As a socially responsible company, we advocate the use of energy-saving, efficient and environmental-friendly construction equipment, machinery and tools and office appliances recommended by the state and the industry. For energy conservation, we require contractors to adopt various energy-saving measures during construction. Meanwhile, we continuously update the latest environmental news to optimise the existing services, so as to reduce environmental pollution.

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The energy conservation measures we have implemented are as follows:

Energy conservation measures

- (1) It is planned to gradually replace the existing office and warehouse lighting with LED lighting, which can lower power consumption and reduce hazardous waste from replacement of short-lived traditional lighting fixtures.
- (2) All employees are required to participate in energy saving and emission reduction actions; employees are educated to properly use office electrical equipment including lighting, electric fans, air conditioners and other facilities, to turn off the equipment not in use in their responsible areas, and to check and ensure that all energy-consuming equipment is turned off before leaving work. In addition, the Group disseminates knowledge of energy conservation and emission reduction to encourage employees to develop energy-saving and environment-friendly work habits.
- (3) It is required to set the air conditioning temperature at 25 degrees to avoid waste of energy.
- (4) Office equipment (such as refrigerators and air conditioners) is cleaned on a regular basis to improve operational efficiency.
- (5) Environment-friendly and energy-efficient appliances and equipment are preferred.

Through the implementation of such measures, employees' awareness of reducing energy use has been noted to have increased.

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The table below sets out the total energy consumptions and intensity of the Group in the last two reporting years:

Types of energy	Unit	Consumption	
		2023	2022
Direct energy consumption	kWh	1,477,111.77	1,379,882.31
Diesel	kWh	1,210,354.23	1,142,001.98
Petrol	kWh	266,757.54	237,880.33
Indirect energy consumption	kWh	3,086,778.94	3,272,089.08
Purchased electricity	kWh	3,086,778.84	3,272,089.08
Total energy consumption	kWh	4,563,890.71	4,651,971.39
Total energy consumption intensity	kWh/no. of employees	9,857.22	9,732.16

The Group has set an energy use efficiency target to maintain the total energy consumption intensity level in FY2023 as in FY2022 (FY2022: approximately 9.73 MWh per employee). Although the total energy consumption intensity was slightly increased during the Reporting Period due to the resume of business activities after COVID-19 pandemic, we aim to achieve the target of maintaining the total energy consumption intensity level in FY2024 as in FY2023. The Group has implemented above number of energy-saving measures in order to achieve this energy reduction target, including to promote energy saving at office area.

WATER MANAGEMENT

Water is one of our most important natural resources. In order to cherish the precious water resources, the Group makes every effort to maximise the water resources used in its business operations. We actively promote the concept of valuing water to employees and maintain in good condition, so as to achieve our goal of water saving. In particular, Japan Recycling Yard has implemented the reuse of water resources, as the water used in washing clothes and hands in the staff dormitory are collected for flushing toilets.

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The table below sets out the total water consumptions and intensity of the Group in the last two reporting years:

Indicator	Unit	Consumption	
		2023	2022
Water consumption	m ³	5,480.97	8,074.41
Water consumption intensity	m ³ /no. of employees	11.84	16.89

Due to the Group's business nature, the Group did not encounter any problem in sourcing water that is fit for purpose.

The Group has set a water use efficiency target to maintain the water consumption intensity level in FY2023 as in FY2022 (FY2022: approximately 16.89 m³ per employee). Although our water consumption intensity was slightly decreased during the Reporting Period, and thus achieving our set target, we aim to achieve the target of maintaining the total water consumption intensity level in FY2024 as in FY2023. The Group has implemented the water-saving measures above in order to achieve this water use efficiency reduction target.

PACKAGING MATERIAL

The packaging materials of the Group are mainly consumed by the Department Store Segment. Reducing the packaging material bring both the environmental and economic benefit. The Group is dedicated to optimise the design of the packaging such that it can deliver against key performance criteria while using the least amount of packaging material. The Company measures different types of material used to gauge our environmental performance. The following tables show the figures of material consumption of packaging materials:

Indicator	Unit	Consumption	
		2023	2022
Plastic Bag	pieces	58,077	83,100
Carton Box	pieces	–	225
Paper Bag	pieces	5,800	N/A
Polypropylene woven bag	tonnes	26	30

A3. The Environment and Natural Resources

The Group integrates environmental responsibility into its daily business operations. Accordingly, the Group promotes green operations and green procurement policy to reduce environmental impact and the consumption of natural resources.

NATURAL RESOURCE PROTECTION

To reduce the consumption of paper, a main type of natural resource consumed by the Group, we encourage our employees to transmit information electronically and process documents on computers as much as possible, and require them to print on both sides as far as possible. The number of company envelopes, portfolios, brochures, etc. for internal use is also verified to avoid overprinting. For reusable and recyclable resources in waste, such as waste paper and printer ink cartridges, we have set up collection bins for classification management to facilitate internal recycling or transfer to qualified recyclers for further recycling. We grow vegetables and poultry in the open space of our Japan Recycling Yard to meet our daily needs and reduce purchases of such goods. We also actively cooperate with environmental protection agencies, and organise our staff to participate in activities recycling and donating waste clothes and articles, so as to convey the message of environmental protection to the public.

To ensure that employees implement the Group's environmental protection philosophy in their daily work, all new employees are required to go through the training in environmental protection.

GREEN OFFICE POLICY

The Group has implemented a series of measures to reduce the use of office supplies:

- Implement electronic file management, encouraging employees to process documents on computers and transmit information electronically as far as possible, and reducing the printing, transmission, sorting and archiving of paper files. The number of envelopes, portfolios and brochures issued by the Group is also subject to verification and control to minimise the demand for paper;
- Categorise waste, recycle and transfer recyclable resources to qualified recyclers, various collection bins have been placed in the office for the recycling of single-sided printed paper and printer cartridges;
- Place various green plants in different areas of the office, the green area coverage in Japan Recycling Yard has reached 15%, which helps clean air and improve indoor and surrounding air quality;
- Put up "Save Water" reminders in appropriate places to remind employees to reduce water consumption in their daily operations and to close the taps immediately after use so as to reduce unnecessary waste; and
- Enhance daily maintenance and management of water equipment, including regular maintenance of water mains and pipes to reduce hidden leakage.

A4. Climate Change

The Group recognises that climate change has been affecting our stakeholders, business operations and communities in different aspects. The Group strive to enhance its ability to respond to climate impacts and mitigate the risks and impacts of climate change on the Group, thereby helping the Group to adapt to and resist climate change. During the Reporting Period, the Group has been paying close attention to the impact of climate change as described below.

PHYSICAL RISKS

Extreme weather caused by climate change such as typhoons and rainstorms may disrupt business operations. In order to minimise disruptions to our business operations, the Group has put in place a set of contingency measures for adverse weather conditions as well as appropriate back-up of important information to minimise the negative impact on our business.

In addition to the above, the Group is also fully aware that extreme weather conditions may endanger the health and safety of employees. Therefore, we have formulated comprehensive typhoon and rainstorm arrangements to protect the health and safety of employees in extreme weather conditions. The Group also takes into account the different situations faced by individual employees under extreme weather conditions as far as possible, such as residence, nearby roads and traffic conditions, and adopts flexible treatment methods depending on the actual difficulties and needs of employees. For example, the Group implements a flexible off-duty day schedule for employees. At the same time, under extreme weather conditions, the human resources department will remind and notify employees of the latest weather conditions through communication software or emails.

TRANSITION RISK

In terms of legal risks, the Group expects that the laws and regulations related to climate change will become more stringent, such as the possibility that local governments adopt carbon tax to manage national GHG emissions. As a result, the Group may be exposed to legal risks and may have to incur higher operating costs to comply with regulatory changes. The Group has adopted a series of measures against possible legal risks. Firstly, the Group continuously monitors any changes in laws or regulations. Secondly, the Group has sought compliance advisory services to reduce legal risks. Thirdly, the Group has been taking comprehensive measures to protect the environment, including measures aimed at reducing greenhouse gas emissions. As we do more than meet the compliance requirements, we can quickly adapt to the more stringent regulations that may arise.

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B. SOCIAL

B1. Employment

The success of our business depends on the untiring efforts and dedicated service of all employees. The Group understands that the recruitment, retention and cultivation of talents can help maintain its market competitiveness. The Group has in place the Employee Handbook to ensure that employees are treated in a fair and reasonable manner. As at 31 December 2023, the Group employed a total of 463 staff, including operational office, sales and marketing, and back office division.

During the Reporting Period, the breakdown of employees by gender, age group and employment type and geographical regions were as follows:

	FY2023
By gender	
Male	224
Female	239
By age group	
30 years old or below	55
31-50 years old	229
51 years old or above	179
By employment type	
Full-time	404
Part-time	59
By geographical region	
Hong Kong and Mainland China	414
Japan	33
Grenada	16

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During the Reporting Period, the overall employee turnover rate was 28%. The breakdown of turnover rate was as follows:

	Percentage (%)
By gender	
Male	28
Female	27
By age group	
30 years old or below	49
31-50 years old	28
51 years old or above	21
By geographical region	
Hong Kong and Mainland China	30
Japan	3
Grenada	19

During the Reporting Period, the Group did not have significant issues relating to violations in this respect, including but not limited to the Labour Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》), the Employment Ordinance of Hong Kong and Labour Standards Law in Japan.

RECRUITMENT, PROMOTION AND EQUAL OPPORTUNITY

The Group has regular reviews for the demand and requirements for human resources with each business function head in order to secure the sufficient staff members for the positions required and to keep the normal business operations and development. In addition, we have implemented a standardised recruitment system with high transparency to ensure the righteousness, openness and fairness upheld throughout the recruitment and employment processes. When considering the opportunity for promotion of a position, the principle of "appropriateness", their job performance evaluation, experiences and capabilities of the potential are considered as conditions for staff promotion.

WORK-LIFE BALANCE

Employees are the most important core asset of the Group. The Group attentively takes care of the needs of employees pays close attention to employees' work and life balance. Achieving work-life balance can help enhance the overall operational efficiency of the Group. As such, the Group strictly abides by the Labour Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》), the Employment Ordinance of Hong Kong and Article 7 of Labour Standards Law in Japan to guarantee appropriate working hours and sufficient leave days for employees.

REMUNERATION AND BENEFITS

The Group has established a set of objective and fair remuneration guidelines. In addition to wage adjustments based on the market practice and conditions, and the results of employee assessment, the Group also determines annual bonuses based on individual performance to motivate their interest and enthusiasm and share the Group's profits with its employees as a reward for their contributions to the Group. Moreover, we review and adjust the remuneration mechanism on a regular basis to provide fairer and more competitive remuneration packages.

The Group also develops its benefits policy in accordance with the Labour Law of the People's Republic of China(《中華人民共和國勞動法》), the Article 11 of Labour Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》), the Employment Ordinance of Hong Kong and Labour Standard Law in Japan, and observes local requirements relating to minimum wage, working hours and the overtime limit, paid statutory holidays and paid annual leave. In addition, we established the Remuneration Committee in charge of reviewing matters related to employees' benefits. The Group currently provides comprehensive benefits guarantees for all employees, including medical insurance. In order to promote the bilateral communication and interaction between employees and employer, the Group also delivers the most recent update of the Group to every employee in a timely manner via survey and listens to the employees' opinions and advices actively, taking corresponding measures swiftly on issues which employees care about and protecting the interest of our employees.

COMPENSATION, TERMINATION OF EMPLOYMENT AND RETIREMENT

The Group initiates compensation and retirement procedures, including relevant provisions on indemnification and compensation and the planning of retirement arrangements, in accordance with the Article 89 of Labour Law of the People's Republic of China, the Labour Contract Law of the People's Republic of China, the Employment Ordinance of Hong Kong and Labour Standards Law in Japan and other relevant laws and regulations.

ANTI-DISCRIMINATION

We strictly follow anti-discrimination policies and will not tolerate harassment of any kind. When recruiting and promoting employees, we will only consider individual work experience and performance. We provide our employees with fair recruitment, compensation, training, transfer and promotion opportunities regardless of their race, gender, age or religious, so as to ensure that fair and equal opportunities are offered to all job applicants. We strive to create a working environment with care, endurance, fairness with no discrimination.

B2. Health and Safety

The Group fully recognises the importance of occupational health and safety to the recycling industry. Therefore, we strive to create the best working environment for our valued employees. We have advocated and upheld the idea of “Safety First” and strived in achieving the goal of zero industrial accident. We have formulated a set of suitable safety management plan in accordance with the laws and regulations, to reduce and control potential occupational safety and health hazards in business operations. The Group strictly implements the legislative requirements on occupational health and safety at its operating locations to avoid any injuries of employees at work.

During the Reporting Period, the Group record 270 lost-days related to work injuries. The Group did not record any work-related fatalities occurred during the Reporting Period, neither in FY2022 nor the year ended 31 December 2021.

During the Reporting Period, the Group did not have significant issues relating to violations in this respect, including but not limited to Law of the People’s Republic of China on the Prevention and Treatment of Occupational Diseases of People’s Republic of China (《中華人民共和國職業病防治法》), the Occupational Safety and Health Ordinance of Hong Kong and Industrial Safety and Health Act in Japan.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

OCCUPATIONAL HEALTH AND SAFETY

In order to effectively review our occupational health and safety performance, the Group sets up dedicated departments for coordinating and arranging safety checks for all operating facilities in accordance with Occupational Health and Safety Policies and regular reviews are held at meetings to examine the Group's occupational health and safety performance. Any employee being found of a mis-operation or risky operation will be immediately warned. At the same time, corrective and preventive measures will be adopted to manage the risks identified for assuring the quality and implementation of the safety management measures, so as to reduce unsafe behaviours of on-site personnel and accidents.

WORKPLACE SAFETY MANAGEMENT

The Group's office and Recycling Yard are equipped with dust removal, noise elimination, gas protection and other equipment, with standards in place for dangerous goods identification marks and for the proper use and storage of inflammable and explosive materials in order to minimise potential harm to the health of employees. To further enhance the safety of the Group's workplaces, we have set up first aid kits, fire extinguishers and exit signs at all operating locations and reminded our employees of the need to keep the passage or escapes clean and clear at all times. It is forbidden to place too many miscellaneous items in the office to ensure a rapid and safe evacuation in case of emergency.

PERSONAL PROTECTIVE EQUIPMENT

The Group is committed to providing employees with a legitimate, safe and dignified working environment. Apart from displaying notice or label, we also provide frontline employees with personal protective equipment such as dust masks, noise reduction earplugs and emergency medicines for occasional needs. Meanwhile, employees are arranged to attend safety training courses to raise their awareness of workplace safety and to ensure the efficiency of the personal protective equipment for protecting our employees.

WORKPLACE HYGIENE

The Group has advised employees to maintain cleanliness in the workplace. We set up designated areas in offices and plant areas to collect wastes discarded by our employees. Hygiene in public areas is regularly managed by dedicated departments. Regular cleaning of air conditioning systems and carpets in office areas are also arranged to maintain hygiene in the workplace.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

EMPLOYEE WORK SAFETY TRAINING

We actively promote the culture of workplace safety. The Group provides employees with adequate training on occupational health to keep up with employees' awareness against workplace health and safety, in order to ensure the safe operation of equipment, the Group has developed appropriate training sessions, mainly covering the correct use of protective equipment, knowledge and cases of safety production and occupational health, and safe operation of positions or equipment. Moreover, we share all the latest information and news of occupational health and safety with all our employees.

INCIDENT RESPONSE PLAN

To prevent possible accidents and potential risks due to emergencies like fire and power failure, the Group has established a set of stringent measures and practice fire drills from time to time. All onsite workers are required to be aware of the emergency procedures, such as the proper use of personal protective equipment and rescue facility.

STRESS MANAGEMENT

The Group has complaint and confidential feedback channels in place for all employees, allowing them to express any views or concerns to the department heads or executives at the higher rank.

PREVENTATIVE MEASURES ON COVID-19

In response to the outbreak of the Coronavirus Disease 2019 ("COVID-19") pandemic, the Group has taken certain actions to strengthen the health and safety precautionary measures in both our offices and construction sites to ensure the health of our employees and workers. The Group has established two sets of workplace health and safety plan with regards to COVID-19 separately for office and construction site employees. In addition, the Group has conducted a thorough hazard assessment of the workplace to identify potential workplace hazards that could increase the risks for COVID-19 transmission, which includes all employees, including management staff, utility employees, relief employees, etc.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

B3. Development and Training

During the Reporting Period, the Group's number of employees received training and their training hours were as follows:

	Percentage of employee trained (%)	Average training hours per trained employee
By gender		
Male	54	7.7
Female	46	3.2
By employment type		
Senior management	15	7.9
Middle management	17	5.9
Other employees	68	4.7

CAREER DEVELOPMENT

To maintain the Group's competitiveness in the world of rapid development of technology, it is important that we keep our skills and knowledge up-to-date. Therefore, we promote the spirit of life-long learning and cultivating a continuous learning culture. To further improve team values and professionalism of staff, we develop career development training for staff and encourage them to actively participate in various training workshops and courses.

PRE-EMPLOYMENT TRAINING

In order to assist our newly recruited employees to adapt to the Group's work culture and environment, we provide pre-employment training for them, including information about our corporate culture, employee handbook, job skills and relevant safety knowledge, with an aim of enhancing their understanding of the Group, their position and working environment.

VOCATIONAL SKILLS TRAINING

We are dedicated to building a professional technical team, so we have arranged training courses for our employees to meet the needs of different jobs and ranks to improve individual profession knowledge skills and capabilities. For some internal key talents, we have developed career paths and defined career ladders for key positions, sponsored our staff to attend external training courses, such as professional qualification training, workshops or seminars, in order to strengthen overall professionalism and individual caliber of employees, and help competent employees to pursue excellence and grow together with the Group.

B4. Labour Standards

PREVENTION OF CHILD AND FORCED LABOUR

The Group prohibits the recruitment of child labour and has zero tolerance of forced labour. In accordance with the Regulations of the People's Republic of China on Special Protection of Juvenile Workers (《女職工和未成年工特殊勞動保護》), the Employment Ordinance of Hong Kong, Labour Standards Law in Japan and relevant foreign laws and regulations, the Group reviews the valid identity certificates of job applicants in the employee recruitment, onboarding approval and onboarding registration process. If violations are involved, they will be dealt with in the light of circumstances.

During the Reporting Period, the Group was not aware of any material non-compliance with related laws and regulations that would have a significant impact on the Group, including but not limited to Labour Contract Law of the People's Republic of China, the Employment Ordinance of Hong Kong and Article 56 of Labour Standard Law in Japan.

In the process of employment, the Group, in accordance with the above relevant laws, respects the right and freedom of every employee to choose jobs, including freedom of employment, freedom to resign, freedom to work overtime and freedom of movement. The Group strictly prohibits any forms of forced labour, including contract labour and bonded labour, and never forces employees to work overtime. Employees have the right to form and join trade unions to safeguard their personal rights.

B5. Supply Chain Management

The steady development of the Group's business is dependent on the reliable support of its suppliers. Suppliers are one of the important stakeholders in the Group's business value chain, and our relationship with them is close and inseparable. The Group is also fully committed to building a good partnership with our suppliers. To promote the business and cooperation with suppliers, the Group stipulates internal rules to regulate the process of procurement, explains the Group's principles and expectations to our partners, and requires suppliers to comply with all laws, international conventions, contractual requirements, and all codes of the Group. We have also established effective mechanisms to ensure that both parties will strictly act in accordance with laws and regulations.

SUPPLIER APPOINTMENT

In terms of material procurement, supplier management, and the selection and evaluation of administrative supplies and services suppliers, we employ fair, impartial and open evaluation criteria. We also require suppliers to declare their interests to avoid conflicts of interest or tunnelling of interests. The Group has set up a series of evaluation indicators for supplier selection, including supplier's past experience, price, reputation, professional qualifications, ethics, environmental protection and corporate social responsibility performance. To ensure that the suppliers' performance continues to meet the Group's requirements, we assess their performance over the past year through an annual assessment to review whether to continue cooperation with them.

SUSTAINABLE SUPPLY CHAIN

The Group puts great emphasis on the sustainability of value chain. While fulfilling our environmental and social responsibilities, we also expect our suppliers to operate in the same responsible manner. Accordingly, we incorporate sustainability considerations into our procurement and outsourcing process and require suppliers to meet basic standards, to lower environment and social risk in supply chain. For example, all suppliers are required to abide by the following sustainability principles, and to ensure that their regular and temporary employees, suppliers and sub-suppliers confirm and comply with the requirements of these principles.

The Group continues to pay attention to the policies implemented by the local governments where it operates. If the Group finds information on environmentally friendly products or services published by the official authorities, the Group will seriously consider adopting the recommendations of the official authorities to procure goods and services that have less impact on the environment during the product cycle.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

GREEN OPERATION

To reduce the emissions and energy consumption due to transportation, the Group is encouraged to give priority to products of local suppliers where hardware and software conditions so permit, with an aim to prevent additional carbon emissions due to long distance of transporting goods. When local suppliers are selected, we also adopt a centralised approach to arrange as few deliveries as possible, and optimise delivery plans to reduce exhaust emissions during transportation. Meanwhile, when it is necessary to acquire or upgrade operating equipment, we will make reference to the information on the energy label to select energy-efficient models as far as possible in order to achieve better energy management efficiency.

During the Reporting Period, the breakdown of suppliers by geographical regions were as follows:

Total number of suppliers by region	Number of Suppliers in FY 2023
Hong Kong	510
Asia region other than Hong Kong	103
Europe	81
N.& S. America	3

B6. Product Responsibility

The Group stresses heavily on the performance of its products, and has therefore formulated an array of policies to facilitate better quality products and services. The Group carefully manage and monitor the quality of our products. All products we sell are properly labelled to help us obtain the data through our tracking system. If there are quality issues with the products sold by the Group, the Group can record through the tracking system, which enables us to immediately identify the source of defects in the production process, identify the defective batch of products and recall the products as needed to rectify the issues and prevent recurrence in the future.

During the Reporting Period, the Group does not record any product recall and did not have significant issues relating to violations in this respect, including but not limited to Law of the People's Republic of China on Protection of Consumer Rights and Interests of the People's Republic of China (《中華人民共和國消費者權益保護法》), the Personal Data (Privacy) Ordinance of Hong Kong and Product Liability Act in Japan.

QUALITY MANAGEMENT

The Group values the spirit of contract. The specifications of all products and services will be clearly specified in the contract to ensure that the customer understands details of the contract and to protect the interests of the buyer and the seller. We seek to provide the highest standards of products and services throughout our operations, which involve the application of proprietary systems and process to ensure compliance with local and international standards. In order to strengthen customer confidence in our products, the Group has established a quality inspection and evaluation team for incoming and outgoing products, to closely monitor the quality of products prior to delivery in accordance with the corresponding inspection procedures.

FAIR PROMOTION

The Group adheres to the principle of fair promotion to ensure that product information on the Group's publicity website and other promotional materials is true and accurate, and does not contain any false, exaggerated or excessive statements. In accordance with the Advertising Law of the People's Republic of China, the Trade Descriptions Ordinance of Hong Kong and Act Against Unjustifiable Premiums and Misleading Representations in Japan, the Group requires sales staff to disseminate information from the Group's recognised product strengths when promoting products, and avoid negative representations involving rivals or competing products to prevent customers from being misled when purchasing.

CUSTOMER DATA PROTECTION

According to the importance of protecting customer information, the Group strictly manages and keeps confidential information and documents related to customers' intellectual property rights in accordance with the requirements of the Confidentiality Measures and the Employee Handbook issued within the Group. Without permission, employees are not allowed to copy, privately store or take away such information and documents from the Group.

INTELLECTUAL PROPERTY RIGHTS

The Group endeavours to protect intellectual property rights. Intellectual properties and technical specifications of the Group and customers are protected and managed by a designated department. Employees shall not copy or disclose any information, including but not limited to designs, techniques and trade information, to third parties without the Group's consent.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

AFTER-SALE SERVICE

The Group is committed to providing efficient and courteous after-sale service to its customers, and has established e-mail boxes and hotlines as channels to maintain communication with customers and assist in answering any customer enquiries, resolving detail contract problems or other follow-up matters.

During the Reporting Period, the Group didn't received any product-related complaints nor service-related complaints. The Group has designated staff to handle all complaints received promptly and review our procedures for any improvement to prevent recurring complaints.

B7. Anti-corruption

The Group is committed to building a corporate culture of integrity and business ethics. We have the standards of conduct to guide our employees and partners, which provide rules and guidelines for dealing with gifts, treats, transactions, financial management, etc.

During the Reporting Period, the Group did not have significant issues and concluded legal cases relating to violations in this respect, including but not limited to Company Law of the People's Republic of China (《中華人民共和國公司法》), the Prevention of Bribery Ordinance of Hong Kong and Unfair Competition Prevention Act in Japan.

The Group has followed and complied with all the code provisions of the Corporate Governance Code set out in Appendix C1 to the Listing Rules, including maintaining good corporate governance practices. To take forward a corporate culture of integrity and anti-corruption, we have established the anti-corruption practices and the benefit declaration process in our employee handbook. If any employee is involved in any corruption and fraud conduct, we will impose penalties based on the influence and consequence of such conduct according to the corporate rules. If the behaviour violates the law, it will be handled by the judicial authority according to law with zero tolerance.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ANTI-CORRUPTION PRACTICES

The Group has established Anti-corruption policy to avoid happening of corruption. No employee or director may seek or receive any preferential benefits, including money, gifts, loans, remuneration, work, contracts, services and sponsorship, especially when there is a conflict of interest between such benefits and the Group's business dealings.

Anti-corruption training helps to encourage a clean and honest working style, so that employees can be self-disciplined and dedicated. During the Reporting Period, the Group arranged 6 sections of training for both directors and employees, with a total of approximately 17 training hours of anti-corruption training for each participant.

CONFLICTS OF INTEREST

To avoid any conflict of interest during business transactions, all major transactions involving conflicts of interest within the Group must be disclosed to the Board according to the Policy on Declaration of Conflict of Interest, which can be found in the Employee Handbook. Board members involved in a conflict of interest may not vote on any resolution on such transactions.

APPROVAL OF SERVICE CONTRACTS

To maintain close monitoring on potential corruption, all the important service contracts are subject to approval by the Board. Approved service contracts shall be reviewed by the Nomination Committee, which consists of one executive director and two independent non-executive directors.

WHISTLE-BLOWING MECHANISM

To firmly reject the occurrence of corruption, frauds, etc., the Group has established whistle-blowing policy for employees and other stakeholders to report any suspected improper or illegal activities through any anonymous ways such as by mail, email, telephone, etc. The Group will investigate and handle the case once internal corruption related information is received. The investigations are administered on a confidential basis and there will be no reprisal against employees.

B8. Community Investment

ACTIVE COMMUNITY PARTICIPATION

As a responsible corporate citizen, the Group is well aware that its responsibility is not only to contribute directly to the economy, but also to create positive impacts for the society as a whole through our business operations and public welfare programs. In the past years, the Group actively participated in community activities to give back to the society. The Group is committed to promoting charity, helping the disadvantaged, and supporting academic and scientific research for the well-being of the next generation in the principle of “From the Community, For the Community”. The Group has also set up a volunteer team that gathers staff to participate in public welfare activities such as visiting the elderly living alone, supporting needy families and helping students in need. In the future, the Group will continue to focus its community investment efforts on scientific research and development, national development and poverty alleviation to give back to the society.

Community participation

During the Reporting Period, the Group has continued its philanthropic efforts by donating RMB100,000 to Shenzhen Nanshan Charity Federation (深圳市南山區慈善會) to support the people in need. The Group has also donated RMB100,000 to Shenzhen Futian Overseas Friendship Association (深圳市福田區海外聯誼會) in supporting the organisation of social welfare events. These contributions signify the Group’s dedication to making a positive impact on the community.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

THE ESG REPORTING GUIDE CONTENT INDEX OF THE STOCK EXCHANGE OF HONG KONG LIMITED

Subject Areas, Aspects,
General Disclosures
and KPIs (“Comply
and Explain”)

	Description	Section/Declaration
Aspect A1: Emissions		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Emission Control
KPI A1.1	The types of emissions and respective emissions data.	Emission Control – Air and Exhaust Gas Emissions
KPI A1.2	GHG emissions in total (in tonnes) and intensity.	Emission Control – GHG Emissions
KPI A1.3	Total hazardous waste produced (in tonnes) and intensity.	Waste Management – Hazardous Waste Management
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Waste Management – Non-Hazardous Waste Management
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	Emission Control – Air and Exhaust Gas Emissions; Emission Control – GHG Emissions; Waste Management – Hazardous Waste Management; Waste Management – Non-Hazardous Waste Management
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	Hazardous Waste Management; Non-Hazardous Waste Management

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Subject Areas, Aspects, General Disclosures and KPIs (“Comply and Explain”)

	Description	Section/Declaration
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Use of Resources
KPI A2.1	Direct and/or indirect energy consumption by type in total and intensity.	Use of Resources – Energy Management
KPI A2.2	Water consumption in total and intensity.	Use of Resources – Water Management
KPI A2.3	Description of energy use efficiency initiatives and results achieved.	Use of Resources – Energy Management
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	Use of Resources – Water Management
KPI A2.5	Total packaging material used for finished products (in tonnes) and with reference to per unit produced.	Use of Resources – Packaging Material (Not applicable – Explained)
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimizing the issuer’s significant impact on the environment and natural resources.	The Environment and Natural Resources
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	The Environment and Natural Resources
Aspect A4: Climate Change		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Climate Change
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Climate Change

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Subject Areas, Aspects, General Disclosures and KPIs (“Comply and Explain”)

	Description	Section/Declaration
Aspect B1: Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Employment
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Employment
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Employment
Aspect B2: Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Health and Safety
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Health and Safety
KPI B2.2	Lost days due to work injury.	Health and Safety
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Health and Safety

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Subject Areas, Aspects, General Disclosures and KPIs (“Comply and Explain”)

	Description	Section/Declaration
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees’ knowledge and skills for discharging duties at work. Description of training activities.	Development and Training
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Development and Training
KPI B3.2	The average training hours completed per employee by gender and employee category.	Development and Training
Aspect B4: Labour Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Labour Standards
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Labour Standards – Prevention of Child and Forced Labour
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Labour Standards – Prevention of Child and Forced Labour

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Subject Areas, Aspects, General Disclosures and KPIs (“Comply and Explain”)

	Description	Section/Declaration
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	Supply Chain Management
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Supply Chain Management
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply Chain Management
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply Chain Management
Aspect B6: Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Product Responsibility
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Product Responsibility
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Product Responsibility
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Product Responsibility
KPI B6.4	Description of quality assurance process and recall procedures.	Product Responsibility
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Product Responsibility

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Subject Areas, Aspects, General Disclosures and KPIs (“Comply and Explain”)

	Description	Section/Declaration
Aspect B7: Anti-corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Anti-corruption
KPI B7.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Anti-corruption
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Anti-corruption
KPI B7.3	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Anti-corruption
Aspect B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities’ interests.	Community Investment
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community Investment
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Community Investment