

# Shinelong Automotive Lightweight Application Limited 勳龍汽車輕量化應用有限公司

(Incorporated in Cayman Islands with limited liability)

Stock Code : 1930

## 2023

ENVIRONMENTAL, SOCIAL  
AND GOVERNANCE REPORT



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# About This Report

Shinelong Automotive Lightweight Application Limited (“Shinelong”, the “Company”) together with its subsidiaries (the “Group”) is delighted to present its fifth Environmental, Social and Governance (“ESG”) Report (this “Report”) to our stakeholders, which elaborates our sustainability strategies, policies and performance in the past year.

## REPORTING SCOPE AND PERIOD

The reporting period (“Reporting Period”) of this Report is from 1 January 2023 to 31 December 2023. Unless otherwise stated, the reporting scope of this Report covers the Group’s principal businesses, including the below entities:

- Shinelong Intellectual Manufacture Precision Applied Materials (Suzhou) Company Limited (“Shinelong Intellectual Manufacture”)
- Qingdao Xunzhan Molding Technology Company Limited
- Xunhou Laser Technology (Suzhou) Company Limited
- Kunshan Longjun Management Consulting Company Limited

Unless otherwise stated, the monetary figures in this Report are denominated in Renminbi (“RMB”).

## BASIS OF PREPARATION

This Report has been prepared in accordance with Environmental, Social and Governance Reporting Guide under Appendix C2 to the Rules Governing the Listing of Securities (the “Listing Rules”) on the Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”) and the actual situation of the Group. During the preparation of this Report, the Group referred to four key reporting principles, namely “materiality”, “quantitative”, “balance” and “consistency”, to disclose ESG-related issues.

Principle	Definition	Our Response
<b>Materiality</b>	The issues covered in this Report should reflect the significant impacts of the Group on environment and society in related in assessments and decisions of stakeholders being affected.	Through engagement with stakeholders as well as considering the Group’s business nature and development, material sustainability issues are being identified.
<b>Quantitative</b>	This Report should disclose key performance indicators in a measurable manner.	The Group discloses its key environmental and social performance indicators quantitatively where appropriate.
<b>Balance</b>	This Report should present the positive and negative information of the Group in an objective manner to reflect a comprehensive picture of the sustainability performance of the Group.	The Group has disclosed achievements and challenges of identified material issues to comprehensively reflect its sustainability performance.
<b>Consistency</b>	The Group should confirm that the preparation method of this Report is consistent with the one(s) used in previous year(s), or state the revised reporting methods, or illustrate other relevant factors that will affect meaningful comparison.	The reporting scope and the reporting methods of this Report are substantially consistent with those in last year, and relevant comparative data have also been disclosed in this Report.

# About This Report

## STATEMENT OF THE BOARD

The Board takes overall responsibility for the Group's ESG strategy and reporting. As the highest governing body of the Company's ESG, the Board is responsible for formulating the Group's sustainability management policies, strategies and targets and establishing and maintaining ESG risk management and internal control systems. The Board is also responsible for preparing the annual ESG report and overseeing the reporting process. The Company established an ESG Committee in 2020 to assist the Board in effective governance and oversight of ESG matters, review the implementation of ESG-related policies and targets, and identify ESG risks and opportunities for the Group. The ESG executive team under the ESG Committee is responsible for the collection of ESG-related data and the preparation of reports, which are regularly reported to the ESG Committee.

We value the potential impact of ESG-related risks and opportunities and integrate the identification and management of ESG-related risks into the risk management system of the Company. The ESG Committee oversees the assessment of ESG-related risks and opportunities and ensures that appropriate and effective ESG risk management and internal oversight mechanism are in place.

We have established the Group's sustainable development strategy and targets, conducted regular ESG assessment on material issues, and submitted to the ESG Committee for review and evaluation, so as to guide the management to optimize the ESG target management system. The ESG targets are regularly reviewed by the ESG Committee and reported to the Board. We have set up targets covering air and greenhouse gases, waste, energy and water and regularly review them to strengthen our management of the Group's environmental performance. We also commit to continue to review the progress of the ESG targets and any necessary adjustments or improvements to ensure that sustainability issues can be more effectively monitored and improved.

This Report discloses in detail the progress and effectiveness of the Group's ESG work in 2023. There are no false records, misleading statements or major omissions in the content of the Report, and the Board assumes full responsibility for the contents reported in this Report. This Report was approved at the board meeting on March 25, 2024.

## ACCESS OF THIS REPORT

This Report is available in traditional Chinese and English for the readers. In case of any inconsistency between the two versions, the Chinese version prevails. The electronic version of this Report is available on the websites of the Hong Kong Stock Exchange ([www.hkex.com.hk](http://www.hkex.com.hk)) and the Group ([www.shinlone.com.cn](http://www.shinlone.com.cn)).

## FEEDBACK

We will carefully listen to and adopt the opinions of our stakeholders on the Group to strive for excellence. If you have any opinions on the Group's sustainability performance or this Report, you are welcomed to contact us via email:

Email address: [sophia@shinlone.com.cn](mailto:sophia@shinlone.com.cn)

# About Us

The Company has been listed on the main board of the Hong Kong Stock Exchange since 28 June 2019. The Group is a major developer and supplier of precision moulds in the People’s Republic of China (the “PRC”), and we are committed to providing our customers with the excellent products and services, focusing on customised moulds for the production of automotive parts to cater to the growing trend of automotive lightweight application and electrical appliances and other parts. We are dedicated in providing our customers with comprehensive mould service and solutions, covering product analysis, mould design and development; mould manufacturing, assembly, testing and adjustment; trial production; and after-sales services.

Being a professional “intellectual manufacturer” of moulds with over 20 years of history in operation, the Group upholds the principle of innovative development and expands its business. We have set up factories in Kunshan and Qingdao in the PRC. The subsidiary of the Group, Shinelong Intellectual Manufacture, has been awarded the certificate of High and New Technology Expertise for its strong technology and knowledge, which indicates our position in the industry.

## HONORS AND AWARDS



“China’s Key Enterprise of Injection Die & Mould Manufacturing” was awarded by China Die & Mould Industry Association



“Specialized and Sophisticated Small and Medium-sized Enterprise in Jiangsu Province” was awarded by Industry and Information Technology Department of Jiangsu Province

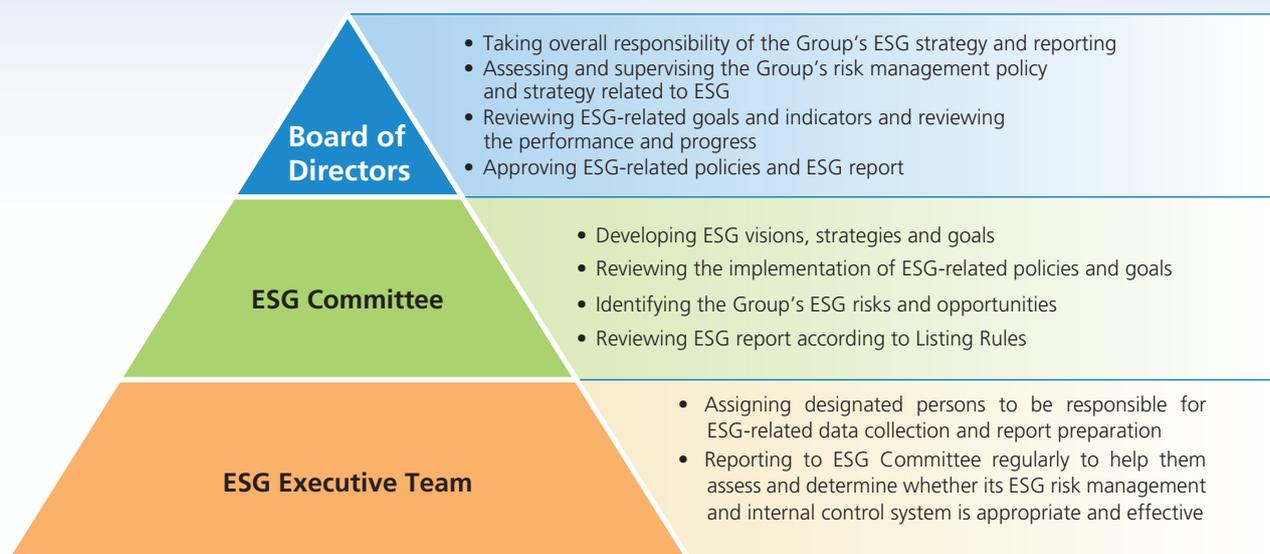
## CORPORATE CULTURE

- Mission: To contribute to China to become an intelligent manufacturing power in the world
- Vision: To be a world-renowned automotive lightweight application provider
- Values: To help customers and employees succeed

# Sustainability Management

As the top leadership of the Group, the Board is responsible for overseeing and managing the overall sustainable development of the Group. The Board empowers the ESG Committee to implement the Group's sustainability vision, strategy and targets, and oversee the work of ESG Executive Team and report to the Board in due course. We hope to incorporate sustainable development strategies into our business strategy and daily operations through a comprehensive sustainability oversight to promote environmental and social sustainable development and bring long-term value to our stakeholders.

## Sustainability Management Structure



## SUSTAINABILITY RISK MANAGEMENT

The Group sees risks management as an inseparable part of daily operation and robust corporate governance. Risk management mechanism assists the Group to evaluate and minimize risks that may prevent or endanger the achieving of its business objectives in a dynamic business environment where economic, industry, regulatory and operating conditions continue to change. During the Reporting Period, we have conducted ESG-related risk assessment, including climate change risks and ESG risks of supply chain. We identify potential ESG risks of the Group based on ESG trends and issues, benchmark analysis, stakeholders' opinions and business nature, and prioritize the risks based on their impact on the Group and possibility. We set up coping strategies and relevant control measures of material ESG risks, regularly assess and monitor the effectiveness of such measures, and assist the Board to regularly review the effectiveness of existing measures and come up with improvement plans where necessary. For the details of our risk management, please refer to the Corporate Governance Report section of 2023 annual report.

# Sustainability Management

## THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

The Group is committed to managing environmental and social performance in a responsible manner, and working with stakeholders to achieve sustainable development. We promote sustainable development in five focus areas of “Responsible Operation”, “Intellectual Manufacturing”, “Staff Cohesion”, “Green Operation” and “Social Contribution”. At the same time, we are committed to practicing the United Nations Sustainable Development Goals (UNSDGs) to protect the planet and end poverty while ensuring that all people enjoy peace and prosperity by 2030. During the Reporting Period, we identified six Sustainable Development Goals (SDGs) that are most relevant to us, integrated them into our focus areas, and strive to achieve these SDGs by formulating feasible measures.

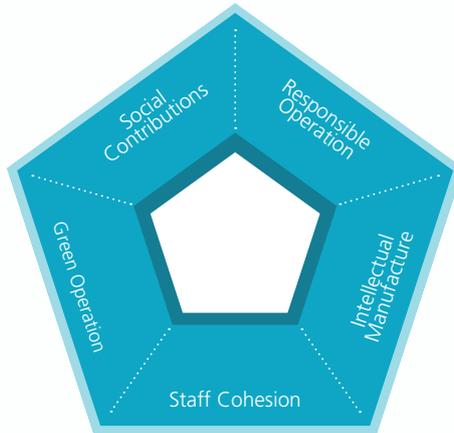
Goals

Beautify the surrounding community through volunteer activities, and help those in need to end poverty



Goals

Conduct risk assessment for environmental and social risks of key suppliers, identify suppliers with material risks and require timely rectification to establish a sustainable supply chain



Goals

Prioritize more advanced, environment-friendly facilities for the Company’s main production equipment to reduce energy consumption



Goals

Strictly implement occupational safety and health measures to reduce the risk of work-related accidents and ensure staff well-being



Goals

Keep abreast of the market demands, such as developing customers in new energy vehicle parts to expand the customer base



# Stakeholder Engagement

It is vital to listen to and adopt stakeholders' opinions in promoting the Group's sustainable development. We establish frequent stakeholder communication channels and maintain close links with government and regulatory agencies, shareholders and investors, customers, suppliers and business partners, employees, and the community to understand their views and expectations on the Group, and response in a timely manner, seek to work with them to promote sustainable development.

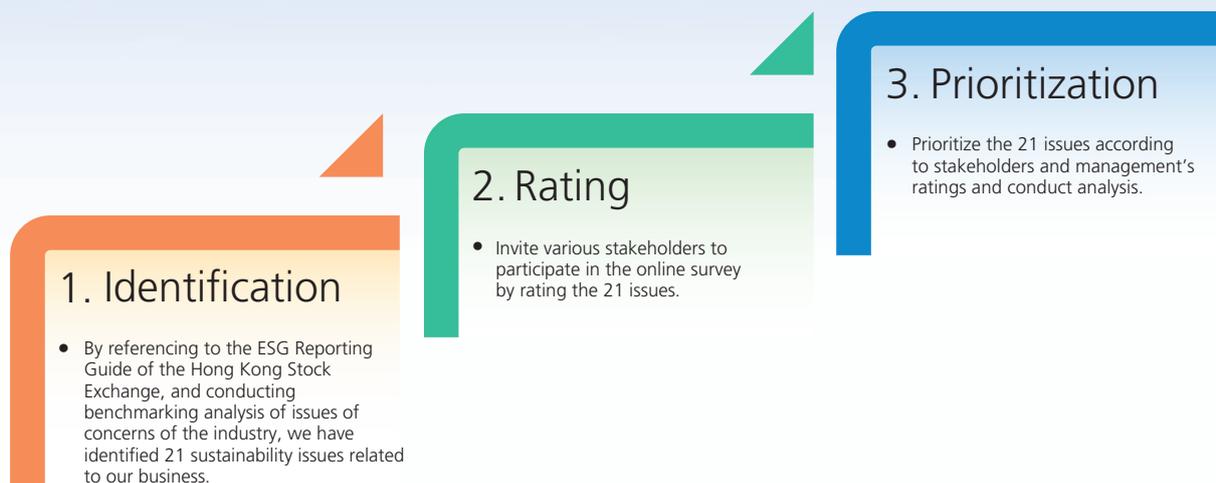
Stakeholders	Issues of Concern	Methods of Communication	Frequency
<b>Government and Regulatory Agencies</b>	<ul style="list-style-type: none"> <li>o Policy impact</li> <li>o Compliance operation</li> <li>o Risk control</li> </ul>	<ul style="list-style-type: none"> <li>o Policies and regulations</li> <li>o Interview</li> <li>o Report</li> </ul>	<ul style="list-style-type: none"> <li>o Irregular</li> </ul>
<b>Shareholders and Investors</b>	<ul style="list-style-type: none"> <li>o Compliance operation</li> <li>o Risk control</li> </ul>	<ul style="list-style-type: none"> <li>o General meeting</li> <li>o Announcement</li> </ul>	<ul style="list-style-type: none"> <li>o Regular</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>o Customer relationship</li> <li>o Customer privacy</li> <li>o Product and service quality</li> </ul>	<ul style="list-style-type: none"> <li>o Customer feedback</li> <li>o Company website</li> <li>o Visit</li> <li>o Email</li> <li>o Telephone</li> </ul>	<ul style="list-style-type: none"> <li>o Irregular and regular</li> </ul>
<b>Suppliers and Business Partners</b>	<ul style="list-style-type: none"> <li>o Supply chain management</li> <li>o Product quality</li> </ul>	<ul style="list-style-type: none"> <li>o Purchasing information and contracts</li> <li>o Consultations</li> </ul>	<ul style="list-style-type: none"> <li>o Irregular</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>o Employees' rights and interests</li> <li>o Staff training and development</li> <li>o Health and safety</li> <li>o Remuneration and rights of employees</li> </ul>	<ul style="list-style-type: none"> <li>o Professional training</li> <li>o Employee activities</li> <li>o Internal communication</li> <li>o Labour union</li> </ul>	<ul style="list-style-type: none"> <li>o Irregular and regular</li> </ul>
<b>Community</b>	<ul style="list-style-type: none"> <li>o Charity</li> <li>o Maintenance of community relationships</li> </ul>	<ul style="list-style-type: none"> <li>o Community activities</li> </ul>	<ul style="list-style-type: none"> <li>o Irregular</li> </ul>

# Stakeholder Engagement

## MATERIALITY ASSESSMENT

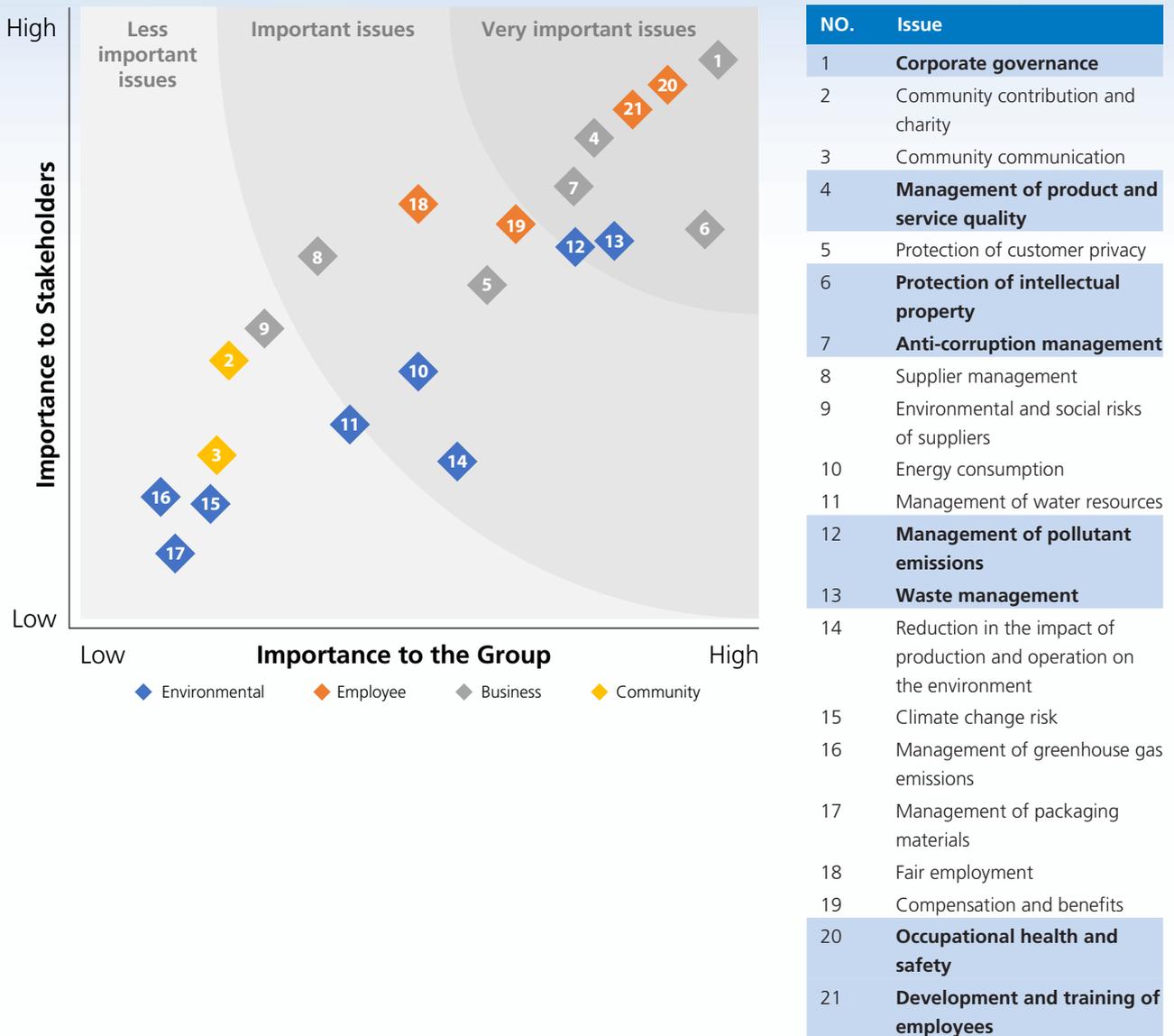
In order to better understand stakeholders' opinions on the Group's material sustainability issues, we appointed an independent third-party consultant to conduct an annual materiality assessment, and invited key stakeholders to rate the sustainability issues related to the Group, so as to help us identify issues that have a significant impact on the Group and monitor and manage them accordingly.

The steps of materiality assessment are as follows:



# Stakeholder Engagement

The following materiality matrix presents the results of the materiality assessment during the Reporting Period. The 8 issues at the top right hand corner are the material issues identified this time, namely corporate governance, management of product and service quality, protection of intellectual property, anti-corruption management, management of pollutant emissions, waste management, occupational health and safety, development and training of employees. This Report will focus on the relevant management strategy and performance of these issues.



# Responsible Operation

## ANTI-CORRUPTION

The Group strictly abides by applicable laws and regulations related to anti-corruption, including but not limited to the Criminal Law of the PRC, the Anti-Money Laundering Law of the PRC, the Anti-unfair Competition Law of the PRC, and the Company Law of the PRC, in order to uphold business ethics and integrity and build a healthy and integrity corporate culture. At the same time, the Company has set up a comprehensive management mechanism through policies and systems such as the Anti-fraud and Anti-corruption Management Regulations and Whistleblowing Policy, which requires employees to uphold the highest ethical standards at all times, and to prevent any fraud, bribery, extortion, money laundering and other illegal behaviours.

In addition, the Group's senior, middle-level management and employees contacting with external business partners have already signed the Personal Integrity Commitment, and we also require suppliers to sign the Anti-bribery Commitment to ensure that commercial bribery and other corrupt practices will not be involved in the process of business dealings. Whistleblowing Policy states that employees and those who deal with the Group can report any suspected inappropriate acts or fraud to the Group through email. Our company secretary and internal audit office will promptly investigate and provide feedback within five working days to protect the interests of the Group and employees. The identities of whistle-blowers will be kept confidential.

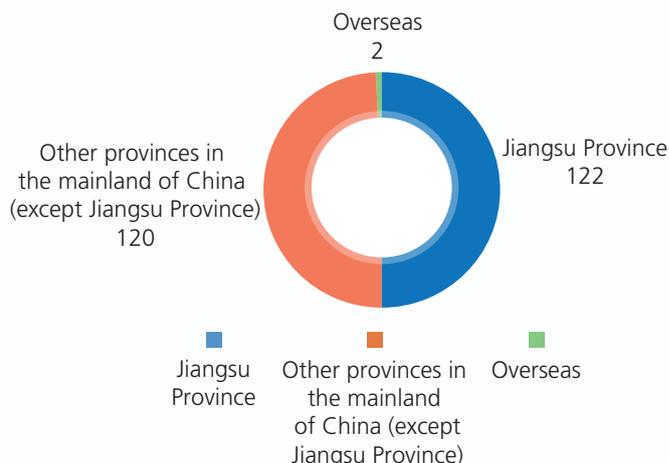
In order to enhance the knowledge and awareness of management and employees on business ethics and integrity, we arrange relevant training courses in a regular manner to explain the concepts and types of fraud and corruption, fraud behaviour, regulations, the Company's regulations and whistleblowing procedures. During the Reporting Period, we arranged a total of 8 anti-corruption training courses.

During the Reporting Period, we did not receive any cases or reports of corruption, extortion, fraud, money laundering that violated any laws or regulations.

## SUPPLY CHAIN MANAGEMENT

During the Reporting Period, the Group cooperates with 244 suppliers providing raw materials, accessories and consumable hardware parts etc. The distribution of suppliers by location is as follows:

### Distribution of Suppliers by Location



## Responsible Operation

We actively promote the sustainable development of the supply chain through our influence. We are committed to promoting environmental sustainability in our supply chain by the following measures:

- requiring key suppliers to provide environmental impact assessment reports to ensure that they are not involved in significant environmental risks;
- prioritizing suppliers that provide environment-friendly products to reduce the negative impact on the environment;
- prioritizing local suppliers to reduce greenhouse gas emissions generated during transportation.

We conduct risk assessment on key suppliers in a regular manner to identify their environmental and social risks. The Board and management oversee the environmental and social risks of the entire supply chain and review the effectiveness of management measures to continuously improve risk management system of suppliers. According to the results of the risk assessment, we did not identify any suppliers with high risks during the Reporting Period.

In addition to managing our suppliers' environmental and social risks, we also set up a comprehensive and rigorous supplier management procedure to safeguard the quality of their products and services. When selecting new major raw material suppliers, we will conduct qualification evaluations and onsite visits to select suppliers with good performance in quality control, management, processing and production capabilities, product development capabilities, quality assurance systems, employee training and other areas. We also conduct quarterly and annual assessment for existing suppliers to assess their performance in the areas of product and service quality, price and timeliness of delivery, and classify suppliers by A/B/C/D classes according to the assessment results. Class C suppliers will be required to conduct timely rectification. Suppliers who are classified as Class C for two consecutive times may be eliminated from the Qualified Supplier List together with Class D suppliers, and the cooperation will be terminated.

# Intellectual Manufacture

As a National High and New Technology Enterprise, we are committed to providing our customers with the excellent products and services. We have developed comprehensive quality control measures to strictly control the quality of our products and continuously improve the quality of our services at the same time. We have obtained the certificate of ISO9001:2015 Quality Management System and strictly abided by applicable laws and regulations related to the health and safety of product and privacy.

During the Reporting Period, the Group was not aware of any material violation of laws and regulations related to the health and safety of product and privacy, including but not limited to the Product Quality Law of the PRC, the Patent Law of the PRC, the Copyright Law of the PRC and the Advertising Law of the PRC.

## QUALITY MANAGEMENT

Our mould production business has obtained the certification of ISO9001: 2015 Quality Management System and the stamping parts production business has obtained the certification of IATF16949:2016 Quality Management System. To ensure product quality, we have established a comprehensive Quality Manual and implemented strict standards in terms of the procedures of incoming inspection, manufacturing and delivery, including:

- “Incoming Materials Inspection Measures”: which require strictly inspect the quality of raw materials while purchasing, and if there are unqualified materials, we will follow up and handle in time;
- “In-process Inspection Guide”: which standardizes processing, manufacturing, assembly and other production procedures, and conduct inspection and testing to ensure that product structure, size and performance meet standards; and
- “Delivery Inspection Standards”: which require to inspect the dimensions, labels and appearance of the products when delivering, to ensure that the products meet the specifications before being sold to customers.

## PRODUCT INNOVATION

We strictly abide by laws and regulations including the Copyright Law of the PRC, the Patent Law of the PRC, strive to protect our intellectual property rights and respect the intellectual property rights of others at the same time. In order to promote product innovation and consolidate the Group’s position in the industry, we continuously invest resources to support the R&D team to innovate, to meet the ever-changing needs of the market and customers. We will apply for patents for our research and development results. As at 31 December 2023, the Group has a total of 58 patents, including 20 invention patents, 37 utility patents and 1 design patent and among which 3 new patents were obtained during the Reporting Period. In addition, the Company has a total of 19 patents under application this year.

# Intellectual Manufacture

## INDUSTRY PARTICIPATION

In order to promote the development of the industry, apart from continuous research and innovation, we also actively participate in industrial associations and exchange events.

In April 2023, we participated in the 7th China Automotive Hot Stamping Technology and Process Development Forum. In addition to learning the information and knowledge of hot forming equipment, materials and processes, we exchanged industry information with hot forming mould manufacturers.

In the same month, we participated in the official activities of the 3rd Automobile Body and Interior Decoration Conference and the 20th Shanghai International Automobile Industry Exhibition in Shanghai in 2023. These activities focused on hot topics such as vehicle lightweight, automobile safety regulations, lightweight and environment-friendly materials, new injection moulding processes, and discussed various possibilities for the development of the industry.

In June 2023, we participated in the DIE & MOULD CHINA in Shanghai. The themes of the conference are “integrity, change, and building a new development pattern”, which focus on leading for the technology of molds and equipment. We are committed to building an industrial ecosystem together with our peers.



The 7th China Automotive Hot Stamping Technology and Process Development Forum



DIE & MOULD CHINA

# Intellectual Manufacture

## CUSTOMER SERVICE

Apart from adhering to product quality, we also strive to maintain high-quality service and improve customer experience through the following measures:

- If any quality or design problems have been identified after sales, customers may require repair within one year. We will repair the defective products in a timely manner and conduct investigation and follow-up;
- Conducting regular customer satisfaction survey and inviting customers of household appliance injection mould, automotive injection mould and automotive hot-stamping mould to rate in terms of product delivery, product quality, packaging quality, staff attitude, coordination and after-sales services;
- Establishing complaint handling procedure to deal with customer complaints through email, telephone and other channels in a timely and sincere manner.

Given the nature of our business, advertising and product labeling are not among the material issues of the Group.

During the Reporting Period, the Group did not record any products sold or shipped subject to recalls for safety and health reasons, nor did it receive significant complaints about products and services.

## Staff Cohesion

The Group has always adhered to the people-oriented principle and strictly abides by employment-related laws and regulations, including but not limited to the Labour Law of the PRC, the Labour Contract Law of the PRC, to build a fair, healthy and harmonious workplace for employees, so that they can grow together with the Group. During the Reporting Period, we were not aware of any material violations in laws and regulations with respect to remuneration and dismissal, recruitment and promotion, working hours, leave, equal opportunity, diversity, anti-discrimination and other benefits and welfare.

### EMPLOYMENT OVERVIEW

We uphold the principle of combining virtue with talent and hiring people based on their talents, and recruit suitable talents to join the Group through new media, human resources market, campus recruitment and internal referral. We advocate equal opportunity and diversity, and treat all employees equally, and do not allow any discrimination against employees based on race, nationality, religion or gender in the workplace. We offer competitive remuneration and benefits to our employees. In addition to the basic salary, social insurance and housing funds, employees may also enjoy benefits including year-end award, long service award, Woman's day gift, birthday gift, health check; Apart from statutory and public holiday, employees can also enjoy leave, sick leave, marriage leave, compassionate leave, maternity leave, miscarriage leave, nursing leave, breastfeeding leave and annual leave etc.

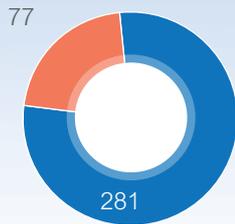
We adhere to the principle of protecting human rights in recruitment, remuneration system, promotion, training and other processes, and eliminate child labor and forced labor. During recruitment, we will verify the personal identity document to ensure that they are not child labors. We have stipulated in the "Employee Code of Conduct" and other human resources related policies regarding terms in relation to working hours, remuneration system, benefits, leave and resignation and other arrangement to avoid forced labor. If we identify any child or forced labour in the workplace, we will take him/her away from the workplace for further follow-up actions in accordance with the Labor Law of the PRC and other relevant laws and regulations.

During the Reporting Period, the Group did not identify any child and forced labor.

# Staff Cohesion

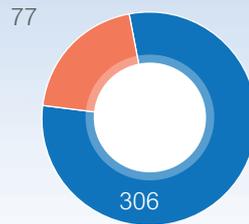
As at 31 December 2023, the Group employed a total of 358 full-time employees, one from the United States and the rest from China. The chart below shows the distribution of employees by gender, function and age group as well as turnover rate during the Reporting Period and in 2022:

Employees by Gender in 2023



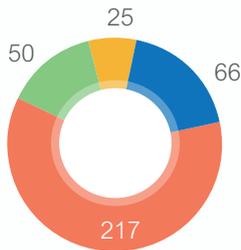
■ Male ■ Female

Employees by Gender in 2022



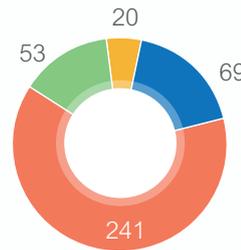
■ Male ■ Female

Employees by Function in 2023



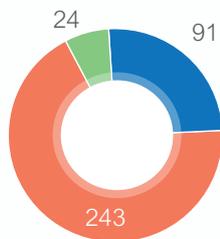
■ Management ■ Production ■ R&D ■ Others

Employees by Function in 2022



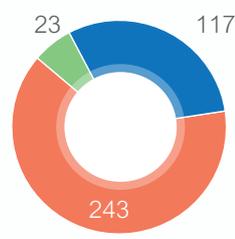
■ Management ■ Production ■ R&D ■ Others

Employees by Age Group in 2023



■ <=30 ■ 31-49 ■ >=50

Employees by Age Group in 2022



■ <=30 ■ 31-49 ■ >=50

## Staff Cohesion

Turnover Rate	2023	2022
<b>Total</b>	32%	39%
<b>By Gender</b>		
Male	37%	41%
Female	16%	33%
<b>By Function</b>		
Management	25%	35%
Production	38%	38%
R&D	29%	54%
Others	4%	20%
<b>By Age Group</b>		
≤30	54%	52%
31–49	25%	35%
≥50	13%	24%

### EMPLOYEE COMMUNICATION AND CARE

In order to strengthen the mutual communication between employees and the Group, strengthen the employees' sense of belonging, and understand their opinions and expectations towards the Group, we will conduct interviews with employees from time to time, and have exit interviews with departing staff.

In addition, we also organize various activities in our spare time for our employees to relax and enhance their cohesion. During the Reporting Period, we purchased books twice and held activities including outdoor activities and festival care, aiming to protect the physical and mental health of employees, enhance team cohesion and let employees to truly feel the corporate culture. Activities held this year include but are not limited to spring and fall marathon, badminton, basketball, yoga, night running, annual party, birthday parties, reading club.

# Staff Cohesion

- Outdoor Activities

## Case: "Shinelong Cup" Spring Marathon

On April 22, 2023, the "Shinelong Cup" Spring Marathon officially kicked off in Mingjingdang Scenic Spot. In this marathon, two outstanding players broke the half-marathon record of the "Shinelong Cup". The Company commended the top seven in group of men and the top five in group of women, and selected the first two teams from the "Start and End Together" teams.



### Other cases:



Jiangnan Peak • Sky cross country race



Running training



Fall marathon



Badminton

# Staff Cohesion

- **Holiday care**



Christmas



Woman's day



The labour union distributes gifts to employees who celebrated the New Year in Kunshan City



Birthday parties

- **Physical and mental health**



"Riding the wind and waves with a boundless future" annual party of 2023



Reading club

# Staff Cohesion

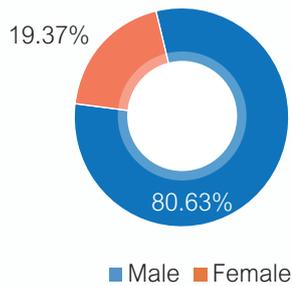
## TRAINING AND DEVELOPMENT

We invest a lot of resources to cultivate talents, promote the training and development of each employee, and enable employees and the Group to grow together. Every year, we make training plans and arrange appropriate internal and external training courses according to the learning needs of employees. To encourage our employees to have continuous learning, we will also provide subsidies to employees who attend external training. Our training courses include anti-corruption training, occupational health, sales skills, equipment use specifications, warehouse management, cost management, hot stamping mould knowledge and other technical training.

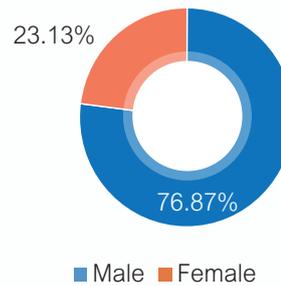
During the Reporting Period, the total training hours of employees were approximately 3,906 hours, representing a significant increase over the previous year. The reason is that the Company further paid attention to the improvement of staff skills this year, formulated more detailed training plans for various departments which were effectively implemented, and the training results were good.

The training ratio and average training hours by gender and function during the Reporting Period and in 2022 are as follows:

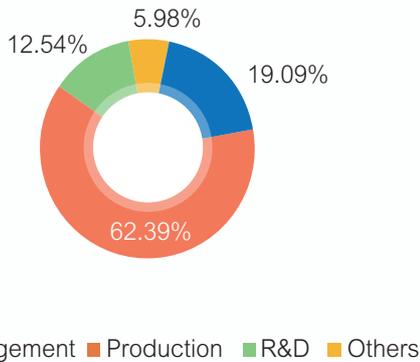
Training Ratio by Gender in 2023



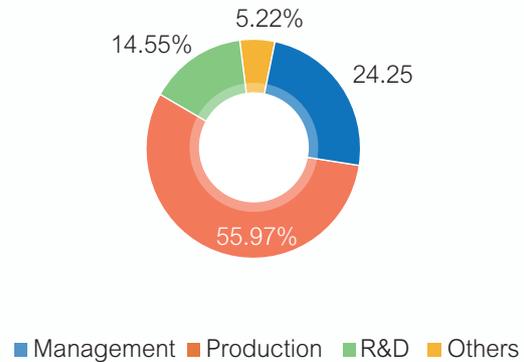
Training Ratio by Gender in 2022



Training Ratio by Function in 2023

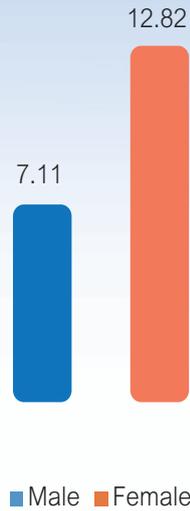


Training Ratio by Function in 2022

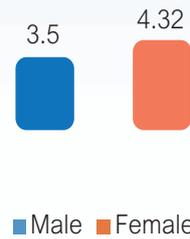


# Staff Cohesion

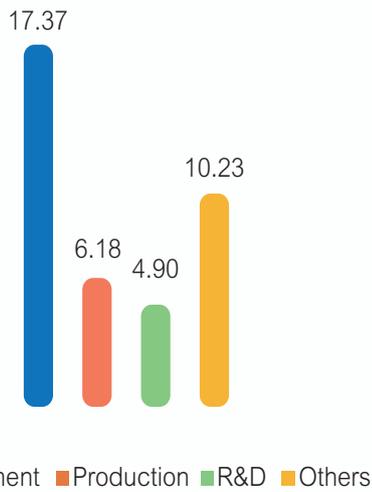
Average Training Hours by Gender in 2023



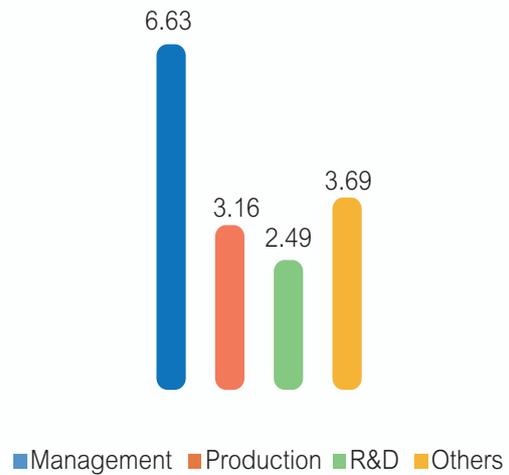
Average Training Hours by Gender in 2022



Average Training Hours by Function in 2023



Average Training Hours by Function in 2022



# Staff Cohesion

In addition, we also attach great importance to the career development of our employees and set up vertical and horizontal career development channels for our employees. We have formulated the “Management Measures for Employee Promotion” to conduct regular performance assessment on employees’ working attitude, teamwork, management and supervision, work ability, etc., and evaluate employees’ personal strengths and skills. The Human Resources Department and the career development counselor will guide employees to fill in the Employee Career Development Planning Form, and the Human Resources Department will check the form once a year to know whether the Company has provided training and promotion opportunities for employees in a year, the assessment and promotion of employees in a year, and put forward suggestions for the development of employees in the next stage. After the assessment results are confirmed at the end of each year, the managers of each department will talk with the employees of the department about their personal work performance and future development, and determine the next goal and direction. We will promote suitable employees in accordance with the principle of integrity and ability, so that they can achieve their personal career development in the Group.

## HEALTH AND SAFETY

Protecting the well-being of employees is one of our top priorities. The Group abides by the relevant laws and regulations related to occupational health and safety, and we strive to minimise the possibility of exposure to occupational safety and health risk by the implementation of management system. Our occupational safety and health measures include:

 <p>Health</p>	<ul style="list-style-type: none"><li>• Arranging a free health check for all employees every year, and arranging special medical examination for specific employees exposed to hazardous factors such as noise and dust;</li><li>• Arranging occupational health and safety accident training.</li></ul>
 <p>safety</p>	<ul style="list-style-type: none"><li>• Conducting regular safety risk inspection in the workshops and workplace, and requiring the corresponding departments to provide rectification and management plans for identified hazards and issues, and implement them conscientiously;</li><li>• Organizing fire safety knowledge training and fire drill for all employees to learn the operation of fire extinguishers and other fire equipment, and strengthen the awareness of fire safety and accident handling knowledge;</li><li>• Placing safety warning signs in appropriate areas to remind employees to pay attention to safety;</li><li>• Providing employees with personal protection equipment, including work clothes, safety hats, safety shoes, goggles and gloves etc.</li></ul>

## Staff Cohesion



Safety inspection



Fire drill



Fire drill

During the Reporting Period, the Group was not aware of any violations of laws and regulations related to the provision of a safe working environment and the protection of employees from occupational hazards, including but not limited to the Prevention of Occupational Diseases Law of the PRC and the Safety Production Law of the PRC.

In 2023, a total of three employees of the Group were injured at work, and the working days lost due to injury was 42 days. The cause of the accident was that employees were not careful in operation and were knocked down by a forklift in the factory. In order to prevent such accidents from happening again, we continue to strengthen the safety education and training of employees, develop and improve the operating procedures, and ensure the effective implementation of the safety management system through daily inspection and checking. At the same time, we try our best to maintain the safety of equipment, machines and places, keep the workplace clean, mark the ground of the factory to distinguish the sidewalk and forklift driving range, prevent accidents as much as possible, and ensure safe production.

Work-related fatalities during the past three years (people)	
2023	0
2022	0
2021	0
Work-related accidents in 2023 (people)	3
Working days lost due to injury in 2023 (days)	42

# Staff Cohesion

## PRIVACY PROTECTION

We value the privacy of personal data. In addition to the labour contract, we will sign the “Confidentiality Agreement” with employees when they enter the Company, requiring employees to carefully handle the Company’s confidential information and avoid disclosure without consent.

In addition, we are committed to safeguarding data security to ensure the interests of the Group, customers and employees. Order information will be encrypted into specific numbers once obtained from customers to ensure the confidentiality of the order information. Relevant data of customers will be stored in the internal server of the Company, where unauthorised personnel could not read or obtain such information. The personal information of employees is also confidential, and we have formulated the “Code of Practice for the Management of Personnel Files of Employees” to keep the personal information of employees in compliance. If it is needed to be consulted or borrowed due to special circumstances, it must be approved by the supervisor of responsibility before it can be properly used. If there is any violation of the relevant file confidentiality and preservation rules, we will impose punishment according to the provisions. In order to enhance data security, hierarchical management of permissions is adopted in the storage server to classify the data, and login history is enforced in our server to monitor who is logged in and what content has been accessed.

## Green Operation

We actively manage the environmental performance of our businesses to address climate change issues. We comply with relevant national laws and regulations, including but not limited to the Law of the PRC on Prevention and Control of Air Pollution, the Environmental Protection Law of the PRC, the Law of the PRC on the Prevention of Water Pollution, the Water Law of the PRC, the Directory of National Hazardous Waste, the Measures for the Administration of Transfer of Hazardous Wastes and the Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Waste.

We continuously review the Group's emissions and resource consumption. So that we formulated and implement a strict "Environmental Protection Management System", including the approval of renovation and expansion projects, environmental protection daily management system, etc., to guide our employees to uphold the principles of reducing emissions and optimization resources utilization during operations and production processes.

During the Reporting Period, we were not aware of any material violations of laws and regulations related to environment.

We have set up 4 environmental targets in 2021 covering aspects such as air and greenhouse gases, waste, energy and water, to strengthen our management of the Group's environmental performance. We actively implemented various measures on energy saving and emission reduction to achieve these targets. During the Reporting Period, the progress of each is as follows:

# Green Operation

Category	Environmental Targets	Process during the Reporting Period
Air and Greenhouse Gas Emissions	Reduce air and greenhouse gas emissions to gradually lower the Group's carbon footprint	During the Reporting Period, we prioritized equipment that are more energy-saving in the production process to reduce emissions. We prioritized the use of new energy vehicles, advocated green travel and promoted a low-carbon lifestyle.
Waste	Advocate reduction of waste at source and recycling and reuse to reduce the generation of waste	During the Reporting Period, the non-hazardous waste generated in the manufacturing process of the Group was mainly metal waste (accounting for approximately 96%), which was all recycled by the recycler. The hazardous waste generated in the manufacturing process of the Group mainly consisted of waste cutting fluid and grinding mud. We separated the oil and water from cutting fluid to improve the reuse rate.
Energy	Enhance the Group's energy efficiency to reduce unnecessary energy consumption	The Group's energy consumption mainly comes from production and office electricity. During the Reporting Period, we continuously reviewed the production procedures and process, assessed the energy consumption demand of equipment, and prioritized energy-efficient models. We extensively used LED lighting and other intelligent lighting systems in the office to improve energy efficiency. In the new plant, the rooftop photovoltaic project is planned to use clean energy.
Water	Improve water efficiency and reduce waste of water	The water resource consumption of the Group mainly comes from domestic water. During the Reporting Period, we continued to advocate the concept of water saving to our employees, and reminded them to turn off the tap immediately after use, regularly checked the condition of water facilities, and promptly maintained them to improve water efficiency. We have implemented the "Sponge City Project" in the new plant to efficiently collect water and balance the ecology.

<sup>1</sup> Greenhouse Gas removals from Group's newly planted trees during the reporting period.

# Green Operation

## RESOURCE SAVING

Due to business nature, we consume purchased electricity to support the electricity demand at our operating locations and consume petrol and diesel for the Company's vehicles. In order to reduce the Group's carbon footprint, we strongly promote the concept of energy saving to reduce energy consumption and improve energy efficiency through the following measures:

- Continuously review the production procedures and process, to assess the energy consumption demand of the equipment, and seek applicable methods to optimize and reduce energy consumption;
- Prioritize energy-saving models when purchasing production equipment including CNC machines, hot stamping and debugging lines, and other office equipment to improve energy efficiency;
- Use energy-saving lamps and lanterns as much as possible, and eliminate some high energy-consuming air conditioners and other waste equipment to improve power efficiency;
- Plan to add the rooftop photovoltaic project in the new plant to use clean energy, making electricity sources green and reducing carbon emissions;
- Plant a variety of plants in the new plant with the green area accounting for about 15.50% of the total area;
- Implement the "Sponge City Project" in the new plant to achieve efficient water collection and balance the ecology;
- Start using the Enterprise Didi system and make use of its electric vehicles, ride-sharing services to make the travel structure low-carbon;
- Post notices in the workplace to remind employees to save electricity;
- Promote paperless office, adopt electronic reimbursement form, and minimize the environmental pollution caused by printing paper.

Our water is supplied by municipal water supply company and we have obtained the permit allowing the urban sewage discharge into the drainage network. During the Reporting Period, we did not encounter any problem in water sourcing. We actively advocate the concept of water conservation and require employees to save water.

## Green Operation

As the Group is involved in manufacturing business, we will also consume wooden case, cardboard box, film, bubble film and mirror protective film as finished products packaging materials. The resource consumption data of the Group during the Reporting Period and 2022 are as follows:

Indicators		Unit	2023	2022
Energy consumption	Perrol	MWh	157.94	122.27
	Diesel oil	MWh	112.56	123.76
	Purchased electricity	MWh	5,722.46	5,985.27
	Total consumption	MWh	5,992.96	6,231.29
	Total consumption intensity	kWh/RMB10,000 revenue	274.03	313.85
Water consumption	Total water consumption	M <sup>3</sup>	17,363.00	19,998.00
	Total water consumption intensity	M <sup>3</sup> /RMB10,000 revenue	0.79	1.01
Packaging materials	Wooden case	Tonnes	72.20	45.20
	Cardboard box	Tonnes	1.83	0.81
	Film, bubble film and mirror protective film	Tonnes	1.91	1.22
	Total packaging material consumption	Tonnes	75.94	47.23
	Total packaging material consumption intensity	Kg/RMB10,000 revenue	3.47	2.37

### EMISSION REDUCTION

In addition to resources conserving, we also pay great attention to air, greenhouse gas and waste emissions. Our air and greenhouse gas emissions come from a small amount of emissions from cutting fluid and discharging oil, the direct greenhouse gas emissions from the gasoline and diesel consumed by our company's vehicles, and the indirect greenhouse gas emissions from the purchased electricity.

Based on business nature, we will generate a small amount of hazardous waste, including waste cutting fluid, cutting oil, waste machine oil, grinding mud. Due to the relocation of some workshops to the new plant in this year, cutting fluid and cutting oil in the machinery and equipment need to be disposed and replaced in large quantities, resulting in an increase in hazardous waste. We require our employees to check the hazardous waste warehouse regularly to ensure that all hazardous waste is properly sorted, collected and transported to avoid leakage. We entrust a qualified third party to dispose of the hazardous waste. In addition, we also generate industrial waste and domestic waste. This year, due to the relocation of the plant, waste metal and other materials in the Company's warehouse were processed in large quantities after evaluation, resulting in an increase in non-hazardous waste. Such increases are due to plant relocation and will not increase over the years. We properly collect and dispose of such waste. To reduce waste emissions and minimize impact on the environment, we have implemented the following measures:

## Green Operation

- Separate the oil and water from cutting fluid, and reuse cutting fluid;
- Continuously review and optimize production procedure to reduce the industrial waste;
- Advocate the concept of the paperless office and use electronic channels as far as possible to reduce the consumption of paper.

The emission data of the Group during the Reporting Period and 2022 are as follows:

Indicators		Unit	2023	2022
Air emissions	Nitrogen oxides	Kg	110.30	81.64
	Sulphur oxides	Kg	0.41	0.40
	Particulate Matter	Kg	10.60	7.84
Greenhouse gas emissions	Direct emissions (scope 1)	Tonnes CO <sub>2</sub> e	70.98	68.10
	Indirect emissions (scope 2)	Tonnes CO <sub>2</sub> e	4,087.67	3,651.61
	Greenhouse gas removal (scope 1) <sup>1</sup>	Tonnes CO <sub>2</sub> e	1.66	1.47
	Total greenhouse gas emissions	Tonnes CO <sub>2</sub> e	4,156.99	3,718.23
	Total greenhouse gas emissions intensity	Tonnes CO <sub>2</sub> e/RMB10,000 revenue	0.19	0.19
Non-hazardous waste	Total amount of non-hazardous waste	Tonnes	943.72	330.32
	Total amount of non-hazardous waste intensity	Kg/RMB10,000 revenue	43.15	16.64
Hazardous waste	Total amount of hazardous waste	Tonnes	20.69	10.92
	Total amount of hazardous waste intensity	Kg/RMB10,000 revenue	0.95	0.55

# Green Operation

## ENVIRONMENTAL PROTECTION

Our business does not involve significant emissions or pollution. Although we have not identified the material environmental impacts of the Group’s business, we still pay attention to our environmental performance, such as greenhouse gas emission, exhaust emission, energy, water usage and waste emission, and are committed to integrating the concept of environmental protection into each operation and production process, and guide our employees to abide by the “Environmental Protection Management System” and other measures formulated by the Group. When purchasing production equipment and office equipment, priority is given to energy-saving products and models to improve energy efficiency while protecting the environment. We regularly entrust a third party to conduct environmental impact assessment on industrial projects. Due to the relocation of the plant this year, the Company plans to conduct environmental assessment on the new plant in the next year.



Organize employees to learn knowledge of “Garbage Classification”

# Green Operation

## CLIMATE CHANGE

To tackle with the increasingly frequent climate events, such as typhoons, floods, forest fires, we have incorporated climate-related issues into the Group’s risk management procedures, and at the same time, we also refer to the recommended framework of the Task Force on Climate-related Financial Disclosures (“TCFD”) to identify and manage climate change risks, including physical risks and transitional risks, as well as opportunities, to accelerate the Group’s energy-saving and emission-reduction work. The risks we have identified and the response measures are as follows:

	Risk	Impact	Response measure
Physical risk	Extreme weather events	The increasing frequency and severity of extreme weather events (such as typhoon) may lead to damage of the Group’s facilities and production equipment, leading to an increase of cost for repair and maintenance and preventive measures	We have already purchased necessary insurance for our factory and equipment to reduce the negative impact brought to the Group due to increase in cost
		Disruption of the supply chain due to extreme weather events makes suppliers unable to provide products and services to the Group on time and leads to increase in operational cost of suppliers. Due to disruption of the production line, there is a drop in the production capacity, affecting the income and increasing operational cost	Suppliers of the Group are mainly located in Jiangsu province and nearby provinces, such that they can supply goods on time. We have engaged with a number of raw material suppliers, thus lowering the risk of purchasing
Transitional risk	Transition to low-carbon economy	The increasing concern in environmental protection and climate issue of the public leads to the increase of demand in the use of low carbon equipment and measures in the market, thus leading to increase in price of raw materials	We build long-term and stable relationship with our suppliers to ensure stable supply of raw materials. We also choose more advanced and environmentally friendly equipment to lower energy consumption. We can understand market demand in a timely manner and work with customers of new energy automotive parts to expand customer base
	Change in regulatory requirements	The introduction of more stringent national and industrial climate change related laws and regulations lead to an increase in compliance cost	We pay attention to and understand the changes of relevant regulations and maintain good corporate governance to ensure compliance of our operation

## Social Contributions

The Group's success depends heavily on the community as our strong support. We are committed to giving back to society, leading our employees to participate in volunteer activities from time to time and actively participating in various public welfare projects to give play to the spirit of helping others and promote the sustainable development of the community. During the Reporting Period, we devoted resources to volunteer activities and charitable donation.

### VOLUNTEER ACTIVITIES

We encourage our employees to participate in community-initiated volunteer activities in their spare time. On May 20, 2023, a total of 8 employees of the Company participated in the "Good Walker" charity walking activity in Shanghai, covering a distance of 36.6 kilometers.

The "Good Walker" is a charitable walking activity jointly initiated by the China Rural Development Foundation (formerly the China Foundation for Poverty Alleviation) and the government in the host location. With the belief that "every step will bring change", people around are mobilized to participate in rural public welfare projects, promote the development of rural industries, and help rural revitalization. Since the beginning of the first "Good Walker" activity in 2014, Shinelong has been working hard on the road of practicing good deeds and health.



the "Good Walker" charity walking activity in Shanghai

## Social Contributions

In addition, our employees also participate in voluntary blood donation activities from time to time, hoping that our love and dedication will allow more lives to continue.



Voluntary blood donation

### CHARITABLE DONATION

We have always pay attention to the charity work of social welfare institutions. During the Reporting Period,we donated RMB30,000 to Kunshan Charity Association to support the development of its related public welfare undertakings.

## Reference for Calculation of KPIs and Emission Factors

- Unless otherwise stated, the calculation of KPIs and emission factors in the ESG Report refers to How to prepare an ESG Report — Appendix 2: Reporting Guidance on Environmental KPIs published by Hong Kong Stock Exchange.
- The intensities of emissions and of use of resources are measured in RMB10,000 revenue of the year.
- Employee turnover rate is calculated by dividing the number of departed employees in the category by the average number of employees in the category (average of the number at the beginning and the number at the end of the year) during the Reporting Period.
- Employee training ratio is calculated based on the number of employees trained by the specific group divided by the total number of employees trained during the Reporting Period, for a more accurate reflection of the ratio of employees trained by gender and function.
- The average training hour is calculated based on total trained hours of the specific group divided by the number of employees and dismissed employees in that specific group, for a more accurate reflection of the training resources invested by the Group.

# HKEx Environmental, Social and Governance Reporting Guide Index

Subject areas, aspects, general disclosure and key performance indicators (“KPIs”)		Section/ Declaration	Page
<b>A. Environmental</b>			
<b>Aspect A1: Emissions</b>			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.  Note: Air emissions include NO <sub>x</sub> , SO <sub>x</sub> , and other pollutants regulated under national laws and regulations. Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride. Hazardous wastes are those defined by national regulations.	Emission Reduction	28–29
KPI A1.1	The types of emissions and respective emission data.	Emission Reduction	29
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).	Emission Reduction	29
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Emission Reduction	29
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Emission Reduction	29
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	Green Operation	25–26
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.	Emission Reduction	28–29

# HKEx Environmental, Social and Governance Reporting Guide Index

Subject areas, aspects, general disclosure and key performance indicators (“KPIs”)		Section/ Declaration	Page
<b>Aspect A2: Use of Resources</b>			
General Disclosure	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).	Resource Saving	27
KPI A2.1	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Resource Saving	28
KPI A2.2	Description of energy use efficiency target(s) set and steps taken to achieve them.	Resource Saving	28
KPI A2.3	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.	Green Operation	25–26
KPI A2.4	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Green Operation, Resource Saving	25–27
KPI A2.5	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).	Resource Saving	28
<b>Aspect A3: Environmental and Natural Resources</b>			
General Disclosure	Policies on minimizing the issuer’s significant impact on the environment and natural resources.	Environmental Protection	30
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environmental Protection	30
<b>Aspect A4: Climate Change</b>			
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Climate Change	31
KPIA4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Climate Change	31

# HKEx Environmental, Social and Governance Reporting Guide Index

Subject areas, aspects, general disclosure and key performance indicators (“KPIs”)		Section/ Declaration	Page
<b>B. Social</b>			
<b>Employment and Labour Standards</b>			
<b>Aspect B1: Employment</b>			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Employment Overview	15
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Employment Overview	16
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Employment Overview	17
<b>Aspect B2: Health and Safety</b>			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Health and Safety	22–23
KPI B2.1	Number and rate of work-related fatalities.	Health and Safety	23
KPI B2.2	Lost days due to work injury.	Health and Safety	23
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Health and Safety	22–23

# HKEx Environmental, Social and Governance Reporting Guide Index

Subject areas, aspects, general disclosure and key performance indicators (“KPIs”)		Section/ Declaration	Page
<b>Aspect B3: Training and Development</b>			
General Disclosure	Policies on improving employees’ knowledge and skills for discharging duties at work. Description of training activities. Note: Training means vocational training and may include internal and external courses paid for by the employer.	Training and Development	20
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Training and Development	20
KPI B3.2	The average training hours completed per employee by gender and employee category.	Training and Development	21
<b>Aspect B4: Labour Standards</b>			
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.	Employment Overview	15
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Employment Overview	15
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Employment Overview	15

# HKEx Environmental, Social and Governance Reporting Guide Index

Subject areas, aspects, general disclosure and key performance indicators (“KPIs”)		Section/ Declaration	Page
<b>Operating Practices</b>			
<b>Aspect B5: Supply Chain Management</b>			
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Supply Chain Management	10–11
KPI B5.1	Number of suppliers by geographical region.	Supply Chain Management	10
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Supply Chain Management	10–11
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply Chain Management	10–11
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply Chain Management	10–11

# HKEx Environmental, Social and Governance Reporting Guide Index

Subject areas, aspects, general disclosure and key performance indicators (“KPIs”)		Section/ Declaration	Page
<b>Aspect B6: Product Responsibility</b>			
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.	Intellectual Manufacture; Given the nature of the business, advertising, labeling, are not one of the Group’s material issues	12
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	The Group did not have any product recall for safety and health reasons.	14
KPI B6.2	Number of products and service-related complaints received and how they are dealt with.	Customer Service	14
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Product Innovation	12
KPI B6.4	Description of quality assurance process and recall procedures.	Quality Management, Customer Service	12, 14
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Privacy Protection	24

# HKEx Environmental, Social and Governance Reporting Guide Index

Subject areas, aspects, general disclosure and key performance indicators (“KPIs”)		Section/ Declaration	Page
<b>Aspect B7: Anti-Corruption</b>			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Anti-corruption	10
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases.	Anti-corruption	10
KPI B7.2	Description of preventive measures and whistleblowing procedures, how they are implemented and monitored.	Anti-corruption	10
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Anti-corruption	10
<b>Community</b>			
<b>Aspect B8: Community Investment</b>			
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities’ interests.	Social Contribution	28–29
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Social Contribution	32–33
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Social Contribution	32–33