

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) manufacturing and trading of printing and packaging products; and (iv) investments holding. 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 2022 to 31 March 2023 (the “Reporting Period” or “2023”).

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 head office in Hong Kong, PCB business and printing business operated in Hong Kong and the People’s Republic of China (the “PRC”), but excludes the petroleum trading business which have been suspended. 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 of the annual report. The four reporting principles, namely materiality, quantitative, consistency and balance, form the backbone of the ESG Report:

Materiality: The Group has conducted a materiality assessment to identify material issues, and has included the confirmed material issues as the focus of the ESG Report. The materiality of issues was reviewed and confirmed by the board (the “Board”) of directors (the “Directors”) of the Company and ESG Working Group (the “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 key performance indicators (“KPIs”) data were supplemented in the explanatory notes.

Consistency: Unless otherwise stated, the preparation approach of this ESG Report is consistent with the ESG report for the financial year ended 31 March 2022 (“2022”) for comparison purposes. If there are any changes in the reporting scope or calculation methods that may affect comparisons with previous reports, the Group will explain the corresponding changes in the appropriate locations.

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.

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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. The members of the Board possess the appropriate skills, experience, knowledge and perspectives necessary to oversee the Group’s ESG matters. The Board must hold at least one meeting each year to establish the overall ESG approach, oversee and assess the potential impacts and risks of the ESG issues related to the Group’s operation, review the Group’s performance against ESG-related targets, review the materiality of ESG issues, ensure the effectiveness of the Group’s risk management and internal control systems, as well as approve disclosures in the ESG reports.

To systematically manage ESG issues under the Board’s delegations, the Group has established the Working Group with its terms of reference. The Working Group is composed of members including executive and independent non-executive Directors, who possess relevant qualifications and professional knowledge in all aspects of ESG and are responsible for the specific implementation of ESG management. The Working Group shall arrange at least one meeting each year to discuss the Group’s ESG performance and report their investigation results, decisions and recommendations to the Board at least once a year. The Working Group works with an independent third party and is mainly 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 appropriate implementation and effectiveness of ESG risk management and internal control systems.

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STAKEHOLDER ENGAGEMENT

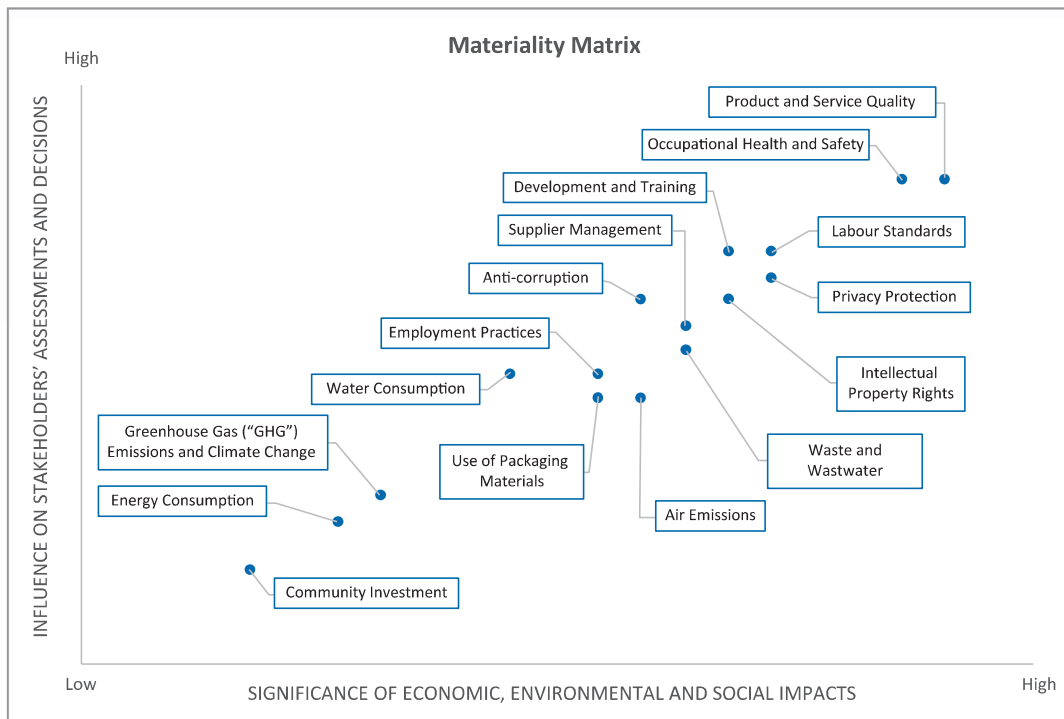
The Group values feedback from its stakeholders as they bring invaluable directions for continuous development to the Group. We communicate with internal and external stakeholders regularly to collect their views regarding the Group's operation and performances. By using the diversified cooperation methods 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 and Investors	<ul style="list-style-type: none">• General meetings (annual and special general meetings)• Interim and annual 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 telephone 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• Interim and annual reports	<ul style="list-style-type: none">• Giving back to society• Environmental protection• Compliant operations

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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.

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A. ENVIRONMENTAL

Environmental Targets

The Group values the concept of sustainable development and is committed to reducing its impact on the environment. In 2022, the Group established a series of environmental targets to respond to the national vision of environmental protection and carbon neutrality, and to enhance its corporate reputation. The Group continuously monitors and reviews the progress of its targets, and strives to optimise its environmental management practices in order to achieve the targets set. The progress towards the target, relevant data and year-on-year comparisons are listed in the table below and subsequent sections.

Aspects	Targets	Progresses
Air Emissions	Maintain the intensities of air emissions for 2023 to be not greater than that in 2022.	Due to the business expansion and development of the Group in 2023, the Group is still making effort in reducing its air emissions. Going forward, the Group will maintain its focus on emissions reduction and monitor its progress towards the 2025 target.
	Reduce the intensities of air emissions by 6% by the financial year ended 31 March 2025 ("2025"), using 2022 as the baseline year.	
Greenhouse Gas ("GHG") Emissions	Reduce its total GHG emissions intensity by 4% by 2025, using 2022 as the baseline year.	On track
Hazardous Wastes	Carry out annual activities (such as seminars) to raise employees' awareness of waste reduction.	The Group has planned to organise relevant activities in the financial year ended 31 March 2024 ("2024") when the pandemic is in remission.
	Reduce the total hazardous waste intensity by 3% by 2025, using 2022 as the baseline year.	On track
Non-hazardous Wastes	Carry out annual activities (such as seminars) to raise employees' awareness of waste reduction.	The Group has planned to organise relevant activities in 2024 when the pandemic is in remission.
	Reduce the total non-hazardous waste intensity by 3% by 2025, using 2022 as the baseline year.	On track
Energy Management	Participate in awareness-building activities related to energy conservation annually.	The Group has planned to organise relevant activities in 2024 when the pandemic is in remission.
	Reduce its total energy consumption intensity by 6% by 2025, using 2022 as the baseline year.	On track
Water Management	Participate in awareness-building activities related to water conservation annually.	The Group has planned to organise relevant activities in 2024 when the pandemic is in remission.
	Reduce its total water consumption intensity by 6% by 2025, using 2022 as the baseline year.	On track

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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. 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 and forklifts 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.

The increased need for business commuting in 2023 has led to an increase in vehicle usage. As a result, the intensities¹ of nitrogen oxides (“NOx”), sulphur oxides (“SOx”) and particulate matter (“PM”) emissions have increased from 1.85 g/m², 0.05 g/m² and 0.14 g/m² to 2.03 g/m², 0.06 g/m² and 0.15 g/m² respectively compared to 2022. The Group’s performance of air emissions is summarised below:

Types of air emissions ²	Unit	2023	2022
NOx	kg	25.62	23.38
SOx	kg	0.71	0.59
PM	kg	1.89	1.72

Note(s):

1. During the Reporting Period, the total floor area of the Group within the reporting scope was approximately 12,613.00 m² (2022: 12,613.00 m²). These numbers would also be used for calculating other intensity data in the ESG Report.
2. The calculation method of air emissions is based on “How to prepare an ESG Report - Appendix 2: Reporting Guidance on Environmental KPIs” issued by the Stock Exchange.

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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 forklifts and refrigerant emissions;
- Energy indirect (Scope 2) emissions: purchased electricity; and
- Other indirect (Scope 3) emissions: municipal freshwater processing, paper waste disposal at landfills and business trips (if any).

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. 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.

The total GHG emissions intensity remained at a similar level compared to 2022. The Group's performance of GHG emissions is summarised below:

Scopes of GHG emissions ³	Unit	2023	2022
Combustion of petrol for vehicles	tCO ₂ e	125.33	102.52
Combustion of diesel for forklifts	tCO ₂ e	2.24	3.40
Release of refrigerants	tCO ₂ e	12.32	17.60
Scope 1 Direct emissions	tCO₂e	139.89	123.52
Purchased electricity ⁴	tCO ₂ e	1,327.82	1,338.29
Scope 2 Energy indirect emissions	tCO₂e	1,327.82	1,338.29
Electricity used for freshwater processing ⁴	tCO ₂ e	12.02	12.67
Paper waste disposed at landfill	tCO ₂ e	2.48	3.09
Business air travel ⁵	tCO ₂ e	–	–
Scope 3 Other indirect emissions	tCO₂e	14.50	15.76
Total GHG emissions	tCO₂e	1,482.21	1,477.57
Intensity	tCO₂e/m²	0.12	0.12

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Note(s):

- GHG emissions data are presented in terms of carbon dioxide equivalent. 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.
- The data excluded the GHG emissions from the electricity consumption and water consumption in Hong Kong office where the utility expenses were included in the management fee paid and where relevant usage data is not made available. For the calculation of energy indirect GHG emissions generated from purchased electricity in 2023, we used the national grid emission factor provided in the "Notice on the Management of Enterprise Greenhouse Gas Emissions Reporting of Power Generation Industry for 2023-2025" issued by the Ministry of Ecology and Environment of the PRC.
- There were no business trips recorded in 2022 and 2023 due to pandemic prevention measures.

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.

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 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 hired a third-party collector in 2023 to manage the disposal of its waste ink cans, which caused the data for that year to be unavailable. This led to a reduction in total hazardous waste intensity in 2023 compared to 2022. The Group's performance of hazardous wastes generation is summarised below:

Types of hazardous wastes ⁶	Unit	2023	2022
Waste cloths	tonnes	0.22	0.30
Waste ink cans	tonnes	N/A	0.80
Total hazardous wastes	tonnes	0.22	1.10
Intensity	tonnes/m²	0.00002	0.0001

Note(s):

- Hazardous waste generation from the Hong Kong office was not significant. Relevant data are only derived from the operations in the PRC.

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Non-hazardous Wastes

The non-hazardous wastes generated during the Group's operations were general wastes and paper waste. 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.

The amount of general waste generated in 2023 has decreased due to the reduction in the number of employees. Additionally, the property owner has taken responsibility for managing paper use and disposal in the Hong Kong office since 2023, which has made data for that year unavailable. As a result, the total non-hazardous waste intensity in 2023 has decreased compared to 2022. The Group's performance of non-hazardous wastes generation is summarised below:

Types of non-hazardous wastes	Unit	2023	2022
General wastes	tonnes	22.82	32.39
Paper waste	tonnes	0.54	0.64
Total non-hazardous wastes	tonnes	23.36	33.03
Intensity	tonnes/m²	0.002	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 Group's primary sources of energy consumption are petrol and diesel used by vehicles and machinery, as well as electricity consumption for its operations. Along with the energy management measures discussed in the previous sections, the Group has implemented several initiatives to enhance energy efficiency. These measures include, but are 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; and
- Post energy saving reminders.

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Due to the optimisation of energy management system in accordance with the “Environmental Policy” in 2023, the total energy consumption intensity in 2023 has decreased compared to 2022. The Group’s performance of energy consumption is summarised below:

Types of energy	Unit	2023	2022
Petrol ⁷	MWh	456.66	373.53
Diesel ⁷	MWh	9.18	13.91
Direct energy consumption	MWh	465.84	387.44
Purchased electricity ⁸	MWh	2,328.28	2,630.02
Indirect energy consumption	MWh	2,328.28	2,630.02
Total energy consumption	MWh	2,794.12	3,017.46
Intensity	MWh/m²	0.22	0.24

Note(s):

- 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 office where the utility expenses were included in the management fee paid and where relevant usage data is 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. 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.

Due to the effective management of water consumption in 2023, the total water consumption intensity in 2023 has decreased compared to 2022. The Group’s performance of water consumption is summarised below:

Indicators	Unit	2023	2022
Total water consumption ⁹	m ³	28,055.00	30,376.00
Intensity	m³/m²	2.22	2.41

Note(s):

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

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Use of Packaging Materials

Due to its business nature, the Group uses packaging materials 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.

Due to the Group's regular monitoring, assessment and education in relation to the use of packaging materials, the total packaging materials consumption intensity in 2023 has decreased compared to 2022. The Group's performance of packaging materials is summarised below:

Types of packaging materials	Unit	2023	2022
Paper box	tonnes	4.18	5.06
Bubble wrap	tonnes	0.04	0.04
Plastic tape	tonnes	0.03	0.03
Total packaging materials consumption	tonnes	4.25	5.13
Intensity	tonnes/m²	0.0003	0.0004

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.

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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 purchased insurance for its employees and assets, and 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. For example, the PRC government sets a goal of "achieving peak emissions by 2030 and carbon neutrality by 2060" and the Stock Exchange requires listed companies to strengthen climate-related disclosures in their ESG reports. These regulations may increase related compliance costs. Failure to meet climate change compliance requirements may also 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. We are willing to consult professional entities to improve our compliance and quality on ESG-related disclosures. The Group will also continue to evaluate the effectiveness of the Group's actions on climate change and enhance its ability to address climate-related issues.

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, covering topics such as covers aspects of compensation and dismissal, recruitment and promotion and welfare, in its "Employee Handbook", "Recruitment and Dismissal Regulations" and "Remuneration and Benefits System".

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.

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Employee Composition

As at 31 March 2023, the Group had 290 employees within the reporting scope (as at 31 March 2022: 292¹⁰ employees). The distribution of workforce is as follows:

Employee composition ¹⁰	As at 31 March 2023	As at 31 March 2022
By gender		
Male	96	102
Female	194	190
By age group		
30 or below	29	28
31-40	94	92
41-50	127	127
51 or above	40	45
By geographical region		
The PRC	268	273
Hong Kong	20	17
Others	2	2
By employee category		
Senior management	18	16
Middle management	54	58
Frontline and other employees	218	218
By employment type		
Full-time	289	291
Part-time	1	1

Note(s):

10. The Group has identified discrepancy in the employment data as at 31 March 2022 and therefore has recalculated the relevant data.

As at 31 March 2023, our overall workforce gender ratio is about 1:2.02 male to female. The higher female ratio is mainly due to the gender availability in the market. While striving to narrow the gender gap of our operations staff, we take into account other factors inclusive of qualifications and skills in determining qualified individual beside gender considerations.

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.

The Company has also adopted a Share Option Scheme as an incentive to, inter alia, its Directors and eligible employees, details of which are set out in the Report of the Directors.

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 for all employees in Hong Kong.

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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. According to the "Employee Remuneration and Compensation Management Procedures", employees working overtime are entitled to compensation in terms of both leave and additional salary. 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 rate ¹¹	2023	2022
Total	39%	47%
By gender		
Male	38%	50%
Female	39%	45%
By age group		
30 or below	69%	80%
31-40	31%	36%
41-50	32%	29%
51 or above	27%	41%
By geographical region		
The PRC	40%	48%
Hong Kong	–	11%
Others	–	–

Note(s):

11. Employee turnover rate = number of employees in the specified category leaving employment during the year ÷ (number of employees in the specified category at the beginning of the year + number of people employed in the specified category during the year) × 100%. The Group has identified discrepancy in the employment data in 2022 and therefore has recalculated the relevant data.

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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 "Management Regulations on Work-related Injuries and Accidents", which includes procedures for reporting, handling occupational health and safety accidents and providing compensation. 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 arranged additional safety training sessions, which appeared to contribute to a significant decrease in work-related injuries. We recorded only 9 working days lost due to work-related injuries in 2023 (2022: 155 lost days).

Managing Safety Risk

The Group has established a safety management system to manage safety elements and mitigate the safety risks in the workplace. It strictly complies with corresponding safety requirements during the manufacturing process, identifies safety hazards, conducts regular safety inspections and monitors working procedures. In addition, the Group provides employees with personal protective equipment, such as gloves and safety goggles, and offers training on safety measures for risky tasks, such as hot working and lifting operations. The Group ensures good ventilation in the work environment to maintain a suitable and comfortable temperature and humidity. For departments that are at a higher risk of occupational hazards, regular medical examinations are provided.

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Promoting Safety Measures

The Group has implemented additional measures to promote behavioural change and improve employee awareness of the importance of health and safety. Smoking and setting off firecrackers are strictly prohibited in the factory. Each department is responsible for ensuring that employees switch off electricity supply, close doors and windows, and check fire equipment before leaving the factory. Employees should exercise caution when handling heavy objects and seek assistance when necessary. In the event of a malfunctioning machine, instrument, or switch, or if an employee feels uncomfortable, gets injured, or becomes infected, they should immediately report to their supervisors.

Safety Precaution and Response

Fire safety and chemical safety are major risks in the Group's operations. Therefore, fire drills and chemical spill drills are carefully planned, conducted, and recorded every year to ensure that employees are familiar with the emergency plan and can evacuate and respond quickly and safely. The workplace is equipped with clear exit channels, emergency lights, firefighting equipment and other safety equipment. The emergency exits are regularly cleaned, inspected, and kept clear from obstructions. Spill kits and first aid kits are available at all production sites and 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 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 conducts strict 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. Due to the adjustments made to national and local pandemic prevention policies and the gradual relaxation of pandemic restrictions in late 2022 and with the pandemic now in remission, the Group has eased related measures accordingly and resumed normal operations in an orderly manner. We continue to closely monitor local pandemic situations and policy changes, and remind our employees to pay attention to personal hygiene to prevent the spread of the virus.

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 an annual training plan to cater to the needs of employees from different positions through diversified training models, including but not limited to orientation and on-the-job training. The training topics cover operation skills, safety measures, and professional knowledge, such as ISO standards and electrical engineering. Through these training programmes, employees can familiarise themselves with the Group's vision, operations and professional knowledge.

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With the COVID-19 pandemic becoming less acute in late 2022, the Group has been able to provide more in-person and practical training opportunities, resulting in a significant increase in both training hours and percentage. The summary of training data by gender and employee category is as follows:

	2023			2022		
	Percentage of employee trained ¹²	Breakdown of employees trained ¹³	Average training hours ¹⁴	Percentage of employee trained ¹²	Breakdown of employees trained ¹³	Average training hours ¹⁴
Total	79%	N/A	0.58	6%	N/A	0.33
By gender						
Male	65%	27%	0.46	5%	28%	0.24
Female	86%	73%	0.64	7%	72%	0.38
By employee category						
Senior management	17%	1%	0.67	19%	17%	0.75
Middle management	15%	4%	0.27	5%	17%	0.21
Frontline and other employees	100%	95%	0.65	6%	66%	0.33

Note(s):

12. Percentage of employee trained = number of employees in the specified category who took part in training during the year ÷ number of employees in the specified category at the end of the year × 100%. The Group has identified discrepancy in the employment data in 2022 and therefore has recalculated the relevant data.
13. Breakdown of employees trained = number of employees in the specified category who took part in training during the year ÷ total number of employees who took part in training during the year × 100%.
14. Average training hours = number of training hours received by employees in the specified category during the year ÷ number of employees in the specified category at the end of the year. The Group has identified discrepancy in the employment data in 2022 and therefore has recalculated the relevant data.

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. All new employees are required to provide true and accurate personal identification information. The human resources department is responsible for verifying 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.

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In addition, the Group prohibits any form of forced, bonded or compulsory labour, human trafficking and other kinds of slavery and servitude. The Group does not tolerate any discrimination, harassment, or bullying. Employees are not required to work overtime in their daily operations, and the "Employee Handbook" has stipulated relevant regulations on overtime working hours. Employees working overtime are entitled to compensation leave. All employees have signed the employment contract and agreed to the stipulated terms and conditions. Any violations will be dealt with accordingly.

B5. Supply Chain Management

The Group believes that proper management of its supply chain can help mitigate the indirect environmental and social risks and bring positive impact to the Group, natural environment, and society. To this end, the Group has optimised its procurement-related policies and procedures. A set of policies including "Quotation Control Process", "Approval Authority Policy" and "PCB Procurement Management Procedures" has been established to standardise the quotation and procurement procedures. During the Reporting Period, we cooperated with 124 suppliers in total, all of whom were in the PRC (2022: 152 PRC suppliers). 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 quality management department, production unit and engineering department arrange on-site audits and review the manufacturing process reports, materials details and test reports of potential suppliers to assess the qualifications of new suppliers and the performance of existing suppliers. Suppliers must comply with 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. Priority is also given to suppliers who have been awarded environmental management system certificates.

Managing Environmental and Social Risks along the Supply Chain

The Group assesses the environmental and social performance of its suppliers to ensure they work in an ethical and responsible 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 based on 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 DML Green Procurement Standards to demonstrate their commitments to product quality and environmental performance. The Group regularly evaluates and monitors suppliers' compliance with these commitment agreements. If any irregularities are found, the Group will require suppliers to take immediate remedial and corrective measures. To ensure the effectiveness of the supply chain management practices, the Group regularly monitors whether the practices are properly implemented through its enterprise risk management process.

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B6. Product Responsibility

The Group is committed to providing products and services with a high standard of quality, safety and security, and protecting intellectual property rights and personal data. 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

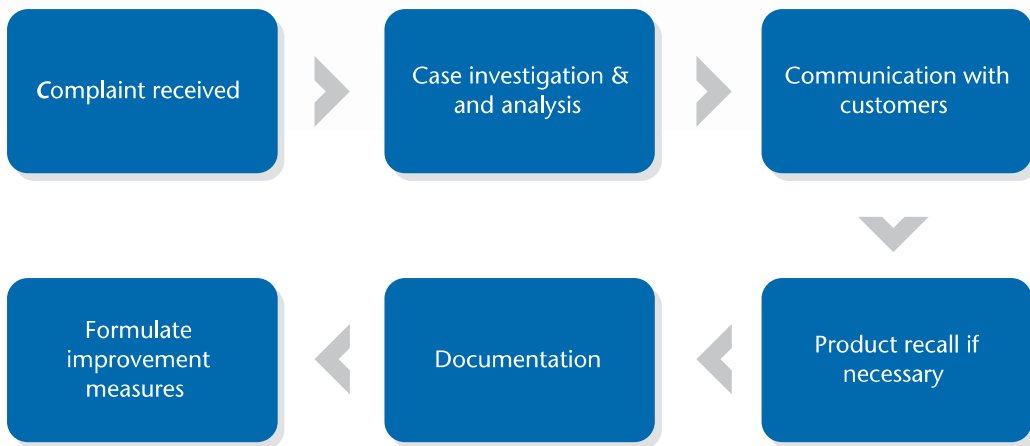
The Group is committed to delivering products that are safe and of consistent quality and providing its customers with the best possible experience, and ensuring compliance with local rules and regulations related to health and safety. To this end, the Group has established the “Product Safety and Risk Control Procedures” to standardise procedures for the quality management of products and services. It has also established procedures for quality inspections of raw materials upon their arrival in the warehouse. Different departments within the Group take the lead in fulfilling these responsibilities, with their specific roles outlined 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 department	<ul style="list-style-type: none">• Provide training on product safety responsibilities for employees

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Customer Satisfaction

To maintain high standards of customer service, the Group has developed “Customer Service Management Guidance” provide detailed instructions to employees on how to handle product orders, customer inquiries and other related matters. The Group also actively communicates with customers and takes immediate measures to resolve any complaints. We have established the “Customer Satisfaction Evaluation Procedures” to ensure that queries and feedbacks from customers are answered, rectified, and recorded in a systematic manner. When a complaint is received, the quality management department conducts an internal investigation and analysis. The Group communicates with the customer and responds to the complaint within a specified period. If necessary, the market department arranges the product return process according to the “Customer Complaints and Product Return Procedures”. The Group will document the case and formulate measures for improvement. The figure below outlines the procedures for handling customer complaints:



During the Reporting Period, there were no products recalled for safety and health reasons (2022: nil). The Group received 3 complaints from a customer as the appearance of products did not meet the customer’ requirements (2022: 1 complaint). We have arranged for exchange and the complaint was resolved through communication.

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Privacy Protection

To safeguard corporate or customers' personal data, the Group continues to strengthen its information security system and has stipulated the "Personal Data Protection Policies and Procedures Manual". Designated department has been assigned to govern the authorities and accessibility of data.

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

The Group has also installed and updated firewalls to prevent data leakage. The use of pirated and counterfeit software is strictly prohibited. During the Reporting Period, the Group did not receive any substantiated complaints regarding the breach of client privacy, identified leaks, theft, or loss of customer information.

Advertising and Labelling of Products

The Group respects the rights of customers and is committed to providing accurate marketing information to assist them in their purchase decisions. We have established the "Marketing Operational Procedures" to strictly regulate and review advertising materials to protect the interests of our customers. The labelling of our products must be accurate, legitimate, clear, and not misleading 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 its customers are protected and managed by a designated department. Employees are prohibited from copying or disclosing any information, including but not limited to designs, techniques, and trade information, to third parties without the Group's consent.

B7. Anti-corruption

The Group believes that honesty, integrity and fairness are fundamental elements of the organisation. The Group has formulated the "Commercial Bribery Prevention Management and Whistle-blowing Policy" and "Integrity Policy Management Procedures" 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 were there any concluded cases of corruption litigation (2022: nil). 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.

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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”. Bribery, theft, fraud and misappropriation are prohibited. All directors and employees must avoid conflicts of personal interest with their professional duties, and must not obtain or provide benefits to customers, suppliers, business partners or other related parties. Employees must declare all conflicts of interest and any gifts received, and must not accept improper benefits such as banquets, entertainment, cash, stocks, equities, securities, or other valuables.

During the Reporting Period, all Directors and 1 employee participated in approximately 1 hour of anti-corruption training seminar. The training seminar includes an introduction to relevant laws and regulations related to anti-corruption and bribery, as well as best practices for preventing corruption in the workplace. The Group ensures that this type of training is conducted at least once a year to reinforce its commitment to maintaining integrity in its operations.

Whistle-blowing Mechanism

The Group encourages all employees to assist in tackling fraud, corruption and other malpractice by reporting any suspected cases to management in confidence and anonymity. All reported cases will be investigated in a timely and confidential manner and confirmed cases will further be reported to the Audit Committee of the Company to ensure that appropriate remedial actions are to be taken. Meanwhile, if there is any suspected violation of laws, regulations, or the Group's policy, the Group will investigate and impose disciplinary actions, which could result in dismissal. We 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 to ensure its continued success.

B8. Community Investment

The Group is committed to operating as a responsible corporation and contributing to the economic and social development of local communities. To this end, we have established the “Community Investment Policy” to effectively manage our donation and sponsorship activities.

Community Investment Activities

The Group continuously collaborates with its partners to support community programmes that have a positive social impact. We are also dedicated to fostering our employees’ sense of social responsibility by encouraging them to participate in volunteer service and charitable activities during both work and leisure time.

During the Reporting Period, the Group continued to focus on making contributions to underprivileged individuals and animal welfare. We donated a total of HK\$8,000 to various charitable organisations supporting these causes (2022: donated HK\$8,000). In the future, we will continue to contribute to the community by seeking cooperation with charities, paying close attention to the difficulties and needs of the community, and proactively giving back to society with the goal of building a harmonious society.

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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.	Environmental Targets; 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.	Environmental Targets; Emissions – Hazardous Wastes, Non-hazardous Wastes

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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	Environmental Targets; 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.	Environmental Targets; 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

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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
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

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Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
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
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

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Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
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
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
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