



JIMU GROUP LIMITED
積木集團有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8187)

The background features a collection of colorful, semi-transparent geometric shapes including cubes, prisms, and polygons in shades of pink, yellow, blue, green, and purple. There are also circular elements with diagonal stripes in orange and grey, and thin diagonal lines in blue and purple.

2022

**ENVIRONMENTAL, SOCIAL AND
GOVERNANCE REPORT**

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



TABLE OF CONTENTS

ABOUT THIS REPORT	2
ESG VISION, STRATEGY AND GOVERNANCE	4
STAKEHOLDER ENGAGEMENT	5
MATERIALITY ASSESSMENT	6
ENVIRONMENTAL SUSTAINABILITY	8
SOCIAL SUSTAINABILITY	14
REPORT DISCLOSURE INDEX	28





ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ABOUT THIS REPORT

Jimu Group Limited and its subsidiaries (the “**Group**” or “**we**”) are pleased to present our Environmental, Social and Governance (“**ESG**”) Report (the “**ESG Report**”). This report discloses the Group’s impacts on the environment and society, and the Group’s policies and initiatives commit the Group’s activities, at all levels, to be economically, socially, and environmentally sustainable to its stakeholders. Additional information in relation to the Group’s corporate governance and financial performance can be referred to our annual report for the year ended 31 December 2022.

Scope and Reporting Boundary

The scope of the ESG Report covers the ESG practices, performances, and outcomes of the Group’s principal operating activities spanning the period from 1 January 2022 to 31 December 2022 (the “**Reporting Period**”). The Group is principally engaged in the trading of footwear and apparel businesses and the provision of loan facilitation and credit assessment services. The Group’s operations are located in Hong Kong, the People’s Republic of China (“**PRC**”), and Canada.

While we seek to establish a consistent boundary for reporting ESG aspects across the Group’s structure, the reporting boundary of the ESG Report is hence established based on the criteria that all operations and entities in which the Group has a controlling interest and which are under our management, in terms of a contractual obligation. As a result, we do not report any information for entities that are not part of the Group’s structure, where we do not own assets, do not directly engage or employ the workforce, and do not operate the asset under a contractual obligation. In addition, we do not report information for entities that were sold, ceased to operate or were acquired during the Reporting Period, including but not limited to closed branches of our loan facilitation and credit assessment segment.



Part of the content may look back upon the performance of the Group in past years with a view to presenting the report in a more informative and comparable manner. As the Group has started operations in Canada during 2022, the reporting boundary has been adjusted accordingly and now covers the operating entities in Hong Kong, the PRC, and Canada.

Reporting Guidelines

This ESG Report has been prepared with reference to the Environmental, Social and Governance Reporting Guide (the “**ESG Reporting Guide**”) set out in Appendix 20 to the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited and has complied with the “comply or explain” provisions set out in the ESG Reporting Guide during the Reporting Period.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Reporting Principles

This Report is prepared based on the following basic principles:

- Materiality* The Group has made an objective and systematic materiality assessment that prioritizes the issues affecting the operation, and the policies, measures and performance of the Group in terms of environmental and social aspects. Details and results are presented in the section headed “Materiality Assessment” in this ESG Report.
- Quantitative* The Group has disclosed key performance indicators (“KPI” or “KPIs”) with comparative data, mainly on the environmental and social aspects, and has provided relevant standards, methodologies, assumptions, calculation tools and sources of conversion factors when applicable.
- Balance* The ESG Report provides an unbiased picture on the ESG performance to as to avoid selections, omission, or presentation formats that may inappropriately influence a decision or judgement by the Report readers.
- Consistency* The ESG Report incorporated consistent reporting techniques and calculation methodologies so that the ESG Report readers can rely on the preciseness of data. Any changes to the reporting techniques and calculation methodologies will be disclosed.

Review and Approval

The ESG Report for the Reporting Period has been reviewed and approved by the Board of the Company.

Data Collection

Data in this ESG Report are extracted from the Group’s internal management system and statistics, during the year or in previous years. Unless otherwise stated, all monetary amounts disclosed are denominated in Hong Kong Dollars (“HKD”).

Report Availability

The ESG Report is published in electronic version which is available on the Company’s website (<http://www.jimugroup8187.com>) and the HKEXnews website (<http://www.hkexnews.hk>).

Contact and Feedback

The ESG Report shall be published both in English and Chinese, should there be any discrepancy between the English and the Chinese versions, the English version shall prevail. The Group highly values the opinions from the relevant stakeholders, and welcome readers to contact it through the following contact methods. Your opinions will assist the Group to further improve this Report and enhance the overall ESG performance of the Group.

Mail Unit 06, 12th Floor, The Broadway, No. 54–62 Lockhart Road, Hong Kong
Phone +852 3905 1878
Fax +852 3007 6555
Email info@jimugroup8187.com



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ESG VISION, STRATEGY AND GOVERNANCE

While the impact of global sustainability issues like climate change, pollution, and ecological and ethical footprints have been common around us for quite some time, the Group is aware that consumers are gradually becoming more attentive to those issues and are starting to factor in these issues in their purchasing decisions. Where once customers would rarely question how a product was made or what it was made of, corporations are now expected to clearly state where their products come from and whether ESG impacts have been assessed and neutralised during their procurement, manufacturing, logistics, human resources and other business processes. The change in consumer mentality is progressively transforming purchasing decisions. As such, it has never been more important for the Group to implement good ESG practices into our business model and to develop robust ESG governance to manage and enhance the Group's sustainability performance.

The board of directors (the "**Board**") holds accountability for Group's ESG strategies, measures and performance, and ensures that the ESG strategies are included in the business operation processes. The Board oversees the identification and assessment of critical business and ESG risks and opportunities. The ESG initiatives are carried out by the management team, which ensures the effectiveness of ESG risk management and related internal control systems, thereby driving its sustainable development. We firmly believe that our commitment to environmental protection will become part of our competitiveness, leading the Group to a greater success in the future and fulfilling our responsibilities as a member of the community we all live in.

Although change is always difficult and requires careful management, we believe that these initiatives will become part of our competitiveness and are capable to reflect our commitment to offering our clients the best quality of services with the least adverse impact on our planet, building a greener and healthier environment together with all the members of the community.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

STAKEHOLDER ENGAGEMENT

The Group values all insights and opinions from our stakeholders and is committed to responding to their concerns. Through engagement with the stakeholders, we are able to improve the Group's performance in sustainable development and take concrete actions. The Group has launched various measures to maintain good communications with stakeholders. Below are the communication channels between the Group and stakeholders and their concerned topics.

Stakeholders	Concerned Topics	Communication Channels
Shareholders	- Corporate governance	- Shareholders' annual and general meeting
	- Financial performance	- Annual, interim and ESG reports
Customers	- Product quality	- Circulars and press release
	- Customer services	- Company's website
	- Data protection	- Customer services hotline
Suppliers	- Stability of business relationship	- Email and telephone
	- Data protection	- Social media
Government	- Tax compliance	- Direct contact with customers
	- Occupational safety	- Supplier review and assessment
Community	- Involvement in cultural social development	- Supplier meetings
		- Email and telephone
		- General liaison
Internal stakeholders – management and employees	- Employee's benefits and rights	- Campaigns and seminars
	- Health and safety	- Website and social media
	- Training and development	- Press releases and conferences

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

MATERIALITY ASSESSMENT

Materiality assessment of ESG issues has become a corporate imperative. The concept of materiality encompasses all those issues that the Group needs to take into account and it provides a blueprint for our sustainable development strategy. The Group reviews the materiality of ESG-related topics based on stakeholder engagement activities on an annual basis that truly reflect the environmental and social issues to stakeholders.

The Group has evaluated the materiality and importance in ESG aspects through the following steps:

01

Step 1: Identification

Review ESG disclosure of peers for an indication of potentially relevant ESG issuers.

Invite stakeholders to complete an online survey to prioritize the importance of ESG issues to them and to the Group.

02

Step 2: Prioritization

Consolidate the results from step 1 and develop a prioritized list of potential material ESG issues.

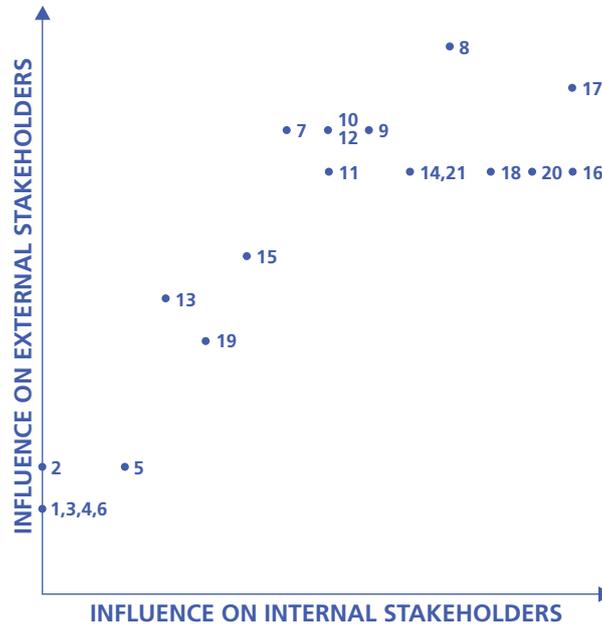
03

Step 3: Validation

The Group's management finalize the list of material issues and their KPIs for disclosure.

The result of the materiality assessment of ESG issues is displayed in the following materiality matrix.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



- | | |
|-----------------------------------------------------------------|------------------------------------------------------------------|
| 1. Greenhouse gas emissions | 12. Supplier selection and assessment |
| 2. Waste management | 13. Green procurement |
| 3. Energy consumption | 14. Product quality control |
| 4. Water consumption | 15. Product recall |
| 5. Paper consumption | 16. Customer satisfaction |
| 6. Management risk related to environment and natural resources | 17. Protection of intellectual property rights and customer data |
| 7. Equal opportunities | 18. Anti-corruption and whistle-blowing policies |
| 8. Employee's benefits | 19. Concluded legal cases |
| 9. Occupational health and safety | 20. Anti-corruption trainings |
| 10. Employee development and training | 21. Community engagement |
| 11. Prevention of child labour and forced labour | |

The following topics have been deemed as the most important ESG issues:

- Protection of intellectual property rights & customer data;
- Customer satisfaction;
- Anti-corruption & whistle-blowing policies and related trainings;
- Employee's benefits; and
- Occupational health and safety.

The Group assesses and monitors the influential aspects with policies and best practice. We will continue to nourish good relationship with our stakeholders, manage ESG-related risks effectively and enhance the ESG performance. The Group endeavors to minimize the impacts brought on the environment and society, and to achieve the sustainability of business development.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

A. ENVIRONMENTAL SUSTAINABILITY

While striving to generate revenue for stakeholders and provide the best products and services to clients, the Group recognises the environmental potential impacts associated with our operation activities. With growing concerns about climate change and environmental degradation, sustainable environmental protection has become our strategic priority. The Group is devoted to upholding the high environmental standards required to fulfil relevant requirements throughout our operation and continue to deploy human and financial resources for environmental conservation, reduction of carbon footprint and environmental compliance as required under applicable laws and regulations. We believe that investment in sustainable and green development will, in the long term, benefit the operation of the Group and enable the Group to achieve its strategic needs.

We endeavor to protect this planet and to build a sustainable future for our next generation. To achieve the environmental goals, the Group has implemented the following measures:

- Comply with applicable environmental protection laws and regulation;
- Actively promote a culture of environmental sustainability among customers, workforce, and suppliers, encouraging their participation in green initiatives;
- Define appropriate goals, objectives, and targets on a regular basis for our ESG management approach;
- Continuously improve the ESG management system and maintain rigorous standards; and
- Communicate our environmental performance to stakeholders and seek their involvement wherever applicable.

1. Emissions



Given our business nature, the Group does not generate significant adverse effects on the environment. In spite of this, the Group is committed to upholding high environmental standards and mitigating our environmental impacts strictly abides by laws and regulations in relation to environmental protection, including but not limited to the followings:

- Air Pollution Control Ordinance of Hong Kong
- Environmental Protection Law of the PRC;
- Energy Conservative Law of the PRC; and
- The Canadian Environmental Protection Act, 1999

During the Reporting Period, the Group did not violate any environmental protection laws or regulations in the region of its operation, nor was it subject to significant fines, non-monetary penalties, and litigation relating to environmental violations.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Air Emissions

Principally engaged in trading of footwear and apparel, the Group does not generate significant air emission directly. One motor vehicle is owned by the Group. However, it was kept under idle this year. Accordingly, during the Reporting Period, there was no emission of nitrogen oxides (“NO_x”), sulphur oxides (“SO_x”) or respiratory suspended particles (“RSP”) to be reported (2021: NO_x 164.5g; SO_x 25.7g and RSP 149.6g).

Greenhouse Gas Emissions

While greenhouse gases (the “GHG”) play a role in habitable global temperature, human activities and economic development have aggravated the GHG’s atmospheric concentration, leading to increasing temperatures around the globe and climate change. One motor vehicle is owned by the Group. However, it was kept under idle, and therefore, there was no reported direct emission of GHG (Scope 1) during the Reporting Period.

The Group’s main sources of GHG emissions are the indirect emission from electricity consumed for operations (Scope 2) and business air travel by employees (Scope 3). During the Reporting Period, reported GHG emissions are as follows:

GHG Emissions	Unit	FY2021	FY2021 Intensity (Per employee)	FY2022	
				FY2022	Intensity (Per employee)
Scope 1 Direct emission – Vehicle	Tonnes of CO ₂ e	4.6	0.39	Nil	Nil
Scope 2 Indirect emission – Purchased electricity	Tonnes of CO ₂ e	0.5	0.04	1.7	0.1
Scope 3 Indirect emission – Business travel	Tonnes of CO ₂ e	2.1	0.17	0.3	0.0

Note: The quantification method of GHG is based on the “Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals from Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong” published by the Hong Kong Electrical and Mechanical Services Department and the Environmental Protection Department. The emission factor for GHG Scope 2 is derived in accordance with the “CLP 2020 Sustainability Report”. The emissions result for GHG Scope 3 are read from the “ICAO Carbon Emissions Calculator”.

Hazardous Waste

Given our business nature, the Group does not directly produce hazardous waste in its business activities. However, with respect to our business of mobility solution development, the Group encourages the development of new technologies and progressive designs to integrate environmental sustainability in all aspects through minimizing the application of hazardous materials in designs and through compliance with the latest regulatory requirements.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Non-hazardous Waste

Non-hazardous wastes generated by the Group are mainly attributed to paper waste and general office waste, including stationery and packaging materials. The amount of non-hazardous waste generated is insignificant and the Group has not been accounting for domestic waste generated by its facilities, which has been collected and disposed of directly by local government services.

Waste reduction is the focus of our emission control efforts. Our principal waste management policy endeavors to achieve a green and paperless operation and a minimal generation of waste during our operation wherever possible and practical. Using FY2021 as the base year, the Group targets to achieve a 5% reduction in non-hazardous waste by 2032, through the “4-R” Principles – Reduce, Reuse, Replace and Recycle, through various waste management initiatives, including but not limited to the following:

- Encourage all employees to reduce paper usage through duplex printing, paper recycling;
- Promote paperless office and document digitalisation encourage increased use of reusable products, such as envelopes;
- Better separation of waste streams for recycling;
- Maintain 100% recycling of used toner cartridges by collecting and returning all used cartridge to recycling agents; and
- Encourage minimal consumption of paper towels in the workplaces.

Our Targets and Initiatives



The Group is aware of the environmental issues and is proactively reducing the emissions of air and GHG by a series of policies and measures. Using FY2021 as the base year, the Group targets to achieve a 5% emission reduction by 2032 by enhancing overall energy efficiency and encouraging our staff to reduce energy consumption:

- Procure products that are made from materials with longer durability and a lower carbon footprint whenever possible;
- Maintaining the indoor temperature at our locations at an optimal level for comfort;
- Providing on-off and zoning control of lighting and ventilation system in the workplace according to the operation schedule;
- Encouraging employees to switch off machines and devices, such as computers and monitors when not in use;
- Procuring energy-efficient electrical appliances (such as those with Grade 1 energy labels, fridge with door) and systems whenever practical;
- Encouraging employees to make the best use of modern telecommunication systems to avoid unnecessary travel arrangements;

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

- Placing “Green Message” reminders on office equipment and workplace to further enhance employees’ environmental awareness;
- Organizing training sessions including case studies to improve awareness of energy efficiency and GHG saving and to engage staff to adopt the energy-saving practices; and
- Continuous replacement of aged air handling unit by more energy-efficient ones with variable frequent drive control.

2. Use of Resources

In light of finite earth resources, the Group considers the conservation of natural resources through low-carbon practices as an indispensable component of our sustainable business. Through actively promoting various environmental-friendly measures, we encourage efficient use of resources, including energy, paper, water, and other raw materials. During the Reporting Period, the Group primarily consumed electricity and water. No other significant raw materials and energy were used by the Group during the Reporting Period.

Energy Consumption

The Group’s main sources of energy consumption is electricity which is used to support the administrative work, and the summary of usage is as follow:

Energy Sources	Unit	FY2021	FY2022
Purchased electricity	kWh	974	2,353
Consumption intensity	kWh/employee	81.21	147.1

Water Consumption

We recognise water as an important natural resource and have constantly remind our employees the importance of water conservation. The Group’s operation process does not involve substantial water consumption, and the water consumption is mainly for daily use by employees at offices during working hours. As the water supply is mainly centrally managed by its respective property management company and there is no separate meter for individual office units, it is not feasible for us to provide relevant water usage data (2021: Nil).



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Our Targets and Initiatives

The Group has initiated policies to raise awareness of electricity conservation and has adopted energy saving measures throughout our daily operation as elaborated in the section of “Emissions”. Using FY2021 as the base year, we target to reduce 5% electricity consumption by 2032.

The Group’s business does not consume substantial water usage and there is no issue in sourcing water that is fit for purpose. Nevertheless, the Group is always conscious of water conservation and targets to reduce our water consumption by 5% by 2032, using FY2021 as the base year through the following practices:

- Educate employees on the importance of water conservation;
- Encourage employees to choose brewed beverages or filtered water provided in workplace instead of bottled water; and
- Set up high efficiency water equipment and related recycling program.

Packaging Materials

Given our business nature, the Group does not have manufacturing facilities. We mainly consume paper to support administrative work and our consumption of packaging materials is minimal as the packaging process is mainly carried out by the suppliers. Therefore, relevant data is considered immaterial to be disclosed during the Reporting Period. At the same time, we always encourage our suppliers to use less packaging material and require our offices to control the total amount of paper used.



3. The Environmental and Natural Resources

The Group is not aware of any significant impacts of its activities on the environment and natural resources during the Reporting Period. The Group continues to monitor any possible adverse impacts brought about by our business operations on the natural environment.

To sustain our long-term business development, the Group not only follows relevant rules, regulations and international standards regarding environmental protection, but also adopts a green office management system and communicates with stakeholders on our environmental performance, aiming to reduce our workplace’s carbon footprint and use natural resources sustainably.

To minimise the adverse impact on the environment, the Group has adopted energy and resources saving measures as mentioned in the section of “Emissions” and “Use of resources” in response to the potential impacts on the environment and natural resources. The Group remains conscious of the potential impact its operations have on the environment and adopts preventive measures to reduce the relevant environmental damage while ensuring compliance with relevant laws and regulations.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

4. Climate Change

Due to tightening carbon legislation, changing weather patterns, and rising fuel costs, enterprises from all business segments are facing the most emerging risk – climate change. Evaluating and determining climate-related risks is a prerequisite to formulating an effective business strategy toward climate change. The Group referenced the recommendations of the Task Force on Climate-Related Financial Disclosures and conducted a preliminary climate-related risk analysis.

In doing so, potential climate-related risks were further categorized into physical and transitional risks. By adopting a risk assessment matrix, we assessed these risks from two perspectives – severity and frequency. A list of short and mid-term risks was subsequently identified. As shown below, the analysis scope for physical risks was at the Group located in the PRC and Hong Kong, while the analysis scope for transitional risks was at the Group's level.

The Group has assessed the following climate-related risk that may have potential impacts on the business:

- | | |
|------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Physical risks | <ul style="list-style-type: none">• Extreme precipitation• Typhoons• Flood• Heat Waves• Thunderstorms |
| Transition risks | <ul style="list-style-type: none">• Enhanced emissions-reporting obligations• Mandates and regulations of existing products and services• Substitution of existing products and services with lower emissions options |

According to the above results, acute physical risks such as extreme precipitation, typhoons, and thunderstorms may occasionally disturb the Group's business operations, e.g., fewer on-site workdays, due to its geographical location. The Group may also face enhanced emissions-reporting obligations, as it is a listed company on the Stock Exchange, where the requirements for climate change-related disclosures is increasingly stringent. Meanwhile, transition risks such as procuring products made from materials with longer durability and a lower carbon footprint may also increase the Group's cost of goods sold in the future.

Based on the identified risks, the Group shall develop strategies to mitigate relevant impacts. Potential solutions such as formulation of special working arrangements under extreme weather conditions.

During the Report Period, in order to offset the material physical risks mentioned above that might lead to loss of business days, the Group provided remote working solutions for our employees. We have made capital expenditures, mainly related to servers, cloud subscriptions, and computer equipment for employees, in order to mitigate such physical risk. In order to offset the compliance risks that may result from the enhanced emissions-reporting obligations as well as the mandates and regulations of existing products and services, the Group actively sought insights into those rules and regulations from consultancies. For the potential financial risk due to the substitution of existing products and services with lower emission options, the Group implemented green procurement, e.g., traded products manufactured with recycled materials and tried to avoid purchasing disposable products.

The Group will keep evaluating the impacts from climate change and incorporate them into the risk management system. The Group will continuously investigate and implement any potential remediation measures and promote our stakeholders' awareness of sustainability.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

B. SOCIAL SUSTAINABILITY

Employment and Labour Practice

1. *Employment*

Employees are our most valued-assets and we are fully committed to creating a respectful and collaborative work environment. Considering that every employee has unique talents, competencies, and the potential to become a driving force for our corporate development and long-term growth, the Group supports the development of competencies of our employees while proactively managing our talent pipeline and career development for them.

The Group strictly complies with all applicable laws and regulations regarding to employment and labor practices. In Hong Kong, the Group complies relevant laws and regulations including but not limited to the Employment Ordinance of Hong Kong, the Employees' Compensation Ordinance, Mandatory Provident Fund Ordinance, the Minimum Wage Ordinance, the Disability Discrimination Ordinance of Hong Kong, and the Race Discrimination Ordinance of Hong Kong.

In the PRC, the Group complies relevant laws and regulations including but not limited to Labor Law of the PRC, the Labor Contract Law of the PRC, Law of the People's Republic of China on Employment Promotion, Regulations on the Administration of Housing Provident Funds and the Social Insurance Law.

In Canada, the Group complies mainly the Part III of the Canada Labor Code, which sets out the employment conditions for hours of work, payment of wages, leaves, vacation and holidays.

During the Reporting Period, there was no reported incident of noncompliance with laws and regulations relating to employment practices.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Workforce and Turnover

As at the end of the Reporting Period, the Group has a total number of 16 (2021: 12) full-time employees and the details are as follow:

	Number of Staff	Percentage %
Gender		
Male	7	43.8%
Female	9	56.3%
Age Group		
18–30	4	25.0%
31–40	4	25.0%
41–50	5	31.3%
51 or above	3	18.8%
Geographical Region		
Hong Kong	13	81.3%
The PRC	2	12.5%
Canada	1	6.3%
Employee Category		
Senior management	3	18.8%
Middle management	3	18.8%
Supervisor	1	6.3%
General staff	9	56.3%

The analysis of staff turnover rate by different categories are as follows:

	Number of Staff	Percentage %
Gender		
Male	1	14.3%
Female	–	–
Age Group		
18–30	–	–
31–40	1	25.0%
41–50	–	–
51 or above	–	–
Geographical Region		
Hong Kong	1	7.7%
The PRC	–	–
Canada	–	–

Note: The turnover rate by category is calculated by dividing the number of employees in the specified category leaving employment by the total number of employees in that specified category.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Group is determined to uphold an open, fair, just, and reasonable recruitment and human resource policies, with respect to equal opportunities, diversity and anti-discrimination. We are committed to nurturing skills and capabilities in order to unlock the best in our employees, and therefore drive creativity and innovation that will contribute to our long-term sustainable growth.

Recruitment and Equal Opportunity

The Group has formulated its recruitment policy with respect to equal opportunity, diversity, and anti-discrimination. We encourage differences and individuality in employees, with the philosophy that diversity can bring new ideas, dynamics, and challenges to our operations. We discourage all forms of discrimination on gender, age, family status, sexual orientation, disability, race and religion. Our employment policy encourages hiring of talented people with physical or mental disabilities.

We strive to make sure employees and business partners comply with laws and regulations, follow ethical business practices and respect equal opportunity in employment. We bring in new recruits and equip them with necessary skill sets to develop a long-term rewarding career with us.

Remuneration and Benefit

The Group offers competitive wages, medical insurance, disability and invalidity coverage, maternity leave, and other compensation to attract and retain our employees whom we see as our most valuable assets. Staff remunerations are determined based on their duties, work experience, and prevailing market practices. Apart from basic remuneration, share options may be granted to eligible employees by reference to the performance of the Group and individual employees.

Working Hours



The Group highly recognises well-being and human rights. The Group abides by the statutory requirements to ensure reasonable working hours and rest days are arranged for our employees. To pursue work-life balance, the Group has organized a series of staff activities for employees and their families.

Harmonious Culture

The Group is strongly convinced that a harmonious corporate culture among the employees and management are always the key drivers to the Group's healthy and prosperous growth. To achieve this, we utilize a variety of channels, including:

- Regular all-staff meetings to update on business performance and the development of key projects;
- Employee engagement such as annual employee survey which provides a confidential route for employee feedback. Follow up actions ensure that employees' voices are heard and responded to at both corporate and team levels;
- Regular and festival gatherings are organized during the Reporting Period to enhance the harmonious spirit of different levels of staff members throughout the Group.

The Group believes that such a corporate culture and harmonic working environment will naturally achieve a synergistic result to facilitate employee retention and to improve productivity.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

2. *Health and Safety*

The Group is committed to providing employees with a safe and comfortable work environment. The goals of our Occupational Health and Safety (“OHS”) policy are highlighted below:

- Pursuit of a healthy, comfortable, and safe working environment for our employees;
- Commitment of appropriate resources and leadership to the OHS management system;
- The OHS management system aims at the identification, prevention and management of risks and hazards throughout the workplaces as well as follow-up actions for accidents or personal injuries;
- The OHS management system defines appropriate objectives and targets on a regular basis;
- Zero tolerance of accidents and injuries;
- Promotion of safety culture among employees;
- Communication of our health and safety performance with stakeholders and seek their involvement wherever applicable;
- Regular review of the performance of various OHS measures so that their effectiveness and reliability can be maintained; and
- Compliance with applicable laws and regulations in relation to OHS.

To achieve the goals of our OHS policy, the following measures are adopted:

- Formulation of emergency response plans, risk assessment, and accident investigation mechanism so as to ensure legal compliance with OHS;
- Organization of fire drills and emergency evacuation simulations to raise the employees’ awareness of fire prevention and to equip employees with appropriate knowledge and skills in the event of an emergency;
- Promotion of safety culture among employees;
- Organization of induction programs and safety training programs to new employees such that they can be familiar with our corporate policies in relation to health and safety matters as quickly as they can;
- Provision of OHS training sessions to employees according to their roles and responsibilities to ensure awareness of job hazards and conformity to safety practices with respect to OHS;
- Provision of vocational training and toolbox meeting to newly joined staff for relevant occupational safety, health registration, and emergency planning;



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

- Provision of job-related training to existing employees to strengthen their professional knowledge and skills in daily operations and safety matters;
- Training courses and measures are reviewed and regularly reported to the management by the safety officer;
- Encourage contractors or sub-contractors to assist in the implementation of policies, procedures, and practices related to OHS at work wherever practical;
- Prohibition of smoking and abuse of alcohol and drugs in workplaces;
- Provision of first aid kits and fire extinguishers in workplaces;
- Provision of the clean and tidy rest area;
- Provision of adjustable chairs and monitors for eye protection;
- Installation of air purifiers in relatively crowded areas such as conference and meeting rooms; and
- Set up posters of proper working postures and lifting methods accessible on the intranet and at appropriate locations in workplaces.



The Group complies with the laws and regulations in relation to occupational health and safety in multiple regions, such as the Occupational Safety and Health Ordinance of the Laws of Hong Kong, Labor Law, Regulations on Period of Medical Treatment of Diseases or Non-work-related Injuries of Employees and Regulation on Work-Related Injury Insurance of the PRC, Part II of the Canada Labor Code, which is designed to strengthen employers' and employees' self-reliance in dealing with occupational health and safety issues and thereby making workplaces safer.

All accidents are required to be reported to the Group and subject to evaluation. In each of the past three years, including the Reporting Period, the Group was not aware of any work-related fatalities, lost days due to work injury and did not identify any material non-compliance with laws and regulations relevant to the health and safety of employees.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Fighting COVID-19 Pandemic

In early 2020, the outbreak of the novel coronavirus epidemic (COVID-19) has brought exceptional challenges to the world. The pandemic has resulted in an unprecedented public health measure globally, with business shutdowns and stay-at-home policies disrupting the global economy at a scale never seen in our lifetime. The effects of the COVID-19 crisis on various industries are far-reaching and complex: the crisis has limited the operations of many businesses and had implications for employees, supply chains, cash flows, and investor returns.

The health and well-being of all our customers and employees, as well as their families and friends, is our paramount priority in these challenging times. We successfully navigated through disturbances together with our employees, suppliers, customers, and local communities by putting people first, and contributing to communities and humanity. Capitalizing on our knowledge, experience, and strengths, we will continue to ensure the safety and well-being of our employees, suppliers and support our consumers, stakeholders, and communities in the battle to overcome the COVID-19 pandemic. On the other hand, we are dedicating human and financial resources to help those in need and help us, as a society, emerge stronger on the other side.

In order to combat the spread of COVID-19 together with the community, the Group has been strictly following the latest health advice and regulations issued by the government and has undertaken prompt actions and adopted various preventive and hygiene measures for employees and customers since early January 2020.

Employee Health and Safety

The foremost priority for the Group was to provide our employees with a safe and healthy working environment during the COVID-19 pandemic, maintaining a firm grasp of all applicable obligations (whether mandated or voluntary). The Group has taken the following precautionary measures at all of our offices and branches. We establish a designated working team to enhance the implementation of hygienic measures in all work locations and provide guidance to strengthen employees care for frontline employees:

- Provide adequate number of surgical masks to employees while advising all staff members to maintain good personal hygiene;
- We provide 70–80% alcohol-based hand rub to employees for hand sanitization;
- Employees are recommended to rub hands with liquid soap for at least 20 seconds when washing;
- Any person entering our work locations must wear a face mask and would be subject to a temperature screening procedure;
- Any person who has symptoms of fever, or other respiratory symptoms would be advised to seek medical advice and would be refrained from entering our work location;
- Follow the manufacturer’s instructions for disinfecting electronic products. If no manufacturer guidance is available, we consider the use of alcohol-based wipes containing at least 70% alcohol;



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

- Employees are encouraged to stay at our work locations during lunch-break;
- Employees are required to perform a 14-day quarantine after traveling outside of Hong Kong and the PRC;
- Friendly message of upkeeping personal and environmental hygiene, health, and safety to all employees; and
- Maintain a register of employees who are on duty and their mandatory travel and health declaration, for possible public health action in case the employee is confirmed to be infected with COVID-19.

Adapted Management

- Establish a designated working team, driven by various department heads, to strengthen the Group's overall pandemic preparedness through a well-coordinated and managed preparation and implementation of fighting pandemic measures;
 - To increase social distancing and reduce the number of staff members inside the workplace, our workforce is divided into multiple smaller teams such that they are able to report to the workplace on a rotating schedule;
 - Arrange for employees to work in batches, rest and meals;
 - Review, update and modify crisis management plans, as needed, and ensure that employees follow these plans during the pandemic;
 - Ensure that we comply with operational and monitoring requirements imposed by law, permit conditions, and consent orders;
 - Communicate regularly and frequently with key compliance personnel;
 - Ensure that key employees have access to and/or knowledge about critical records and recordkeeping requirements;
 - Ensure that emergency and security protocols remain in place for shuttered facilities or those operating with reduced staff to ensure the health and safety of employees remaining on site and the nearby community;
 - Seek to leverage work-from-home measures via cloud-network integration where possible, and ensure our employees have sufficient digital tools to remain productive and engaged; and
 - Leverage pandemic updates provided by the government such as daily active cases or percentage of positive cases, along with public health guidelines, to inform its level of permitted employee or customer contacts.
- 

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Customer health and safety

During the current COVID-19 crisis, we take responsibility for our products and services, and strictly follow health advice, regulatory requirements, industry guidelines, and internal procedures to improve customer health and safety.

- Provide 70–80% alcohol-based hand rub to customers for hand sanitization;
- Customers are recommended to rub hands with liquid soap for at least 20 seconds when washing their hands at our work locations;
- Encourage our customers to work in batches, rest and meals;
- Encourage customers to order takeaway as an option of the social distancing measures; and
- Friendly message of upkeeping personal and environmental hygiene, health, and safety.

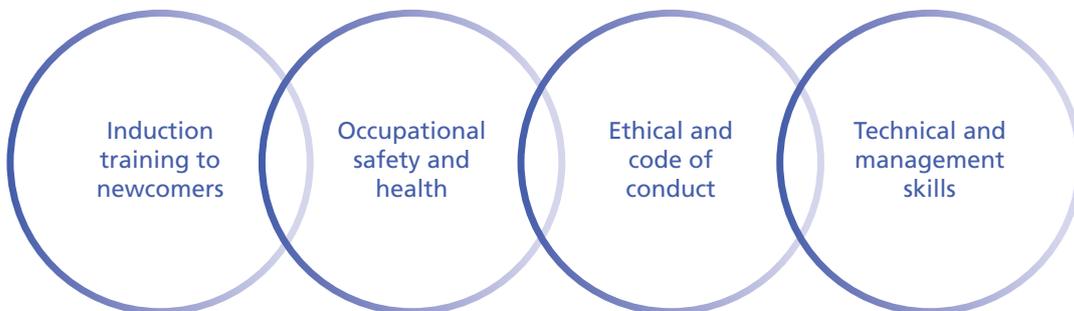
Migrating to a Remote Workforce

Through active management and resource planning, the Group encouraged its administration and supporting personnel to work from home to form the remote workforce, whenever feasible and appropriate, in order to reduce employees' exposure to travelling and crowded public transport. At the same time, we seek to upgrade digital infrastructure for our employees to work remotely and efficiently.

We continue to monitor and evaluate the situation, keeping all employees and customers informed. We will remain resilient, ensuring to maintain our operations as smoothly and efficiently as possible during these exceptionally challenging times.

3. Development and Training

The Group deeply values the employees by investing in their development. The Group believes that a vibrant and competent workforce is indispensable in driving business growth. We provide a range of on-the-job training and relevant courses offered by external professional organizations, aiming to strengthen the employees' occupational and management skills. The coverage of our training includes:



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

During the Reporting Period, 6.3% of the employees took part in our trainings and the details of breakdown are as follows:

Percentage of Employees Trained	Percentage %
By Gender	
Male	–
Female	100%
By Employee Category	
Senior management	–
Middle management	100%
Supervisor	–
General staff	–

During the Reporting Period, the average training hour completed per employee was 2.5 hours and the details of breakdown are as follow:

Average Training Hours Completed Per Employee	Number of hour
By Gender	
Male	–
Female	4.4
By Employee Category	
Senior management	–
Middle management	13.3
Supervisor	–
General staff	–

Notes:

1. The percentage of trained employees by category is calculated by dividing the number of employees trained for a specific category by the total number of employees trained.
2. The average training hours by category is calculated by dividing the number of training hours for a specific category of employees by the number of employees for the specific category.

4. Labour Standards

Being fully aware that exploitation of children and forced labor violates human rights and international labor conventions, the Group strictly prohibits the employment of any child labor and forced labor in any form. The Human Resources Department of the Group requires shortlisted candidates to provide valid identity documents before confirmation of employment so as to ensure they are lawfully employable. Upon discovery of any child labor and use of forced labor, the person will be dismissed immediately and the management and responsible person will be disciplined accordingly. The Group also rejects engaging suppliers and contractors, that hire child labor or forced labor in their operations.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Group strictly complied with the laws and regulations in relation to the prevention of child and forced labor, including the Employment Ordinance of Hong Kong and Labor Law, Prohibition of Child Labor, Underage Workers Special Protection Provisions, Prohibition of Forced Labor and Prisoners Labor Policy and Procedures of the PRC as well as relevant legislation in the countries that we operate. During the Reporting Period, no non-compliance with relevant laws and regulations relating to preventing child and forced labor had been identified during the Reporting Period.

Operating Practice

In order to achieve our goal of being a responsible corporation, we realize that we must operate in a sustainable fashion with a comprehensive ESG management approach and dissemination of pursuing sustainability into our core business. It is additionally essential for us to encourage all business partners to incorporate those sustainability practices and policies thoroughly into their operations in order to work together in our pursuit of sustainable development.

5. Supply Chain Management

The Group understands that supply chain management is always one of the key aspects of the Group's operation. Our supply chain management team not only considers economic and commercial benefits during the tendering processes but also evaluates the suppliers' and contractors' track record with respect to legal and regulatory compliance which includes environmental, social and governance aspects.

We developed a vendor and supplier selection mechanism based on potential vendors' compliance with all applicable laws and regulations in relation to safety, environment, forced labor, child labor, and other social aspects. Practically, the preliminary assessment on potential suppliers takes the following steps:



We expect our suppliers adhere to ethical and responsible business practices, and require the suppliers to comply with the following environmental and social requirements:

- Prohibition of child and forced labour
- Usage of toxic or hazardous materials are prohibited
- Workplace is safe and decent
- Waste is well-managed and disposed
- Adherence to anti-discrimination
- Illegal emission of toxic gas is prohibited



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Suppliers which can deliver products and services with environmentally friendly and socially responsible features will be given a higher technical score during our assessment process. Inspections and assessments may be conducted by the Group if deemed necessary. We continue to ask all of our suppliers to ensure product safety and premium quality. Cooperation contracts with suppliers will be terminated if they are found to have failed to reach the applicable compliance standard.

In addition, every supplier is required to comply with our code of practice, which prohibits the improper offering of gifts, certificates, loans, hospitality, services or favors. Further, the Group encourages all business partners to develop energy-saving and consumption-reducing policies in order to work together in our pursuit of sustainable development.

We believe that, through the above review process, we can minimize the potential environmental and social risks associated with supply chain management.

The Group is dedicated to maintaining a good relationship with its suppliers. During the Reporting Period, the Group has engaged 5 suppliers, of which 3 are from Hong Kong and 2 are from Canada. No complaint was received from the suppliers and there were no disputed or unsettled debts and all the debts were settled on or before their due dates or at the latest date mutually agreed.

6. **Product Responsibility**

Product Quality



To be a successful business, we are committed to the highest standards of products and services we deliver, maintaining continuous communication with our customers to ensure that we understand and fulfil their needs and expectations. While maintaining strict product quality, we keep track of emerging trends and continue to develop and optimize products that offer the best solutions to our customers.

The Group undertakes the defined quality assurance protocol to ensure products and services constantly meet customer requirements on legal and safety standards for their intended use and for circumstances of reasonably foreseeable misuse. We carry out regular assessments for each product type with respect to the aspects of environmental impact, health impact, safety, and hazards associated with the raw materials. We ensure that every product is correctly labeled with sufficient information and directions for use required by legislation and industry codes of practice. We perform continuous and regular assessments of the product quality and review opportunities for improvements and changes.

Customer Satisfaction, Feedback and Handling

The Group believes that quality control measures are the principal factors in attracting and retaining our international branded customers. Under our quality control measures, the finished products of footwear and apparel produced by our footwear and apparel suppliers are subject to sample checking by our quality control staff to ensure that the finished products can meet our customers' requirements.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

We do not have a product return policy. Nevertheless, realizing that our customers needs and expectations should be well addressed, the Group pays attention to the level of customers' satisfaction and their feedback. Regular communication channels and feedback systems, such as telephone hotlines, emails, social media, and websites, are in place to gather information on satisfaction and suggestions for improvement from our diverse portfolio of customers. In particular, our sales personnel and merchandisers maintain regular communications with customers via phone calls or overseas visits periodically.

The Group consolidated and comprehensively analyzed the customers' feedback in order to identify the issues. Follow-up actions, including internal evaluation and modification of training programs for employees, will be taken to address the issues identified and to continuously improve our service delivered. Feedback will additionally be provided to the customers in a timely manner.

During the Reporting Period, the Group did not receive any significant product recalls for safety and health reasons nor any significant complaints regarding product flaws.

Privacy Protection

The Group recognises the responsibility in protecting personal information. The Group strictly complies with relevant laws and regulations regarding data privacy, including but not limited to, Laws of Hong Kong on Personal Data (Privacy) Ordinance, Consumer Protection Law of the People's Republic of China, and Canadian Consumer Privacy Protection Act, to ensure that all data are securely kept in our internal system with access control.

The Group sets out data privacy requirements in our corporate policies, under which customer data would be used exclusively for matters relating to the Group's operation only. We strive to ensure all collected data kept is free of unauthorized or accidental access, processing, erasure, or other use.

During the Reporting Period, the Group was not aware of any confidential data or information breach.

Advertising and Labelling

In full compliance with applicable laws and regulations, including the Trade Description Ordinance (Chapter 362 of the Laws of Hong Kong), Advertising Law of the People's Republic of China and PRC Product Quality Law and all relevant regulations in the countries that we operate, any marketing and promotional activities of the Group give a true description of the specifications and features of our products without containing exaggerated and misrepresented information.

Intellectual Property

The Group is committed to compliance with relevant laws and regulations in relation to intellectual property rights ("**IP Rights**") by valuing and protecting its intellectual properties through patent fees and periodic trademark renewals.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

In order to ensure that the customer's IP rights of products are properly protected during the outsourcing processes to suppliers, a confidentiality agreement regarding IP Rights must be signed before engagement. Internally, we enter into standard employment contracts with our employees which contain provisions on intellectual property rights and confidentiality. Relevant employees of the Group have signed a written confirmation to (i) confirm that all intellectual property rights created or made during their employment with the Group shall belong to us; and (ii) agree not to use or disclose the confidential information relating to the product designs without authorization of the Group.

During the Reporting Period, the Group was not aware of any intellectual property rights infringement.

Encouraging Innovation

The Group is committed to setting ourselves in a good position to continuously and proactively introduce products, services, and processes derived from high-tech oriented research and development, into our operation and business model wherever commercially feasible and appropriate, given that innovation and technology strategies shall play a crucial role in the long-term business development.

Sanction Risk Management

The Board had effectively monitored and evaluated our business exposure to sanctions risk, including (i) the establishment of a risk management committee; (ii) assigning members of our merchandising department and order processing department to review the information relating to our customers or the counterparties of the contract (including their full name, country of incorporation or registration and country of shipment destination) before entering into any business transaction with any of them.



Our designated staff will assess the information of our customers or counterparties against various lists of restricted parties and countries maintained by the US, EU, or United Nations, including, any government, individual, or entity that is the subject of any OFAC-administered sanctions and determine whether our customers or counterparties (i) are registered or operate in the sanctioned countries; (ii) are owned or controlled by a sanctioned person; or (iii) have shipment destination which is located in the sanctioned countries.

During the Reporting Period, none of our products were sold to any sanctioned countries. The Group has not entered into any sanctionable transactions that would or may expose the Group, our shareholders, and investors to any risk of being sanctioned.

7. Anti-corruption

The Group advocates the highest level of integrity, honesty and fairness across the organization, and stands against acts of commercial bribery, extortion, fraud and money laundering. The Group strictly complies with all applicable laws including but not limited to the Criminal Law of the PRC, the Regulations for Suppression of Corruption of the PRC, the Laws of Hong Kong on Prevention of Bribery Ordinance, the Corruption of Foreign Public Officials Act and Criminal Code in Canada.

Acceptance of advantages in any form, such as gifts, discounts, loans of money and contracts to any business is forbidden. Rules relating to employees' professional conduct and prohibitions against any conflicts of interest are set as part of the exercise of our corporate governance.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

In addition, the Group has provided training regularly to all levels of staff, including directors, superiors and general staff, in order to equip them with an understanding of the latest regulations and best practices relating to anti-corruption, self-discipline, and integrity etc.

According to the Group's policy, employees may report any concern in relation to accounting controls and audit matters to the Audit Committee, which will review each complaint and decide how the investigation should be conducted. During the Reporting Period, there were no legal cases regarding corrupt practices brought against the Group or the employees.

Whistle-blowing

In order to encourage our employees to report illegality, irregularity, malpractice, unethical acts or behaviors, inappropriate conduct, or actions, that may damage the Group's interests, we established a whistle-blowing policy and implemented procedures for our employees to report improprieties via a confidential reporting channel to the extent that is made possible for all employees. The policy aims to encourage our employees to report behavior that is not in line with the principles of ethics and the Group's policy such as events that are non-compliant with the Group's policy, laws, rules, regulations, general practice of financial reporting and internal control.

The Group is committed to addressing the "whistle-blowers" concerns in a fair and reasonable manner and to handling the reports with due care and conducting a comprehensive and independent investigation for each reasonably established report. All "whistle-blowers" who report in good faith are reasonably protected from retaliation or adverse consequences of their employment regardless of whether the allegation is substantiated.

The whistle-blowing policy and its procedures, which apply to all levels of the members of the Group, have been documented in the employee handbook and have been circulated among employees for their reference.

Community

8. Community Investment

The Group is actively committed to making a better society through our active involvement in the community and partnership with local non-profit organizations, whenever possible and appropriate, putting the best effort into helping the local communities and people in need through community services and engagement, social support and sponsorship programs.

After careful consideration of the health and safety of our employees and public participants under the emergence of COVID-19 in the community, we have postponed our public welfare activities during the Reporting Period. Going forward, the Group will organize charity events and volunteer services again in the future, and to give back to society.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

REPORT DISCLOSURE INDEX

Mandatory Disclosure Requirements

Aspects, General Disclosures and KPIs	Description	Relevant Chapter or Explanation
Governance Structure		
	<p>A statement from the board containing the following elements:</p> <ul style="list-style-type: none">i) a disclosure of the board’s oversight of ESG issues;ii) the board’s ESG management approach and strategy, including the process used to evaluate, prioritize and manage material ESG-related issues (including risks to the issuer’s businesses); andiii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer’s businesses.	ESG VISION, STRATEGY AND GOVERNANCE

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



Aspects, General Disclosures and KPIs	Description	Relevant Chapter or Explanation
Reporting Principles		
	<p>A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG Report:</p> <p>Materiality: The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer’s stakeholder engagement.</p> <p>Quantitative: Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed.</p> <p>Consistency: The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.</p>	<p>ABOUT THIS REPORT</p> <ul style="list-style-type: none"> – Reporting Guidelines – Reporting Principles – Data Collection
Reporting Boundary		
	<p>A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.</p>	<p>ABOUT THIS REPORT</p> <ul style="list-style-type: none"> – Scope and Reporting Boundary



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

“Comply or explain” Provisions

Aspects, General Disclosures and KPIs	Description	Relevant Chapter or Remarks
A. Environmental		
Aspect A1: Emissions		
	<p>General Disclosure Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non- hazardous waste.</p>	ENVIRONMENTAL SUSTAINABILITY – Emissions
KPI A1.1	The types of emissions and respective emissions data.	ENVIRONMENTAL SUSTAINABILITY – 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).	ENVIRONMENTAL SUSTAINABILITY – Emissions
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	ENVIRONMENTAL SUSTAINABILITY – Emissions Remark: The Group has not identified any hazardous waste was produced in our core business
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	ENVIRONMENTAL SUSTAINABILITY – Emissions

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Aspects, General Disclosures and KPIs	Description	Relevant Chapter or Remarks
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	ENVIRONMENTAL SUSTAINABILITY – 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 SUSTAINABILITY – Emissions
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	ENVIRONMENTAL SUSTAINABILITY – 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).	ENVIRONMENTAL SUSTAINABILITY – Use of Resources
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	ENVIRONMENTAL SUSTAINABILITY – Use of Resources
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	ENVIRONMENTAL SUSTAINABILITY – Emissions – Use of Resources
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 SUSTAINABILITY – Use of Resources
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	ENVIRONMENTAL SUSTAINABILITY – Use of Resources Remark: Use of packaging material is not applicable to the Group's core operation

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Aspects, General Disclosures and KPIs	Description	Relevant Chapter or Remarks
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimizing the issuer's significant impacts on the environment and natural resources.	ENVIRONMENTAL SUSTAINABILITY – 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.	ENVIRONMENTAL SUSTAINABILITY – The Environment and Natural Resources
Aspect A4: Climate Change		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	ENVIRONMENTAL SUSTAINABILITY – 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.	ENVIRONMENTAL SUSTAINABILITY – Climate Change
B. Social		
<i>Employment and Labour Practices</i>		
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.	SOCIAL SUSTAINABILITY – Employment
KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	SOCIAL SUSTAINABILITY – Employment
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	SOCIAL SUSTAINABILITY – Employment

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Aspects, General Disclosures and KPIs	Description	Relevant Chapter or Remarks
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.	SOCIAL SUSTAINABILITY – 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.	SOCIAL SUSTAINABILITY – Health and Safety Remark: The number and rate of work-related fatalities occurred in each of the past three years including the Reporting Period is 0
KPI B2.2	Lost days due to work injury.	SOCIAL SUSTAINABILITY – Health and Safety
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	SOCIAL SUSTAINABILITY – 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.	SOCIAL SUSTAINABILITY – Development and Training
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	SOCIAL SUSTAINABILITY – Development and Training
KPI B3.2	The average training hours completed per employee by gender and employee category.	SOCIAL SUSTAINABILITY – Development and Training

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Aspects, General Disclosures and KPIs	Description	Relevant Chapter or Remarks
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 labor.	SOCIAL SUSTAINABILITY – Labour Standard
KPI B4.1	Description of measures to review employment practices to avoid child and forced labor.	SOCIAL SUSTAINABILITY – Labour Standard
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Remark: No such incidents were reported during the Reporting Period
Operating Practices		
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	SOCIAL SUSTAINABILITY – Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	SOCIAL SUSTAINABILITY – 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.	SOCIAL SUSTAINABILITY – Supply Chain Management
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	SOCIAL SUSTAINABILITY – Supply Chain Management
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	SOCIAL SUSTAINABILITY – Supply Chain Management

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Aspects, General Disclosures and KPIs	Description	Relevant Chapter or Remarks
Aspect B6: Product Responsibility		
General Disclosure	<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>relating to health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress.</p>	<p>SOCIAL SUSTAINABILITY</p> <p>– Product Responsibility</p>
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	<p>Remark: Not applicable to the Group’s core operation</p>
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	<p>SOCIAL SUSTAINABILITY</p> <p>– Product Responsibility</p> <p>Remark: No products and service-related complaints received during the Reporting Period</p>
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	<p>SOCIAL SUSTAINABILITY</p> <p>– Product Responsibility</p>
KPI B6.4	Description of quality assurance process and recall procedures.	<p>SOCIAL SUSTAINABILITY</p> <p>– Product Responsibility</p>
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	<p>SOCIAL SUSTAINABILITY</p> <p>– Product Responsibility</p>

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Aspects, General Disclosures and KPIs	Description	Relevant Chapter or Remarks
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.	SOCIAL SUSTAINABILITY – 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.	SOCIAL SUSTAINABILITY – Anti-Corruption
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	SOCIAL SUSTAINABILITY – Anti-Corruption
KPI B7.3	Description of anti-corruption training provided to directors and staff.	SOCIAL SUSTAINABILITY – Anti-Corruption
Community		
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.	SOCIAL SUSTAINABILITY – Community Investment
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	Remark: n/a
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Remark: n/a