

Huazhong In-Vehicle Holdings Company Limited 華眾車載控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock code: 6830

2021

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ABOUT THE REPORT

Reporting Period and Scope of the Report

Huazhong In-Vehicle Holdings Company Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group” or “we” or “us”) are pleased to present the 2021 Environmental, Social and Governance (“ESG”) Report (“the Report”) to stakeholders. The Report illustrates the analysis results of the environmental and social data from 1 January 2021 to 31 December 2021 (the “Year”). Unless otherwise stated, this Report covers the business of Ningbo Huazhong Plastic Products Co., Ltd. (“Ningbo Huazhong Plastics”), the main subsidiary of the Group, and its revenue accounted for 82.37% of the Group’s total revenue.

Reporting Standard

This Report is prepared in accordance with the “comply or explain” provisions of “Environmental, Social and Governance Reporting Guidance” under Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, and follows the four reporting principles of materiality, quantitative, balance and consistency. The Report contains a content index to facilitate easy reading for various stakeholders. For information on our corporate governance, please refer to the section headed “Corporate Governance Report” in our 2021 Annual Report.

Reporting Principles

The Group adheres to the following four reporting principles in the preparation process:

Principle	Meaning	Response of the Group
Materiality	The report should disclose matters that have a significant economic, environmental and social impact, or that materially affect the assessments and decisions of the Group's stakeholders.	Material environmental, social and governance ("ESG") issues are identified through stakeholder engagement, and material issues are highlighted in the Report.
Quantitative	The key performance indicators ("KPI") in the report shall be measurable.	Presentation and disclosure of its environmental and social KPIs should be made in a quantitative manner.
Balance	Both positive and negative information shall be presented in the report to provide an unbiased presentation of the Group's performance.	The achievements and challenges faced by the Group are presented in the Report to fully reflect the sustainability performance of the Group.
Consistency	The report shall adopt a consistent approach to information disclosure to allow stakeholders to analyse and assess the performance of the Group over time. The Group should state either the revised reporting approach or other relevant factors that will affect a meaningful comparison.	The statistical methods used to disclose data in the Report are consistent for stakeholders to make meaningful comparisons. Changes will be clearly explained in the corresponding sections of the Report.

Feedback

Collecting valuable opinions from stakeholders can help the Group to better formulate our ESG approach. We welcome any feedback, questions or suggestions regarding our ESG performance and this Report. Please contact us at:

Principal Place of Business in Hong Kong: Unit 19, 36th Floor, China Merchants Tower, Shun Tak Centre, Nos. 168-200 Connaught Road Central, Hong Kong

Headquarters in China: No. 104 Zhenan Road, Xizhou Town, Xiangshan County, Zhejiang Province, China

Email: volenhe@cn-huazhong.com

VISION OF SUSTAINABILITY

To continue to be one of the leading global automotive parts companies, we strive to fulfill our three corporate missions, namely: 1. To provide customers with high value products and services; 2. To allow employees to work happily, develop healthily, and create value for shareholders; 3. To commit to sustainable development and social responsibility, and ensure that our business operations are operated around the four core concepts of “Integrity, Responsibility, Creativity and Sharing” to uphold our corporate missions.

In addition, we believe that promoting sustainable development can lay a good foundation for the Group’s future business development. The Group is committed to fulfilling its social responsibilities as a corporate citizen and has formulated sustainable development strategies to integrate environmental and social factors into every stage of its daily production and operation. We also actively listen to the opinions of different stakeholders, so that we can review the Group’s sustainable development policies more effectively, thus to create values for its stakeholders and further reduce the Group’s impact on the environment.

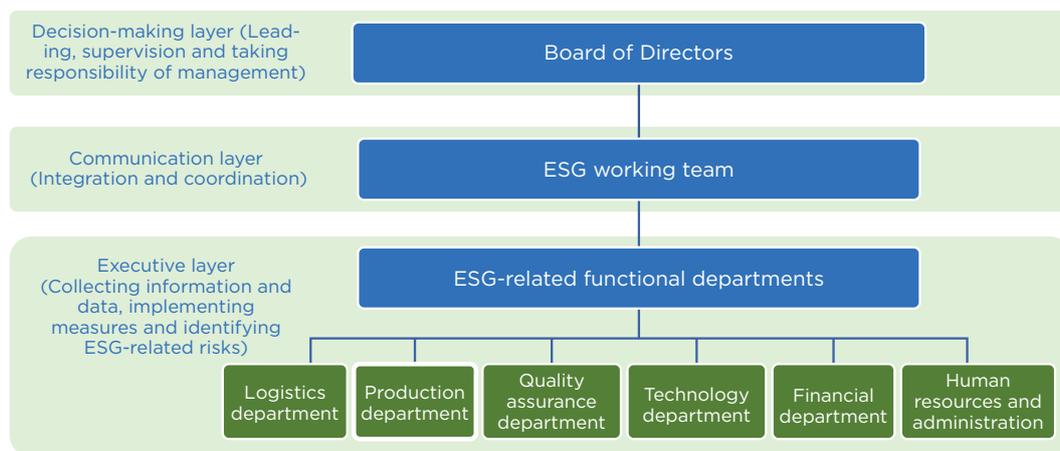
Adhering to the above visions, concepts and missions, we have formulated the following sustainability approach:



SUSTAINABILITY GOVERNANCE

The Board has overall oversight of the Group's sustainability strategy and performance and is responsible for maintaining an appropriate and effective risk management and internal control system. We have established comprehensive policies, standards and procedures to standardise internal control procedures to prevent unauthorised use or disposition of assets. Meanwhile, we have also established an ESG governance structure, for which the ESG working group will be authorised by the Board and it consists of the heads of major functional departments of the Group. They are responsible for overseeing the management, development and practice of the Group's sustainable development. The ESG working group also regularly reviews the progress of achieving ESG goals and targets, and guides the functional departments thereunder to formulate and implement relevant measures and implementation plans to promote the sustainable development of the Group.

To ensure that we can effectively respond to the risks and opportunities brought by the Group's operations, we have conducted an ESG risk assessment. We first identify the potential risks that are significant to the sustainable development of the Group based on the concerns of peers in sustainable development, the opinions of stakeholders and the latest ESG trends, and carry out the priority by evaluating the degree of impact of each ESG risk on the Group. For higher-level ESG risks, we will formulate relevant countermeasures through management meetings, and allow the Board to review the effectiveness of the measures on a regular basis, and propose improvement plans when necessary.



THE UN SUSTAINABLE DEVELOPMENT GOALS

As a global corporate citizen, we fully support the UN Sustainable Development Goals. The United Nations proposed 17 sustainable development goals in the 2030 Agenda for Sustainable Development, calling on countries to take action to eliminate poverty, protect the environment, and ensure that people share peace and prosperity for a better future. In view of this, the Group has also selected the following 9 sustainable development goals that are most relevant and allow us to contribute. We have integrated the identified sustainability goals into our sustainability approach and set corresponding corporate goals to enable us to drive sustainability with clearer directions. For our contribution to the sustainable development goals, please refer to the relevant sections of the Report.

Focus on the Areas of Contribution	Strategies and Goals	The Relevant UN Sustainable Development Goals
Environment Protection	<p>Strategy: To maintain high level of safety, health and environmental management</p> <p>Goal: To reduce the environmental footprint of our operations by reducing greenhouse gas emissions, waste production and improving energy and water efficiency</p>	
Fair and Ideal Working Environment	<p>Strategy: To establish a friendly working environment and respect diverse opinions and cultures</p> <p>Goal: To provide employees with different communication platforms, strengthen vocational training and care for their physical and mental health, so that they can work happily and develop healthily</p>	
Fulfillment of Product Responsibility	<p>Strategy: To fulfil our responsibility in operation, service with sincerity, establish an equal, harmonious and mutually benefiting relationships</p> <p>Goal: To commit to responsible operations by ensuring product safety and quality, and responsible sourcing</p>	
Technological Innovation	<p>Strategy: To exceed our customers' expectations by continuously enhancing the production techniques</p> <p>Goal: To provide customers with sustainable and quality products by keeping abreast of the ever-changing production technologies in the industry</p>	
Care for the Society	<p>Strategy: To fulfill our social responsibility and take care of our neighbouring communities</p> <p>Goal: To listen carefully to the needs of the community and formulate appropriate community investment areas, and strive to provide more community resources and assistance to people in need</p>	

STAKEHOLDERS ENGAGEMENT AND COMMUNICATION

The Group is committed to listening to stakeholders' expectations and views on our ESG performance, which helps the Group adjust its sustainable development policies in an appropriate and timely manner and improve our sustainable development strategy. The following summarises our various communication channels with our stakeholders:

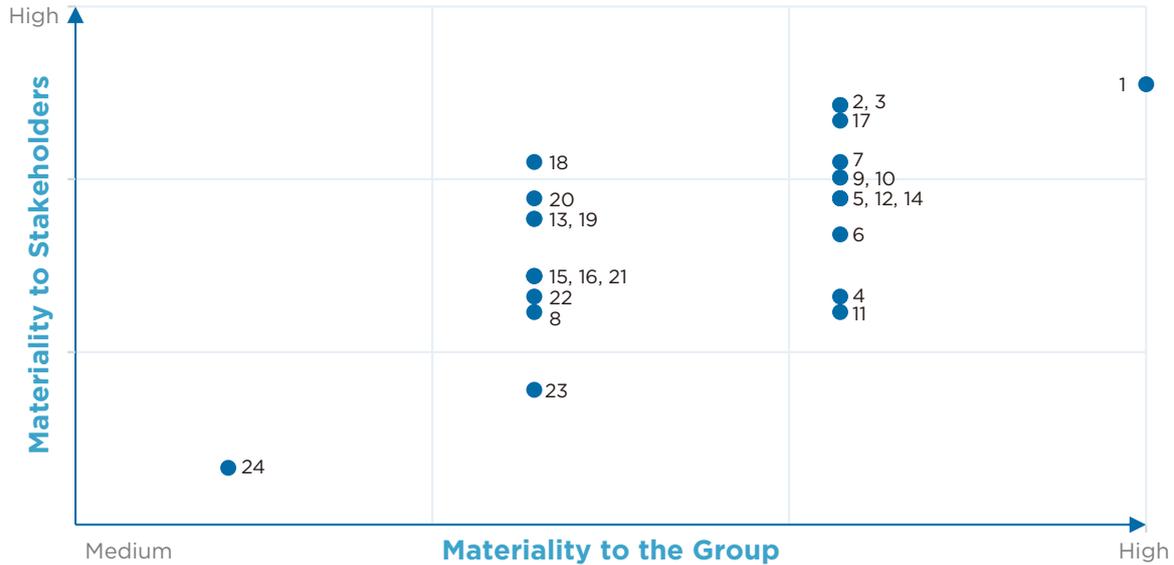
Stakeholders Group	Communication Channels
Employees	<ul style="list-style-type: none"> • Employees performance appraisal • Internal meetings • Diversified training • Team building activities • Recreational games
Customers	<ul style="list-style-type: none"> • Meetings • Communication through WeChat/Weibo/Telephone • Factory field inspection • Customer satisfaction survey
Suppliers	<ul style="list-style-type: none"> • Suppliers assessment process • Meetings • Field inspection • Questionnaire
Investors and shareholders	<ul style="list-style-type: none"> • Annual general meetings • Other general meetings • Corporate communications • Annual reports and interim reports • Company website
Government and authorities	<ul style="list-style-type: none"> • Communication during daily operations • Visits and inspection • Regular statutory reporting
Community	<ul style="list-style-type: none"> • Social public welfare activities • Face-to-face communications
Other business partners	<ul style="list-style-type: none"> • Communication during daily operations • Meetings

PROCESS OF MATERIALITY ASSESSMENT

The materiality assessment helps us identify key areas of concern for sustainable development. In addition to the nature of the Group’s business, we also communicate with stakeholders to identify and screen issues that are relatively important to the Group, and take them as important reference factors for report preparation and information disclosure. The specific steps of materiality assessment are set out below:

Steps	Description
Step 1: To identify relevant issues	24 ESG-related issues were identified through peer analysis, monitoring of market trends, communication with stakeholders and in accordance with the Environmental, Social and Governance Reporting Guide of the Stock Exchange.
Step 2: To collect feedback from stakeholders	Stakeholders in different fields were invited to rate each ESG-related issue through an online questionnaire.
Step 3: To identify material issues and rank in priority	The most material issues were identified and determined by analysing and ranking them in priority with two parameters, the material rating of the issue by stakeholders and the material rating of the issue by the Group, and expressing them in the following materiality matrix.
Step 4: To identify material issues	Senior management reviews a list of the most material issues to identify those that should be prioritised and highlighted.

Materiality Matrix



Product and Service Responsibility	Operation Practices	Quality of Working Environment	Environmental Protection and Green Operation	Contribution to the Community
1 Product service and quality	9 Supply chain management	13 Equality, diversity and anti-discrimination	19 Exhaust and greenhouse gas emission and control	24 Participation in public welfare activities and charity donations
2 Product safety and health	10 Suppliers' environment and social risks	14 Occupational safety and health	20 Sewage and waste management	
3 Customer communication and satisfaction	11 Anti-bribery and corruption	15 Employee training and development	21 Use of resources	
4 Complaint handling	12 Crisis and contingency response and management	16 Prevention of child and forced labour	22 Green procurement and packaging	
5 Customer information and privacy protection		17 Recruitment of talent and retention of employees	23 Climate change	
6 Intellectual property rights protection		18 Employee benefits		
7 Research and development				
8 Advertising and labelling management				

The Report will describe in the corresponding sections below regarding the most critical sustainability issues in the upper right corner of the materiality analysis, which will be the key direction of the Group’s future sustainability strategy.

PRODUCT AND SERVICE RESPONSIBILITY	<ul style="list-style-type: none"> • Product and Service Quality • Product Safety and Health • Customer Communication and Satisfaction • Research and Development
OPERATION PRACTICES	<ul style="list-style-type: none"> • Supply Chain Management • Suppliers’ Environment and Social Risks
QUALITY OF WORKING ENVIRONMENT	<ul style="list-style-type: none"> • Recruitment of Talent and Retention of Employees

QUALITY MANAGEMENT

Response to UN Sustainable Development Goals in this chapter:



PRODUCT SAFETY

As a member of the automotive manufacturing product chain, we always pay attention to product safety and have formulated a series of safety measures to strictly monitor the various processes of product manufacturing. We arrange our quality control department to conduct sample testing on our automotive components and raw materials at our in-house laboratory to ensure the quality and passing rate of our product production process. The scopes of the tests include physical and chemical tests such as robust performance, flame resistant, thermal ageing and formaldehyde tests, to ensure that product quality meets international requirements. In addition, to ensure the reliability of product quality, we have engaged an independent testing agency to conduct testing on product samples. We also regularly conduct regular product quality assessment, and the assessment results are associated with the performance of production, and departments and teams with excellent performance will be awarded according to their performance.

PRODUCT AND SERVICE QUALITY

Maintaining product and service quality is an important part of the Group’s business operations. We conduct stringent quality inspections in project planning, product design and research and development, raw material procurement, production process and finished product inspection, in order to provide customers with the best quality products. We strictly comply with the Product Quality Law of the People’s Republic of China and other applicable laws and regulations, and have obtained the external certification of ISO 14001: 2015 Environmental Management System and IATF 16949: 2016 Automotive Quality Management System recognised by the international automotive industry based on ISO 9001. We audit and file relevant data and documents in accordance with the above international standards, and ensure that the products pass the production part approval process (PPAP) and the PPAP cycle is shortened.



CUSTOMER COMMUNICATION AND SATISFACTION

The Group is committed to building good relationships with our customers and welcomes their feedback on our products and services. In order to continuously meet customers' current and future needs and expectations, the Group has formulated the Customer Service Control Procedures to understand customers' opinions on our product quality, service attitude, price, delivery time, after-sales support, and other aspects by questionnaire survey, so that we can better understand the shortcomings of relevant products and services and make improvement as soon as possible. In addition, we conduct customer's quality control departments as soon as possible to follow up potential problems of relevant products in detail and study the measures to improve the quality. In terms of handling customer complaints, we have also established the Customer Complaint Handling Control Procedures to systematically classify customer complaints and deeply understand the causes of the problems, so as to maintain the quality of after-sales services. During the Year, the Group did not aware of any material complaints of products or services. The Group will continue to regard customers' long-term trust and support as the driving force, and leverage on our expertise and rich experience in "replacing steel with plastic" to find the best solutions for customers and strive for customer satisfaction.

PRODUCT RECALLS

The Group has formulated the "Control Procedures for Corrective and Preventive Measures" to effectively implement product recall and conduct detailed investigation on defective products. In order to formulate appropriate improvement plans, we will carry out investigations in various aspects such as customer handling, production environment and process, internal audit, etc., to clearly identify the causes of errors, so as to review and improve the monitoring of each production stage and prevent the recurrence of similar problems. During the Year, the Group did not aware of any recalls of products due to safety or health reasons.

OCCUPATIONAL SAFETY

To strengthen the supervision and management of production safety, we have established a comprehensive safety management system and have been granted the OHSAS 18001 certification for occupational health and safety management, as well as the safe production standardization certificate awarded by the state administration of work safety. We also provide employees with various safety training and conduct regular safety inspections to enhance their safety awareness. In order to fully implement safe production and avoid the occurrence of work-related accidents, we continue to improve the work process management system and strengthen the risk control of black points of work-related injuries. The following five major policies are strictly followed in our work safety to achieve safe production:

INVOLVEMENT OF ALL EMPLOYEES

- Senior management promises to adhere to our occupational health and safety policies
- All employees participate in the implementation of our occupational health and safety management measures

FOCUS ON PREVENTION

- Prior to the launch of every process, position, workplace, equipment, facilities, and projects are subject to risk identification and assessments, so that corresponding safety measures can be formulated to reduce risk
- Potential safety hazards are regularly inspected, corrective and preventive measures are adopted to prevent any potential accidents

HEALTH AND SAFETY

- Top priorities are given to employees' lives and safety, ensuring the conditions for safe production, and providing training on safe production
- Comprehensive safety and health management systems are formulated
- Employees are taught about safety, health and hygiene knowledge
- Regular occupational disease checks are arranged for employees

LAW-ABIDING

- We promise to abide to relevant laws and regulations, rules, systems and standards of occupational safety and health

CONTINUOUS IMPROVEMENT

- Our occupational health and safety management is continuously improved in order to comply with constantly updated laws and regulations standards
- The Plan-Do-Check-Action Management Model is implemented

In our daily business operations, we strictly comply with the laws, regulations and industry standards on occupational safety and health, such as the Production Safety Law of the People's Republic of China, the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases, the Special Equipment Safety Law of the People's Republic of China and the Fire Protection Law of the People's Republic of China, and implement the following safety measures to ensure the health and safety of our employees are comprehensively protected:

- A medical kit is provided at every workplace to ensure any individual who is injured or sick can be immediately taken care of;
 - At least one employee with first-aid certificate is allocated in every workshop who can provide timely assistance in case of an incident;
 - Prohibit anyone from smoking in all enclosed areas of the factories and offices and have installed fire-fighting devices;
 - Annual occupational disease check-ups are arranged for employees to prevent occupational diseases among workers in high-risks operations;
 - An emergency response leadership team is established to be responsible for arranging other personnel to respond to incidents, coordinating the use of equipment, and ensuring that emergency response plans are implemented in an effective and timely manner. Training for the required members of the emergency response leadership team are provided, especially for firefighters and paramedics, ensuring that they are capable of handling emergencies with calm; and
- Fire drills are conducted to enhance employees' awareness of fire safety and emergency response capabilities in the event of a fire in the factory premises

In addition, in order to prevent employees from heatstroke in hot weather, we have installed cooling fans to reduce the temperature of the workshop, and provide employees with heatstroke prevention supplies in summer.

Through the implementation of various safety measures, during the past three years, including the Year, the Group did not have any work-related fatalities, while there were 7 (2020: 8) work-related injuries, and the number of lost days due to work injury was 143 days in total (2020: 48 days), all of which were attributable to human error. We also classify work-related injuries into four categories, including: minor injury incidents, serious injury incidents, incidents of major casualties and fatal incidents of extremely major casualties. Based on their severity levels, each category is provided with corresponding handling measures. We will also carefully analyse the cause of the accident and formulate effective preventive measures in a timely manner to prevent the recurrence of the accident. During the Year, to the best knowledge of the Directors, the Group did not aware of major administrative sanctions or penalties for violating any laws and regulations related to the provision of safe working environment and the protection of employees against occupational hazards.

PANDEMIC PREVENTION AND CONTROL

In order to effectively strengthen the prevention and control of the COVID-19 epidemic, we have established an emergency leading group for epidemic prevention, which is responsible for coordinating the epidemic prevention work in the Group's production and operation, and implemented the following epidemic prevention measures to ensure the health and safety of employees, including:

- Enhancing staff's awareness on pandemic prevention and control, e.g. daily personal cleaning and disinfection and the proper way to wear masks;
- Distributing necessary protective gears such as masks and gloves to employees;
- Each department is required to report to the human resources and administration department on a daily basis regarding employees' leave application, specific travel and health conditions of business travelers and visiting customers to avoid the spread of the virus;
- Staff entering the factory must undergo body temperature check, show health code and wear masks; and
- Increasing the frequency and scope of cleaning and disinfection, and increasing the duration and frequency of indoor ventilation.

ENVIRONMENTALLY FRIENDLY PRODUCTION

Response to UN Sustainable Development Goals in this chapter:



The Group's environmentally friendly production has obtained the international certification of ISO 14001 Environmental Management System. We use low-pressure plastic injection mold ("LPIM") process to produce motor vehicle interior decorative parts. As this production technology does not require the gluing process, it does not require glue or other chemical substances. It also enables the interior decorative parts to be firmly stable on plastic and reduce the use of resources. We have also developed the production technology of "replacing steel with plastic". By reducing the weight of the engine cooling system, the weight of the vehicle can be reduced by four to six kilograms, reducing the fuel use and greenhouse gas emissions of the vehicle. In addition, the energy consumption during installation can be reduced because the welding process is eliminated. In order to continue to achieve green production, we will continue to look for opportunities to reduce emissions and waste in the production process through innovation and research and development efforts, with an aim to reduce the burden of the Group's business on the environment and natural resources.

In addition, the Group has established the following environmental goals for the Year to improve our environmental performance continuously and create an environmental friendly and low-carbon future. We also implemented corresponding environmental protection measures. Please refer to the sections headed “Exhaust Gas Emission and Energy Reservation”, “Water Resources Management” and “Waste Discharge Management” for details.

Environmental Scope	Environmental Goal
Air emissions	We are committed to reducing carbon emissions from our operations by improving energy efficiency and implementing measures to save energy and reduce emissions in the workplace.
Energy Use	We are committed to reducing energy consumption from our operations by enhancing energy efficiency.
Water resources management	We are committed to saving water by promoting the reuse and recycling of water resources through environmental protection technologies.
Waste discharge	We strive to reduce waste generation by reducing, reusing and recycling waste.

COMPLIANCE

The Group strictly complies with various environmental laws and regulations, including but not limited to the “Environmental Protection Law of the People’s Republic of China” (《中華人民共和國環境保護法》), the “Energy Conservation Law of the People’s Republic of China” (《中華人民共和國節約能源法》), the “Law of the People’s Republic of China on the Prevention and Control of Atmospheric Pollution” (《中華人民共和國大氣污染防治法》), the “Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes” (《中華人民共和國固體廢物污染環境防治法》), the “Law of the People’s Republic of China on the Prevention and Control of Environmental Noise” (《中華人民共和國環境噪聲污染防治法》) and the “Law of the People’s Republic of China on Prevention and Control of Water Pollution” (《中華人民共和國水污染防治法》). To the best of the Directors’ knowledge, the Group has not been subject to significant administrative penalties for violation of the environmental laws and regulations of China during the Year.

CLIMATE CHANGE

In recent years, the issue of climate change has received widespread attention and the frequency of extreme weather, such as typhoons, heavy rains and sudden changes in temperature, may also pose potential threats to the Group’s operations. For example, floods may damage the Group’s building structure or production equipment, super typhoons may lead to supply chain and business interruptions, etc. Therefore, we have formulated different environmental protection measures to reduce energy consumption and control greenhouse gas emissions generated in our operations, including establishing a working group for energy conservation and emission reduction, regularly monitoring energy efficiency and making suggestions for improvement, and considering the use of renewable energy to replace traditional energy consumption. In response to extreme weather, the Group has formulated the “Emergency Plan for Typhoon and Flood Prevention” and set up an emergency leading group, which is responsible for monitoring the national weather forecast for flood and typhoon prevention, and comprehensively responding to the situation. We also provide appropriate training and drills for emergency leading team members to ensure that they can properly implement emergency plans. In the future, the Group will continue to monitor the potential impact of climate change on its business and strengthen its efforts to cope with climate change.



During the Year, the Group also conducted ESG risk assessment, identified potential climate-related risks according to the nature of our business, and regularly reviewed the effectiveness of existing countermeasures to further strengthen our ability in resisting climate risks. Our potential climate-related risks and related countermeasures are as follows:

Climate-related risks	Potential effects	Countermeasures
Extreme weather events caused by climate change	Extreme weather events could result in business instability or disruption, as well as a threat to employees' health and safety.	The Group's emergency response leadership team is responsible for arranging staff to respond to emergencies, coordinating the use of emergency equipment, and ensuring that emergency response plans are implemented in an effective and timely manner. We also provide training for the members of the emergency response leadership team, including firefighters and paramedics, to ensure that they are capable of handling emergency situations.
Changes in climate-related government policy and regulatory requirements	It is possible that new climate policies and regulatory requirements on climate change issues, such as a carbon price mechanism, would impose greater operating costs on the Group or have an impact on the Group's operations.	The Group's energy saving and emission reduction working group regularly monitors the use of operating resources and makes suggestions for improvement, and uses renewable energy to reduce emissions from traditional energy sources, and makes adjustments in response to changes in climate policies.
Increasing public awareness of climate change and environmental protection issues has led to increasing consumer demand for product sustainability	The lack of sustainability for products and failure to meet consumer demand for environmental friendly products could have impact on business development.	The Group strictly monitors and controls the air emissions and energy consumption generated during the production process, and adopts activated carbon adsorption and water spraying methods to purify air emissions and reduce the impact on the environment.



EXHAUST GAS EMISSION AND ENERGY RESERVATION

We are committed to reducing carbon emissions from our operations by improving energy efficiency and implementing measures to save energy and reduce emissions in the workplace. The greenhouse gases emitted by the Group during the production process mainly come from the combustion of fuel and oil by vehicles, forklifts and canteens, as well as the use of liquefied natural gas and electricity for plant equipment. In view of this, we have formulated the Administrative Regulations on Energy and Resources Control and other systems to strictly monitor energy consumption and exhaust gas emissions during the production process, and adopted methods such as activated carbon adsorption and water spray to purify exhaust gas emitted during the operation, so as to reduce our impact on the natural environment. In addition, we have also adopted newer models of plastic injection moulding machines, which significantly reduce power consumption by increasing plastic injection speed and shortening production time. We also maintain a constant temperature in the spraying workshops to avoid repeated temperature adjustments to reduce power consumption. The following sets out our energy conservation and emission reduction measures:

- Air conditioning of the office is maintained at 24°C to 26°C;
- Employees are required to switch off equipment before leaving the workplace and check that equipment is switched off during downtime and breaks to save power;
- Energy saving lightings are installed and natural light is used as much as possible to reduce energy consumption in the factory premises and offices; and

- An energy saving and emission reduction working group is set up to regularly monitor efficiency and provide improvement advice.

To reduce our reliance on traditional energy, we used a total of 1,202 MWh (2020: 1,255 MWh) of solar energy during the Year. Although renewable energy only accounts for a small proportion of our energy consumption, we will continue to increase our investment in renewable energy to reduce the use and proportion of traditional energy. In addition, in terms of exhaust gas emissions, we have strictly complied with the requirements of the “Emission Standard of Air Pollutants for Industrial Coating Process” (《工業塗裝工序大氣污染物排放標準》) (DB33/2146-2018) to monitor the exhaust gas emissions at each production stage, and engaged a third-party independent inspection agency to conduct monthly assessments of the Group’s exhaust gas emissions to ensure compliance. The inspection report shows that the densities and emission rates of our organised air emissions including toluene, xylene, non-methane total hydrocarbons and ethyl acetate are all in compliance with the emission requirements. The unorganised air emission, such as methane density, is also in compliance with the emission requirements.

WATER RESOURCES MANAGEMENT

We are committed to saving water by promoting the reuse and recycling of water resources through environmental protection technologies. Our production water is mainly used for cooling process, while domestic water is mainly used for cooking in the canteen and for toilet facilities. We have taken the following measures to reduce water resource consumption:

- Recycling cooling water to reduce overall water consumption;
- Assigning dedicated personnel to manage water facilities and regularly repair faulty equipment to avoid water leakage;
- Adjusting the water consumption of flower sprinklers for flower irrigation according to different seasons and weather to improve water efficiency; and
- Paying close attention to monitor water consumption by conducting monthly water consumption statistics.

When treating wastewater, we firstly filter the wastewater by a screen filter to remove larger solid wastes, then it is discharged into a sedimentation compartment for sedimentation to separate fine-grained sediments such as sand and soil, then oil floating on water is removed by using the grease trap, and finally, water is discharged after water purification in the separation compartment. We have entrusted a qualified third-party agency to inspect our wastewater discharge. The results show that we are in compliance with the “Integrated Wastewater Discharge Standard” (《污水綜合排放標準》) (GB 8978-1996). The Group’s water is sourced from the municipal water system, and thus the Group does not have any difficulty in sourcing water.

WASTE DISCHARGE

We strive to reduce waste generation by reducing, reusing and recycling waste. Hazardous and non-hazardous wastes are produced during our production process, where hazardous waste is mainly paint residues, whereas for non-hazardous wastes, we mainly produce plastic scraps, metal scraps and paper boxes. The Group strictly complies with the laws, regulations and standards related to waste disposal, and properly disposes of all waste to prevent pollution to nearby communities. We have engaged a qualified third-party solid waste treatment company to periodically collect and treat our hazardous wastes, while non-hazardous wastes will be treated with the appropriate recycling processes. To reduce the generation of non-hazardous waste, we have taken the following measures:

- Used packaging materials are recycled and reused to enhance the use of packaging materials;
- Crushed plastic scraps are reused in the production lines;
- Metal scraps are properly collected and handed over to recycling companies for further treatment;
- Employees are encouraged to use electronic channels, such as: replace paper with emails and electronic workflow system to achieve paperless office;
- Place memos with environmentally friendly messages and tips on office equipment;
- Recycle boxes for paper and printer cartridges are set up in office; and employees are encouraged to replace disposable tableware with reusable tableware.

NOISE

In the production process of the Group, in order to prevent noise nuisance caused by our machinery production equipment to our employees, we have entrusted a qualified institution to measure the noise generated by the Group during daytime and at night respectively to ensure that the noise emission meets the “Emission Standard for Industrial Enterprises Noise at Boundary” 《工業企業廠界環境噪聲排放標準》 (GB 12348-2008). The inspection result shows that our environmental noise generation during the day and night are both in compliance with the requirements. In addition, we also provide earplugs to the employees working in the production workshops to minimise the impact of noise on the employees.

ENVIRONMENTAL KPIs

	2021	2020	Unit
Air emissions			
Nitrogen oxides (NO _x)	275.3	378.3	Tonnes
Sulphur oxides (SO _x)	4.5	6.2	Tonnes
Particulate matter (PM)	10.3	14.1	Tonnes
Greenhouse gases emissions			
Total greenhouse gas emissions ¹	114,272.1	155,053.6	Tonnes of CO ₂ e
Direct emission (scope 1)	106,364.3	146,102.7	Tonnes of CO ₂ e
Indirect emission (scope 2)	7,907.8	8,950.9	Tonnes of CO ₂ e
Greenhouse gas emissions intensity	3.3	3.3	Tonnes of CO ₂ e/ '000 product unit
Hazardous waste			
Amount of hazardous waste produced and disposed	46.4	26.8	Tonnes
Intensity	1.3	0.6	Kg/'000 product unit
Non-hazardous waste			
Total amount of non-hazardous waste produced and disposed ²	811.6	582.4	Tonnes
Recycled – metal	207.4	117.4	Tonnes
Recycled – paper	225.8	125.7	Tonnes
Recycled – plastic	374.6	336.0	Tonnes
Discarded – paper	3.8	3.3	Tonnes
Intensity	23.1	12.3	Kg/'000 product unit
Packaging materials			
Amount of packaging materials used	2,048.4	2,001.2	Tonnes
Intensity	58.3	42.3	Kg/'000 product unit

¹ Our disclosures on air and greenhouse gases (GHG) emissions have been prepared based on the requirements stipulated in “How to prepare an ESG report” published by the Stock Exchange and “GHG Protocol: Corporate Accounting and Reporting Standard (Revised Edition)” published by the World Resources Institute (WRI) and World Business Council for Sustainable Development (WBCSD) Corporate Accounting and Reporting Standard (Revised Edition).

² Domestic waste generated in offices and dormitories was not included as it was collected by local environmental sanitation team.

	2021	2020	Unit
Energy consumption			
Total energy consumption	492,097.7	668,909.5	MWh
Purchased electricity	12,961.4	11,124.7	MWh
Liquefied natural gas	477,565.4	656,134.6	MWh
Unleaded petrol	291.5	277.1	MWh
Diesel	77.6	118.2	MWh
Renewable energy – solar photovoltaic power generation	1,201.8	1,254.9	MWh
Energy consumption intensity	14.0	14.1	MWh/'000 product unit
Water consumption			
Total water consumption	85,192.0	107,108.0	m ³
Water consumption intensity	2.4	2.3	m ³ /'000 product unit

PEOPLE-ORIENTED

Response to UN Sustainable Development Goals in this chapter:



We firmly believe that the long-term business success of the Group shall arise from the joint efforts and contribution of our employees. As a result, we have adopted a people-oriented human resources management principle to create an inclusive, safe and friendly work environment. We also attach great importance to personal development of our employees and provide them with various professional knowledge and training opportunities, so as to retain talents for the Group. We have set up two-way communication channels to assist the management in listening to employees' opinions to the Group, including employee opinion survey and employee feedback channels as well as platforms like employee discussion meetings, with the expectation of deeply understanding their satisfaction towards the Company and challenges frontline workers are facing, so as to promote their sense of belonging to the Group.

LABOUR STANDARDS

The Group strictly abides by the Labour Law of the People's Republic of China (《中華人民共和國勞動法》), the Labour Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》), the Social Insurance Law of the People's Republic of China (《中華人民共和國社會保險法》), the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases (《中華人民共和國職業病防治法》), and the Regulations on Prohibition of the Use of Child Labour (《禁止使用童工規定》) as well as other laws and regulations related to employment and labour practices. In addition, the Group also prohibits child labour or forced labour in any form, and strictly abides by laws and regulations of relevant regions in relation to the prevention of child labour or forced labour. With regard to the prohibition of child labour, the Group has implemented proper procedures in the process of recruitment such as: checking identification documents to ensure that employees comply with the minimum age requirement prescribed by applicable laws. With regard to the prohibition of forced labour, we have already formulated a complete overtime management policy, requiring department heads to check and approve the Overtime Application Forms filled in by employees, so as to ensure that none of them shall work overtime against their will. In the event that child labour or forced labour is found, we will take the matter seriously and discipline the staff involved. During the Year, the Group did not find any violation of using child labour or forced labour.

EQUAL OPPORTUNITY

We always adhere to the recruitment principle of diversity, equity and inclusion to ensure that all candidates are treated fairly in hiring, training, career development, remuneration, promotion, termination as well as other processes related to employment, and that they are not discriminated against on the basis of gender, age, marital status, religion, race, nationality, disability and other factors. The Group also recruits staff through various types of recruitment channels including HR agencies, campus recruitment and job advertisement, employing candidates on merit and fair basis. We regularly compare our remuneration and benefits with market level and industry standards and conduct adjustment according to employees' qualifications and positions, so as to promote our competitiveness in the labour market of our industry. In addition, we conduct regular employee performance appraisals, and grant awards or promotion opportunities to outstanding employees based on criteria including qualification, competency and performance. With regard to employment termination, when we receive a resignation from an employee, our Human Resources Department conducts an exit interview with the employee to understand the reason behind the resignation and his/her suggestions for the Group, which serves as a reference for continuous improvement of the Group.

EMPLOYEE BENEFITS

Employee benefits stand at the core of our enterprise. We hope our employees can strike a balance between work and life. For this end, we have frequently organised various team building activities such as ball games, hiking and birthday parties to promote their sense of belonging and safeguard their physical and mental health. Furthermore, the Group also provides various additional benefits to its employees such as transportation tickets to other regions on weekends, birthday coupons on employees' birthdays, medical checkups for employees, and gifts on traditional festivals. During the Year, we also gave out red envelopes to employees who were unable to return to their hometowns due to the pandemic, and celebrate the festival together.

EMPLOYEE DEMOGRAPHICS

The following is the data of our employee demographics, all of our employees come from Mainland China:

	2021	2020
BY GENDER		
Male	416	387
Female	386	399
BY EMPLOYMENT TYPE		
Full-time	791	778
Part-time	11	8
BY EMPLOYMENT CATEGORY		
Senior management	4	3
Middle management	34	30
General employees and technicians	764	753
BY AGE		
Below 20	15	17
21-30	92	110
31-40	245	251
41-50	273	279
51-60	158	120
Above 60	19	9

EMPLOYEE TURNOVER ANALYSIS³

	2021	2020
Total employee turnover rate	25.1%	26.0%
BY GENDER		
Male	29.1%	29.2%
Female	20.7%	23.1%
BY AGE		
Below 20	173.3%	135.3%
21-30	62.0%	56.4%
31-40	22.5%	18.3%
41-50	16.9%	17.9%
51-60	10.1%	19.2%
Above 60	5.3%	11.1%

EMPLOYEE DEVELOPMENT

As the Group deeply understands the importance of cultivating professional talents, therefore, we have constantly provided various types of training, the contents of which centre on the scopes related to professional skills, administrative management, production safety and product quality, so as to improve their skills and working ability, allowing each employee to freely explore their own potential and creativity to achieve the common growth of employees and the Company. We also arrange suitable training courses for employees based on their job nature and work needs, so as to ensure that our employees instantly keep up with the latest production technology in the industry and master the relevant skills in both professional knowledge and daily work. For cultivating excellent talents in the industry, we also organised a management ability improvement training and managers leadership and management skills improvement course for the management promoted in 2021. The Group also encourages its employees to take part in external training for work-related professional qualifications or licenses, so as to promote the professional quality and recognition of its employees.

³ All of our resigned employees of the Group come from Mainland China.

During the Year, our trainings focused on the following areas:



NEW ENTRANTS TRAINING

- Training on rules and regulations
- Quality awareness training
- Training on production safety

COMPANY-LEVEL TRAINING

- Manager leadership and management skill enhancement training
- Comprehensive skill training for administrative personnel
- Production management training

DEPARTMENT-LEVEL TRAINING

- Procurement cost analysis training
- Position responsibility training for inspectors
- Sales training

WORK SITE TRAINING

- Equipment repair and maintenance training
- Work site management enhancement training
- Safety and quality training

EMPLOYEE TRAINING HOURS⁴

	2021	2020	Unit
Employee training analysis			
Total number of training hours	19,463.50	8,391.75	hours
Average number of training hours of employee trained	19.41	8.47	hours/person
Percentage of employees trained by gender			
Male	44.77	50.77	%
Female	55.23	49.23	%
Percentage of employees trained by employment category			
Senior management	0.31	0.24	%
Middle management	5.54	3.32	%
General employees and technicians	94.15	96.44	%
Average number of training hours of employees trained by gender			
Male	17.55	10.93	hours/person
Female	21.54	5.96	hours/person
Average number of training hours of employees trained by employment category			
Senior management	7.25	5.17	hours/person
Middle management	13.07	13.06	hours/person
General employees and technicians	19.73	8.32	hours/person

SUPPLIER MANAGEMENT

The Group endeavours to incorporate the concept of environmental protection into our supply chain management and procurement, and strictly control the quality of raw materials to maintain its reputation. Our operation requires the procurement of different raw materials, mainly including various types of resin, such as polycarbonate/acrylonitrile butadiene styrene (“PC/ABS”) and polypropylene (“PP”), accessories (such as metal clamps and screws) and fabrics. We source most of the fabrics through our jointly controlled company, Ningbo Roekona-Zoeppritex-Tex-Line Co., Ltd. (“Ningbo Hualete”). Due to different quality standards of resins

and accessories, we procure these raw materials from different suppliers to avoid relying on a specific supplier. During the Year, we cooperated with 129 material suppliers from Mainland China and 20 overseas suppliers of accessories and raw materials, including higher grade plastics, respectively.

⁴ Training data included resigned employees.

To optimise our supplier engagement, we have established the Supplier Development and Assessment Control Procedure and relevant procurement system to strictly standardise supplier management process and selection procedures. The Group requires all suppliers to obtain the internationally recognised standard ISO/TS 16949 Quality System, which includes ISO 9001 and additional requirements for specific categories of automotive industry certification, to ensure high quality of raw materials and products. We also conduct supplier evaluation based on appraisal factors such as background, qualification, price, technology, production capacity, delivery time, product and service quality, as well as performance in environmental protection, ethical behaviour and social responsibility. Qualified suppliers will be included in our list of approved suppliers. Our quality control department also closely tracks the product return rate and collects feedback from the production lines to ensure that the suppliers are in compliance with our requirements.

In order to encourage our suppliers to pursue sustainable development with us, we need suppliers who share the same philosophy, and sign the Environment/Occupational Health and Safety Agreement of Relevant Parties to guarantee that they will shoulder their social responsibilities and reduce pollution to the environment and waste of resources in the course of providing products and services. The following summarises our requirements in the agreement:

In terms of quality and environment: To put people first, pay attention to environmental protection and emphasise social responsibility, abide by laws and regulations, adhere to market orientation, persist in continuous improvement, and meet customers' expectation

In terms of occupational health and safety management: To put safety in the first priority and focus on prevention, carry out risk management at all levels, improve the environment and protect health, pursue development in a scientific way and continuous improvement to ensure no material occupational health and safety accident nor significant environmental pollution will occur

We hope to maintain the suppliers' product qualities and price stabilities through long-term cooperation. We also strictly monitor their performance in the areas of responsible production, labour rights, environmental protection and anti-corruption, so as to develop a stable and sustainable supply chain. We have the Environmental Safety Questionnaire of Relevant Parties in place, requiring our suppliers to report their working status related to environmental protection and propose their improvement action plans in the aspect of environmental safety. If a supplier's business model is found to be contrary to the Group's philosophy of sustainable development, we may terminate our cooperation with such supplier. During the Year, the Group was not aware of any material adverse impact from our major suppliers on areas such as business ethics, environmental protection or labour practices.

INFORMATION MANAGEMENT

We have taken measures to protect various documents and set up a confidentiality system which strictly requires employees not to disclose in any form any business secret or confidential information of the Group, including drawings and customer's personal information, for the purpose of ensuring that business secrets of the Group and customer's personal information are kept safe. All employees of the Group are required to sign a confidentiality agreement for the purpose of preventing them from disclosing confidential information of the Group to third parties. In addition, we also set up systemic access rights according to employees' positions to ensure that their access are limited to the information within their functional areas. If our employees need to access information or data outside their granted access rights, they must submit a written request and go through the relevant approval process to prevent privacy leakage arising from unauthorised use. To the best of the Directors' knowledge, the Group was not aware of receiving any complaint of violation of customer privacy, discovery of leakage, theft or loss of customer information during the Year.

INTELLECTUAL PROPERTY RIGHTS

For protecting the intellectual property rights of the Group, we strictly abide by laws and regulations related to intellectual property rights such as the Patent Law of the People's Republic of China. Based on this, we have formulated our Patent Management System to support product R&D work. We have patent awards and special funds for patent to boost employees to pursue technological innovation and encourage R&D personnel. In the aspect of patent application, we require each department that involved intellectual property rights to prepare an annual plan for patent application and improve patent application and technical documents writing skills. In addition, prior to a patent application, we will sign a confidentiality agreement with relevant employees to prevent leakage of business secrets and ensure confidentiality. In case that the patent rights of the Group are violated, we will report to the R&D center in time, and hand the case over to the Intellectual Property Rights Department for dealing with.

INTEGRITY BUILDING

The Group strictly abides by laws and regulations related to anti-corruption and fraud including but not limited to the Criminal Law of the People's Republic of China, the Anti-Money Laundering Law of the People's Republic of China, and the Anti-Unfair Competition Law of the People's Republic of China. To the best of the Directors' knowledge, the Group was not aware of any violations in relation to bribery, fraud, extortion and money laundering that had material impacts on the Group during the Year. We prohibit all illegal acts in relation to corruption, malpractice, bribery, money laundering, and insist on operating with integrity and leading by example. The Group has set up a reporting channel and encouraged employees to report to the Group anonymously once such violations are spotted, thereby protecting the identity and rights of whistleblowers. Upon receiving a reported case, we will carry on a detailed investigation, and strictly deal with the verified violation. The parties involved will be subject to disciplinary actions, or even dismissal, and submission to judiciary authorities for investigation and punishments.

It is clearly stipulated in the "Employee Handbook" that any employee shall not give or receive any kind of illegal benefits, nor attempt to influence business decisions in order to strengthen employees' awareness on anti-corruption. Besides, we also provide Directors and employees with anti-corruption and ethics training to ensure that they are aware of the anti-corruption policy of the Group, as well as the rights, duties and responsibilities of each position, so as to enhance the probity education for employees and their self-disciplinary awareness. We also enter into the "Anti-corruption Agreement" with major customers and suppliers, putting into writing the responsibilities of both parties in safeguarding anti-corruption with agreements, preventing improper conduct and fostering a fair and corruption-free business environment.

CARE FOR THE SOCIETY

Response to UN Sustainable Development Goals in this chapter:



We understand the importance of repaying the society, and aim at understanding the demands of all walks of life. During the Year, the Group donated RMB20,000 to Xiangshan County Anti-Cancer Rehabilitation Association to support the caring work for anti-cancer and rehabilitation persons. We also donated RMB100,000 to Xiangshan County People's Education Fund to boost the development of inland education with the expectation of motivating and promoting local education development. In addition, we also continue to support Xiangshan County Charity Association by donating RMB500,000 used in charitable work for the poor. We also donated RMB250,000 to Xiangshan County Xizhou Chamber of Commerce to support its development. In the future, we will continue to invest more social resources for creating a better future for communities.

HKEX ESG REPORTING GUIDE INDEX

Subject areas, aspects, general disclosures and KPIs		Section/remarks
A. Environmental		
Aspect A1: Emissions		
A1 General disclosure	About the emission of exhaust gas and greenhouse gas, pollution discharge to water and land, and the generation of hazardous and non-hazardous wastes: (a) Policy; and (b) Details on compliance with relevant laws and regulations with material impacts on the issuer.	Environmentally friendly production
A1.1	Types of emissions and related emissions data.	Environmental KPIs
A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emission and intensity.	Environmental KPIs
A1.3	The total amount of hazardous waste produced and intensity.	Environmental KPIs
A1.4	The total amount of non-hazardous waste produced and intensity.	Environmental KPIs
A1.5	Describe the set emission goal and steps taken to achieve the goal	Exhaust gas emission and energy reservation
A1.6	Describe ways of dealing with hazardous and non-hazardous wastes, and the set waste reduction goal as well as steps taken to achieve the goal	Waste discharge
Aspect A2: Use of resources		
A2 General disclosure	Policies for the effective use of resources.	Environmentally friendly production
A2.1	The total consumption and intensity of direct and/or indirect energy by type.	Environmental KPIs
A2.2	Total water consumption and intensity.	Environmental KPIs
A2.3	Describe the set goal of energy utilization efficiency and steps taken to achieve the goal.	Exhaust gas emission and energy reservation
A2.4	Describe any problems that can be found in sourcing water that is fit for purpose, the set goal of water utilization efficiency as well as steps taken to achieve the goal.	Water resources management
A2.5	The total amount of packaging materials used in finished products and per unit of production.	Environmental KPIs

Subject areas, aspects, general disclosures and KPIs		Section/remarks
A. Environmental		
Aspect A3: Environment and natural resources		
A3 General disclosure	Policies to reduce the issuer's significant impact on the environment and natural resources.	Environmentally friendly production
A3.1	Describe the significant impact of business activities on the environment and natural resources and the actions that have been taken to manage the impact.	Environmentally friendly production
Aspect A4: Climate change		
A4 general disclosure	Identify and respond to policies on major climate-related events that have posed or possibly pose impacts on the issuer.	Climate change
A4.1	Describe major climate-related events that have posed or possibly pose impacts on the issuer, as well as response actions	Climate change
B. Society		
Employment and Labour Practices		
Aspect B1: Employment		
B1 General disclosure	About remuneration and dismissal, recruitment and promotion, work time, holidays, equal opportunities, diversity, anti-discrimination and other treatment and benefits: (a) Policy; and (b) Details on compliance with relevant laws and regulations with material impacts on the issuer.	People-oriented Labour standards
B1.1	The total number of employees by gender, employment type (full time or part time), age group and region.	Employee demographics
B1.2	The rate of employee turnover by gender, age group and region.	Employee turnover analysis

Subject areas, aspects, general disclosures and KPIs		Section/remarks
B. Society		
Employment and Labour Practices		
Aspect B2: Health and safety		
B2 General disclosure	About providing a safe working environment and protecting employees away from occupational hazards: (a) Policy; and (b) Details on compliance with relevant laws and regulations with material impacts on the issuer.	Occupational safety
B2.1	The annual number and rate of work-related deaths during the past three years (including the reporting year).	No any work-related deaths during the reporting period.
B2.2	Lost work days due to work-related injuries.	Occupational safety
B2.3	Describe the occupational health and safety measures adopted, as well as the relevant implementation and monitoring methods.	Occupational safety
Aspect B3: Development and training		
B3 General disclosure	Policies on improving employees' knowledge and skills in performing job duties. Describe training activities.	Employee development
B3.1	Percentage of employees trained by gender and employee category.	Employee training hours
B3.2	The average number of training hours completed per employee by gender and employee category.	Employee training hours
Aspect B4: Labour standards		
B4 General disclosure	About the prevention of child or forced labour: (a) Policy; and (b) Details on compliance with relevant laws and regulations with material impacts on the issuer.	Labour standards
B4.1	Describe measures to review recruitment practices to avoid child labour and forced labour.	Labour standards
B4.2	Describe the steps taken to eliminate the situation when a violation is found.	Labour standards

Subject areas, aspects, general disclosures and KPIs		Section/remarks
B. Society		
Operating Practices		
Aspect B5: Supply chain management		
B5 General disclosure	Policies on managing environmental and social risks of the supply chain.	Supplier management
B5.1	Number of suppliers by region.	Supplier management
B5.2	Describe the practice of appointing suppliers, the number of suppliers subject to relevant practices, and the implementation and monitoring methods of relevant practices.	Supplier management
B5.3	Describe the practice of identifying the environment of each link of the supply chain and social risks, and relevant implementation and monitoring methods.	Supplier management
B5.4	Describe the practice of selecting suppliers for the purpose of promoting the use of environmental protection products and services, and relevant implementation and monitoring methods.	Supplier management
Aspect B6: Product Responsibility		
B6 General disclosure	About the health and safety of provided products and services, advertisement, label and privacy matters, and remedies: (a) Policy; and (b) Details on compliance with relevant laws and regulations with material impacts on the issuer.	Product Safety
B6.1	Percentage of products to be recalled of the total products sold or shipped for safety and health reasons.	Product recalls

Subject areas, aspects, general disclosures and KPIs		Section/remarks
B. Society		
Operating Practices		
Aspect B6: Product Responsibility		
B6.2	Number of complaints about products and services received and how to deal with them.	Customer communication and satisfaction
B6.3	Describe the practices related to the observation and protection of intellectual property rights.	Intellectual property rights
B6.4	Describe the quality verification process and product recall procedures.	Product recalls
B6.5	Describe consumer data protection and privacy policies, and related implementation and monitoring methods.	Information management
Aspect B7: Anti-corruption		
B7 General disclosure	About the prevention of bribery, extortion, fraud and money laundering: (a) Policy; and (b) Details on compliance with relevant laws and regulations with material impacts on the issuer.	Integrity building
B7.1	The number of concluded corruption lawsuits filed against the issuer or its employees during the reporting period and the outcomes of the lawsuits.	To the best of the Directors' knowledge, during the reporting period, the Group was not aware of receiving any complaint from anyone in respect of bribery, extortion, fraud and money laundering, and was not aware of any corruption lawsuits.
B7.2	Describe preventive measures and whistleblowing procedures, as well as related implementation and monitoring methods.	Integrity building
B7.3	Describe the anti-corruption training provided for Directors and employees.	Integrity building

Subject areas, aspects, general disclosures and KPIs		Section/remarks
Community		
Aspect B8: Community Investment		
B8 General disclosure	The policy on community participation to understand the needs of the communities in which they operate and to ensure that their business activities take into account the interests of the community.	Care for the society
B8.1	Focus on the areas of contribution.	Care for the society
B8.2	Use resources in the focus areas.	Care for the society