

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ABOUT US

Daisho Microline Holdings Limited (the “Company”, together with its subsidiaries, the “Group” or “we”) is principally engaged in (i) manufacturing and trading of printed circuit boards (“PCB”); (ii) trading of petroleum and energy products and related business; (iii) vessel chartering business which was classified as discontinued operation since last year; and (iv) manufacturing and trading of printing and packaging products. Since 2019, the Group has temporarily suspended its petroleum trading business. In May 2021, the disposals of two vessels have been completed. More corporate information about the Group is available on the Group’s annual report and website.

ABOUT THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

This Environmental, Social and Governance Report (the “ESG Report”) explains the environmental, social and governance (“ESG”) practices, plans and performance of the Group.

Reporting Period

The ESG Report specifies the ESG activities, challenges and measures being taken during the financial year from 1 April 2021 to 31 March 2022 (the “Reporting Period” or “2022”).

Reporting Scope

The reporting scope is consistent with the annual report and covers all the continuing operations that are the principal source of revenue of the Group, which includes the PCB business and printing business operated in Hong Kong and the People’s Republic of China (the “PRC”), but excludes the petroleum trading business and vessel chartering business which have been suspended and classified as discontinued operation respectively. During the Reporting Period, the Group has expanded the reporting scope to disclose the available key performance indicators (“KPIs”) data of the Hong Kong office. The Group will continue to assess the major ESG aspects of different businesses to determine whether to expand the scope of reporting.

Reporting Framework

The ESG Report has been prepared in accordance with the Environmental, Social and Governance Reporting Guide (the “ESG Reporting Guide”) as contained in Appendix 27 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Information relating to the Group’s corporate governance practices can be found in the Corporate Governance Report from page 52 to 68 of the annual report. The four reporting principles, namely materiality, quantitative, consistency and balance, form the backbone of the ESG Report:

Materiality: Materiality assessment was conducted to identify material issues during the Reporting Period, thereby adopting the confirmed material issues as the focus for the preparation of the ESG Report. The materiality of issues was reviewed and confirmed by the Board of Directors (the “Board”) and ESG Working Group (“Working Group”). For further details, please refer to the sections headed “Stakeholder Engagement” and “Materiality Assessment”.

Quantitative: The standards, methodologies and applicable assumptions used in the calculation of KPIs data were supplemented by explanatory notes.

Consistency: As mentioned in the section headed “Reporting Scope”, the reporting scope of this ESG Report has been adjusted. Unless otherwise stated, the preparation approach of this ESG Report is consistent with the previous year for comparison. If there are any changes in the scope of disclosure and calculation methods that may affect comparisons with previous reports, the Group will provide explanations for the corresponding data.

Balance: This ESG Report aims to provide a balanced representation of the Group’s performance in five aspects: corporate governance, environmental protection, employment practice, operating practice and community investment. It avoids selections, omissions, or presentation formats that may inappropriately influence a decision or judgment by the report reader.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ESG GOVERNANCE STRUCTURE

The Group has developed an ESG governance structure to ensure its corporate social responsibility (“CSR”) strategy is aligned with the Group’s mission, values, guiding principles, as well as the corporate governance framework.

The Board has the overall responsibility for the Group’s sustainability governance and is responsible for overseeing the potential impacts and risks of the ESG issues related to the Group’s operation. The Board regularly reviews its performance against ESG-related targets, which cover aspects of energy conservation, emission reduction and waste management, with the aim to align with the corporate sustainability strategy, echo with national vision of carbon neutrality and enhance corporate reputation. The Board is also responsible for reviewing the materiality of ESG issues, ensuring the effectiveness of the Group’s risk management and internal control systems and approving disclosures in the ESG reports.

To systematically manage ESG issues under the Board’s delegations, the Group has established the Working Group. The Working Group is composed of executive and independent non-executive directors, which facilitates the Board’s oversight of ESG issues. The Working Group shall arrange regular meetings and report to the Board periodically, with the aim of improving the Group’s ESG performance. The Working Group is responsible for the following:

- Assisting in conducting materiality assessment;
- Ensuring compliance with ESG-related laws and regulations;
- Assisting in the assessment and identification of the Group’s ESG risks and opportunities;
- Keeping track of and reviewing the progress made against the Group’s ESG-related targets, evaluating the effectiveness of current policies and procedures, and formulating appropriate solutions;
- Collecting and analysing ESG data, monitoring and evaluating the Group’s ESG performance and preparing ESG reports; and
- Assisting in ensuring the implementation and effectiveness of risk management and internal control systems.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

STAKEHOLDER ENGAGEMENT

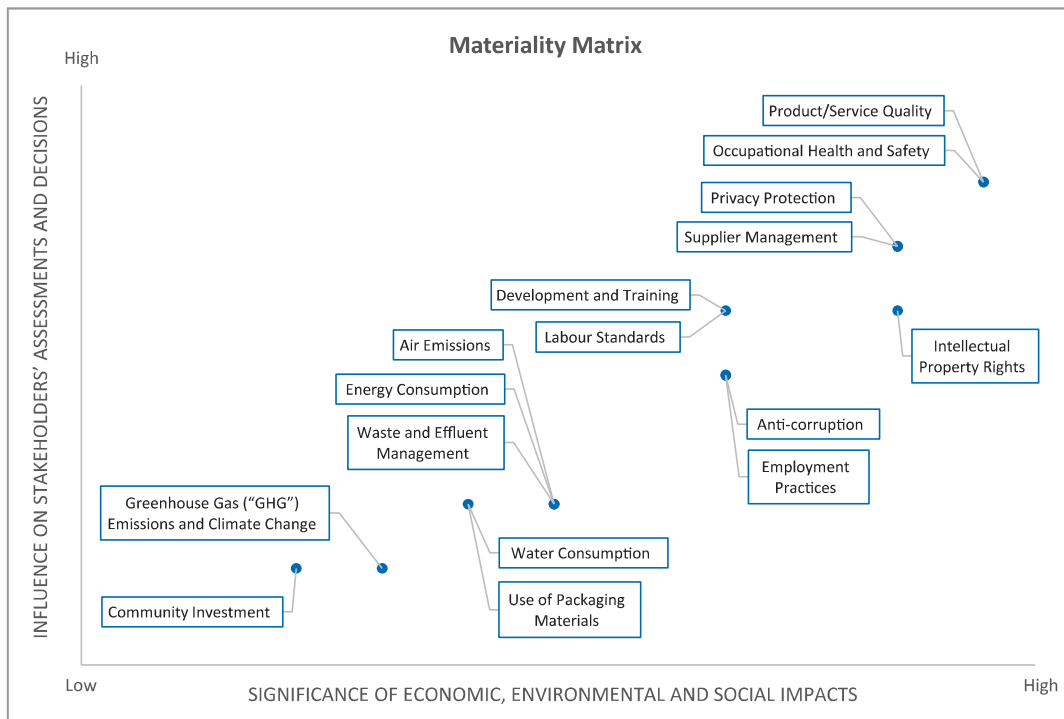
The Group values feedback from its stakeholders as they bring invaluable directions for continuous development to the Group. We communicate with internal and external stakeholders regularly to collect their views regarding the Group's operation and performances. By using the diversified cooperation methods and communication channels shown in the table below, we bring the expectation of our stakeholders into our operation and ESG strategies.

Stakeholders	Key Communication Channels	Concerns
Shareholders/Investors	<ul style="list-style-type: none">• Annual general meetings• Financial reports• Announcements and circulars	<ul style="list-style-type: none">• Complying with relevant laws and regulations• Disclosure of latest corporate information in due course• Financial results• Corporate sustainability
Customers	<ul style="list-style-type: none">• Emails• Customer meetings• After-sales services	<ul style="list-style-type: none">• Product and service responsibility• Customer information and privacy protection
Employees	<ul style="list-style-type: none">• Staff appraisals• Regular meetings• Emails and telephone calls• Employee handbook• Customised trainings	<ul style="list-style-type: none">• Health and safety• Equal opportunities• Remuneration and benefits• Career development
Government and regulatory authorities	<ul style="list-style-type: none">• Company website• Legal counsel• Meetings, emails and phone calls	<ul style="list-style-type: none">• Business ethics• Complying with relevant laws and regulations
Community	<ul style="list-style-type: none">• ESG reports• Press releases and announcements• Annual reports	<ul style="list-style-type: none">• Giving back to society• Environmental protection• Compliant operation

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

MATERIALITY ASSESSMENT

In hopes of understanding the views and expectations of stakeholders on the Group’s ESG performance, the Group has conducted an annual materiality assessment which specifically engaged various stakeholder representatives to gain further insights on ESG material aspects and challenges. They are invited to participate in the materiality survey and rate the potentially material issues. The materiality matrix below presents the result of the materiality assessment process:



The above aspects were strictly managed through compliance with relevant laws and regulations, and the Group’s policies and guidelines. Management of these aspects has been described in separate sections below. The Group will continue to identify areas of improvement for the concerned aspects and keep close communication with its stakeholders to exchange ideas for advancing the Group’s ESG management.

CONTACT US

The Group welcomes stakeholders to provide their feedback on its ESG approach and performance. Please give suggestions or share your views with the Group via email at dminfo@dmgroup567.com.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

A. ENVIRONMENTAL

A1. Emissions

Upholding sustainable development as the ESG management goal, the Group is devoted to implementing environmental control mechanism and monitoring measures in its business activities and workplace. The Group has formulated the “Environmental Policy” to manage the environmental impact of its manufacturing operations and stipulate measures on the efficient use of resources and waste treatment.

During the Reporting Period, the Group was not aware of any material non-compliance with laws and regulations relating to air and GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. Relevant laws and regulations include but not are limited to the “Environmental Protection Law of the PRC”, the “Atmospheric Pollution Prevention and Control Law of the PRC”, the “Water Pollution Prevention and Control Law of the PRC”, the “Law of the PRC on the Prevention and Control of Environmental Pollution Caused by Solid Wastes”, “Regulation on Urban Drainage and Sewage Treatment”, and the “Air Pollution Control Ordinance” and the “Waste Disposal Ordinance” of Hong Kong.

Air Emissions

The main sources of the Group’s air emissions were the consumption of petrol and diesel by vehicles and machinery. In order to mitigate its impact to the environment, the Group will maintain the overall air emissions intensity for the financial year ended 31 March 2023 (“2023”) to be not greater than that in 2022. The Group has also set a target to reduce its overall air emissions intensity by 6% by the financial year ended 31 March 2025 (“2025”), using 2022 as the baseline year.

We are committed to monitoring the air emissions to comply with relevant laws, regulations and standards, and have actively executed the following reduction and monitoring measures:

- Regularly maintain and repair vehicles to prevent them from generating excess air emissions from broken parts;
- Phase out unqualified vehicles in accordance with the local emission regulations;
- Perform regular inspections to monitor the concentration of air pollutants, volatile organic compounds, benzene, toluene and xylene to ensure the emissions are within the emission standards set by the government; and
- Install filter bags, scrubber and bio-trickling filter to filter dusts, neutralise gas and deodorise air before air is emitted into the atmosphere.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Group's performance of air emissions is summarised below:

Type of air emissions ¹	Unit	2022	2021
Nitrogen Oxides (NOx)	kg	23.38	6.03
Sulphur Oxides (SOx)	kg	0.59	0.13
Particulate Matters (PM)	kg	1.72	0.44

Note:

1. The Group has extended the reporting scope to include the use of vehicle from the Hong Kong office. Hence, the relevant data in both years cannot be directly compared.

GHG Emissions

The GHG emissions of the Group were attributed to the following activities:

- Direct (Scope 1) emissions: combustion of petrol for mobile source, combustion of diesel for stationary source and refrigerant emissions;
- Energy indirect (Scope 2) emissions: purchased electricity; and
- Other indirect (Scope 3) emissions: municipal freshwater and sewage processing, paper waste disposal at landfills and business air travel.

Echoing with the PRC government's goal of "achieving peak emissions by 2030 and carbon neutrality by 2060", the Group will actively respond to the government's emission reduction plan and strive to reduce its GHG emissions intensity within the target period. The Group has set a target to reduce its total GHG emissions intensity by 4% by 2025, using 2022 as the baseline year. We have adopted the following emission reduction measures actively:

- Adopt emission reduction measures on vehicles and machinery, which are described in the section headed "Air Emissions" under this Aspect;
- Adopt energy-saving measures, which are described in the section headed "Energy Management" in Aspect A2;
- Encourage employees to use virtual communication for meetings with colleagues, business partners and clients to reduce the frequency of business trips;
- Keep track of and monitor employees' business air travel; and
- Choose the most energy-efficient method when meeting in-person is inevitable. Flights would only be taken when necessary. Economic class, which has a lower emission, is always preferred.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Group's performance of GHG emissions is summarised below:

Scope of GHG emissions ²	Unit	2022	2021
Combustion of petrol for mobile source	tCO ₂ e	102.52	18.58
Combustion of diesel for stationary source	tCO ₂ e	3.40	3.92
Release of refrigerants	tCO ₂ e	17.60	88.00
Scope 1 Direct emissions	tCO₂e	123.52	110.50
Purchased electricity ³	tCO ₂ e	1,338.29	1,346.21
Scope 2 Energy indirect emissions	tCO₂e	1,338.29	1,346.21
Electricity used for freshwater processing ³	tCO ₂ e	12.67	11.49
Paper waste disposed at landfill	tCO ₂ e	3.09	6.01
Business air travel ⁴	tCO ₂ e	–	0.41
Scope 3 Other indirect emissions	tCO₂e	15.76	17.91
Total GHG emissions	tCO₂e	1,477.57	1,474.62
Intensity⁵	tCO₂e/m²	0.12	0.10

Notes:

- GHG emissions data are presented in terms of carbon dioxide equivalent. As the Group has extended the reporting scope to include data from the Hong Kong office, the emissions data in both years cannot be directly compared. The emission factors were based on, including 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 2: Reporting Guidance on Environmental KPIs" issued by the Stock Exchange, and the "Global Warming Potential Values" from the IPCC Fifth Assessment Report, 2014 ("AR5").
- This excluded the GHG emissions from the electricity and water consumption in Hong Kong office where the utility expenses were included in the management fee paid and where relevant usage data were not made available. Combined margin emission factor in Guangdong Province of the PRC (approximately 0.5089 tCO₂/MWh) from the "Baseline Emission Factors of the Regional Power Grids in the PRC for 2019 Emission Reduction Project" issued by the Ministry of Ecology and Environment of the PRC was used for calculating the energy indirect GHG emissions generated from the purchased electricity.
- Emissions from air travel were calculated using the online tool provided by the International Civil Aviation Organisation. There were no business trips recorded in 2022 due to the impact of the COVID-19 pandemic.
- During the Reporting Period, the total floor area of the Group within the reporting scope was approximately 12,613.00 m² (2021: 15,166.44 m²). These numbers would also be used for calculating other intensity data in the ESG Report.

Wastewater Discharge and Treatment

The Group ensures that wastewater is treated properly and has met the standard of the PRC government before discharge. Wastewater treatment processes, including sedimentation, aerobic and anaerobic digestion and pH adjustment, are applied onsite. The Group monitors the wastewater parameters, such as chemical oxygen demand, total suspended solid, pH, nitrogen content, heavy metal content, etc., and ensures that the effluent meets all permitted effluent limits.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Hazardous Wastes

The hazardous wastes generated during the Group's production process were waste cloths and waste ink cans. To reduce the generation of hazardous waste, the Group will carry out annual activities (such as seminars) starting from 2023 to raise employees' awareness of waste reduction. The Group has also set a target to reduce its total hazardous waste intensity by 3% by 2025, using 2022 as the baseline year.

The Group adheres to the waste management principle and strives to properly manage and dispose of wastes produced during its business activities. The Group has developed and implemented hazardous waste handling procedures. Hazardous wastes generated from the factory are classified with reference to the National Hazardous Waste List, and properly stored in designated area and collected by licensed collectors.

The Group's total hazardous wastes generated has decreased due to reduced business activities as a result of the impact of the COVID-19 pandemic. The Group's performance of hazardous wastes generation is summarised below:

Type of hazardous wastes ⁶	Unit	2022	2021
Waste cloths	tonnes	0.30	0.50
Waste ink cans	tonnes	0.80	1.00
Total hazardous wastes	tonnes	1.10	1.50
Intensity	tonnes/m²	0.0001	0.0001

Note:

6. No significant amount of hazardous wastes was generated from the operation of Hong Kong office. Relevant data were only derived from the operations in the PRC.

Non-hazardous Wastes

The non-hazardous wastes generated during the Group's operations were general wastes and paper waste. Starting from 2023, the Group will carry out annual activities (such as seminars) to raise employees' awareness of waste reduction. The Group has also set a target to reduce its total non-hazardous waste intensity by 3% by 2025, using 2022 as the baseline year.

When collecting, storing, transporting and handling solid wastes, the Group avoids diffusion and leakage, and does not allow any unpermitted disposal of wastes. All wastes generated by the Group is stored in specified areas with strict monitoring. All kinds of waste are collected and proceeded by licensed collectors.

To reduce waste generation, the Group has implemented green office measures to encourage wise use of resources while promoting waste reduction at source. The waste reduction measures are as follows:

- Promote 3Rs – Reduce, reuse and recycle;
- Promote a paperless office by replacing paper documents with digital document;
- Print on both sides of paper; and
- Reuse single-side used paper.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Group's total non-hazardous wastes generated has decreased due to reduced business activities as a result of the impact of the COVID-19 pandemic. The Group's performance of non-hazardous wastes generation is summarised below:

Type of non-hazardous wastes	Unit	2022	2021
General wastes	tonnes	32.39	41.60
Paper waste	tonnes	0.64	1.25
Total non-hazardous wastes	tonnes	33.03	42.85
Intensity	tonnes/m²	0.003	0.003

A2. Use of Resources

The Group upholds and promotes the principle of efficient use of resources. To optimise resources consumption, the Group has formulated the aforementioned "Environmental Policy" to monitor and manage the consumption of fuel, electricity, water and packaging materials.

Energy Management

The major sources of the Group's energy consumption include petrol and diesel consumed by vehicles and machinery, as well as the electricity consumption for its operations. From 2023 onwards, the Group will participate in awareness-building activities related to energy conservation annually. The Group has also set a target to reduce its total energy consumption intensity by 6% by 2025, using 2022 as the baseline year. To improve the energy efficiency, the Group continues to implement the following initiatives, including but not limited to:

- Develop electricity consumption systems to calculate and analyse the total electricity consumption to ensure rational and effective energy use;
- Choose energy-saving air-conditioning and other electronic appliances;
- Adopt LED lightings whenever possible;
- Select energy efficient equipment for production;
- Educate and enhance employees' awareness to reduce unnecessary electricity use;
- Promote electricity conservation behaviours among employees; and
- Post energy saving reminders.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Group's performance of energy consumption is summarised below:

Type of energy ⁷	Unit	2022	2021
Petrol ⁸	MWh	373.53	68.00
Diesel ⁸	MWh	13.91	16.00
Direct energy consumption	MWh	387.44	84.00
Purchased electricity ⁹	MWh	2,630.02	2,646.00
Indirect energy consumption	MWh	2,630.02	2,646.00
Total energy consumption	MWh	3,017.46	2,730.00
Intensity	MWh/m²	0.24	0.18

Notes:

- The Group has extended the reporting scope to include the petrol consumption from the Hong Kong office. Hence, the relevant data in both years cannot be directly compared.
- The unit conversion method of direct energy consumption data is based on the "Energy Statistic Manual" issued by the International Energy Agency.
- This excluded the electricity consumption in Hong Kong offices where the utility expenses were included in the management fee paid and where relevant usage data were not made available.

Water Management

The Group's water consumption is supplied by the municipal water suppliers, therefore there was no significant issue in sourcing water during the Reporting Period. From 2023 onwards, the Group will participate in awareness-building activities related to water conservation annually. The Group has also set a target to reduce its total water consumption intensity by 6% by 2025, using 2022 as the baseline year. To reduce water consumption, the Group keeps track of its monthly water consumption and controls consumption by the following initiatives:

- Deploy water efficient treatment facilities and technologies;
- Reuse greywater whenever possible;
- Post water-saving labels as reminders; and
- Install automatic water taps.

The total water consumption intensity of the Group has increased due to the increase in the need for sanitation and cleaning as a result of the impact of the COVID-19 pandemic. The Group's performance of water consumption is summarised below:

Indicators	Unit	2022	2021
Total water consumption ¹⁰	m ³	30,376.00	27,550.00
Intensity	m³/m²	2.41	1.82

Note:

- This excluded the water consumption in Hong Kong offices where the utility expenses were included in the management fee paid and where relevant usage data were not made available.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Use of Packaging Materials

Due to its business nature, the Group uses packaging material to seal and protect its products, which are mainly paper box, bubble wrap and plastic tape. The Group is committed to reduce the use of packaging materials to minimise its impact on the environment through regular monitoring, assessment and evaluation. We strive to optimise the packaging method, select the most suitable and efficient packaging materials, and prioritise packaging materials that are free of harmful substance and recyclable.

The Group's performance of packaging materials is summarised below:

Types of packaging materials ¹¹	Unit	2022
Paper box	tonnes	5.06
Bubble wrap	tonnes	0.04
Plastic tape	tonnes	0.03
Total packaging materials used	tonnes	5.13
Intensity	tonnes/m²	0.0004

Note:

11. The Group has improved its data collection system to accurately record the use of packaging materials in the unit of tonnes. Hence, the relevant data in both years cannot be directly compared. In 2021, the Group has consumed approximately 6,500 pieces of paper box, 4,550 pieces of bubble wraps and 180.00 grams of plastic tape.

A3. The Environment and Natural Resources

The Group recognises its responsibility in minimising the negative environmental impacts of its operations on the environment and natural resources. To achieve sustainable development and generate long term values to its stakeholders and community, the Group has established aforementioned "Environmental Policy" to carry out continuous monitoring during its daily operations, adopt preventive measures to reduce risks, and ensure compliance with relevant laws and regulations.

Raising Environmental Awareness

In addition to strictly requiring employees to implement the environmental protection measures formulated by the Group, the Group proactively promotes environmental awareness among its employees by participating in more environmental protection activities. In addition, we select environmentally friendly suppliers and we are committed to promoting environmentally responsible practices among customers, suppliers, contractors and business partners.

Green Working Environment

The Group considers that providing a pleasant and safe working environment to its employees is of paramount importance. The Group has conducted regular measurement and inspection on air quality and noise levels. To maintain indoor air quality, air purifying equipment is placed and the ventilation system is cleaned periodically. The Group has also installed sound insulation wall at its production facilities to reduce noise level and vibration during the production process.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

A4. Climate Change

Climate change poses escalating risks and challenges to the global economy, and such risks may negatively impact the Group's business. In response to the community's gradually rising concern on climate change and related issues, the Group has implemented the "Climate Change Policy", which outlines the Group's management approach on climate-related issues and commitment to climate risk mitigation, adaptation and resilience across its operations and along the value chain.

Making reference to the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD"), a climate risk assessment exercise is conducted during the Reporting Period to identify and assess the potential risks in our operations, thereby facilitating the formulation of our climate risk mitigation measures. Based on the assessment results, the Group has integrated climate risks into its enterprise risk management process. The Group identified the material impacts on the Group's business arising from the following risks:

Physical Risks

The location where the Group operates may be subject to extreme weather events such as heavy rain and typhoons. The increasing frequency and severity of such events may increase the risk of power failures, supply chain disruptions, damage to the Group's premises, and resulting in reduced revenue, as well as increasing the cost of repairing or restoring damaged sites. These events could also disrupt the work of employees and even cause casualties. As a countermeasure, the Group has formulated contingency plans to reduce or avoid losses when extreme weather affects its business premises. The Group will identify these risks and prioritise those with material impacts on the Group so that preventive measures can be taken as soon as possible.

Transition Risks

The development of policies and regulations on climate change for carbon reduction may pose potential risks to the Group. Recently, the Stock Exchange requires listed companies to strengthen climate-related disclosures in their ESG reports, which may increase related compliance costs. Failure to meet climate change compliance requirements may expose the Group to the risk of claims and litigation, which may result in a possible loss of corporate reputation. The Group will regularly monitor existing and emerging climate-related trends, policies and regulations to avoid reputation risk due to slow response. The Group will continue to evaluate the effectiveness of the Group's actions on climate change and enhance its ability to address climate-related issues.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

B. SOCIAL

B1. Employment

Human resources are the foundation to support the development of the Group. To fulfil its vision on people-oriented management and to realise the full potential of employees, the Group has formulated a series of human resources management procedures in its “Employee Handbook”, which covers aspects of compensation and dismissal, recruitment and promotion and welfare, etc.

During the Reporting Period, the Group was not aware of any material non-compliance with laws and regulations related to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other benefits and welfare that had a significant impact on the Group. Relevant laws and regulations include are but not limited to the “Labour Law of the PRC”, the “Labour Contract Law of the PRC” and the “Employment Ordinance” of Hong Kong.

Employee Composition

As of 31 March 2022, the Group had 349 employees within the reporting scope (as of 31 March 2021: 262 employees). The figures below illustrate the distribution of workforce:

Employee composition ¹²	2022	2021
By gender		
Male	117	92
Female	232	170
By age group		
30 or below	51	35
31-40	114	89
41-50	126	108
51 or above	58	30
By geographical region		
The PRC	337	261
Hong Kong	10	–
Others	2	1
By employee category		
Senior management	14	7
Middle management	56	52
Frontline and other employees	279	203
By employment type		
Full-time	348	262
Part-time	1	–

Note:

12. The Group has extended the reporting scope to include data from the Hong Kong office. Hence, the relevant data in both years cannot be directly compared.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Employee Benefits and Welfare

The Group believes that employees are important assets and the core of its competitive advantage. Therefore, we are dedicated to improving our employment system in order to attract, cultivate and retain talents and believe that this will contribute significantly to the Group's success. It provides competitive remuneration packages and fringe benefits, including basic salary, different types of leave (annual, sick, maternity, funeral, injury and breast-feeding), insurance, housing provident fund, allowance, subsidy and bonus to its employees.

Under the applicable PRC laws and regulations, the Group is subject to social insurance contribution plans. The Group also participates in a pension scheme under the rules and regulations of the Mandatory Provident Fund Schemes Ordinance (the "MPF Scheme") for all employees in Hong Kong.

Recruitment, Promotion, Compensation and Dismissal

Employees' qualification, professional skills and experiences exert a significant influence on the quality of services. In line with the need of business development and the principles of fairness and justice, the Group actively recruits skilled and qualified personnel in local markets through various channels, such as internal referrals and advertisement on the Internet. The selection is based on the candidate's suitability for the position and potential to fulfil the Group's current and future needs.

The Group's employees are subject to regular review on their work performance. The appraisal results will provide reference standards for salary adjustment, bonus distribution and promotion.

The Group has adopted a 40-hour work week, with 8 hours a day for 5 days a week, excluding rest periods. Employees working overtime are entitled to compensation leave. Departments planning to work outside working hours shall inform and seek approval from the human resources department.

When either party, the Group or the employee, wants to terminate the employment contract, a prior notice in writing of no less than 30 days should be provided to the other party. The Group helps employees eligible for retirement complete retirement procedures in accordance with the national laws for the entitlement to pension benefits.

The summary of employee turnover rate by gender, age group and geographical region is as follows:

Employee turnover rate¹³	2022
Total	35%
By gender	
Male	41%
Female	32%
By age group	
30 or below	66%
31-40	23%
41-50	26%
51 or above	11%
By geographical region	
The PRC	36%
Hong Kong	17%
Others	—

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Note:

13. Due to the optimisation of the data collection system during the Reporting Period, employee turnover rate is disclosed from 2022 onwards. Data comparisons will be provided in the next reporting year. The employee turnover rate is calculated by dividing the number of employees leaving employment during the Reporting Period by the sum of the number of employees at the beginning of the Reporting Period and the number of people employed during the Reporting Period, then multiplied by 100%.

Equal Opportunity, Diversity and Anti-discrimination

The Group respects diversity in the workplace. The Group provides equal opportunities for all employees in respect of recruitment, job advancement, compensation and benefits, and training and development. Employees are not discriminated against or deprived of such opportunities based on gender, ethnic background, religion, colour, age, marital status, family status, retirement, disability, pregnancy or any other discrimination prohibited by applicable law. The Group does not tolerate any form of discrimination.

Communication with Employees

The Group strives to create a motivating work environment by enhancing communication. It encourages open communication and provides channels for employees to express their concerns. Birthday party is held every month to celebrate and reward employees. This also enhances employees' engagement, enhancing work motivation and dedication.

B2. Health and Safety

Providing a healthy and safe work environment is of paramount importance to the Group. The Group has strictly implemented the "Control Procedures on Environmental, Health and Safety", which covers aspects of safe production, occupational health and safety, personal protective equipment usage, fire safety and emergency response. To ensure employees strictly observe all safety operation rules, we have also outlined terms of labour protection, working conditions and protection from occupational hazards in the "Employee Handbook".

During the Reporting Period, the Group was not aware of any material non-compliance with laws and regulations related to health and safety that had a significant impact on the Group. Relevant laws and regulations include but are not limited to the "Labour Law of the PRC", the "Law of the PRC on the Prevention and Treatment of Occupational Diseases" and the "Occupational Safety and Health Ordinance" of Hong Kong. In the past three years (including the Reporting Period), the Group did not record any work-related fatalities. During the Reporting Period, the Group recorded 155 working days lost (2021: 177 lost days) due to work-related injuries.

Managing Safety Risk

The Group has established a safety management system to manage safety elements and mitigate the safety risks in the workplace. It conducts manufacturing process in strict compliance with the corresponding safety requirements, identifies safety hazards, conducts regular safety inspections and monitors working procedures. Besides, the Group provides employees with personal protective equipment, such as gloves and safety goggles, and trainings relating to safety measures of risky works, such as hot working and lifting operations. The Group ensures good ventilation in the work environment for maintaining suitable and comfortable temperature and humidity. For departments that are at higher risk of exposure to occupational hazards, regular medical examinations are provided.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Promoting Safety Measures

The Group has taken further measures to promote behavioural change in order to improve employee's awareness of the importance of health and safety. In the factory, smoking and setting off firecrackers are strictly prohibited. Every department shall require employees to switch off electricity supply, close doors and windows and check fire equipment before leaving the factory. Employees shall pay attention to safety when handling heavy objects and seek for assistance if possible. If any machine, instrument or switch malfunctions, or if any attendant feels uncomfortable, gets injured or infected, employees shall report to supervisors immediately.

Safety Precaution and Response

Fire safety and chemical safety are the major risks in the Group's operations. Fire drills and chemical spill drills are carefully planned, conducted and recorded every year, ensuring employees to be familiar with the emergency plan and able to evacuate and respond quickly and safely. There are clear exit channels, emergency lights, firefighting equipment and other safety equipment in the workplace. The emergency exits are cleaned and inspected regularly and shall always be kept clear from obstruction. Spill kits and first aid kits are available at all production sites. They are replaced after use and inspected regularly.

Preventive Measures of the Outbreak of the COVID-19 Pandemic

In response to the outbreak of the COVID-19 pandemic, the Group has established the "Emergency Plan for the Prevention of COVID-19" and has taken measures to enhance health and safety precautions in the workplace to ensure the health of employees and the Group's business continuity. In addition to strengthening the sanitation of its operations, the Group strictly conducts stringent body temperature checks at its factories and canteens, requires staff to wear surgical masks at work, and reminds employees of the importance of maintaining personal hygiene. We encourage employees to maintain a safe social distance, avoid group meals, and reduce contact with outside parties.

B3. Development and Training

The Group believes that development and training are crucial for employees to discharge their duties more effectively and efficiently. To nurture talents and support continuous development of employees, the Group has established the "Training Management Policy" in its "Employee Handbook" to regulate the processes of training planning, preparation, execution, evaluation and feedback.

Training Programmes

The Group formulates a training plan annually to cater to the needs of employees from different positions through diversified training models, including but not limited to the orientation and internal on-the-job trainings. Training topics includes operation skills, safety measures, and professional knowledge, such as ISO standard and electrical engineering knowledge. Through these training programmes, employees can familiarise themselves with the Group's vision and operation and professional knowledge.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

As the Group operated strictly in accordance with the crowd control and social distancing rules issued by local governments, the number of training activities during the Reporting Period has decreased compared to 2021. The summary of training data by gender and employee category is as follows:

	2022			2021		
	Percentage of employees trained ¹⁴	Breakdown of employees trained ¹⁵	Average training hours ¹⁶	Percentage of employees trained ¹⁴	Breakdown of employees trained ¹⁵	Average training hours ¹⁶
Total	5%	N/A	0.28	N/A	N/A	2.93
By gender						
Male	4%	28%	0.21	N/A	N/A	2.26
Female	6%	72%	0.31	N/A	N/A	3.11
By employee category						
Senior management	21%	17%	0.86	N/A	N/A	13.71
Middle management	5%	17%	0.21	N/A	N/A	1.85
Frontline and other employees	4%	66%	0.26	N/A	N/A	2.84

Notes:

14. Due to the optimisation of the data collection system during the Reporting Period, the percentage of employees trained is disclosed from 2022 onwards. Data comparisons will be provided in the next reporting year. The percentage of employees trained is calculated by dividing the number of employees who took part in training during the Reporting Period by the number of employees at the end of the Reporting Period, then multiplied by 100%.
15. Due to the optimisation of the data collection system during the Reporting Period, the breakdown of employee trained is disclosed from 2022 onwards. Data comparisons will be provided in the next reporting year. The breakdown of employees trained by category is calculated by dividing the number of employees in the specified category who took part in training during the Reporting Period by the total number of employees who took part in training during the Reporting Period, then multiplied by 100%.
16. The average training hours completed per employee is calculated by dividing the number of training hours during the reporting year by the number of employees at the end of the reporting year.

B4. Labour Standards

The Group strictly prohibits human rights abuses. During the Reporting Period, the Group was not aware of any material non-compliance with laws and regulations relating to the prevention of forced labour and child labour that would have a significant impact on the Group. Relevant laws and regulations include but not limited to the “Regulation on Labour Security Supervision” and the “Provisions on the Prohibition of the Use of Child Labour” of the PRC, and the “Employment Ordinance” of Hong Kong.

Prevention of Child and Forced Labour

The Group has detailed all recruitment procedures and requirements in the “Employee Handbook”. No teenagers under the statutory minimum working age will be employed. The Group requires all new employees to provide true and accurate personal identification information. The human resources department is responsible for checking new employees’ identification documents, such as identity card and academic certificates, to ensure that they are legally entitled to work for the Group. When any irregularities are identified, the Group will immediately carry out investigations and impose punishment.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

In addition, the Group prohibits any form of forced, bonded or compulsory labour, human trafficking and other kinds of slavery and servitude. Any form of discrimination, harassment or bullying is not tolerated. The Group does not force its employees to work overtime in daily operations. The Group's "Employee Handbook" has stipulated relevant regulation on overtime working hours. Employees working overtime are entitled to compensation leave. All employees have signed the employment contract and agreed on the stipulated employment terms and conditions. If violation is involved, it will be dealt with in the light of circumstances.

B5. Supply Chain Management

The Group believes that proper management of its supply chain could help mitigating the indirect environmental and social risks and bring positive impact to the Group, the natural environment, and the society. The Group has established the "Procurement Control Procedures" and "Control Procedures for External Supply of Products, Services and Process" to assess the qualifications of new suppliers and the performance of existing suppliers. During the Reporting Period, we cooperated with 152 suppliers in total, all of whom were in the PRC. During the Reporting Period, the Group has implemented the following practices on supplier engagement for all suppliers.

Procurement Practices

During the supplier selection process, the Group arranges on-site audits and reviews the manufacturing process reports, materials details and test reports of the potential suppliers to ensure they meet customers' and the Group's requirements regarding quality. Suppliers shall not violate regulations such as the Restriction of Hazardous Substances ("RoHS") Directive, Waste Electrical and Electronic Equipment ("WEEE") Directive, and Registration, Evaluation, Authorisation and Restriction of Chemicals ("REACH"). Only companies who pass all audits are qualified to be the Group's suppliers.

The Group has also established "Green Procurement Management System" to prioritise suppliers who use eco-friendly products and services to minimise potential environmental risks along the supply chain. Priorities are also given to suppliers awarded with environmental management system certificates.

Managing Environmental and Social Risks along the Supply Chain

The Group assesses the environmental and social performance of suppliers to ensure they work in an ethically and responsibly manner. For existing suppliers, regular performance evaluations are conducted to manage the potential environmental and social risks along its supply chain. Suppliers are assessed and scored concerning their quality management, product price, service and punctuality. The Group only continues to cooperate with qualified suppliers that have passed the supplier assessments.

Besides, suppliers are required to sign agreements such as the "Letter of Commitment to Restricted Substances" and the "Green Procurement Standards" to show their commitments to product quality and environmental performance. The Group regularly evaluates and monitors our suppliers' compliance with the commitment agreements. If any irregularities are found, we will require our suppliers to take immediate remedial and corrective measures. The Group will monitor whether the supply chain management practices are properly implemented to ensure its effectiveness.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

B6. Product Responsibility

The Group is committed to providing products and services with high standard of quality, safety and security, and protecting intellectual property rights and personal data. The Group has established the “Product Safety and Risk Control Procedures” to standardise procedures for the quality management of products and services and provide clear processes for various levels of inspections and states the responsibility of different departments.

During the Reporting Period, the Group was not aware of any material non-compliance with laws and regulations related to health and safety, advertising, labelling, and privacy matters relating to products and services provided and methods of redress that would have a significant impact on the Group. Relevant laws and regulations include but are not limited to the “Law of the PRC on the Protection of Consumer Rights and Interests”, the “Advertising Law of the PRC”, the “Interim Measures for the Administration of Internet Advertising” of the PRC, the “Product Quality Law of the PRC”, and the “Trade Descriptions Ordinance” of Hong Kong.

Product Quality Assurance

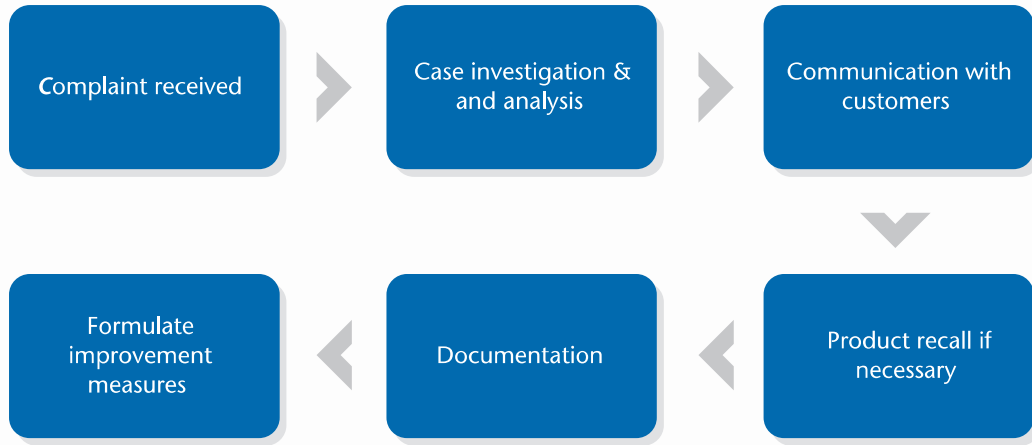
The Group guarantees high product quality. With our commitment to delivering products which are safe and of consistent quality, we ensure that products are sold in compliance with local rules and regulations related to health and safety. Different departments of the Group are taking the lead in providing its customers the best possible experience. Responsibilities of each department are presented below:

Departments	Responsibilities
Engineering and Technology Department	<ul style="list-style-type: none">• Conduct risk analysis and risk management• Provide technical support
Production Unit	<ul style="list-style-type: none">• Ensure safety production• Perform risk management
Quality Management Department	<ul style="list-style-type: none">• Conduct product safety inspection• Review suppliers’ management capabilities regarding product safety
Administrative and Human Resource Department	<ul style="list-style-type: none">• Provide training on product safety responsibilities for employees

Customer Satisfaction

The Group actively communicates with customers and immediately takes measures to resolve any complaints. We have established the “Customer Complaint Handling Procedures” to ensure queries and feedbacks from customers are answered, rectified, and recorded in a systematic manner. When a complaint is received, the quality management department will conduct an internal investigation and analysis. The Group communicates with the customer and responds to the complaint within a specified period. If necessary, the Marketing Department will arrange the product recall process. The Group will document the case and formulate measures for improvement. The figure below outlines the procedures for handling customer complaints:

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



During the Reporting Period, there were no products recalled for safety and health reasons. The Group received one complaint from a customer as the appearance of products did not meet the customer's requirements. We have arranged for exchange and the complaint was resolved through communication.

Privacy Protection

To safeguard corporate or customers' personal data, the Group continues to strengthen the information security system and assigned designated department to govern the authorities and accessibilities of data.

All employees shall observe the employee confidentiality agreement, which states clearly their obligation to safeguard confidential information. Unauthorised access or abuse of confidential information could result in disciplinary action, including dismissal. Disclosure of business information, business secrets, technical information and other company secrets is also strictly prohibited. Employees can be subject to a civil suit for the breach of confidentiality.

The Group has also installed and updated firewalls to prevent data leakage. Pirated and counterfeit software are also prohibited in the Group. No substantiated complaints regarding the breach of client privacy, identified leak, theft, or loss of customer information was received during the Reporting Period.

Advertising and Labelling of Products

The Group respects the customers' rights and is committed in providing accurate marketing information for customers in connection with their purchase decision. The Group strictly regulates and reviews the advertising materials to protect the interests of our customers. Labelling of our products should also be accurate, legitimate, clear, and not misleading in order to avoid any non-compliance with relevant laws and regulations.

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

B7. Anti-corruption

The Group believes that honesty, integrity and fairness are fundamental elements in the Group. The Group has formulated the “Commercial Bribery Prevention Management and Whistle-blowing Policy” to prevent, identify and address any instances of alleged or actual bribery or corruption involving the Group.

During the Reporting Period, the Group was not aware of any material non-compliance with laws and regulations relating to bribery, extortion, fraud and money laundering that would have a significant impact on the Group, nor did we have any concluded cases of corruption litigation. Relevant laws and regulations include but are not limited to the “Company Law of the PRC”, the “Anti-money Laundering Law of the PRC” and the “Prevention of Bribery Ordinance” in Hong Kong.

Integrity Building

All employees are expected to discharge their duties in an honest and ethical manner as stipulated in the said policy and the “Employee Handbook”. Any bribery, theft, fraud and misappropriation are prohibited. All directors and employees shall avoid conflicts of personal interest and their professional duties, and shall not obtain benefits from or provide benefits to customers, suppliers, business partners or other related parties. Employees shall declare all conflicts of interest and all gifts received. Improper benefits including banquets, entertainment, cash, stocks, equities, securities, valuables and properties, etc. shall not be accepted. Due to the impact of the COVID-19 pandemic, the Group has not provided anti-corruption training during the Reporting Period, but will arrange anti-corruption related training for directors and staff in the future to reinforce the concept of integrity.

Whistle-blowing Mechanism

All employees are encouraged to assist in tackling fraud, corruption and other malpractice, and report any suspected cases to the management. When there is any suspected case in the violation of laws, regulations or the Group’s policy, the Group will investigate and impose disciplinary actions, which could result in dismissal. We will also promise to protect the identity of the whistle-blower to prevent any conflict of interest or behaviour that may harm the interests of the Group and relevant stakeholders. The Board also regularly reviews the effectiveness of this whistle-blowing mechanism.

B8. Community Investment

The Group is committed to operating as a responsible corporation and contributing to the economic and social development of local communities. We have established the “Community Investment Policy” to sufficiently manage its donation and sponsorship activities.

Community Investment Activities

The Group continuously works with its partners to support community programmes that bring positive social impacts. We are also dedicated to fostering employees’ sense of social responsibility by encouraging them to participate in volunteering service and charitable activities during their working hours and leisure time.

During the Reporting Period, the Group focused on making contributions to the underprivileged and animal welfare. We have donated a total of approximately HK\$8,000 to various charitable organisations. In the future, we will continue to contribute to the community by seeking cooperation with charities, paying constant attention to the difficulties and needs of the community, and proactively giving back to society with the goal of building a harmonious society.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

CONTENT INDEX OF THE ESG REPORTING GUIDE OF THE STOCK EXCHANGE

Mandatory Disclosure Requirements	Section/Declaration
Governance Structure	ESG Governance Structure
Reporting Principles	About the Environmental, Social and Governance Report – Reporting Framework
Reporting Boundary	About the Environmental, Social and Governance Report – Reporting Scope

Subject Areas, Aspects, General Disclosures and KPIs	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.	Emissions
KPI A1.1	The types of emissions and respective emissions data.	Emissions – Air Emissions
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Emissions – GHG Emissions
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Emissions – Hazardous Wastes
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Emissions – Non-hazardous Wastes
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	Emissions – Air Emissions, GHG Emissions
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Emissions – Hazardous Wastes, Non-hazardous Wastes

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Subject Areas, Aspects, General Disclosures and KPIs	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 (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Use of Resources – Energy Management
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Use of Resources – Water Management
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	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 target(s) set and steps taken to achieve them.	Use of Resources – Water Management
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Use of Resources – Use of Packaging Materials
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impacts 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 – Raising Environmental Awareness, Green Working Environment
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 – Physical Risks, Transition Risks

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Subject Areas, Aspects, General Disclosures and KPIs	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 – Employee Composition
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Employment – Recruitment, Promotion, Compensation and Dismissal
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

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Health and Safety
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 – Training Programmes
KPI B3.2	The average training hours completed per employee by gender and employee category.	Development and Training – Training Programmes
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
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 – Procurement Practices
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 – Managing Environmental and Social Risks along the Supply Chain

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
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 – Procurement Practices
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 – Customer Satisfaction
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Product Responsibility – Customer Satisfaction
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Product Responsibility – Intellectual Property Rights
KPI B6.4	Description of quality assurance process and recall procedures.	Product Responsibility – Product Quality Assurance, Customer Satisfaction
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Product Responsibility – Privacy Protection
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	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Anti-corruption

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
KPI B7.2	Description of preventive measures and whistleblowing procedures, how they are implemented and monitored.	Anti-corruption – Whistle-blowing Mechanism
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Anti-corruption – Integrity Building
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 – Community Investment Activities
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Community Investment – Community Investment Activities