

TASTY CONCEPTS HOLDING LIMITED

(Incorporated in the Cayman Islands with limited liability)



賞之味控股有限公司

Stock Code: 8096

ENVIRONMENTAL, SOCIAL
AND GOVERNANCE REPORT

2024

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ABOUT THE GROUP

Tasty Concepts Holding Limited (“**We**” or the “**Company**”) and its subsidiaries (collectively known as the “**Group**”) have been principally engaged in operating restaurants in Hong Kong, generating revenue from provision of catering services. Besides, the Group also generates revenue from (i) franchising its own brand to franchisees to operate ramen restaurants in Macau Special Administrative Region of the People’s Republic of China and receive royalty fee income and income from sales of food and related products to franchisees; and (ii) granting an exclusive licence to a licensee to use the Group’s trademarks on licensed products, license fee income is charged based on the production volume. As a food producer, we are committed to delivering high-quality and safe food products and continuously meeting customers’ expectations and complying with legal requirements.

ABOUT THIS REPORT

The Environmental, Social and Governance (“**ESG**”) report (the “**ESG Report**”) addresses a range of material impacts on the Group, outlines our sustainability approaches and discloses our ESG performances during the period from 1 April 2023 to 31 March 2024 (the “**Review Year**”).

The preparation and presentation of related information in this ESG Report has been prepared in accordance with the Environmental, Social and Governance Reporting Guide (the “**ESG Reporting Guide**”) as set out in Appendix C2 to the Rules (the “**GEM Listing Rules**”) Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The Company has prepared this Report to meet the “Comply or Explain” provisions, of which mandatory Key Performance Indicators (KPIs) are disclosed. With reference to the ESG Reporting Guide and the Group’s business operation, the presentation of our ESG Report divides the relevant aspects and key performance indicators (“**KPI**”), which are determined to be relevant and material to the Group, into six subject areas:

1. We and Our Environment
2. Commitment to Our Employees
3. Our Supply Chain Management
4. Commitment to Product Quality
5. Commitment to Ethics and Integrity
6. Giving Back to The Community

Owing to better and develop our reporting and strategic decision-making tools, we make reference to issues which matter to our stakeholders and business to be priorities. The foundation of our materiality assessment took reference to the ESG Reporting Guide and opinions gathered from our senior management based on their constant interaction with our stakeholders.

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REPORTING PRINCIPLES

The ESG Report has been prepared based on four reporting principles, including materiality, quantitiveness, balance and consistency.

Materiality: The content of the ESG Report is determined through stakeholder engagement and materiality assessment process, which includes identifying ESG-related issues, collecting and reviewing the management and stakeholders' opinions, assessing the relevance and materiality of the issues and preparing and validating the information reported. The ESG Report has covered key issues concerned by different stakeholders.

Quantitative: Quantitative environmental and social KPIs are disclosed in the ESG Report so to enable stakeholders to comprehend the Group's ESG performance. Information of the standards, methodologies, references and sources of key emission of these KPIs are stated wherever appropriate.

Balance: This ESG Report must provide an unbiased picture of the ESG performance of the Group. It should avoid selecting, omitting, or presenting formants that may inappropriately influence a decision or judgement by the reader.

Consistency: To enhance comparability of the ESG performance between years, the Group has strived to adopt consistent reporting and calculation methodologies as far as reasonably practicable. For any changes in methodologies, the Group has presented and explained in detail in the corresponding sections.

REPORTING BOUNDARY

The board (the "**Board**") of directors (the "**Directors**") of the Company, with the assistance of the ESG executive group, has identified key ESG risks of the Group based on the consideration of a series of factors, such as business nature and scale, geographic location, regulatory requirements, operating practices and stakeholders' expectations. The key considerations taken by the Board include but not limited to:

- Our business headquarter and restaurants are located in Hong Kong;
- Our operation involves the production, processing and serving of hot food and drinks;
- Our production and processing arrangement involve emissions and the use of natural resources; and
- Our operation is subject to regulations related to food safety and environmental protection.

Based on our assessment, the reporting boundary for this ESG Report shall be set at the production, processing and serving functions of our Hong Kong operations. The reporting scope of the ESG Report covers the operation of the Group in Hong Kong, including 6 ramen restaurants, 1 Hong Kong style restaurant, 1 Sichuan-style restaurant and 1 Japanese-style restaurant.

FEEDBACK AND COMMENTS

The Group hopes that this ESG Report would inform the stakeholders of the performances of the Group on aspects besides financial results and business operations. We welcome all sorts of comments and suggestions from our stakeholders with respect to this ESG Report or our sustainability performance. Please feel free to offer your comments and suggestions via email at info@butaoramen.com.



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BOARD'S OVERSIGHT OF ESG GOVERNANCE

The Board of Directors has the overall responsibility for ESG strategy, materiality assessment, initiatives, policy and reporting of the Group. The Board is responsible for the Group's ESG risk management and internal control systems to ensure that the ESG strategies and reporting requirements are met.

Sustainability focuses on meeting the needs of the present generation without compromising the ability of future generations to meet their needs. The concept of sustainability is composed of three major pillars: economic, environmental and social pillars. It is integrated into our operation as profits, environment and people. We have instilled in our employees the notion of sustainability which has become an integral part of our manufacturing and operational activities, seeing to deliver profit and environmental and social benefits in a continuous and synergistic manner.

To implement the ESG initiative and formulate our sustainability strategy, the Group has established a sustainability committee which comprises of senior management and other members staff with sufficient ESG knowledge, and the authority to promote a company-wide awareness of the importance of the Company's ESG efforts. The sustainability committee members span across various functional departments, including the operational, human resources and finance departments, aiming to ensure that the environmental and social responsibility considerations are integrated into our daily management decision as well as daily operation. The sustainability committee is also responsible for executing our ESG initiatives, collecting ESG-related data, calculating KPIs and reporting ESG-related matters across our major businesses and operations.

In order to better manage the Group's ESG performance, the Group has established environmental targets and goals. The progress of ESG target implementation and the ESG performance of the goals and targets are closely reviewed by the sustainability committee from time to time. Rectification may be needed if the progress falls short of expectations. Effective communication about the goals and target process with key stakeholders is essential, as this enables them to be engaged in the implementation process and to include them as part of the change that the Group aspires to achieve.

STAKEHOLDER ENGAGEMENT

Stakeholder engagement is an incubator of our sustainable development plan, which is also an important step to gather valuable ideas about ESG issues for materiality assessment in order to sharpen the focus of our sustainability strategy. In preparing our ESG Report, we have primarily engaged major stakeholders through a number of channels. We believe that trust is built on effective communication. Ongoing interaction with stakeholders is an integral part of our day-to-day operations.

Our communication channels, such as comments left in our social platform, meetings and interviews, enable stakeholders to express their ideas, opinions and suggestions. Our identified stakeholders include investors, employees, customers, suppliers, business partners, media, government agencies, regulators and the community.

The Group is dedicated in enhancing the interaction and exchanges with external stakeholders, encourages them to engage more in the communication on sustainable development of the Group and shares their recommendations and expectations for the Group. The development of the sustainability strategy and vision are intended to be an iterative, ongoing process and we shall endeavor to provide future reports with further strengthening of corporate social responsibility and enhancement of environmental performance and resource efficiency within our operations.

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With the goal of strengthening the management approach and performance of the Group, engaging with stakeholders and understanding their views would allow the Group to propel its business practice closer to the satisfaction of stakeholders’ needs and expectations and properly manage opinions from different stakeholders. Accordingly, on top of our regular engagements, we have formulated plans to strengthen our stakeholder engagement process, including the intended use of an ESG survey and interview program, from which the information and feedback are collected and exchanged. These will further enable us to take appropriate actions and enhance our ESG initiatives and reporting.

MATERIALITY ASSESSMENT

We identified key issues based on the above summarized expectation and concerns from our stakeholders with reference to the ESG Reporting Guide and industry characteristics. The following are shortlisted key items from our materiality assessment regarding the level of importance and relevance to stakeholders and to the Group. Materiality assessment has been conducted to determine the strategies and directions for our sustainability, and to identify environmental and social issues that are most essential for the Group and the stakeholders. The following table illustrates material issues covered by this ESG Report, which formed a basis for the Group’s ESG KPI management and disclosure.



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WE AND OUR ENVIRONMENT

The Group admits the need of striving a balance between business development and the environment. We commit to implement the ESG regulations, and stipulate its environmental responsibilities and commitments, aiming at the efficient use of natural resources and minimizing the environmental impacts of the resources consumed in its business operation.

The Group will continue to look for ways to reduce emissions and natural resource impacts from our operations. We aim to continually understand and assess our impacts and contributions for all ESG issues.

During the Review Year, the Group did not violate any environmental protection laws and regulations that had a significant impact on the Group relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous wastes, including but not limited to:

- Air Pollution Control Ordinance (Cap. 311, the law of Hong Kong);
- Waste Disposal Ordinance (Cap. 354, the law of Hong Kong);
- Water Pollution Control Ordinance (Cap. 358, the law of Hong Kong); and
- Noise Control Ordinance (Cap. 400, the law of Hong Kong).

USE OF RESOURCES

We use our resources efficiently, thereby reducing the costs and also for the benefit of our environment and workplace condition. Our management put conservative program into practice from 4 main aspects, namely promotion, inspection, monitoring and evaluation.

ENERGY CONSUMPTION

The Group is committed to improving overall energy efficiency and reducing energy consumption by implementing relevant measures. In the Review Year, purchased electricity and gas was consumed in the restaurants, central kitchen and office to support the daily operation.

To encourage energy-saving culture, old equipment in the kitchen will be replaced and upgraded with equipment with higher energy efficiency or ENERGY STAR®-rated. The Group adopts slow cook in our food processing in which water is the major media. Such a cooking methodology reduced significant amount of energy consumption and food waste during our operation. The Group also sets up a temperature monitoring system for fridges and freezers to avoid energy wastage. Regular cleaning of the cooking equipment can reduce building up of grease and carbon, thus increasing the efficiency.

In order to mitigate greenhouse gas emissions, we have set a reduction target to lower the electricity intensity by 2% from 2022 to 2026. Apart from the electricity consumption, the Group targeted to reduce the total gas consumption by 5% by 2026 with the baseline year of 2022. The Group will closely monitor the energy consumption such that we could identify potential areas for energy saving and achieve electricity reduction targets in the future.

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WATER CONSUMPTION

Water is our major medium in food processing. We attach importance to water conservation in our daily operations. The major water consumption of the Group is for the production processes. We have established controls and procedures to ensure our water usage is within the reasonable range necessary for our productions without over-using concerns. Other water consumption is referring to office water consumption, which is considered minimal in quantity. The domestic sewage is discharged into the urban sewage pipe network.

The Group has set a reduction target to lower the water intensity by 5% by 2026, with the baseline year of 2022, by adopting the following measures to reduce water consumption. We have encouraged all employees to develop the habit of conserving water consciously.

We often explore effective ways of saving water in each segment of its operation. To improve the efficiency of water resources, water monitoring systems are installed to monitor the water usage and make adjustment as needed. Vacuum systems are regularly cleaned by the staff physically instead of using high-pressure hoses that push debris into drains. We regularly inspect our water taps, pipelines and storage tanks. Staff are also encouraged to report water leakage to the management. In case of leakage or malfunction, we will arrange for repair immediately to reduce water wastage, such as fixing dripping taps and leakage immediately.

In order to minimize the water consumption, a product recovery system has been invested by using pipeline Intervention gadgets (pig) or air blows to utilize the remaining product from pipes and tubes after production cycles. This contributes to a large reduction in water usage required for cleaning the pipes and leftover products.

Brooms and mops are widely used to clean the floor in all our working and production premise. The importance of saving water is also advocated among employees by posters and protocols. In the Review Year, the Group did not face any problems in sourcing suitable water, which is supplied by the government.

USE OF PACKAGING MATERIALS

The Group provides takeaway service to our customers, and the packaging materials used are carefully selected to avoid any burdens to our environment. To better control the consumption of packaging materials, we outsource the delivery service that allows us to order and use packaging materials in the best-estimated amount for avoiding over-ordering and wastage. The packaging materials we select are environmentally friendly with paper-based packaging and wooden cutlery.

To better control the level of the environmental impact of packaging materials, we select paper-based packaging materials that are made from sustainable forests whilst the ink used for printing is vegetable-based. In addition, we set out and exercise a policy that the packaging materials supplied to us must have passed related food-grade testing conducted by reliable inspection, verification, testing and certification organizations.

Our management also diligently designs our delivery service process and related packaging material uses in accordance with a "best-use and sufficiently enough" principle for the purpose of avoiding over-ordering and wastage of foods and packaging materials.



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In the Review Year, in response to the environmental topic and reduction use of plastic products, the Group keeps implementing the No-Straw Policy that stopped providing straws to customers unless they request them from our staff.

Direct and/or indirect energy consumption by type:

| Use of resources | 2023/24 | 2022/23 | Unit |
|-----------------------------|---------|---------|---------------------------|
| Direct energy consumption | 786.1 | 154.1 | GJ |
| Indirect energy consumption | 4,852.2 | 7,390.8 | GJ |
| Total energy consumption | 5,638.3 | 7,544.9 | GJ |
| Intensity (by revenue) | 147.3 | 178.5 | GJ/million HKD revenue |

Water consumption in total and intensity:

| Water consumption | 2023/24 | 2022/23 | Unit |
|-------------------------|----------|----------|--|
| Total water consumption | 18,466.0 | 15,029.0 | M ³ |
| Intensity (by revenue) | 482.3 | 355.3 | M ³ /million HKD revenue |

Packaging material used for finished products:

| Packaging material | 2023/24 | 2022/23 | Unit |
|-------------------------------|---------|---------|-------------------------------|
| Total packaging material used | 3.4 | 6.3 | Tonnes |
| Intensity (by revenue) | 0.1 | 0.1 | Tonnes/million HKD revenue |

EMISSIONS AND CONSERVATION MEASURES

Emissions of the air pollutants, such as nitrogen oxide (NO_x), sulphur oxide (SO_x) and particulate matter (PM), are generated from the combustion of gas during the food processing stage and the combustion of fuels by the company-owned vehicles. While our cooking media are mostly with water and consume an immaterial amount of oil. In this regard, the composition of our kitchen's air emission is mostly steam generated by the boiling water, which is considered as causing insignificant impacts to the environment.

The Group's greenhouse gas ("GHG") emissions mainly come from the combustion of gas for food processing and energy indirect emissions. The main sources of the Group's GHG emissions were gas combustion directly ("Scope 1 emissions") during the food processing stage and the purchase of electricity indirectly ("Scope 2 emissions") to support our daily operation.

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In addition to the GHG emissions mentioned in the previous section, there were certain amounts of solid wastes, including kitchen wastes, wastewater, plastics and paper generated by the Group from its administrative office, central kitchen, and restaurants. The non-hazardous wastes generated are usually collected and processed by general waste service providers. The Group did not produce any hazardous waste during its operation.

We are dedicated to reducing the emissions generated by our Group and have established relevant policies and initiatives, including:

1. restaurants adopt energy-efficient appliances, especially LED lights, to replace traditional energy-hungry equipment;
2. central kitchen applies a slow cooking system which promotes systematic control over energy and consumption in food processing; and
3. most of the ingredients are prepared in our central kitchen leaving minimal processing procedure in each restaurant, thereby greatly reducing resource consumption and waste generation.

In the Review Year, we have joined the "Food Wise Eateries" Scheme led by the Environmental Protection Department. The Group is awarded with an Impressive Progress Award in the scheme.

The types of emissions and respective emissions data:

| Air Emissions | 2023/24 | 2022/23 | Unit |
|--------------------------------------|---------|---------|------|
| Nitrogen Oxides (NOx) | 15.7 | 2.8 | Kg |
| Sulphur Oxides (SOx) | 0.03 | 0.1 | Kg |
| Respirable suspended particles (RSP) | 2.6 | 0.2 | Kg |

Greenhouse gas emissions in total and intensity:

| Emissions | 2023/24 | 2022/23 | Unit |
|--------------------------------|---------|---------|---|
| Scope 1 emissions | 58.5 | 10.6 | Tonnes CO ₂ e |
| Scope 2 emissions | 889.6 | 802.6 | Tonnes CO ₂ e |
| Scope 3 emissions | 7.7 | 9.4 | Tonnes CO ₂ e |
| Total greenhouse gas emissions | 955.8 | 822.6 | Tonnes CO ₂ e |
| Intensity (by revenue) | 25.0 | 19.4 | Tonnes CO ₂ e/million HKD revenue |

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WASTE MANAGEMENT

Owing to our concise serving menu, we can keep our cooking processes and ingredients simple and neat, leading to minimal amount of waste produced in our central kitchen and restaurants. In order to enhance the use of raw materials and reduce food waste effectively, we carried out most of the food processing procedures in our central kitchen. Therefore, most of the kitchen wastes were generated from customer's unfinished food.

Apart from the food waste, the non-hazardous wastes generated by the Group's business activities in offices are mostly paper and plastic. Electronic ordering system has been adopted to reduce the use of order paper in restaurants. Such wastes are usually collected and processed by general waste service providers. During the Review Year, the amount of non-hazardous waste produced by the Group has been deemed immaterial to our operations and is not included in the scope of this Report.

We are unable to set a target for waste reduction at the current stage.

The Group has yet to implement the reporting mechanism to gather information on non-hazardous waste generated. In the future, the Group would consider to implement a comprehensive data collection mechanism in respect of the non-hazardous waste disposed in order to enhance the management thereof.

Due to the business nature, the Group's operations do not generate significant amount of hazardous waste. Hazardous wastes, such as batteries and light bulbs, construct an insignificant quantity and did not include in the scope of this Report.

THE ENVIRONMENT AND NATURAL RESOURCES

We are active in promoting environmental awareness among our employees by encouraging them of the four principles of "**recycle**", "**reuse**", "**water saving**" and "**energy saving**".

We adopt slow cook in our food processing in which water is the major media where oil is rarely required. In our central kitchen and restaurants, steam is the major air emission in the course of boiling water. Such a cooking methodology reduced a significant amount of energy consumption and food waste during our operation. This cooking methodology also releases less heat and avoids higher temperatures compared to the equipment powered by gas, thus reducing the electricity consumption for air conditioning systems.

The Group spared no efforts to conserve resources and promote environmental protection, to improve our operational efficiency. Our management team strictly monitors, manages, and evaluates to make every possible improvement in our operation.

RESPONDING TO CLIMATE CHANGE

The Board is of the view that the Group is not subject to material climate-related risks and impacts. Although the Group does not perform a study on climate change effects or impact, we do provide various forms of resource conservation actions in our operations. The Group is not subject to material climate change-related risks and impacts. The Group continues to introduce technical refinements and innovations to fulfil targets for reducing, reusing, recycling and renewing natural resources, reducing emissions and waste, improving the utilisation efficiency of natural resources, and minimising their operations' effect on the environment and natural resources.

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The Group understands the direct relationship between sustainable development and competitiveness. The energy consumed and waste generated by business activity make an impact on water, air, soil resources, and therefore on the ecosystem. The Group also recognises the importance of balancing economic, environmental and social needs. All Group subsidiaries continue to introduce technical refinements and innovations to fulfill targets for reducing, reusing, recycling and renewing natural resources, reducing emissions and waste, improving the utilisation efficiency of natural resources and minimising their operations' effect on the environment and natural resources.

The Group also established the Risk Management System to evaluate the physical risk of extreme climate situations, including typhoons, rainstorms and heat waves. Climate change can disrupt food availability, reduce access to food and affect food quality. Increases in the frequency and severity of extreme weather events can also interrupt food delivery, and resulting spikes in food prices after extreme events are expected to be more frequent in the future. Delayed delivery affected by extreme weather may affect the food availability in the restaurants and thus affect the revenue of the Group.

The change in the climate patterns, including temperature and precipitation level, may also affect the Group's supply chain and revenue. Higher temperatures resulted in higher electricity consumption, such as air conditioners, fridges and freezers, may incur extra operating costs.

In terms of legal risks, the Group expects that the laws and regulations related to climate change will be more stringent. For example, local governments may adopt more aggressive policies and measures to limit GHG emissions. Therefore, the Group might be exposed to legal risks and may need to bear higher operating costs to comply with regulatory changes. The Group will assess the likelihood and severity of the possible climate-related risks based on the Risk Management System and implement the preventive measure according to the matrix.

COMMITMENT TO OUR EMPLOYEES

EMPLOYMENT

We believe our employees are the Group's greatest asset and core competitive advantage. We constantly promote a harmonious and safe working platform for our employees.

The Group believes effective human resource management leads to better development for our business. A well-developed system enhances our targeted hiring and staffing, employee learning and education, and work allocation. We recruit our employees based on several factors, such as their work experience, educational background and vacancy needs.

Our goal is to provide and maintain a safe and equal working environment which promotes harmonious employer-employee relations. If any unfair treatment is discovered, the concerned employees should report the incident to the head of the human resources and administration department directly. Much effort is also given by the Group to safeguard the legitimate rights and interests of employees and cater to the developmental needs of employees.

The Staff Handbook of the Group has already set out policies in relation to recruitment, promotion, discipline, working hours and vacations; The human resources department is responsible for such implementation to confirm that the staff has a full understanding of the contents of the handbook. Employees who fail to comply with the company's regulations are first given a warning notice and, in serious cases, are dismissed. We have created a harmonious working environment as well as a safe and comfortable workplace to build a business platform for every staff to grow with the Group.

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Placing advertisements in the open market is the major recruitment channel regarding factors, such as their experience, qualifications, and expertise required for our business operations. The Group has a fair recruitment system which has already been set out by the Corporate Code of Conduct (the “Code”) in which we only consider qualification, contribution and years of experience and never treat candidates differently based on gender, age, race, marital status and religious belief.

In addition, the Group has laid down the Salary Policy which established the remuneration system. According to the Salary Policy, salary is based on the worker’s position, performance, contribution and ability, and modified by the Non-Executive Director in the Board meeting. At the same time, the remuneration standard is determined on the basis of specific conditions including but not limited to the job responsibilities of the employees, personal comprehensive capabilities (including work experience, academic qualifications, professional qualifications, etc.), personal work performance and contribution to the Group.

We believe our inclusive and supportive working environment and development opportunities have contributed to good employee relations and employee retention. In order to enhance employees’ sense of belonging and team spirit, the Group will regularly arrange various types of employee activities, such as annual dinners. The Group strictly prohibits the employment of forced labour and child labour in our businesses and operation.

Total workforce:

| Employment | | 2023/24 | 2022/23 | Unit |
|---------------------------|--------------------------------|-----------|---------|----------|
| Total number of employees | | 42 | 114 | Employee |
| By Gender | Male | 17 | 55 | Employee |
| | Female | 25 | 59 | Employee |
| By employment type | Full-time | 36 | 78 | Employee |
| | Part-time | 6 | 36 | Employee |
| By age group | Below 30 years old | 7 | 38 | Employee |
| | 30-49 years old | 23 | 52 | Employee |
| | 50 years old or above | 12 | 24 | Employee |
| By ranking | Managerial grade and above | 4 | 4 | Employee |
| | Operation and front-line staff | 33 | 97 | Employee |
| | General and administrative | 5 | 13 | Employee |
| By geographical region | Hong Kong | 42 | 105 | Employee |
| | China | 0 | 9 | Employee |

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Employee turnover rate:

| Employment | | 2023/24 | 2022/23 | Unit |
|------------------------------|--------------------------------|------------|---------|------|
| Total employee turnover rate | | 176 | 35 | % |
| By Gender | Male | 229 | 29 | % |
| | Female | 140 | 41 | % |
| By employment type | Full-time | 122 | 46 | % |
| | Part-time | 500 | 11 | % |
| By age group | Below 30 years old | 443 | 42 | % |
| | 30-49 years old | 126 | 37 | % |
| | 50 years old or above | 117 | 21 | % |
| By ranking | Managerial grade and above | 50 | 75 | % |
| | Operation and front-line staff | 194 | 35 | % |
| | General and administrative | 160 | 23 | % |
| By geographical region | Hong Kong | 155 | 38 | % |
| | China | - | 0 | % |

COMPLIANCE STATUS

In the Review Year, we have been in compliance with the laws and regulations in Hong Kong relevant to the Labour Standards, such as relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare, including but not limited to:

- Employment Ordinance (Cap. 570, the law of Hong Kong);
- Disability Discrimination Ordinance (Cap. 487, the law of Hong Kong);
- Sex Discrimination Ordinance (Cap. 480, the law of Hong Kong);
- Occupational Safety and Health Ordinance (Cap. 509, the law of Hong Kong);
- Regulation on Work-Related Injury Insurance (the law of Hong Kong);
- Minimum Wage Ordinance (Cap. 608, the law of Hong Kong);
- Employees' Compensation Ordinance (Cap. 282, the law of Hong Kong); and
- Mandatory Provident Fund Scheme Ordinance (Cap. 485, the law of Hong Kong).

In the Review Year, the Group was not aware of any non-compliance with the relevant laws and regulations that had significant impacts on the Group relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other benefits and welfare.

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HEALTH AND SAFETY

To provide and maintain a safe and environmentally friendly working condition for employees, the Group has formulated a series of work safety rules in the Staff Handbook regarding safety and health which are in line with relevant laws and regulations in Hong Kong and PRC. In addition, occupational safety education and training are provided to employees to strengthen their safety awareness.

WORK SAFETY MECHANISM

We believe raising our employees' safety awareness is critical to minimize accidents. Therefore, work protocols and safety guidelines are provided for employees. With the goal to effectively managing occupational safety and health, the Group adopts appropriate and adequate tools in order to improve the effectiveness of the operation. Besides, the Group posts safety and operational instructions in conspicuous places, and thereby reducing the possibilities of significant occupational safety and health impacts.

Examples of the Group's guidelines and policies of occupational safety and health are shown as below:

- Keep the grounds, entrances, and aisles clean and clear; do not accumulate items or waste.
- Find out safe handling procedures based on the size, shape and weight of the object. Use tools or find other colleagues to help.
- To avoid slipping and falling, grease or water on the floor must be dealt with as soon as possible and non-slip work shoes must be worn.
- Staff should wear protective clothing, such as cut-resistant gloves and aprons for work.
- Fire service equipment is installed and regularly inspected by the approved contractors to ensure that there is a sufficient amount of the equipment.

An occupational hazard can contribute to severe health problems among workers. Interventions in awareness-raising will be continued to minimize the risk of safety hazards.

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COMPLIANCE STATUS

In the Review Year, the Group was not in violation of any of the relevant laws and regulations in relation to providing a safe working environment and protecting the employees from occupational hazards that have a significant impact on the Group, including but not limited to Employees' Compensation Ordinance (Cap. 282, the law of Hong Kong) and Occupational Safety and Health Ordinance (Cap. 509, the law of Hong Kong). During the past three years, including the Review Year, the Group did not record any accidents that resulted in death or serious physical injury.

Health and Safety:

| Health and Safety | 2023/24 | 2022/23 | Unit |
|-----------------------------------|---------|---------|------|
| Number of work-related fatalities | 0 | 0 | No. |
| Rate of work-related fatalities | 0 | 0 | % |
| Lost days due to work injury | 0 | 0 | No. |

DEVELOPMENT AND TRAINING

We attach great importance to enhancing the quality and capability of our employees to improve the performance of the Group. Through a combination of orientation in-house training and on-the-job training, the Group strives to make sure that all employees are equipped with operational abilities. It brings diversified development opportunities to each employee as well. The Group continues to provide employees with induction training, industry trend, catering knowledge, complaint handling methods and management skills, so as to improve their skills and sense of belonging to the Group.

In the Review Year, much efforts are provided in the form of on-the-job training rather than formal training hour. We did not conduct any formal in-house training for our employees in the Review Year.

The growth of our employees is the key that leads to sustainable business growth. All employees are equally applied to a well-defined evaluation procedure and promotion ladder for their career development. Our compensation packages are constantly reviewed. A probationary evaluation is regularly performed on assessing employees' capability and performance as well. We recognise and believe that talent retention is essential in helping us to improve our development and operation more efficiently.

LABOUR STANDARDS

The Group strictly prohibited the use of child or forced labour. In order to prevent the illegal use of child or forced labour, the human resources department requires candidates to provide effective identification certification before confirmation of employment to ensure they can be employed according to the law.

If there are any cases of forced labour, child labour and illegal immigrant labour on staff, employment with all these candidates will be immediately terminated. The Group would also take responsibility for the investigation.

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COMPLIANCE STATUS

In the Review Year, the Group was not found in violation of any relevant laws and regulations in relation to the prevention of child and forced labour. For the coming year, we will maintain our zero tolerance for forced and child labour, including the Employment Ordinance (Cap. 57, the law of Hong Kong) and Immigration Ordinance (Cap. 115, the law of Hong Kong).

OUR SUPPLY CHAIN MANAGEMENT

The Group aims to develop long-term relationships with suppliers and contractors based on the principle of fair and open competition. The Group maintains comprehensive procurement and storage management policy to acquire goods and services through an objective-oriented process. When sourcing items for our ingredients, we prioritize suppliers and subcontractors based on their background, pricing, service, quality, reputation, and after-sales support, as well as environmental protection considerations.

A set of criteria is strictly followed. We regularly review and update the evaluation criteria when needed. The ultimate goal is to ensure that our suppliers, especially raw materials category, are required to be in full compliance with the latest food labelling, hygiene, and sanitary regulations. In the evaluation process and thereafter, suppliers are required to provide relevant supporting documents (food sample or certificate for same item) or through field inspection, to ensure the requirements of the Group are met. If we found unqualified raw materials, we generally return the materials.

We apply a procurement authority based on the amount of the purchase. The cost of purchase which is below HKD\$20,000 will be approved by the shop manager and the purchase which costs above HKD\$20,000 should be approved by the management of the Group.

Before admitting a new supplier, a set of evaluation checklists and due diligence will be conducted to examine its background, reputation and business capabilities. The checklist covers issues including but not limited to product quality and stability, overall supplier's reputation and delivery time of potential supplier, price factor and discounts, etc. Suppliers are also required to minimise the negative impacts on the environment during their operations and strengthen monitoring of environmental issues. Once the selection of a new supplier or subcontractor is confirmed, approval from management is needed before becoming one of our approved suppliers. Qualified suppliers will be registered in our record. The approved list of suppliers is documented in the procurement department and accounting department.

Meanwhile, the Group pays close attention to the environmental and social risks in the supply chain. Aligning to the sustainability principle, the Group proactively works with suppliers that are environmentally and socially responsible. We advocate green procurement to maximize the use of environmentally preferable products in our daily operations whenever possible. All procured materials used were environmentally friendly and non-hazardous, which protect our land and water from being contaminated during disposal. For example, the packaging materials we select are environmentally friendly with paper-based packaging made from sustainable forest whilst the ink used for printing is vegetable-based.

Apart from that, the procurement department constantly reviews the terms with existing suppliers and subcontractors and takes necessary precautionary measures when applicable. Regular evaluation of the quality, supply, price and delivery time of the supplier's products will be conducted. The procurement department should choose the qualified suppliers on the list when the cost of purchase is below a certain amount. If there is any act deviating from the procurement policy, it must be approved by the management of the Group and the reason for deviant should be indicated.

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To manage the risks of supplies in terms of climate change, harvest, price, quality and traffic, we have established a diversified supplier base for each major type of key raw materials. We prioritise the consideration of local subcontractors and suppliers to reduce the emission from logistics, to effectively reduce the emission raised from material transportation.

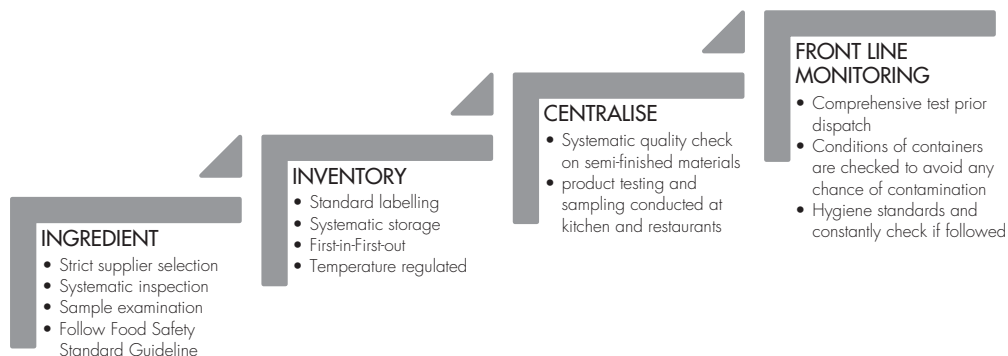
In the Review Year, our major raw materials were sourced from 41 suppliers, of which 40 were located in Hong Kong and 1 in Japan, collectively known as our critical suppliers.

Supply Chain Management:

| Supply Chain Management | | 2023/24 | 2022/23 | Unit |
|--|-----------|-----------|---------|----------|
| Number of suppliers by geographical region | | | | |
| Total number of suppliers | | 41 | 91 | Supplier |
| By geographical region | Hong Kong | 40 | 85 | Supplier |
| | China | 0 | 4 | Supplier |
| | Japan | 1 | 2 | Supplier |

COMMITMENT TO PRODUCT QUALITY

We are committed to produce high quality food and drinks. Due to the nature of the food industry, there is an inherent risk of food contamination, complaints, and quality inconsistency filed by our customers. As our central kitchen process the majority of the semi-processed or processed food ingredients used in our Group’s restaurants, it may cause food contamination during the transportation from our central kitchen to our restaurants and dining in our restaurants. To be a successful dining service provider, the Group is committed to ensuring that the food ingredients are safe, fresh and of quality upon delivery, in storage, and during processing. Our four levels of safeguard are:



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To reduce such inherent risk, comprehensible standards for food safety, hygiene and quality control measures are implemented throughout our entire food processing chain. In order to ensure that high-quality food and excellent service are provided among different branches, a complete set of product management and service management systems has been formulated. Amongst all, we focus on observing proper hygiene standards and other quality control measures that would affect our food quality with our preset standards.

In the Review Year, a qualified person is appointed in every restaurant and central kitchen of our Group to strengthen food safety supervision. These people take up the post of hygiene manager or hygiene supervisor to satisfy the requirement in "A Guide to Application for Restaurant Licences" (September 2016 Edition) of the Food and Environmental Hygiene Department of Hong Kong. In the Review Year, there was no product subject to recalls for safety or health reasons and the Group was not aware of any non-compliance with relevant laws and regulations regarding product responsibility.

Product Responsibility:

| Product Responsibility | 2023/24 | 2022/23 | Unit |
|---|---------|---------|------|
| Percentage of total products sold or shipped subject to recalls | 0 | 0 | % |
| Number of products and service-related complaints received | 0 | 0 | No. |

QUALITY CONTROL MANAGEMENT

The Group pay a great attention in managing and delivering our products to our consumers. All restaurants of the Group strictly complied the internal quality and safety control standards which guarantee the safety of products and health of diners. Key measures are as follows:

| QUALITY | COMPLIANCE | HYGIENE |
|---|--|---|
| <ul style="list-style-type: none"> Maintain and refine operating procedure. Inspect and examine on every stage of completion. | <ul style="list-style-type: none"> Food safety aspect: Assess if the quality and food safety management system are reliable and sufficient. | <ul style="list-style-type: none"> Operational procedure and assessment set. The hygiene and temperature inside the delivery vehicles are monitored and constantly check to minimise the risks of contamination. |

FOOD QUALITY MONITORING

The Group established operating procedures and quality standards to manage the stages of food preparation. Knives, chopping boards, and ingredient containers are well separated by colors to void cross contamination. Restaurants staff takes samples includes soup consistency, ingredient freshness and noodle condition to examine food quality before store opening. Inspection and documentation of ingredient are needed when it received from central kitchen and supplier.

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FOOD PRODUCTION

To ensure food safety and quality, a quality control standard is adopted in cooking process. It is required to inspect the quality of all food ingredients according to the freshness, size and date of use. Kitchen staff should produce food by following the standardized product recipe. The temperature of soup and sauces should be examined. After the production, the product would will be quickly frozen and stored in a freezer.

TRANSPORTATION OF INGREDIENTS

To guarantee the quality of ingredients during transportation, the Group requests suppliers should monitor the hygiene and temperature of trucks. Before being delivered to restaurants, staff must record and inspect the temperature and cleanliness of trucks, and the temperature of ingredients.

STAFF HYGIENE CONTROL

Food handlers must sterilise their hands before processing food ingredients and wear gloves when processing ready-to-eat food. Restaurant staff must wear headband when handling food. Employees should report any contagious health condition, including diarrhea, vomiting, wounds infection, or nasal discharge. Smoking is prohibited at or near the working area.

RESTAURANT HYGIENE CONTROL

All restaurants have adhered to the basic quality and control management principles of the Group and implemented the following procedures to ensure high quality and safety of its product to customers. It is required to clean the dining areas, cold storages, freezer, range hoods, extractor fans and cooking utensils regularly. The use of rag is divided into colours based on different working area to avoid contamination of food, food-related equipment and utensils.

LISTENING TO CUSTOMERS

Actively collecting customer's feedbacks allows us to have a better understanding of the taste and demand of our customers, thus improving our food and service quality. In the Review Year, we provided numbers of campaign to enhance our relationship with our customers. We are devoted to make great customer experience via our customer retention strategy.

The Group has set up various complaints and feedback channels to collect suggestions and advice from customers, which include our social media platform (i.e. Facebook page), our corporate email and the marketing hotline. Our marketing department is responsible to investigate any problem arise, and take follow-up action and solutions to improve the restaurant. The Group establishes a complaint guideline for frontline staff, managers and the marketing department to handle complaints whenever they are received. Regarding the guideline, the Group will investigate each complaint and resolve it with the customer. While dealing with comments about food quality, we will first communicate with the restaurant manager to understand any abnormalities in the ingredients. After that, we analyse the fact that causes these unsatisfactory situations. Finally, we instruct the relevant branches to pay attention to the quality of ingredients and provide compensation. In the Review Year, no complaints was received from our customers regarding our services and products.

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PROTECTION OF INTELLECTUAL PROPERTY RIGHTS

The Group understands the importance of respecting copyright. Every employee must abide by the current Hong Kong laws in the workplace, and all original works must be protected under the Copyright Ordinance. This work may not be reproduced or posted in the branch without the authorization of the copyright holder. All employees must comply with the provisions of the regulations related to intellectual property rights and copyright. Unauthorized use of copyright-infringing works during employment may result in civil or criminal liability. The Group observes the Trade Marks Ordinance (Cap. 559, the law of Hong Kong), Patents Ordinance (Cap. 514, the law of Hong Kong) and Copyright Ordinance (Cap. 528, the law of Hong Kong).

PRIVACY PROTECTION

As we place great emphasis on the privacy protection of our customers, the Group has strictly implemented Personal Data (Privacy) Ordinance (Cap. 486 of the Law of Hong Kong) to strictly protect customers' data and privacy while providing services to customers. Customer data security management primarily ensures the safe storage and use of customer data, including documents, communication records and contact information.

A designated staff is appointed by the Group for proper safekeeping customers' data and maintaining the relevant systems for processing and storing data. As the Group's operations depend on working with business partners, all directors and employees must respect the confidentiality of such personal data and ensure that the Group's personal data policy is followed.

The Group has implemented a confidential data security policy in which all collected personal data is treated confidentially and kept securely. It also stipulates customer data can only be used for the provision of services to customers or internal managerial purposes in an anonymous manner.

ADVERTISING AND LABELLING

The Group has established internal guidelines which ensure our marketing department provides precise product descriptions and information that comply with the Trade Descriptions (Unfair Trade Practices) (Amendment) Ordinance 2012. Each internal packaged of product must be labelled with information, including product name, expiry date, and storage temperature. Any misrepresentation in marketing materials or exaggeration of offerings is strictly prohibited.

COMPLIANCE STATUS

In the course of business, we only collect and maintain basic and public information of our customers. On this basis, data privacy is not material as we consider that we have a low-risk impact on it. Regardless, our collection, maintenance, and usage of customer information are in line with the Personal Data (Privacy) Ordinance (Cap. 486, the law of Hong Kong). The Group also complied with the Trade Marks Ordinance (Cap. 559, the law of Hong Kong), Patents Ordinance (Cap. 514, the law of Hong Kong) and Copyright Ordinance (Cap. 528, the law of Hong Kong). In the Review Year, we did not violate relevant laws and regulations that have a material impact on the Group.

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COMMITMENT TO ETHICS AND INTEGRITY

ANTI-CORRUPTION

The Group attaches great importance to staff integrity and instructs employees to conduct duties in good faith, ethical and lawful manner. To maintain a fair, ethical, and efficient business and working environment, the building of related systems and processes, such as those of procurement and the comprehensive internal audit of the Group, are consistently enhanced. We strictly abide by:

- Prevention of Bribery Ordinance (Cap. 201, the law of Hong Kong);
- Drug Trafficking (Recovery of Proceeds) Ordinance (Cap. 405, the Law of Hong Kong); and
- the Organized and Serious Crimes Ordinance (Cap 455, the Law of Hong Kong).

Employees shall not solicit or receive any form of benefit or gift from any external business partners, unless such benefit is of nominal or non-cash value, such as promotional or advertising souvenirs, or is of modest value and available for festival gifts, such as gift baskets, bouquets, etc. Any employee who receives or provides gifts with a value of more than HK\$500 must declare the details in the specified declaration form and be approved by the supervisor.

CONFLICT OF INTEREST

We prohibit all forms of bribery, extortion, fraud and money laundering and encourage reporting of non-compliance incidents or potential conflicts of interests to our senior management and/or independent internal audit function by our stakeholders. Any material non-compliance with our protocol may result in summary dismissal and/or court actions.

REPORTING AND MONITORING

All employees must adhere to the clauses set out in the Staff Handbook which delineates the behaviours and situations in the business expected of the employees. We have a whistle-blowing practice and strongly encourage reporting to the management when employees are likely to accept gifts from clients, suppliers or subcontractors.

The Whistleblowing Policy allows the employees and those who deal with the Group to raise concerns, in confidence and anonymity, with the Audit Committee about possible improprieties in any matter related to the Group. The policy ensures that all whistleblowers who make truthful and appropriate reports will be treated fairly. In addition, the Group will ensure that employees are not unfairly dismissed, harmed or improperly disciplined. Once case is identified, all corruption activities are handled by the Audit Committee rigorously, with penalties ranging from warnings and reduction of compensation to termination of employment for the employees concerned, depending on the severity of offences.

The management of the Group understands the importance of whistle-blowing policy and system and hence, is in the plan of formulating a more stringent whistle-blowing policy that will meet the expectation of the market and our stakeholders.

Anti-Corruption:

| Anti-Corruption | 2023/24 | 2022/23 | Unit |
|--|---------|---------|------|
| Number of concluded legal cases regarding corruption | 0 | 0 | Case |

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ANTI-CORRUPTION TRAINING

The Company has continued to work on the rotation plan of anti-corruption training in the Review Year. We intend to provide anti-corruption training, through professional organisations, to our Directors and management and frontline shop managers first, and then gradually extend such training to our staff on a 4-year rotation plan targeting to attain 100% training coverage in 4 years from 2022. The Group will make this policy available to all employees on the company intranet.

A training program incorporating the AML/CFT principles and methods adopted by the Group will be provided to all employee. Regular training on anti-money laundering measures will be provided to all business units and details of the company's whistle-blowing procedures will be regularly disseminated throughout the Group. During the Review Year, the Group provided a total of 4 hours of anti-corruption training.

Anti-Corruption Training:

| Anti-Corruption training | 2023/24 | 2022/23 | Unit |
|---|---------|---------|------|
| Number of anti-corruption training sessions | 4 | 4 | No. |
| Total number of training hours related to anti-corruption | 4 | 11 | Hour |
| Percentage of directors with anti-corruption training | 100 | 100 | % |

COMPLIANCE STATUS

In the Review Year, we did not acknowledge and encounter any anti-corruption incidents, reporting, enforcement and/or legal proceedings against the Group, Directors and employees. We were not aware of any non-compliance with the relevant laws and regulations in relation to bribery, extortion, fraud and money laundering, in all material aspects.

GIVING BACK TO THE COMMUNITY

As a member of the society, the Group is constantly aware of the needs of the community and takes up our corporate responsibility to contribute to the society. We strive to develop long-term relationships with our stakeholders and bring a positive impact on community development. In the future, the Group will continue to assume corporate social responsibilities and contribute to the sustainable development of society.

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HKEX ESG REPORTING GUIDE CONTENT INDEX

| Aspects, General Disclosures and KPIs | Description | Reference |
|---------------------------------------|--|--|
| A. Environmental | | |
| Aspect A1: Emissions | | |
| General Disclosure | Information on: (a) The policies; and (b) Compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste | We and Our Environment – Emissions and Conservation Measure |
| KPI A1.1 | The types of emissions and respective emissions data | Summary of Key Performance Indicators |
| KPI A1.2 | Direct and energy indirect greenhouse gas emissions and, where appropriate, intensity | Summary of Key Performance Indicators |
| KPI A1.3 | Total hazardous waste produced and, where appropriate, intensity | We do not have material hazardous waste produced. |
| KPI A1.4 | Total non-hazardous waste produced and, where appropriate, intensity | The Group is assessing and will provide relevant information when necessary. |
| KPI A1.5 | Description of emissions target(s) set and steps taken to achieve them | We and Our Environment – Emissions and Conservation Measures |
| 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 | No reduction target was set during the Review Year. |
| Aspect A2: Use of Resources | | |
| General Disclosure | Policies on the efficient use of resources, including energy, water and other raw materials | We and Our Environment – Use of Resources |
| KPI A2.1 | Direct and/or indirect energy consumption by type in total and intensity | Summary of Key Performance Indicators |
| KPI A2.2 | Water consumption in total and intensity | Summary of Key Performance Indicators |
| KPI A2.3 | Description of energy use efficiency target(s) set and steps taken to achieve them | We and Our Environment – Use of Resources |

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| Aspects, General Disclosures and KPIs | Description | Reference |
|---|--|---|
| 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 | We and Our Environment – Use of Resources |
| KPI A2.5 | Total packaging material used for finished products and, if applicable, with reference to per unit produced | Summary of Key Performance Indicators |
| Aspect A3: The Environment and Natural Resources | | |
| General Disclosure | Policies on minimising the issuer's significant impact on the environment and natural resources | We and Our Environment – The Environment and Natural Resources |
| KPI A3.1 | Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them | We and Our Environment – The Environment and Natural Resources |
| Aspect A4: Climate Change | | |
| General Disclosure | Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer | We and Our Environment – Responding to Climate Change |
| KPI A4.1 | Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them. | We and Our Environment – Responding to Climate Change |
| B. Social | | |
| Employment and Labour Practices | | |
| Aspect B1: Employment | | |
| General Disclosure | Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare | Commitment to Our Employees – Employment |
| KPI B1.1 | Total workforce by gender, employment type, age group and geographical region | Summary of Key Performance Indicators |
| KPI B1.2 | Employee turnover rate by gender, age group and geographical region | Summary of Key Performance Indicators |

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| Aspects, General Disclosures and KPIs | | |
|--|--|--|
| Aspects, General Disclosures and KPIs | Description | Reference |
| Aspect B2: Health and Safety | | |
| General Disclosure | Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards | Commitment to Our Employees – Health and Safety |
| KPI B2.1 | Number and rate of work-related fatalities occurred | No work-related fatalities occurred in the past three years. |
| KPI B2.2 | Lost days due to work injury | No lost days due to work Injury. |
| KPI B2.3 | Description of occupational health and safety measures adopted, and how they are implemented and monitored | Commitment to Our Employees – Health and Safety |
| Aspect B3: Development and Training | | |
| General Disclosure | Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities | Commitment to Our Employees – Development and Training |
| KPI B3.1 | The percentage of employees trained by gender and employee category | We did not perform or provide formal training in the Review Year. |
| KPI B3.2 | The average training hours completed per employee by gender and employee category | We did not have formal training and record on informal on-the-job training in the Review Year. |
| Aspect B4: Labour Standards | | |
| General Disclosure | Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour | Commitment to Our Employees – Labour Standards |
| KPI B4.1 | Description of measures to review employment practices to avoid child and forced labour | Commitment to Our Employees – Labour Standards |
| KPI B4.2 | Description of steps taken to eliminate such practices when discovered | No violation was noticed. |

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| Aspects, General Disclosures and KPIs | Description | Reference |
|---|--|---|
| Operating Practices | | |
| Aspect B5: Supply Chain Management | | |
| General Disclosure | Policies on managing environmental and social risks of the supply chain | Our Supply Chain Management |
| KPI B5.1 | Number of suppliers by geographical region | Summary of Key Performance Indicators |
| 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 | Our Supply Chain Management |
| KPI B5.3 | Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored. | Our Supply Chain Management |
| KPI B5.4 | Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored. | Our Supply Chain Management |
| Aspect B6: Product Responsibility | | |
| General Disclosure | Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress | Commitment to Product Quality |
| KPI B6.1 | Percentage of total products sold or shipped subject to recalls for safety and health reasons | Due to our product nature, product recall is not applicable. Please refer to the section "Commitment to Product Quality" for details. |
| KPI B6.2 | Number of products and service-related complaints received and how they are dealt with | Commitment to Product Quality – Listening to Customers |
| KPI B6.3 | Description of practices relating to observing and protecting intellectual property rights | Commitment to Product Quality – Protection of Intellectual Property Rights |
| KPI B6.4 | Description of quality assurance process and recall procedures | Commitment to Product Quality |
| KPI B6.5 | Description of consumer data protection and privacy policies, and how they are implemented and monitored | Commitment to Product Quality – Privacy Protection |

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| Aspects, General Disclosures and KPIs | | |
|--|---|---|
| | Description | Reference |
| Aspect B7: Anti-corruption | | |
| General Disclosure | Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering | Commitment to Ethics and Integrity |
| 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 | We did not have any legal cases regarding corrupt practices in the Review Year. |
| KPI B7.2 | Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored | Commitment to Ethics and Integrity |
| KPI B7.3 | Description of anti-corruption training provided to directors and staff | Commitment to Ethics and Integrity |
| Community | | |
| Aspect B8: Community Investment | | |
| General Disclosure | Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests | Giving Back to the Community |
| KPI B8.1 | Focus areas of contribution | Assessment will be performed according to the social and economic change and needs. |
| KPI B8.2 | Resources contributed to the focus area | The company is assessing and will be provided when necessary. |