

UNITAS HOLDINGS LIMITED

宏海控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8020)

2022/2023

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

| TABLE OF CONTENT | PAGE |
|--|-------------|
| I. PREAMBLE | 2 |
| II. REPORTING BOUNDARY & PRINCIPLES..... | 3 |
| III. MESSAGE FROM THE BOARD..... | 4 |
| IV. ESG MANAGEMENT STRATEGY..... | 6 |
| V. STAKEHOLDER ENGAGEMENT | 6 |
| VI. ENVIRONMENTAL SUSTAINABILITY | 12 |
| VII. SOCIAL SUSTAINABILITY | 18 |
| LOOKING FORWARD..... | 25 |
| APPENDIX..... | 26 |
| REPORT DISCLOSURE INDEX | 30 |

I. PREAMBLE

Following the recovery from the COVID-19 Pandemic (the “**Pandemic**”), the society has been gaining back its vitality. Unitas Holdings Limited (the “**Company**”) and its subsidiaries (the “**Group**”, “**we**”, “**us**” or “**our**”) has re-assessed the business environment, thus restored its logistic service business in the fourth quarter in 2021. The Group further expanded this business into different geographical locations in the People’s Republic of China (“**Mainland China**”) and Hong Kong, along with continuous negotiations with various customers, charterers, other shipping agencies and freight forwarders, this business segment has been developing rapidly and has demonstrated a strong growth in revenue.

Meanwhile, the IP automation and entertainment business continued to be the Group’s main source of income from the business of IP-related brand management and marketing consulting services for entertainment venue. Although a series of social distancing measures and restrictions may have hindered people’s eagerness for entertainment and leisure activities, the operation of “Ganawawa” shop, a thematic experience centre, strived to offer people with a place to relax and have fun during the hard times. In addition, the Group’s newly renovated mega integrated edutainment and experience playground in Hong Kong started to generate revenue in the third quarter of 2022. The Group will always place environment sanitation and hygiene as one of its top concerns in providing entertainment experiences to all of its customers.

Having encountered the severe consequences resulting from the Pandemic, as well as the implementation of stricter regulations and policies within the shipping industry, the Group has realised the importance of establishing a sound sustainability management framework within its operations. The multifaceted implications stemming from sustainability-related challenges may pose a substantial threat to the Group’s long-term development, compounded by complex chain reactions and cascade effects. Therefore, it is crucial for the Group to adopt proactive and comprehensive measures in identifying both actual and potential downsides, enhancing resilience towards uncertainties and addressing the risks throughout its business boundary, while also understanding and abating the ones along its value chain.

The Group, as one of the leading enterprises in Hong Kong that has been principally engaged in the provision of IP automation and entertainment services and dry bulk shipping and logistic services, endeavours to incorporate the philosophy of sustainability in its daily operations. The Group has demonstrated a steadfast commitment to fulfilling its corporate social responsibility and enhanced its environmental, social and governance (“**ESG**”) performance by implementing a comprehensive management approach in monitoring, measuring, evaluating, and reporting on its performance with reference to internationally recognised sustainability metrics, while also benchmarking against global best practices to facilitate continuous improvement.

II. REPORTING BOUNDARY & PRINCIPLES

In compliance with the requirements under Appendix 20 – Environmental, Social and Governance Reporting Guide (the “**ESG Guide**”) of Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the Group is pleased to present its ESG Report (the “**Report**”) for the financial year ended 31 March 2023 (“**FY2022/2023**”, or “**the year under review**”), which demonstrates the Group’s approach and performance in terms of ESG management and corporate sustainable development for FY2022/2023 under “Comply or Explain” provision. For corporate governance section, please refer to the Corporate Governance Report in the Group’s 2022/2023 Annual Report.

A complete content index table is available at the end of this Report for readers’ convenience to check its integrity. This Report is prepared in both English and Chinese. Should there be any conflict or inconsistency, the English version shall prevail.

BOUNDARY SETTING

The Group’s IP automation and entertainment business includes the operation of the shop named “Ganawawa” in Hong Kong. It is an IP thematic experience centre which provides different IP products from automation gift machines, thematic game machines, carnival game booths as well as retail outlet. The business also includes the sale of medical mask and other merchandise, and the provision of IP-related brand management and marketing consulting services. In the third quarter of 2022, a new integrated edutainment and experience playground, “Sooper Yoo”, was opened at the Westwood, Hong Kong. Since the management of the Group considers its operations and environmental impacts during the year under review are relatively significant, in accordance with the principle of Materiality, relevant data will also be disclosed in this Report.

Meanwhile, following the loosening of boundary controls and resumption of market demand, the Group successfully restored its logistic services in the fourth quarter of 2021. However, since the collection of data in Mainland China faces challenges, this Report will only cover the data and information on social aspect for this business segment. The Group will continue to aim for an enhancement in its data collection methodology in the near future to provide a more comprehensive view of its environmental performance.

Given the business nature of the Group and the considerations above, the reporting scope of this Report covers the management policies along with environmental and social performances of the Group’s businesses of i) IP automation and entertainment business and ii) dry bulk shipping and logistic business under the operational control approach.

REPORTING PRINCIPLES

In accordance with the reporting principles that guide the preparation of an ESG Report, the content of this Report has been developed and summarised based on the following four principles:

Materiality

The principle of Materiality is fundamental to the Group for effectively identifying key ESG issues and reasonably allocating manpower and resources to manage and control the related ESG risks. In FY2022/2023, the Group conducted an annual materiality assessment with its key stakeholders through online surveys to identify material ESG issues that may impact the Group in the long term. For more information, please refer to the chapter **Stakeholder Engagement**.

Quantitative

The calculation and disclosure of environmental and social Key Performance Indicators (“**KPIs**”) reflect the use of the Quantitative principle. Calculation methods, assumptions and conversion factors are specified under the corresponding performance tables.

Balance

The Group aligns with the principle of Balance in the disclosure of its ESG performance to ensure that true and effective ESG information is conveyed to its stakeholders. The Group fully assessed the material ESG risks it faces and discloses information in an unbiased manner based on the assessment results, including both the achievements and rooms for improvements of the Group’s ESG development.

Consistency

The Group adopts the same reporting framework and data calculation method to allow meaningful comparison on a yearly basis. Explanation on significant differences from the previous reporting framework will be made correspondingly.

III. MESSAGE FROM THE BOARD

DEAR VALUED STAKEHOLDERS,

On behalf of the Board of Directors (the “**Board**”), I am pleased to present this ESG Report, detailing the Group’s approach, performance and commitment regarding corporate sustainability for FY2022/2023.

Corporate governance is becoming increasingly important in the management of sustainability issues. As such, the Board takes up the responsibility of overseeing the Group’s ESG issues, and we have been incorporating sound ESG management approaches to our sustainable development initiatives. Throughout the years, we have been influencing our top management with the philosophy of sustainability and educating our staff with relevant knowledge to strengthen our governance structure on ESG issues.

Our ESG Management Approach

Identifying material ESG issues is vital for us to allocate sufficient amount of resources to address them as they may impose significant impacts on our long-term sustainable development. Therefore, we have collaborated with external ESG consultants to conduct an annual materiality assessment, which ESG topics were rated by our key stakeholders in terms of level of concern. The consolidated results were mapped on a well-defined matrix which allows the Board to review, evaluate and validate the results. For more information, please refer to the chapter **Stakeholder Engagement**.

Meanwhile, we set up short-term targets with reference to the performance in FY2021/2022 thus developed action plans to minimise our emissions and electricity consumption to show our determination in lowering our environmental footprints. The Board is responsible for reviewing these targets on a yearly basis as a part of the preparation progress for the ESG Report. More detailed information can be found in the subsections headed **Targets and Actions** under the chapter **Environment and Natural Resources**.

Looking Ahead

FY2022/2023 marks the end of the Pandemic and the beginning of the era of a new normal. As the society starts to restore its vitality and markets start to recover, this is a golden opportunity for us to build a more sustainable future for all. We will develop and introduce more practicable measures to improve our ESG management and performance, as well as reviewing our ESG-related goals and targets on a regular basis. Furthermore, we strive to enhance our scope of content in our ESG Report to provide our readers a clearer and more thorough understanding of our environmental performances during daily operations.

Last but not least, I would like to take this opportunity to express my sincere gratitude to all employees of the Group for their dedication and contribution throughout the year, and our stakeholders, customers and business partners for their continuous support.

Ho Chiu Ha Maisy

Chairlady and Executive Director

Hong Kong, 30 June 2023

IV. ESG MANAGEMENT STRATEGY

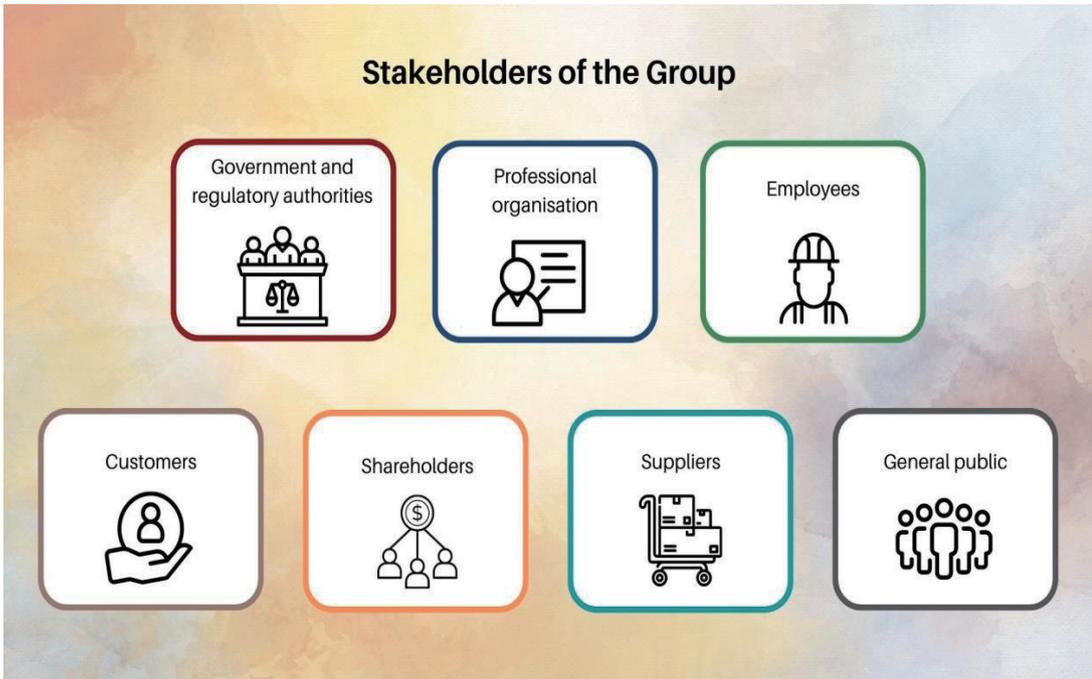
The Board has identified a number of challenges emerging from several ESG-related issues, such as climate change, biodiversity loss, growing inequality, modern slavery and resource scarcity. To address these challenges and overcome potential risks, the Group has demonstrated its commitment to establishing a comprehensive ESG management strategy which integrates sustainability principles into its development plan.

The Group adopts a “top-down” management strategy in its ESG management, in which the Board is fully responsible for overseeing the implementation of ESG-related matters, thus the barrier-free communication between the management and employees of the Group can be ensured. Such approach encourages employees to carry out the rules and guidelines developed by the management team thoroughly.

Moreover, the Group has set a list of KPIs on its Greenhouse Gas (“GHG”) emissions and use of resources in order to effectively monitor its progress on ESG-related goals and targets. This allows the management to evaluate the Group’s progress made against the relevant goals and targets, thus the Board can review the consolidated information on the Group’s ESG performance on a regular basis.

In order to integrate ESG factors into its daily operations, the Group continues to study and benchmark global standards and frameworks related to sustainable development. These standards and frameworks outline the universally accepted objectives, obstacles, and possibilities for creating a more sustainable future, thus allowing the Group to align its strategy with societal expectations and environmental ambitions.

V. STAKEHOLDER ENGAGEMENT



Effective stakeholder involvement is an integral part of the Group’s ESG management. The Group has been undertaking an ongoing engagement and maintaining a sound relationship with its key stakeholders to identify and address their concerns on the Group’s ESG-related issues, so as to ensure that it stays updated with the risks and opportunities emerge from the markets and adapts to the ever-changing environment to improve its business operations. Over the years, the Group has communicated with its stakeholders through the following channels, thus reviewed and optimise its ESG management policies on a regular basis to meet the ever-changing needs of its stakeholders.

COMMUNICATION WITH KEY STAKEHOLDERS

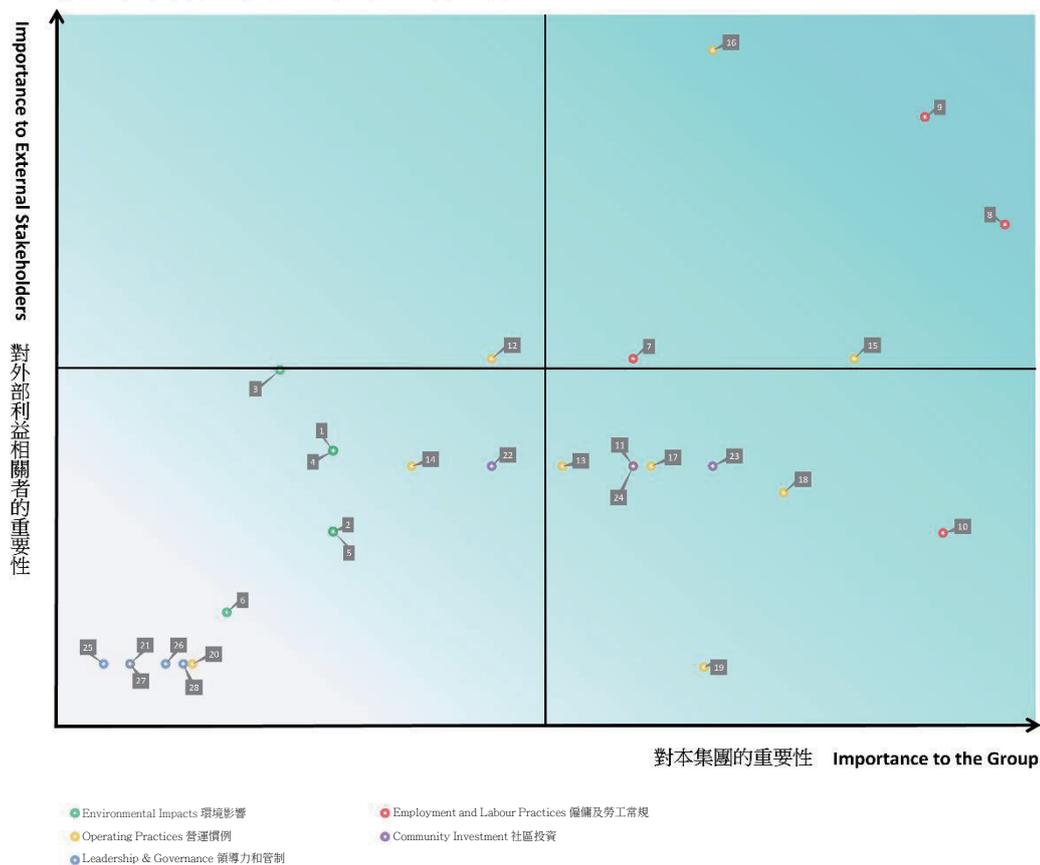
| Stakeholders | Expectations and Concerns | Communication Channels |
|---------------------------------------|---|--|
| Government and regulatory authorities | <ul style="list-style-type: none">• Law and regulation compliance• Anti-corruption policies | <ul style="list-style-type: none">• Supervision on the compliance with local laws and regulations• Routine reports and tax payments |
| Professional organisation | <ul style="list-style-type: none">• Fulfil environmental and social responsibilities• Enhance sustainable development system | <ul style="list-style-type: none">• Online surveys• Telephone discussions |
| Employees | <ul style="list-style-type: none">• Employees’ remuneration and benefits• Systematic risk management• Career development• Training opportunities• Occupational health and safety• Sound grievance mechanism and internal communication | <ul style="list-style-type: none">• Performance appraisal• Regular meetings and training courses• Written comments via emails, notice boards, telephone calls and team building activities |

| Stakeholders | Expectations and Concerns | Communication Channels |
|----------------|--|--|
| Customers | <ul style="list-style-type: none"> • High-quality products and services • Operation with integrity • Involvement in discussions with the Group about ESG affairs • Cultivation of local employment | <ul style="list-style-type: none"> • Face-to-face communication with customers |
| Shareholders | <ul style="list-style-type: none"> • Return on investments • Corporate governance • Law and regulation compliance | <ul style="list-style-type: none"> • Regular reports • Announcements • Annual general meetings |
| Suppliers | <ul style="list-style-type: none"> • Protect the rights of partners • Support local economic development • Create a sustainable development model • Participate in philanthropy | <ul style="list-style-type: none"> • Open tenders • Business meetings, phone calls and on-site visits • Seminars and workshops • Email and circulars |
| General public | <ul style="list-style-type: none"> • Business compliance • Conform to business ethics | <ul style="list-style-type: none"> • Regular reports • Announcements |

MATERIALITY ASSESSMENT

Treating the principle of materiality as the basis for ESG management, the Group conducts an annual review to determine the main concerns and major interests of its stakeholders on ESG matters. In FY2022/2023, the Group engaged an independent third-party organisation and invited its stakeholder representatives to participate in the Group’s materiality assessment survey. The stakeholder representatives were selected based on their influence and degree of dependence on the Group. Selected stakeholders include the general and managerial staff of the Group and its suppliers, who expressed their views on a range of corporate ESG management issues through online surveys. In particular, the questions covered topics including environmental impacts, employment and labour practices, operating practices, community investment, and leadership and governance. By integrating the results and formulate them into a materiality matrix, the Group is able to prioritise its ESG issues.

Stakeholder Engagement Materiality Matrix
 利益相關者的參與重要性分析矩陣



| | | | |
|----|--|----|---|
| 1 | GHG Emissions | 15 | Product/Service Quality and Safety |
| 2 | Energy Management | 16 | Customer Privacy and Data Security |
| 3 | Water and Wastewater Management | 17 | Marketing and Promotion |
| 4 | Solid Waste Stewardship | 18 | Intellectual Property Rights |
| 5 | Climate Change Mitigation and Adaptation | 19 | Labelling Relating to Products/ Services |
| 6 | Renewable and Clean Energy | 20 | Business Ethics and Anti-corruption |
| 7 | Labour Practices | 21 | Internal Grievance Mechanism |
| 8 | Employee Remuneration and Benefits | 22 | Participation in Philanthropy |
| 9 | Occupational Health and Safety | 23 | Cultivation of Local Employment |
| 10 | Employee Development and Training | 24 | Support of Local Economic Development |
| 11 | Green Procurement | 25 | Business Model Adaptation and Resilience to Environmental, Social, Political and Economic Risks and Opportunities |
| 12 | Engagement with Suppliers | 26 | Management of the Legal and Regulatory Environment (regulation-compliance management) |
| 13 | Environmental and Social Risk Management of Supply Chain | 27 | Critical Incident Risk Responsiveness |
| 14 | Supply Chain Resilience | 28 | Systemic Risk Management (e.g. Financial Crisis) |

Through the materiality assessment, “Labour Practices”, “Employee Remuneration and Benefits”, “Occupational Health and Safety”, “Product/Service Quality and Safety” and “Customer Privacy and Data Security” were identified as the most material ESG issues to the Group. The results have been reviewed and endorsed by the Board. Meanwhile, other relatively less material issues will also be discussed in various sections in this Report.

Moreover, the Group also engaged with its stakeholders in benchmarking its business strategy against the United Nations Sustainable Development Goals (“SDGs”), in which Goal 1 – No Poverty and Goal 3 – Good Health and Well-Being were selected as its prioritised SDGs during the progress of the Group’s sustainable development.

STAKEHOLDERS’ FEEDBACK

Striving for excellence, the Group welcomes its stakeholders’ feedback and opinions, especially on topics that are of the most material as listed in the materiality assessment. Readers are also welcomed to share their views on the ESG matters with the Group at:

Email: admin@chanceton.com

Telephone: (852) 2158 9999

Fax: (852) 2543 9311

VI. ENVIRONMENTAL SUSTAINABILITY

The Group endeavours to maintain a balance between long-term business development and environmental protection by minimising its environmental footprints through incorporating eco-friendly elements into its operations. As such, in FY2022/2023, the Group continued its commitment to positively and proactively contributing to the environment by adhering to the relevant environmental laws and regulations in Hong Kong, including but not limited to the Waste Disposal Ordinance (*Cap. 354 of the Laws of Hong Kong*).

This section primarily discloses the Group’s policies, practices and quantitative data on emissions, use of resources, the environment and natural resources, as well as climate-related management during the year under review. For more information on the Group’s emissions and use of resources, please refer to Tables 1 and 2 in the **Appendix**.

EMISSIONS

In FY2022/2023, the Group did not generate any air emissions during its operations given its business nature, while the GHG emissions generated by the Group was mainly Scope 2 (Energy Indirect) emissions from the purchase and consumption of electricity for daily operations of its head office and shops. As a supporter of Hong Kong’s Climate Action Plan 2030+ and Climate Action Plan 2050, the Group continues to search for feasible approaches to reduce its carbon footprint, thus minimise its impacts on the environment and the natural resources. In addition, since the solid waste and wastewater generated by the Group were collected and managed in a unified manner by the property management of the buildings where the Group operated, the Group did not have a precise record of its waste volume during the year under review.

In FY2022/2023, the Group was not in violation of any laws and regulations in relation to air and GHG emissions, discharges into water and land, generation of hazardous and non-hazardous waste, and noise that have a significant impact on the Group.

GHG Emissions

In active response to the decarbonisation goal as announced by the Hong Kong government to transform into a zero-carbon economy, the Group has implemented rigorous measures to manage its electricity consumption, which constitutes a significant portion of the Group’s carbon footprint. Throughout the years, the Group has been maintaining detailed records of its electricity usage in order to effectively monitor, record and evaluate its GHG performance. The Group’s policies in controlling GHG emissions associated with energy consumption will be further described in the subsection titled **Electricity** under the section **Energy & Resources**.

Meanwhile, the Group considered Scope 3 (Other Indirect) emissions generated from business air travel during FY2021/2022 and FY2022/2023 are insignificant and immaterial when compared to the overall GHG emissions. Therefore, Scope 3 emissions will not be disclosed in this Report according to the principle of Materiality.

Wastewater & Solid Waste

During the year under review, the Group generated non-hazardous waste and wastewater while no hazardous waste was generated. Majority of the waste discharged was commercial wastewater and solid waste, including paper. The wastewater was directly discharged into the municipal drainage system, while the solid waste was handled by the property management of the buildings. Although there was no specific amount of waste generated available, the Group will continue to minimise its waste disposal through a series of measures, which are further described in the next section **The Environment and Natural Resources**.

The Group understands the amount of wastewater highly depends on the quantity of water used, as such, it has adopted various measures to improve its water efficiency. Details on the approaches will be discussed in the subsection titled **Water** under the section **Energy & Resources**.

ENERGY & RESOURCES

In FY2022/2023, the major energy and resources consumed by the Group were electricity, water and paper, while no packaging materials were consumed. Details on the amount of resources used by the Group during the year under review are illustrated in Table 2 in the **Appendix**.

Electricity

Electricity was purchased and consumed for the business operations in the office and shops. Due to the widened reporting scope, the electricity consumption in FY2022/2023 surged drastically, however, the intensity dropped for more than 30%.

To further reduce its Scope 2 GHG emissions, the Group has incorporated energy conservation practices into its daily operations. During the year under review, the Group implemented several measures in its offices and shops, including:

- Switch off idle lights and air conditioners;
- Turn off all lights, electronic device and other power-consuming equipment at the end of the day;
- Place “Save electricity and turn off the lights when you leave” stickers to encourage employees to conserve energy; and
- Appoint internal coordinator(s) responsible for collecting, evaluating and managing the Group’s electricity consumption data for ESG reporting and future improvements.

Water

The Group recognises the importance of water as a precious and limited resource despite not being a water-intensive enterprise. Upholding its commitment of enhancing water efficiency, the Group adopted several solutions to promote water conservation, including:

- Raise the awareness of all staff in water conservation; and
- Repair and report dripping taps timely.

During the year under review, the Group did not face any problem in sourcing water fit for its purpose.

Paper

Paper is one of the major resources that the Group consumed during its daily operations. Dedicated to promoting the concept of “Paperless Office” and encouraging its employees to use paper smartly at work, the Group has been putting forward a series of measures to enhance its resource efficiency. During the year under review, the Group recycled 15 kg of paper, and implemented the following measures:

- Promote office automation and encourage information dissemination by electronic means (i.e. emails or e-bulletin boards);
- Set duplex printing as the default mode for most of the network printers;
- Provide single-sided paper collection boxes near photocopiers; and
- Encourage all staff to reuse one-sided printed papers as drafts.

ENVIRONMENT AND NATURAL RESOURCES

Given the business nature and operation pattern, the Group did not induce a significant impact on the environment and the natural resources. Considering the Group as a whole, the relatively significant environmental impact of the Group in FY2022/2023 was the emission of Scope 2 GHG emissions from the purchase and consumption of electricity. Therefore, in pursuit of greater sustainability, the Group conducted a comprehensive review and systematic analysis of its energy consumption patterns. Through this process, the Group aimed to identify and address any inefficiencies or opportunities for improvement in its operations.

In FY2022/2023, the intensity of the Group’s Scope 2 GHG emissions increased by 6% when compared to that of FY2021/2022 due to the widened reporting scope which includes an integrated edutainment and experience playground. The increase in electricity consumption led to a relatively significant impact posed on the environment. Therefore, the Group has implemented a range of measures and environmental policies aimed at reducing its GHG emissions and electricity consumption, in compliance with the relevant laws and standards. Moreover, the Group has established targets on emissions and use of resources, as summarised in the table below. Since the reporting scope has been updated in FY2022/2023, the business scope applied to the targets below will be updated.

Targets and Actions

| Areas | Targets | Actions |
|-----------------------------|---|---|
| GHG Emissions | Given that the Group’s primary GHG emissions arose from the electricity purchased and consumed, the reduction target of GHG emissions is aligned with the electricity reduction target. Taking FY2021/2022 as the baseline year, the Group targets to lower the intensity of its GHG emission by 20% within the same business scope in FY2023/2024. | The Group will continue to monitor its GHG emissions and strictly implement its electricity-saving measures. |
| Solid Wastes | Taking FY2021/2022 as the baseline year, the Group targets to lower the intensity of non-hazardous solid waste generated by 20% within the same scope in FY2023/2024. | The Group will educate its employees on waste reduction and encourage them to participate in waste recycling. |
| Electricity | Taking FY2021/2022 as the baseline year, the Group targets to lower the intensity of electricity consumption by 20% within the same scope in FY2023/2024. | Other than electricity saving measures, the Group will consider energy-efficient lighting and equipment upgrades at shops for better energy efficiency. |
| Water and wastewater | <p>Since the amount of water consumed by the Group was calculated based on appropriate assumptions and accurate figures of the Group’s water consumption and wastewater discharged are hard to obtain, it is difficult to establish specific reduction targets on water consumption and wastewater discharged.</p> <p>Nevertheless, the Group remains committed to adhering to its internal water conservation policies and encouraging its employees to use water efficiently.</p> | |

CLIMATE CHANGE

The issue of climate change presents a mutual challenge for all nations that causes concern worldwide and resulting in increasingly frequent and severe extreme weather events. Realising the importance of mitigating climate change, the Group has conducted an initial evaluation of its exposure to potential climate-related risks as a supporter of the Task Force on Climate-related Financial Disclosures (“TCFD”). With reference to the guidance of the TCFD framework, the Group has assessed and identified the impacts of climate change on its operations as described below.

| Risk | | Potential Impact |
|------------------------|---|--|
| Physical Risk | <ul style="list-style-type: none">• Increasing frequency of extreme weather events | Severe weather such as heavy rain, thunderstorms and tropical cyclones may hinder the operations of shipping and logistic services. Deliveries may be delayed which leads to higher operating costs, thus introducing additional uncertainties and challenges to the Group’s business development. |
| Transition Risk | <ul style="list-style-type: none">• Enhanced reporting obligations on carbon emissions• Introduction on carbon pricing | Operating costs are expected to rise in response to the stricter regulations. |

The Group is currently in the preliminary stage of formulating specific mitigation plans to address climate-related risks. Following the guidance provided by the TCFD framework, the Group aims to understand the impacts of climate change on its business and develop resilience-building plans to adapt to the implications of global warming by undertaking a more in-depth scenario analysis. Moreover, acknowledging that potential opportunities may arise under the trends related to climate change, the Group will also be prepared to identify and utilise them in the near future.

VII. SOCIAL SUSTAINABILITY

EMPLOYMENT AND LABOUR PRACTICES

EMPLOYMENT

The Group is committed to providing its employees with a comfortable working environment and creating an inclusive corporate culture with mutual respect and cares for its people. As such, the Group has been improving its employment practices and strives to provide its employees with a suitable platform for their career development. As at 31 March 2023, there were a total of 51 employees who were based in Hong Kong and Mainland China. The breakdown of the Group’s workforce in terms of age, gender and position levels can be found in Table 3 in the **Appendix**.

Law compliance

To ensure the Group’s human resource management policies comply with the latest applicable laws and regulations, the Human Resources Department reviews and updates them on a regular basis. In FY2022/2023, the Group’s employment policies and practices abided by the relevant laws and regulations, including but not limited to:

- *Employment Ordinance (Cap. 57 of the Laws of Hong Kong);*
- *Employees’ Compensation Ordinance (Cap. 282 of the Laws of Hong Kong);*
- *Mandatory Provident Fund Schemes Ordinance (Cap. 485 of the Laws of Hong Kong); and*
- *Sex Discrimination Ordinance (Cap. 480 of the Laws of Hong Kong).*

Recruitment and promotion

The Group has implemented robust recruitment policies in a stringent manner during the recruitment process and employee management. The Group endeavours to attract high-calibre candidates by offering fair and competitive remuneration and benefits, taking into account their educational backgrounds, personal attributes, job experiences and career aspirations. Moreover, the Group adheres to the market benchmarks for staff promotion and ensures equal opportunities for eligible employees who have demonstrated outstanding performance in respective positions for promotion and development.

Compensation and dismissal

The Group offers its staff competitive remuneration packages and conducts regular appraisals of its employees to ensure that all employees can be recognised and compensated appropriately with respect to their capability, efforts, and contributions. All employment decisions, such as appointment, promotion or termination must be made on reasonable and lawful grounds, thus the Group has implemented strict dismissal procedures to prohibit any kind of unfair or illegitimate dismissal. During the year under review, the turnover rate of the Group was approximately 19.6%. More information on the breakdown of the Group’s turnover rate can be found in Table 4 in the **Appendix**.

Working hours and rest periods

The Group has clearly defined the working hours and rest periods for its employees in its internal policies in accordance with local employment laws. In addition to basic annual leave and statutory holidays, the Group’s employees are also entitled to extra leave benefits, such as marriage leave, maternity leave, paternity leave and compassionate leave.

Equal opportunity, diversity and anti-discrimination

As an equal opportunity employer, the Group is committed to promoting anti-discrimination and equal opportunities in all human resources and employment decisions, thus maintaining a fair, respectful and diverse working environment. The Group strictly prohibits any discrimination in the workplace, as such, all hiring, training, promotion, dismissal and retirement activities are based on factors irrespective of its employees’ age, sex, marital status, pregnancy, family status, disability, race, colour, descent, national or ethnic origins, nationality, religion or any other non-job-related factors. Having zero tolerance to any workplace discrimination, harassment or vilification, the Group encourages its employees to report any discriminatory behaviour to the Human Resources Department, which is responsible for investigating the incident and taking any necessary disciplinary actions.

Other benefits and welfare

Ensuring the physical and mental health of its employees is of great importance to the Group. Over the years, the Group has provided year-end bonuses and arranged a series of activities to strengthen their bonds and boost morale. During the year under review, the Group organised parties and meal gatherings for its employees.

In FY2022/2023, the Group was not in violation of relevant laws and regulations in relation to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, welfare and other benefits that have a significant impact on the Group.

HEALTH AND SAFETY

The Group is committed to creating a safe and secure workplace for all its employees, thus it understands the importance of eliminating the its people’s exposure to occupational health and safety risks. In FY2022/2023, the Group complied with the applicable laws and regulations regarding the protection of occupational health and safety, including the Occupational Safety and Health *Ordinance (Cap. 509 of the Laws of Hong Kong)*.

Moreover, to uphold its commitment, the Group has implemented distinct and effective health and safety policies that are obligatory for all employees working in the office as well as in the shops. Adhering to the recommended practices outlined in Occupational Health and Safety Management Systems (ISO 45001: 2018), the Group has strictly monitored and implemented its internal policies. In particular, the following measures have been taken:

- Maintain and clean the air-conditioning systems regularly;
- Promote “5S” concept in workplace management;
- Disinfect carpets and office equipment regularly; and
- Prohibit smoking and drinking liquor in the workplace.

Following the loosening of restrictive measures, the Group relaxed its pandemic prevention and control measures. In FY2022/2023, the Group required all employees to maintain good personal hygiene at all times, conducted compulsory body temperature checks at the entry of shops and the office, and distributed a box of masks to all employees on a monthly basis for free.

Adhering to the Group’s internal policies, employees have to report on any unsafe practices, injury, accident or safety-related hazard to their supervisor on a timely manner. The shop managers who are in charge of the operations as well as the Operation Manager of the Group are responsible for controlling and managing the internal occupational health and safety risks. The Group did not record any work-related fatalities in the past three years, and no work-related injuries thus zero lost days due to work injury has been recorded during the year under review.

In FY2022/2023, the Group was not in violation of material relevant laws and regulations in relation to providing a safe working environment and protecting the employees from occupational hazards that may have a significant impact on the Group.

DEVELOPMENT AND TRAINING

The Group recognises its employees as the primary catalyst for its sustained success, and endeavours to provide its employees with suitable training programmes to enhance their abilities and competitiveness. To supplement its employees’ professional skillsets, the Group has formulated and implemented internal policies that promote and facilitate continuous growth through training.

Apart from its internal training programs, the Group also encourages its employees to take professional qualification examinations and enrol in external training courses. Employees who have relevant vocational qualification examinations and obtained certificates will be duly considered for reimbursement by the Group.

In FY2022/2023, as the management considered that the Group was attaining sufficient competency in the market, the Group decided not to provide any trainings to its employees.

LABOUR STANDARDS

The Group strictly abides by the *Employment Ordinance (Cap. 57 of the Laws of Hong Kong)* to prevent the employment of child or forced labour. To combat illegal employment of child labour, underage workers, or forced labour, and to ensure that all applicants are lawfully employable, the Human Resource Department requires all job applicants to provide valid identity documents and materials including academic transcript and photos prior to employment.

Meanwhile, the Group has formulated internal policies to monitor and review its recruitment and employment procedures in order to ensure its practices comply with the latest laws and regulations on prohibiting child and forced labour. If the Group identifies any practices that violate relevant labour laws, regulations and standards, the corresponding employment contract will be terminated immediately, and the case including the corresponding employment information will be reported to the law enforcement agencies.

In FY2022/2023, the Group was not in violation of any relevant laws and regulations, in relation to the prevention of child and forced labour that have a significant impact on the Group.

OPERATING PRACTICES

SUPPLY CHAIN MANAGEMENT

The Group has built solid partnerships with its suppliers and service providers to ensure sustainable management can be smoothly executed in its supply chain. During the supplier selection process, the Group evaluates suppliers’ performance based on a series of standards, including but not limited to production/service cost, quality and post-sale service. Moreover, to identify and mitigate environmental and social risks that may arise from its supply chain, the Group has implemented relevant internal policies and conducted regular reviews on the environmental performance and social responsibility fulfilment of the suppliers for continual collaboration. The Group has formulated and implemented its Compliance Manual for supplier management, which mandates that suppliers strictly comply with the relevant policies and guidelines set forth in the Manual.

Meanwhile, the Group has been emphasising on the implementation of green procurement principles, which facilitates the Group to minimise its environmental impacts by prioritising suppliers with better environmental performances and products featuring environmentally friendly elements. In FY2022/2023, the Group was in stable relationship with 8 suppliers which are all located in Mainland China. Due to the update of the list of suppliers, the aforementioned supply chain management and green procurement policies are to be applied to its suppliers.

PRODUCT RESPONSIBILITY

In FY2022/2023, the Group was in compliance with the relevant laws and regulations in Hong Kong regarding health and safety, advertising, labelling and privacy matters with respect to its operations, products and services, and methods of redress that have a significant impact on the Group, including but not limited to:

- *GEM Listing Rules;*
- *Companies Ordinance (Cap. 622 of the Laws of Hong Kong);*
- *Personal Data (Privacy) Ordinance (Cap. 486 of the Laws of Hong Kong);*
and
- *Consumer Council Ordinance (Cap. 216 of the Laws of Hong Kong).*

Considering the Group’s business nature and the principle of materiality, the health and safety, advertising and labelling-related issues are not significant to the Group, thereby not being discussed in this section.

Maintaining product/service quality

The Group strives to meet its customers’ requirements and expectations while adhering to the local ordinances. The Group requires all its employees maintain a high level of integrity and professional ethics. Besides, the Group continually improves its service quality by addressing any technical or operational risks in a timely and efficient manner to provide the best quality products and services to customers. Placing customers’ satisfaction as a top priority for the Group in achieving its long-term success, it proactively collects customer feedback to improve its products and services, as well as engaging them in an interactive manner to efficiently address their concerns.

To ensure that customers receive only the highest quality products, the Group conducts regular inspections of its products. In the event that a defective product with health concerns or quality problem is identified, the Group takes prompt actions to recall the products from its shops in accordance with its internal recall guidelines.

During the year under review, no products of the Group were subjected to recalls due to health and safety reasons.

Complaint Handling

The Group understands customers’ feedback is a crucial driver for the Group’s continuous improvement. As such, the Group proactively collects their views, including suggestions and complaints. Once a complaint is received, the complaint cause will be investigated timely according to the internal guidelines, and the Group will respond immediately after receiving a verification from the head office. Customers will be notified with the progress or handling results within a specified timeframe. During the year under review, the Group did not receive any substantial complaints.

Protecting customer privacy

The safeguarding of customer privacy and the prevention of personal or confidential information leakage are matters of great significance to the Group. To this end, the Group has put in place suitable measures to ensure the protection of its customers’ interests, thus the Employee Handbook clearly specifies the principles, requirements and procedures. The IT Department is responsible for implementing and monitoring the policies on customer data protection and privacy, including securing all personal data of its customers and only using for the purposes for which it has been collected.

During the year under review, there were no substantiated complaints received by the Group concerning the breaches of customer privacy and losses of customer data.

Intellectual property rights

Given IP automation and entertainment business belongs to one of the Group’s major business segments, the Group places great emphasis on the protection of intellectual property rights as it is crucial to its long-term development. During the year under review, the Group made significant effort to safeguarding the intellectual property rights by implementing its internal guidelines, including requiring its employees to keep confidential business secrets and other proprietary intellectual property rights.

Furthermore, when the Group enters into a commercial contract for a collaboration with a renowned brand or IP for a crossover activity, it engages the Legal Department and signs a cooperation agreement with the associated IP owner to prevent any potential infringement of intellectual property rights. The Group’s commitment to preserving intellectual property rights underscores its dedication to responsible and ethical business practices.

ANTI-CORRUPTION

The Group has been committed to maintaining a fair, ethical and efficient working environment. As such, in FY2022/2023, the Group has abided by the local laws and regulations relating to anti-corruption and bribery, including but not limited to:

- *Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Cap. 615 of the Laws of Hong Kong); and*
- *Prevention of Bribery Ordinance (Cap. 201 of the Laws of Hong Kong).*

In addition, the Group has formulated and strictly implemented internal anti-corruption policies to promote an honest and integral corporate culture, which are communicated and strictly implemented by all staff of the Group.

Having zero tolerance against all forms of corruption and illegal practices, the Group has established a robust grievance mechanism to protect its interest. Whistle blowers are encouraged to report any suspected inappropriate or illegal behaviour to the Audit Committee of the Group, either verbally or in writing, with full detail and supporting evidence. The Audit Committee is responsible for reviewing and investigating the suspected misconduct to protect the Group’s interests. Subject to the severity of the reported matter, a report will be submitted promptly to relevant regulators or law enforcement authorities when the management of the Group deems necessary.

In FY2022/2023, the Group did not arrange any anti-corruption training due to the restrictions brought by the Pandemic. Still, the Group will continue to educate its employees on relevant knowledge and strengthen their awareness of anti-corruption. During the year under review, there were no concluded legal cases regarding corrupt practices brought against the Group or its employees. Also, the Group was not in violation of any local relevant laws and regulation in relation to bribery, extortion, fraud and money laundering that have a significant impact on the Group.

COMMUNITY

COMMUNITY INVESTMENT

The Group believes creating long-term shared value for the local communities is mutually beneficial to the Group and the residents’ wellbeing. Since its establishment, the Group has been committed to giving back to the society and engaging in various meaningful community activities to support those in need. Throughout the years, the Group has demonstrated a strong commitment and dedication to building a harmonious community and making a positive impact. Yet, due to the restrictive measures and social distancing rules, the Group did not organise or join any community activities or charitable events during the year under review.

In the future, the Group, as a responsible corporate citizen, will continue to contribute to the society and explore more opportunities to bring more prosperity and positivity to the communities.

LOOKING FORWARD

Looking ahead, the Group remains committed to upholding its values and principles as it resumes from the economic downturn brought by the Pandemic. The Group will continue to strive towards improving its ESG performance and benchmarking its practices against industry standards, thus demonstrating its commitment to responsible and sustainable business practices in order to achieve long-term success.

APPENDIX

Table 1 The Group’s Total Emissions by Category in FY2022/2023 and FY2021/2022

| Emission Category | Key Performance Indicator (KPI) | | Intensity (Unit/Floor Area m ²) in | | Intensity (Unit Floor Area m ²) in | |
|------------------------------------|--|-----------------------------|--|---|--|---|
| | Indicator (KPI) | Unit | Amount in FY2022/2023 ¹ | Area m ² in FY2022/2023 ² | Amount in FY2021/2022 ³ | Area m ² in FY2021/2022 ³ |
| GHG Emissions ⁵ | Scope 1 (Direct Emissions) | Tonnes of CO ₂ e | - | - | - | - |
| | Scope 2 (Energy Indirect Emissions) ⁴ | Tonnes of CO ₂ e | 70.1 | 0.06 | 27.5 | 0.05 |
| | Total (Scope 1 & 2) | Tonnes of CO ₂ e | 70.1 | 0.06 | 27.5 | 0.05 |
| Non-hazardous Waste ^{6,7} | Wastewater | m ³ | 122 | 0.1 | - | - |

1. Amount for FY2022/2023 is expected to rise due to the widened reporting scope for the Group;
2. Intensity for FY2022/2023 was calculated by dividing the amount of GHG and other emissions respectively by the Group’s floor areas of operations of one office and two shops in Hong Kong in FY2022/2023, which was around 1,245.8 m²;
3. The amount and intensity in FY2021/2022 were extracted from the data set out in the Group’s ESG report for FY2021/2022;
4. The Group’s Scope 2 (Energy Indirect Emissions) only included the emissions arose from electricity consumption;
5. The methodology adopted for reporting on GHG emissions set out above was based on “How to Prepare an ESG Report? – Appendix 2: Reporting Guidance on Environmental KPIs” issued by the Stock Exchange and Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong;
6. The total amount of wastewater generated by the Group was primarily based on the estimation of assuming 100% of the fresh water consumed by the Group will enter the sewage system in areas where an accurate recording of the amount of wastewater was hard to obtain; and
7. Since the non-hazardous solid waste is handled by the property management, the Group did not have the actual amount of waste disposed. Aiming to enhance its reporting accuracy, the Group chose not to estimate the amount of waste disposed in FY2022/2023 and will explore more accurate measurement approaches.

Table 2 Total Resource Consumption in FY2022/2023 and FY2021/2022

| Use of Resources | Key Performance | | Intensity | | Intensity | |
|------------------|---------------------------|----------------|--------------------------|--------------------------------------|--------------------------|--------------------------------------|
| | Indicator (KPI) | Unit | Amount in | (Unit/Floor Area m ²) in | Amount in | (Unit Floor Area m ²) in |
| | | | FY2022/2023 ¹ | FY2022/2023 ² | FY2021/2022 ³ | FY2021/2022 ³ |
| Energy | Electricity | kWh | 107,414 | 86.2 | 65,408 | 125.7 |
| | TOTAL ⁴ | kWh'000 | 107.4 | 0.09 | 65.4 | 0.1 |
| Water | Water ⁵ | m ³ | 122 | 0.1 | 269.4 | 0.5 |
| Paper | Paper | kg | 50 | 0.04 | 69.8 | 0.1 |

1. Amount for FY2022/2023 is expected to rise due to the widened reporting scope for the Group;
2. Intensity for FY2022/2023 was calculated by dividing the amount of resources that the Group consumed in FY2022/2023 by the Group's floor areas of operations of one office and two shops in Hong Kong in FY2022/2023, which was around 1,245.8 m²;
3. The amount and intensity in FY2021/2022 were extracted from the data set out in the Group's ESG report for FY2021/2022;
4. The total energy was calculated based on “How to Prepare an ESG Report? – Appendix 2: Reporting Guidance on Environmental KPIs” issued by the Stock Exchange; and
5. In FY2022/2023, the amount of water consumption only includes the data from Sooper Yoo in the Westwood. With the enhancement in the new approaches in its measurement of water consumption, the Group has refined its water management and monitoring through recording a more accurate amount of water usage. The Group will keep on looking for more convincing techniques that cover all business activities in the future.

Table 3 Number of Employees by Age Group, Gender, Employment Type, Position Level and Geographical Location of the Group in FY2022/2023 ¹

| Unit: Number of employees | | Age group | | | | | Total |
|---------------------------|---------------|------------------------|------------------------|------------------------|------------------|-----------|-------|
| Gender | Aged below 30 | Aged between 30 and 39 | Aged between 40 and 49 | Aged between 50 and 59 | Aged 60 or above | | |
| Male | 13 | 6 | 3 | 0 | 0 | 22 | |
| Female | 19 | 5 | 3 | 1 | 1 | 29 | |
| Total | 32 | 11 | 6 | 1 | 1 | 51 | |

| Employment type | | |
|-----------------|-----------|-------|
| Full time | Part time | Total |
| 36 | 15 | 51 |

| Position level | | | | | |
|----------------|---------------|------------------|------------------|------------------|-----------|
| Gender | General staff | Middle | Senior | Chief Executive | Total |
| | | managerial level | managerial level | Level management | |
| Male | 10 | 7 | 3 | 2 | 22 |
| Female | 18 | 4 | 5 | 2 | 29 |
| Total | 28 | 11 | 8 | 4 | 51 |

| Geographical location | | |
|-----------------------|----------------|-------|
| Hong Kong | Mainland China | Total |
| 31 | 20 | 51 |

1. The employment data in headcount was obtained from the Group’s Human Resources Department based on the employment contracts entered into between the Group and its employees. The data covered employees engaged in a direct employment relationship with the Group according to relevant local laws and workers whose work and/or workplace was controlled by the Group, within the aforementioned Reporting Scope. The methodology adopted for reporting on employment data set out above was based on “How to Prepare an ESG Report? – Appendix 3: Reporting Guidance on Social KPIs” issued by the Stock Exchange.

Table 4 Employee Turnover Rate by Age Group, Gender and Geographical Locations in FY2022/2023 ¹

| Unit: Number of employees | Age group | | | | | Total |
|-------------------------------------|---------------|------------------------|------------------------|------------------------|------------------|-------|
| | Aged below 30 | Aged between 30 and 39 | Aged between 40 and 49 | Aged between 50 and 59 | Aged 60 or above | |
| Gender | | | | | | |
| Male | 3 | 2 | 0 | 0 | 0 | 5 |
| Employee turnover rate | 23.1% | 33.3% | 0.0% | 0% | 0% | 22.7% |
| Female | 2 | 2 | 1 | 0 | 0 | 5 |
| Employee turnover rate | 10.5% | 40.0% | 33.3% | 0.0% | 0.0% | 17.2% |
| Total | 5 | 4 | 1 | 0 | 0 | 10 |
| Total employee turnover rate | 15.6% | 36.4% | 16.7% | 0.0% | 0.0% | 19.6% |

Geographical locations

| Locations | Employee turnover | Employee turnover rate |
|----------------|-------------------|------------------------|
| Hong Kong | 10 | 32.3% |
| Mainland China | 0 | 0% |

1. The turnover data in headcount was obtained from the Group’s Human Resources Department based on the employment contracts entered into between the Group and its employees, within the aforementioned Reporting Scope. Turnover rates were calculated by dividing the number of employees who left the Group in FY2022/2023 by the number of employees in FY2022/2023. The methodology adopted for reporting on turnover data set out above was based on “How to Prepare an ESG Report? – Appendix 3: Reporting Guidance on Social KPIs” issued by the Stock Exchange.

REPORT DISCLOSURE INDEX

| Aspects | ESG Indicators | Description | Page |
|-------------------------|--------------------|--|--------|
| A. Environmental | | | |
| A1: Emissions | 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 relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.</p> <p>Note: Air emissions include NO_x, SO_x, and other pollutants regulated under national laws and regulations.</p> <p>Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride.</p> <p>Hazardous wastes are those defined by national regulations</p> | 12 |
| | KPI A1.1 | The types of emissions and respective emissions data. | 26 |
| | 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). | 26 |
| | KPI A1.3 | Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). | 13 |
| | KPI A1.4 | Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). | 26 |
| | KPI A1.5 | Description of emissions target(s) set and steps taken to achieve them. | 16 |
| | 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. | 13, 16 |

| Aspects | ESG Indicators | Description | Page |
|--|--------------------|---|--------|
| A2: Use of Resources | General Disclosure | Policies on the efficient use of resources, including energy, water and other raw materials. Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc. | 13, 14 |
| | 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). | 27 |
| | KPI A2.2 | Water consumption in total and intensity (e.g. per unit of production volume, per facility). | 27 |
| | KPI A2.3 | Description of energy use efficiency target(s) set and steps taken to achieve them. | 16 |
| | 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. | 14, 16 |
| | KPI A2.5 | Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced. | 13 |
| A3: The Environment and Natural Resources | General Disclosure | Policies on minimising the issuer’s significant impacts on the environment and natural resources. | 15 |
| | KPI A3.1 | Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them. | 15, 16 |
| 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. | 17 |
| | 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. | 17 |

| Aspects | ESG Indicators | Description | Page |
|--|--------------------|---|--------|
| B. Social | | | |
| Employment and Labour Practices | | | |
| 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. | 18, 19 |
| | KPI B1.1 | Total workforce by gender, employment type (for example, full-or parttime), age group and geographical region. | 28 |
| | KPI B1.2 | Employee turnover rate by gender, age group and geographical region. | 29 |
| 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. | 20 |
| | KPI B2.1 | Number and rate of work-related fatalities occurred in each of the past three years including the reporting year | 20 |
| | KPI B2.2 | Lost days due to work injury. | 20 |
| | KPI B2.3 | Description of occupational health and safety measures adopted, and how they are implemented and monitored. | 20 |

| Aspects | ESG Indicators | Description | Page |
|-------------------------------------|--------------------|---|------|
| B3: Development and Training | General Disclosure | Policies on improving employees’ knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training. It may include internal and external courses paid by the employer. | 21 |
| | KPI B3.1 | The percentage of employees trained by gender and employee category (e.g. senior management, middle management). | 21 |
| | KPI B3.2 | The average training hours completed per employee by gender and employee category. | 21 |
| B4: Labour Standards | General Disclosure | Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour. | 21 |
| | KPI B4.1 | Description of measures to review employment practices to avoid child and forced labour. | 21 |
| | KPI B4.2 | Description of steps taken to eliminate such practices when discovered | 21 |
| Operating Practices | | | |
| B5: Supply Chain Management | General Disclosure | Policies on managing environmental and social risks of the supply chain. | 22 |
| | KPI B5.1 | Number of suppliers by geographical region. | 22 |
| | 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. | 22 |

| Aspects | ESG Indicators | Description | Page |
|-----------------------------------|--------------------|---|------|
| | KPI B5.3 | Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored. | 22 |
| | KPI B5.4 | Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored. | 22 |
| B6: Product Responsibility | General Disclosure | Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. | 22 |
| | KPI B6.1 | Percentage of total products sold or shipped subject to recalls for safety and health reasons. | 23 |
| | KPI B6.2 | Number of products and service related complaints received and how they are dealt with. | 23 |
| | KPI B6.3 | Description of practices relating to observing and protecting intellectual property rights. | 24 |
| | KPI B6.4 | Description of quality assurance process and recall procedures | 23 |
| | KPI B6.5 | Description of consumer data protection and privacy policies, and how they are implemented and monitored. | 23 |

| Aspects | ESG Indicators | Description | Page |
|---------------------------------|--------------------|---|------|
| 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 | 24 |
| | 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 | 25 |
| | KPI B7.2 | Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored. | 24 |
| | KPI B7.3 | Description of anti-corruption training provided to directors and staff. | 25 |
| Community | | | |
| 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. | 25 |
| | KPI B8.1 | Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport). | 25 |
| | KPI B8.2 | Resources contributed (e.g. money or time) to the focus area. | 25 |