



# **Tai Kam Holdings Limited** **泰錦控股有限公司**

(incorporated in the Cayman Islands with limited liability)

Stock Code: 8321

## 2019 **ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT**

# Environmental, Social and Governance Report

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# Environmental, Social and Governance Report

## INTRODUCTION AND SCOPE OF THE REPORT

Tai Kam Holdings Limited has become more competitive in the construction industry market for slope works following several years of development. This report is prepared with reference to the Environmental, Social and Governance (“ESG”) Reporting Guide under Appendix 20 to the GEM Listing Rules. Though damage to the environment from our operational construction segment is inevitable, the Group has made every effort to minimize the risks and impacts caused to the public and the environment.

This ESG report covers the Group’s overall approach and performance in environmental protection, employment and workplaces practices, operating practices and community investment during the year from 1 May 2018 to 30 April 2019 (“Reporting Period”). The ESG report focuses on the core activities of the Group in undertaking slope works.

The Group is one of the largest slope works contractors in Hong Kong, with over 10 years of experience. Slope works generally refer to landslip preventive and remedial works, for improving or maintaining the stability of slopes and/or retaining walls. The Group commits to integrating corporate social and environmental commitments into various aspects of slope works operations. To further sustainable development, the Group also promotes environmental protection, makes positive contributions and creates long-term value for communities. During the Reporting Period, the Group had committed to improving standards of corporate social responsibility, and strictly complied with the requirements of relevant laws and regulations on ESG reporting.

# Environmental, Social and Governance Report

## STAKEHOLDER ENGAGEMENT

As part of the Group's business strategies, the Group communicates with the stakeholders in an open, honest and proactive way. To achieve this objective and improve transparency, we take active measures to promote investor relations and communication. In addition, we have developed the investor relations policy to ensure that investors have fair and timely access to the information of the Group. The Group's major stakeholders are listed below.

| Stakeholder Groups        | Specific Stakeholders   | Communication Channel   |
|---------------------------|---|---|
| Investors                 | <ul style="list-style-type: none"><li>• Shareholders</li></ul>  | <ul style="list-style-type: none"><li>• Corporate website</li><li>• Annual, interim and quarterly financial reports</li><li>• Annual general meeting</li><li>• Conference call</li></ul>  |
| Employees                 | <ul style="list-style-type: none"><li>• Senior management</li><li>• Administrative staff</li><li>• Direct Workers</li><li>• Potential employees</li></ul> | <ul style="list-style-type: none"><li>• Training, seminars</li><li>• Face-to-face meeting</li><li>• Independent focus groups and interviews</li><li>• Corporate Social Responsibility ("CSR") and volunteering activities</li></ul> |
| Customers                 | <ul style="list-style-type: none"><li>• The Government</li><li>• Private corporations and other entities</li></ul>  | <ul style="list-style-type: none"><li>• Customer assessment</li><li>• Monthly progress meeting</li></ul>  |
| Suppliers/Sub-contractors | <ul style="list-style-type: none"><li>• Material suppliers</li><li>• Transportation providers</li><li>• Sub-contractors</li></ul>                         | <ul style="list-style-type: none"><li>• Supplier assessment</li><li>• Daily work review</li><li>• Site visiting</li><li>• Monthly progress meeting</li></ul>  |
| Government and Regulators | <ul style="list-style-type: none"><li>• Local government</li></ul>  | <ul style="list-style-type: none"><li>• Face-to-face meeting</li><li>• Conference call</li><li>• E-mail/Letter</li></ul>  |
| Community                 | <ul style="list-style-type: none"><li>• Local community organization</li></ul>  | <ul style="list-style-type: none"><li>• Industry dinner</li><li>• CSR activities</li></ul>  |

# Environmental, Social and Governance Report

## ENVIRONMENTAL ASPECTS

### Emissions

Climate change and global warming are the most pressing environmental problems in the world. Many environmental groups are committed to and encourage reduction of environmental pollution. In response, the Group has established policies and measures to minimise greenhouse gas emissions and nonhazardous waste generation.

In our business operations, there is no doubt that multiple sources of emissions are generated. Hence, the Group has implemented efficient controls to minimise their levels. The Group has also strictly complied with the relevant laws and regulations for emissions, such as the Waste Disposal Ordinance (Cap.354), Water Pollution Control Ordinance ("WPCO") Cap.358 and Noise Control Ordinance (Cap.400). The Group did not have any record of conviction and prosecution during the Reporting Period relating to the relevant laws and regulations for emissions.

Carbon emissions from the consumption of energy are one of our major emission sources. During the Reporting Period, we established sound controls for reducing carbon emissions, by using energy efficient fuel for our vehicles and machineries, Shell FuelSave Diesel. DYNAFLEX is Shell's technology for engine efficiency. It can help to clean up injector deposits in engines, and provides better fuel economy and greater load-pulling power when needed. According to testing by Shell, this new technology in Shell FuelSave Diesel shows significantly less deposit-related power loss, and cleaner fuel injectors help to maintain engine efficiency. This type of diesel can reduce our operating costs and help protect the environment through lowered fuel usage.

During the Reporting Period, we ensured that all our vehicles and machineries used Shell FuelSave Diesel, with sulphur content not exceeding 0.005% by weight under the Air Pollution Control Ordinance of 2008.

| Scope of Emission                                | Type of Emission                  | Emissions during the Reporting Period |
|--|-----------------------------------|---------------------------------------|
| <b>Direct emissions (Scope 1):</b>               |                                   |                                       |
| – GHG emissions from mobile combustion sources   | Carbon Dioxide (CO <sub>2</sub> ) | 199.82tonnes                          |
|  | Methane (CH <sub>4</sub> )        | 0.03tonnes                            |
|  | Nitrous oxide (N <sub>2</sub> O)  | 0.38tonnes                            |
| <b>Indirect emissions (Scope 2):</b>             |                                   |                                       |
| – Electricity purchased from China Light & Power | Carbon Dioxide (CO <sub>2</sub> ) | 23.11tonnes                           |
| <b>Other indirect emissions (Scope 3):</b>       |                                   |                                       |
| – Paper waste disposal                           | Carbon Dioxide (CO <sub>2</sub> ) | 7.92tonnes                            |
| – Sewage processing                              | Carbon Dioxide (CO <sub>2</sub> ) | 5.62tonnes                            |

### Use of Resources

Green policies have been introduced for our staff, to enhance awareness of environmental protection. We have endeavoured to lower energy consumption, fully utilise resources and recycle waste in our business operations. Also, we have established energy-efficient practices in the head office and site offices.

# Environmental, Social and Governance Report

## ENVIRONMENTAL ASPECTS (CONTINUED)

### Energy Saving

We have informed our staff that air-conditioning temperatures in head and site offices are to be set at an environmental-friendly level (around 25 degrees Celsius).

LED lighting has been installed at the head and site offices. All lighting and air-conditioning must be switched off after office hours, or when the premises are not in use. Notices are placed at appropriate areas to remind the staff to switch off energy-consuming devices. Electricity meters are used to monitor energy consumption by separated areas at one of our site offices. In addition, motion sensors for lighting have been installed at designated areas in one of our site offices, enabling lighting to be automatically switched off when not in use, for a pre-set period, and a Solar Hot Water System has been introduced in one of our site offices, to convert sunlight into renewable energy for water-heating using a solar thermal collector.

|                              | Unit | Usage<br>during the<br>Reporting Period |
|------------------------------|------|---|
| Electricity consumption      | kwh  | 36,685                                  |
| Per employee ( <i>Note</i> ) | kwh  | 378.20                                  |

*Note: At the end of the Reporting Period, the Group had 97 employees.*

### Paper Usage

The Group has encouraged the staff to recycle used paper and use double-sided printing to reduce paper usage. For printing, 75gsm paper, which has extremely good environmental credentials and is cost-effective, has been chosen. Any announcement or information is only posted once on notice boards, and staff and workers are notified through digital devices.

### Water Management

The Group works to minimise water pollution by monitoring water use at sites. We have encouraged our staff to increase their awareness of environmental protection and water pollution.

Under the WPCO, discharge of polluted waters into stormwater drains is not permitted. We employ a service provider to collect sewage generated on site. We also conduct regular self-monitoring checks to ensure compliance to said ordinance.

|                              | Unit           | Usage<br>during the<br>Reporting Period |
|------------------------------|----------------|---|
| Water consumption            | m <sup>3</sup> | 8,023.20                                |
| Per employee ( <i>Note</i> ) | m <sup>3</sup> | 82.71                                   |

*Note: At the end of the Reporting Period, the Group had 97 employees.*

# Environmental, Social and Governance Report

## ENVIRONMENTAL ASPECTS (CONTINUED)

### The Environmental and Natural Resources

#### *Environmental*

Environmental damages cannot be eliminated in the construction industry. However, we still do our best in monitoring our business operations, to comply with the environmental laws and regulations. The Group has obtained ISO 14001:2015 certification issued by Hong Kong Quality Assurance Agency (HKQAA) in recognition of our measures in environmental management systems.

#### *Noise Control*

Our slope works' locations are close to residential areas. Hence, noise pollution control has always been our major concern. Before the commencement of works, we must communicate with affected residents, and inform them about the construction timeline to obtain their understanding. To comply with the Noise Control Ordinance and Environmental Impact Assessment Ordinance, the maximum acceptable noise level is 75 decibels. Sound insulation fabric and boarding are put in required locations to minimise the impact of noise generated.

#### *Waste Disposal Management*

The major environmental concern in Hong Kong is waste disposal. One major waste source from our business operations is inert construction waste, such as rock, boulders, earth, soil, sand and concrete generated from landslip prevention and remedial works. The Group has strictly complied with the standards of the Construction Waste Disposal Charging Scheme of January 2005 issued by the Environmental Protection Department. We have opened billing accounts for repaying service charges when using any legitimate waste disposal facilities for construction waste. We have implemented procedures for classifying construction wastes into inert and non-inert types. When specified levels are reached, we dispatch construction wastes to the designated landfill. In addition, we continue to develop possible reuse and recycling schemes that could allow us to divert construction waste from the waste stream back into the construction cycle.

#### *Reducing waste water discharge*

We have installed a rainwater harvesting and recycling system in one of our site offices. The system works by collecting, filtering and storing rainwater from roofs for toilet flushing and plant irrigation, which can help reduce water usage and environmental impact.

# Environmental, Social and Governance Report

## ENVIRONMENTAL ASPECTS (CONTINUED)

### The Environmental and Natural Resources (Continued)

#### *Resources recycling*

Where applicable, we use recycled resources and materials in our site operations. For instance, we reuse usable items like hoarding materials, decorative panelling and water filled barriers where appropriate in our construction works.

| Waste Disposal  | Unit  | Usage<br>during the<br>Reporting Period |
|---|-------|---|
| Non-hazardous waste   | tonne | 2,481.80                                |
| Non-hazardous waste per no. of construction projects<br>in the Reporting Period | tonne | 275.76                                  |

#### **Natural Resources**

We use natural lighting and skylights fully powered by solar energy without any wiring or switches. Skylight roofing has been installed at one of our site offices, to bring natural light in to reduce energy consumption and electricity use.

Green roofing has also been introduced at one of our site offices to keep out direct heat from sunlight, and to reduce indoor temperatures. This is effective in controlling temperatures and providing a better working environment for site staff. It will make good use of energy, while energy conservation is enhanced, helping to protect the environment.

## SOCIAL ASPECTS

### **Employment**

Employees are valuable to the Group in increasing core competitive advantage and being successful. We provide a comfortable, attractive and fair working environment for our employees. We advocate a community spirit that thrives on mutual respect and equal opportunity. Equal opportunity legislation, such as the Sex Discrimination Ordinance, Race Discrimination Ordinance, Disability Discrimination Ordinance and Family Status Discrimination Ordinance, is valued by our Group. Our selection process is nondiscriminatory and solely based on employee performance, experience and skills.

Annual performance reviews are performed for evaluation of employees, with appropriate salary adjustments and promotions. The Group always encourages employees to discuss their targets in job advancement and career development with their senior management if they have any difficulties or opinions related to their job. The Group is fully committed to complying with laws and regulations relevant to the Ordinances mentioned above, and does not engage in any forced or child labour. Our site supervisor normally checks the identities and licencing of all workers, whether internal or with a subcontractor, to ensure full compliance with the relevant laws and regulations.

As at the end of the Reporting Period, we employed a total of 97 staff, including operational office and construction division staff. All our staff members are located in Hong Kong. Due to the nature of our business, there is a high proportion of males within the Group.



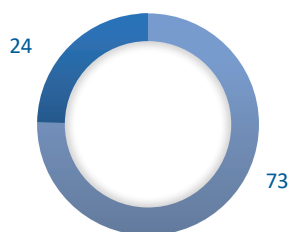
# Environmental, Social and Governance Report

## SOCIAL ASPECTS (CONTINUED)

### Employment (Continued)

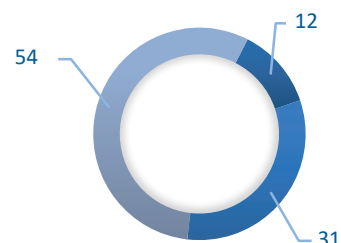
The following figures are based on the total number of employees by the end of the Reporting Period.

Number of employee by Gender



■ Male ■ Female

Number of employee by job function



■ Senior level ■ Middle level ■ Entry level

The employee turnover rate is extremely high in the construction industry, especially among daily workers. Hence, our employee turnover calculation does not include employees who joined and left in the same year. There were 73 employees who joined before 1 May 2018 and left the Group during the Reporting Period. The employee turnover rate is 60.6%.

### Health and Safety

Due to the nature of construction works, the occupational health and safety risks in our operation and workplaces are relatively higher than in other industries. Providing a safe, effective and congenial work environment for our staff is one of the most important objectives of our Group. Hence, we have established policies on occupational health and safety to protect our staff and ensure regular inspection of high-risk construction sites.

To enhance awareness of health and safety, we have set up a health and safety management group and compiled a safety plan, which allows us to provide the highest standards of protection and prevention for all our staff against any unnecessary exposure to occupational hazards. All staff must have special safety equipment, like safety helmets, ear plugs, dust masks, goggles and safety shoes, etc. Also, we have strictly complied with Construction Sites (Safety) Regulations from the Occupational Safety and Health Branch of the Labour Department, which requires workers to equip themselves with safety belts as well as have safety netting in place at any work site which is 2 metres above ground or higher, and safety gear must be worn at all times when operating any machinery. Our on-site safety officers perform site inspections regularly, and are responsible for oversight of site safety at all times.

"Safety Star of the Month" awards have been introduced to encourage workers to work safely. The project manager, site agent and safety officer select the best-suited candidate in consideration of daily safety observation, and direct supervisor nomination. Every six months, the monthly award winners get the chance to contend for the final award. Awards may include stationery, school bags and textbook allowances.

We performed well in terms of our health and safety management. During the Reporting Period, we obtained a merit award for construction site safety award under the Civil Engineering and Development Department. Also, the Group has obtained OHSAS 18001:2007 certification issued by HKQAA in recognition of our compliance with occupational health and safety requirements.

# Environmental, Social and Governance Report

## SOCIAL ASPECTS (CONTINUED)

### Health and Safety (Continued)

As at 30 April 2019, the Group had not noted any non-compliance cases in relation to health and safety laws and regulations.

#### Work Injury Statistics for the Reporting Period

|                                   |        |
|-----------------------------------|--------|
| Number of work-related fatalities | 0 case |
| Rate of work-related fatalities   | 0%     |
| Lost days due to work injury      | 0 days |

### Development and Training

Since our employees and their health and safety are important to our Group, we have established a series of internal safety training programmes to ensure all employees have received a sound level of training to reduce the chances of accidents.

We also encourage and incentivise employees to develop their knowledge and skills from external training providers. Upon Director- or senior management-level approval, the Group offers sponsorship to employees who study related construction courses of their job nature, such as the Seminar on Chemical Safety, Occupational Safety and Health Trainer and Safe Working Cycle, which are organised by Occupational Safety & Health Council, and London Chamber of Commerce and Industry (Level 2).

#### Employees trained by gender during the Reporting Period

|        |    |
|--------|----|
| Male   | 8% |
| Female | 8% |

#### Employees trained by employee category during the Reporting Period

|              |     |
|--------------|-----|
| Senior level | 33% |
| Middle level | 6%  |
| Entry level  | 4%  |

#### Average training hours completed per employee by gender during the Reporting Period

|        |           |
|--------|-----------|
| Male   | 1.85hours |
| Female | 0.83hours |

#### Average training hours completed per employee by employee category during the Reporting Period

|              |           |
|--------------|-----------|
| Senior level | 3.42hours |
| Middle level | 3.34hours |
| Entry level  | 0.19hours |

# Environmental, Social and Governance Report

## SOCIAL ASPECTS (CONTINUED)

### Development and Training (Continued)

Furthermore, we have sponsored an employee from middle-management level to undertake work-related tertiary studies in universities and educational institutes to enhance their knowledge. Courses that have been taken include “Bachelor of Engineering (Hons) in Civil Engineering” at the Technological and Higher Education Institute of Hong Kong.

### Operating Practices

#### *Supply Chain Management*

Suppliers and sub-contractors are indispensable to our business and operations, since their quality and services are crucial in contributing to our success in the pursuit of quality excellence and in enhancing our reputation. We strictly monitor our suppliers’ and sub-contractors’ selection procedure, evaluating different aspects of their performance, such as competitive pricing, meeting specifications and standards, product and service quality and business ethics. Our senior management carries out performance reviews on our existing suppliers and sub-contractors regularly.

The Group has established a stable procurement network with approximately 44 suppliers and 31 sub-contractors at the end of the Reporting Period.

#### *Product Responsibility*

Quality service is the key element influencing our business operations. We are open to our customers presenting any queries and feedback regarding our service. Whistleblowing and complaint hotline facilities have been set up for our staff and customers for reporting of fraud or non-compliance issues. However, the Group did not receive any complaints. During the Reporting Period, the Group provided a high standard of quality management, and has obtained ISO9001:2008 certification issued by HKQAA in recognition of our success in meeting customer expectations and delivering customer satisfaction. Our Group was champion in the “Best LPM Contractor Competition 2018” in the Landslip Prevention and Mitigation Programme under Civil Engineering and Development Department.

For protection, confidential or special information relating to our customers, employees and financial data are kept in appropriately secured and locked areas. Information is not to be disclosed without their or the Group’s authorisation. Our senior management has also signed a confidentiality agreement for protecting the Company’s information.

# Environmental, Social and Governance Report

## SOCIAL ASPECTS (CONTINUED)

### Operating Practices (Continued)

#### *Product Responsibility (Continued)*

For the Reporting Period, the Group was not aware of any cases of non-compliance with laws and regulations that have a significant impact on the Group in relation to the Personal Data (Privacy) Ordinance.

#### *Anti-Corruption*

The Group complies strictly with anti-corruption policies and procurement practices. Conflicts of interest, intellectual property rights, privacy and confidentiality of information, prevention of bribery and corruption and equal opportunities are all covered in our Staff Handbook and Internal Control Manual. We have also developed a gift policy, which clearly lays out the procedures required for processing and acceptance of gifts and offers.

We have regularly updated our internal policies to conform to the regulations of the Independent Commission Against Corruption for increasing awareness of changing circumstances of corruption and fraud. The Group also encourages employees to report irregularities, using a confidential platform for employees to report problems they have observed. As at 30 April 2019, the Group did not find any noncompliance issues concerning corruption-related laws and regulations (such as the Hong Kong Prevention of Bribery Ordinance) against the Group or its employees.

#### **Community Involvement**

We do our best to contribute to the community. We actively seek opportunities to repay society, and hope to create a better living environment for the local community by participating in community services and charitable sponsorships.

During the Reporting Period, the Group sponsored the anniversary celebration and conference of the Institution of Civil Engineers, including the topic of "Reducing Risk of Infrastructure Failure – the Role of Technology, Innovation and Governance" amounting to HK\$26,800.

# Environmental, Social and Governance Report

## PERFORMANCE SUMMARY

### *Environmental Performance*

| <b>Greenhouse gases emissions</b>                | <b>Unit</b>                          | <b>18/19</b> |
|--|--------------------------------------|--------------|
| <b>Direct emissions (Scope 1):</b>               |                                      |              |
| – GHG emissions from mobile combustion sources   |                                      |              |
| Carbon Dioxide (CO <sub>2</sub> )                | tonne                                | 199.82       |
| Methane (CH <sub>4</sub> )                       | tonne                                | 0.03         |
| Nitrous oxide (N <sub>2</sub> O)                 | tonne                                | 0.38         |
| <b>Indirect emissions (Scope 2):</b>             |                                      |              |
| – Electricity purchased from China Light & Power |                                      |              |
| Carbon Dioxide (CO <sub>2</sub> )                | tonne                                | 23.11        |
| <b>Other indirect emissions (Scope 3):</b>       |                                      |              |
| – Paper waste disposal                           |                                      |              |
| Carbon Dioxide (CO <sub>2</sub> )                | tonne                                | 7.92         |
| – Sewage processing                              |                                      |              |
| Carbon Dioxide (CO <sub>2</sub> )                | tonne                                | 5.62         |
| <b>Waste Disposal</b>                            | <b>Unit</b>                          | <b>18/19</b> |
| Non-hazardous waste produced                     | tonne                                | 2,481.80     |
| Non-hazardous waste intensity                    | tonne/number<br>of construction site | 275.76       |
| <b>Electricity consumption during the year:</b>  | <b>Unit</b>                          | <b>18/19</b> |
| Electricity consumption                          | kWh                                  | 36,685       |
| Per employee                                     | kWh                                  | 378.20       |
| <b>Water consumption during the year:</b>        | <b>Unit</b>                          | <b>18/19</b> |
| Water consumption                                | m <sup>3</sup>                       | 8,023.20     |
| Per employee                                     | m <sup>3</sup>                       | 82.71        |

# Environmental, Social and Governance Report

## PERFORMANCE SUMMARY (CONTINUED)

### *Social Responsibility Performance*

| <b>Employment practice</b>  | <b>Unit</b>   | <b>18/19</b> |
|---|---------------|--------------|
| <b>Total workforce by employment type</b>                                 |               |              |
| Full-time   | No. of people | 91           |
| Part-time   | No. of people | 6            |
| <b>Total workforce by gender</b>  |               |              |
| Male  | No. of people | 73           |
| Female  | No. of people | 24           |
| <b>Total workforce by employee category</b>                               |               |              |
| Senior level  | No. of people | 12           |
| Middle level  | No. of people | 31           |
| Entry level   | No. of people | 54           |
| <b>Work Injury Statistics</b>   |               |              |
|   | <b>Unit</b>   | <b>18/19</b> |
| Number of work-related fatalities   | case          | 0            |
| Rate of work-related fatalities   | %             | 0            |
| Lost days due to work injury  | day           | 0            |
| <b>Employees trained by gender</b>  |               |              |
|   | <b>Unit</b>   | <b>18/19</b> |
| Male  |               | 8%           |
| Female  |               | 8%           |
| <b>Employees trained by employee category</b>                             |               |              |
|   | <b>Unit</b>   | <b>18/19</b> |
| Senior level  |               | 33%          |
| Middle level  |               | 6%           |
| Entry level   |               | 4%           |
| <b>Average training hours completed per employee by gender</b>            |               |              |
|   |               | <b>18/19</b> |
| Male  |               | 1.85hours    |
| Female  |               | 0.83hours    |
| <b>Average training hours completed per employee by employee category</b> |               |              |
|   |               | <b>18/19</b> |
| Senior level  |               | 3.42hours    |
| Middle level  |               | 3.34hours    |
| Entry level   |               | 0.19hours    |

# Environmental, Social and Governance Report

## CONTENT INDEX OF ESG GUIDE

| General Disclosure and KPIs        | Description  | Section  | Page(s) |
|------------------------------------|--|--|---------|
| <b>A. Environmental</b>            |  |  |         |
| <b>Aspect A1: Emissions</b>        |  |  |         |
| <b>General Disclosure</b>          | Information on:<br>a) the policies; and<br>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 | Emissions  | 4       |
| <b>KPI A1.1</b>                    | The types of emissions and respective emissions data   | Emissions  | 4       |
| <b>KPI A1.2</b>                    | Greenhouse gas emissions in total and intensity  | Emissions  | 4       |
| <b>KPI A1.3</b>                    | Total hazardous waste produced and intensity   | Hazardous waste generation and handling are not material to our operations | NA      |
| <b>KPI A1.4</b>                    | Total non-hazardous waste produced and intensity   | The environmental and natural resources                                    | 6       |
| <b>KPI A1.5</b>                    | Description of measures to mitigate emissions and results achieved   | Emissions  | 4       |
| <b>KPI A1.6</b>                    | Description of how hazardous and non-hazardous wastes are handled, reduction initiatives, and results achieved   | The environmental and natural resources                                    | 6       |
| <b>Aspect A2: Use of Resources</b> |  |  |         |
| <b>General Disclosure</b>          | Policies on the efficient use of resources, including energy, water and other raw materials.   | Use of Resources   | 5       |
| <b>KPI A2.1</b>                    | Direct and/or indirect energy consumption by type in total and intensity   | Use of Resources   | 5       |
| <b>KPI A2.2</b>                    | Water consumption in total and intensity   | Use of Resources   | 5       |
| <b>KPI A2.3</b>                    | Description of energy use efficiency initiatives and results achieved  | Use of Resources   | 5       |
| <b>KPI A2.4</b>                    | Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved   | Use of Resources   | 5       |
| <b>KPI A2.5</b>                    | Total packaging material used for finished products  | The Group currently does not report on this indicator                      | N/A     |

# Environmental, Social and Governance Report

| General Disclosure and KPIs                             | Description   | Section                                 | Page(s) |
|---|---|---|---------|
| <b>Aspect A3: The Environment and Natural Resources</b> |   |   |         |
| <b>General Disclosure</b>                               | Policies on minimising the issuer's significant impact on the environment and natural resources   | The environmental and natural resources | 6       |
| <b>KPI A3.1</b>   | Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them  | The environmental and natural resources | 7       |
| <b>B. Social</b>  |   |   |         |
| <b>Employment and Labour Practices</b>                  |   |   |         |
| <b>Aspect B1: Employment</b>                            |   |   |         |
| <b>General Disclosure</b>                               | Information on:<br>a) the policies; and<br>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, antidiscrimination, and other benefits and welfare | Employment                              | 7       |
| <b>KPI B1.1</b>   | Total workforce by gender, employment type, age group and geographical region   | Employment                              | 8       |
| <b>KPI B1.2</b>   | Employee turnover rate by gender, age group and geographical region   | Employment                              | 8       |
| <b>Aspect B2: Health and Safety</b>                     |   |   |         |
| <b>General Disclosure</b>                               | Information on:<br>a) the policies; and<br>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                       | 8       |
| <b>KPI B2.1</b>   | Number and rate of work-related fatalities  | Health and Safety                       | 9       |
| <b>KPI B2.2</b>   | Lost days due to work injury  | Health and Safety                       | 9       |
| <b>KPI B2.3</b>   | Description of occupational health and safety measures adopted, how they are implemented and monitored  | Health and Safety                       | 9       |



# Environmental, Social and Governance Report

| General Disclosure and KPIs                | Description   | Section   | Page(s) |
|--|---|---|---------|
| <b>Aspect B3: Development and Training</b> |   |   |         |
| <b>General Disclosure</b>                  | Policies on improving employees' knowledge and skills for discharging duties at work.<br>Description of training activities   | Development and Training                              | 9       |
| <b>KPI B3.1</b>                            | The percentage of employees trained by gender and employee category (e.g. senior management, middle management)   | Development and Training                              | 9       |
| <b>KPI B3.2</b>                            | The average training hours completed per employee by gender and employee category   | Development and Training                              | 9       |
| <b>Aspect B4: Labour Standards</b>         |   |   |         |
| <b>General Disclosure</b>                  | Information on:<br>a) the policies; and<br>b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour | Employment  | 7       |
| <b>KPI B4.1</b>                            | Description of measures to review employment practices to avoid child and forced labour   | Employment  | 7       |
| <b>KPI B4.2</b>                            | Description of steps taken to eliminate such practices when discovered  | Employment  | 7       |
| <b>Operating Practices</b>                 |   |   |         |
| <b>Aspect B5: Supply Chain Management</b>  |   |   |         |
| <b>General Disclosure</b>                  | Policies on managing environmental and social risks of the supply chain   | Supply Chain Management                               | 10      |
| <b>KPI B5.1</b>                            | Number of suppliers by geographical region  | The Group currently does not report on this indicator | N/A     |
| <b>KPI B5.2</b>                            | Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored                          | Supply Chain Management                               | 10      |

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| General Disclosure and KPIs              | Description  | Section   | Page(s) |
|--|--|---|---------|
| <b>Aspect B6: Product Responsibility</b> |  |   |         |
| <b>General Disclosure</b>                | Information on:<br>a) the policies; and<br>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 | Product Responsibility                                | 10      |
| <b>KPI B6.1</b>                          | Percentage of total products sold or shipped subject to recalls for safety and health reasons  | Product Responsibility                                | 10      |
| <b>KPI B6.2</b>                          | Number of products and service related complaints received and how they are dealt with   | The Group currently does not report on this indicator | N/A     |
| <b>KPI B6.3</b>                          | Description of practices relating to observing and protecting intellectual property rights   | Product Responsibility                                | 10      |
| <b>KPI B6.4</b>                          | Description of quality assurance process and recall procedures   | Product Responsibility                                | 10      |
| <b>KPI B6.5</b>                          | Description of consumer data protection and privacy policies, how they are implemented and monitored   | Product Responsibility                                | 10      |
| <b>Aspect B7: Anti-corruption</b>        |  |   |         |
| <b>General Disclosure</b>                | Information on:<br>a) the policies; and<br>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                                       | 11      |
| <b>KPI B7.1</b>                          | 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                                       | 11      |
| <b>KPI B7.2</b>                          | Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored  | Anti-corruption                                       | 11      |

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| General Disclosure and KPIs             | Description   | Section               | Page(s) |
|---|---|-----------------------|---------|
| <b>Aspect B8: Community Involvement</b> |   |                       |         |
| <b>General Disclosure</b>               | 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 | Community Involvement | 11      |
| <b>KPI B8.1</b>                         | Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)  | Community Involvement | 11      |
| <b>KPI B8.2</b>                         | Resources contributed (e.g. money or time) to the focus area  | Community Involvement | 11      |