

MaxWin International Holdings Limited 加和國際控股有限公司

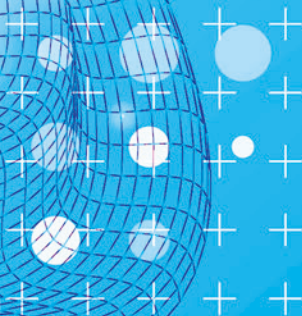
(Formerly known as IAG Holdings Limited 官酝控股有限公司)

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8513)



2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

INTRODUCTION AND APPROACH TO ENVIRONMENTAL, SOCIAL AND GOVERNANCE

About this report

MaxWin International Holdings Limited (formerly known as “**IAG Holdings Limited**”) (the “**Company**”, together with its subsidiaries, the “**Group**” or “**we**”) is pleased to present the Company’s 2023 Environmental, Social and Governance (the “**ESG**”) Report (the “**ESG Report**”). This report was prepared pursuant to the disclosure requirements as set out in the Environmental, Social and Governance Reporting Guide (the “**ESG Reporting Guide**”) as set out in the Appendix 20 of the Rules Governing the Listing of Securities on GEM of HKEX.

The Group is principally engaged in the manufacturing and sales of injection molded plastic parts for disposable medical devices and the provision of tooling services in Singapore.

Statement of the board of directors

The board of directors of the Company (the “**Board**”) believe that sustainability is the key to continuous success, therefore we have integrated this key concept into our business strategies. In order to pursue a successful and sustainable business model, the Group recognizes the importance of integrating ESG aspects into its risk management system, and has taken corresponding measures in its daily operation and governance.

We have assigned full-time staff as the ESG taskforce (the “**Taskforce**”) to collect relevant information on the ESG aspects and compiled the ESG Report with the guidance from external professional parties. The Taskforce periodically reports to the Board, assists in assessing and identifying the Group’s ESG risks, and reviews the effectiveness and appropriateness of the internal control mechanism.

The Taskforce also examines and evaluates the ESG performance of the Group, including environmental, health and safety, labor practice, and other ESG aspects. The Board sets the overall direction of the Group’s ESG strategy by benchmarking against the suggestions of the Taskforce and the ESG data generated in daily operations, guides the consistent improvement of ESG management through target splitting, and ensures the effectiveness of the ESG mechanism.

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Reporting boundary

The reporting timeframe covers the financial year ended 31 December 2023 (the “**Reporting Period**” or “**2023**”).

Pursuant to the completion of disposal of Savour Talent Global Limited in December 2023, the Company has no longer engaged in the development, manufacturing and installation of amusement machines and equipment business. This ESG Report covers the Group’s key business and operational activities in Singapore and Indonesia from where the Group generates its revenue. In compiling the ESG Report, we have considered i) laws and regulations of Singapore and Indonesia, and ii) guidance issued by The Stock Exchange of Hong Kong Limited (“**HKEX**”). The Group will continue to assess the major ESG aspects of different businesses and extend the scope of disclosures when and where applicable.

REPORTING FRAMEWORK

The ESG Report has been prepared in accordance with the disclosure requirements as set out in the Environmental, Social and Governance Reporting Guide (the “**ESG Reporting Guide**”) as set out in the Appendix 20 of the Rules Governing the Listing of Securities on GEM of HKEX.

Information related to the Group’s corporate governance practices has been set out in the Corporate Governance Report on P.18 to P.28 of the 2023 Annual Report.

Stakeholders’ opinions and feedback motivate us in maintaining effective system for sustainable development. In order to understand and address stakeholders’ concerns, we have maintained close communication channels with our stakeholders, such as shareholders and investors, customers and business partners, employees, suppliers, regulatory bodies and government authorities, as well as media, non-governmental organisation (“**NGO**”) and the public. We will continue to increase the involvement of stakeholders via constructive conversation with a view to charting a course for long term prosperity. The Group’s communication channels with key stakeholders and their respective expectations are summarised as follows:

Stakeholders	Expectations	Communication Channels
Shareholders and investors	<ul style="list-style-type: none">• Complying with relevant laws and regulations• Disclosing latest information of the corporate in due course• Financial results• Corporate sustainability	<ul style="list-style-type: none">• Annual general meeting and other shareholder meetings• Financial reports• Announcements and circulars• Website

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Stakeholders	Expectations	Communication Channels
Customers and business partners	<ul style="list-style-type: none"> • Product and service quality • Information and privacy protection • Business integrity and ethics 	<ul style="list-style-type: none"> • Customer satisfaction survey • Customer service team • Customer support hotline and email
Employees	<ul style="list-style-type: none"> • Occupational health and safety • Equal opportunities • Remuneration and benefits • Career development 	<ul style="list-style-type: none"> • Trainings, seminars and briefing sessions • Regular performance reviews • Staff appraisals • Town hall meetings
Suppliers	<ul style="list-style-type: none"> • Fair and open procurement • Supply chain management 	<ul style="list-style-type: none"> • Supplier management meetings and events • Purchaser and material executive • Supplier audit
Regulatory bodies and government authorities	<ul style="list-style-type: none"> • Compliant operations • Business integrity and ethics • Community engagement 	<ul style="list-style-type: none"> • Compliance manager • On-site inspections
Media, NGO and the public	<ul style="list-style-type: none"> • Giving back to society • Environmental protection • Compliant operations 	<ul style="list-style-type: none"> • Community activities and partner programs • ESG reports

We aim to collaborate with our stakeholders to improve our ESG performance and create greater value for the wider community on a continuous basis.

Reporting principles

The ESG report is prepared under the four fundamental reporting principles set out in the ESG Reporting Guide:

Materiality We acknowledge the importance of material issues that may have a significant impact on its stakeholders and operations. Material environmental and social issues were identified through materiality assessment annually. Material issues identified during the Reporting Period are similar to the material issues identified in the previous period. Results were presented to the Board for validation of the material ESG issues for the year.

Quantitative We record and disclose the key performance indicators in quantitative terms as appropriate for evaluation and validation of the effectiveness of ESG policies and measures.

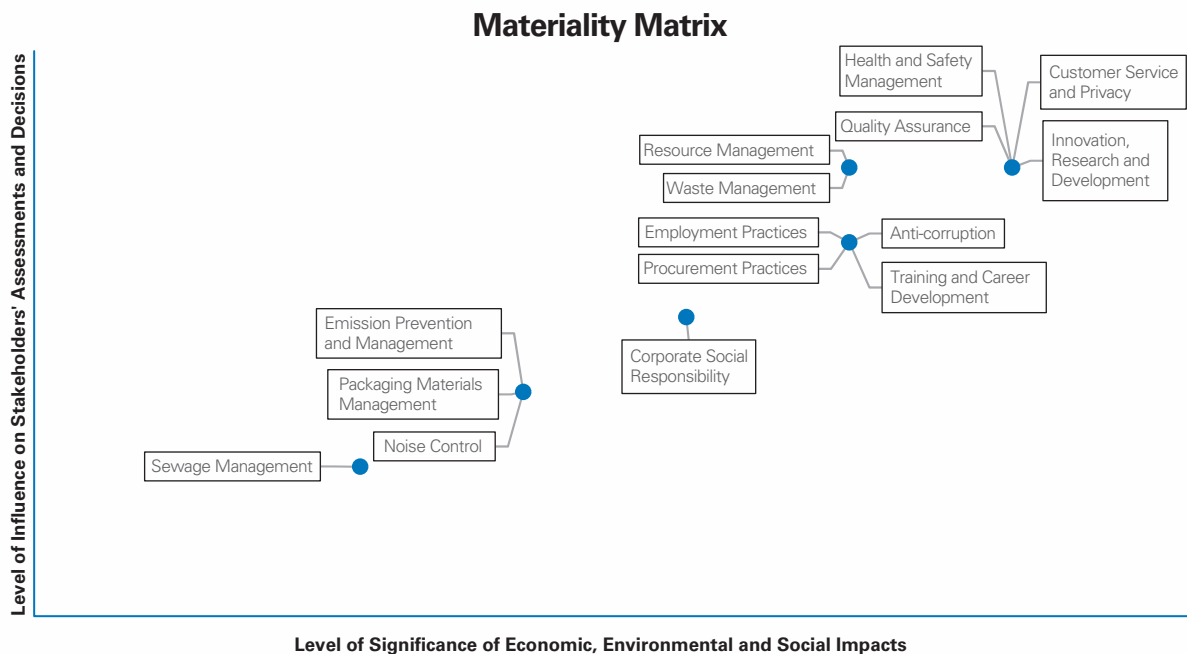
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Consistency The quantized information provided in this report has been calculated and disclosed in a way basically consistent with that in previous years so that the stakeholders can analyze and evaluate the performance of different time.

Balance The report discloses information in an objective manner, providing stakeholders with an unbiased picture of the Group’s overall ESG performance.

The Group’s management and employees in major functions have participated in preparing the ESG Report to assist the Group in reviewing its operations and identifying key ESG issues, as well as to emphasise the importance of ESG compliance to the Group’s businesses and its stakeholders. We compiled a questionnaire with reference to the identified material ESG issues in order to collect information from relevant departments, business units, and stakeholders of the Group.

We have considered feedback from relevant stakeholders in determining the Group’s material ESG aspects to be covered in the ESG Report. The following matrix is a summary of the Group’s material ESG issues.



During the Reporting Period, the Group confirmed that it has established appropriate and effective management policies and internal control systems for ESG issues, and confirmed that the content disclosed in the ESG Report complies with the requirements of the ESG Reporting Guide.

We welcome comments and suggestions from our stakeholders. You may provide your comments on the ESG Report or our performance in respect of sustainability by email at enquiry@inzn.com.

A. ENVIRONMENTAL

A1. Emissions

In order to govern the environmental management and minimise the environmental impacts resulted from our operations, the Group has implemented relevant environmental management policies as part of our Environment, Health and Safety (“EHS”) framework. The Group has established an EHS management system to define the procedures for an eco-friendly and safe production process. We are committed to complying with the requirements stipulated in relevant environmental laws and regulations in Singapore and Indonesia.

The Group has established a dedicated department to implement, co-ordinate and address environmental protection objectives, measures and issues. We have carried out a series of environmental management practices at production bases, covering planning, materials procurement, and various production procedures. The Group has also adopted measures to control noise, exhaust gas, wastes, and carbon emissions to ensure that all business activities strictly comply with relevant laws and regulations. In particular, we have adopted relevant procedures and guidelines relating to waste management in order to govern the management and disposal process of wastes, as well as to encourage the reuse and recycling of used materials. The Group has been constantly improving our environmental management system to minimise undesirable impacts to the environment.

During the Reporting Period, the Group has not identified any material non-compliance with environmental related laws and regulations in relation to exhaust gas and greenhouse gas (“GHG”) emissions, water and land discharge, and the generation of hazardous and non-hazardous wastes, including but not limited to the Environment Protection and Management Act of Singapore, Environmental Public Health (General Waste Collection) Regulations of Singapore and Law No. 32/2009 on Environmental Protection and Management of Indonesia.

Emission Prevention and Management

Exhaust Gas Emissions

The Group’s major source of exhaust gas emissions was originated from diesel consumed by vehicles. In response to the above source, we have actively taken the following emission reduction measures to minimise the impacts:

- Conduct regular vehicle inspection and maintenance to enhance vehicle efficiency;
- Educate employees to turn off engines for idling vehicles; and
- Actively adopt other emission reduction measures, which are described in the section headed GHG emissions under this aspect.

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During the Reporting Period, the summary of performance of exhaust gas emissions was as follows:

Types of exhaust gas	Unit	Emissions	
		2023	2022
Nitrogen Oxides (NOx)	kg	27.3	138.7
Sulphur Oxides (SOx)	kg	0.2	2.0
Particulate Matter (PM)	kg	1.3	6.6

Volatile Organic Compounds (“VOCs”) Emissions

During the manufacturing process of the Group, limited VOCs are produced. VOCs come from temperature control settings in the molding process. Although only limited VOCs are generated during the production process, the Group strives to reduce the emissions of VOCs for providing a healthy and comfortable working environment through the adoption of the following measures:

- Set optimal molding temperatures strictly based on physical and chemical characteristics of various types of materials. This prevents gaseous emissions from decomposition of plastic materials due to temperature increase;
- Install ventilation control systems along the production line, especially at the parts of highest processing temperatures; and
- Install local exhaust extraction systems and activated carbon absorbers.

Dust and PM

During the manufacturing process, limited dust and PM may be released during handling of dry additives and the granulation process of polymers. In addition, heating of thermoplastics during compounding and forming may also result in formation and release of fine aerosols.

The Group has implemented the following pollution prevention and control techniques for the emission of dust and PM:

- Optimise processing conditions for handling and mixing of dry additives, temperature, and polymer granulation;
- Install effective exhaust system and particles collection bags to minimise dust particulates generated during production; and
- Filter air pollutants from material handling and granulation areas using a cyclone and baghouse.

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GHG Emissions

The Group's major sources of GHG emissions were generated from diesel consumption by vehicles (Scope 1: direct GHG emissions) and electricity supplied by relevant service providers (Scope 2: energy indirect GHG emissions). To reduce GHG emissions, the Group has adopted the following measures during operation:

- Optimise the operation process by improving the loading rate and reducing the empty rate of vehicles;
- Carry out monthly maintenance on affiliated vehicles so as to effectively reduce fuel consumption, thereby reducing carbon emissions and exhaust gas emissions;
- Eliminate substandard vehicles and regularising the procurement diesel and gasoline for vehicles, and adopting annual inspection to ensure that the vehicles meet the emission standards; and
- Actively adopt environmental protection and energy conservation measures which are described in aspect A2 – Use of Resources.

The GHG emissions intensity per employee increased by around 0.5%, from approximately 14.75 tCO₂e in 2022 to approximately 14.83 tCO₂e in 2023. Here are the Group's GHG emissions performance highlights:

Indicator ¹	Unit	Emissions	
		2023	2022
Direct GHG emissions (Scope 1)	tCO ₂ e	5.03	20.97
Energy indirect GHG emissions (Scope 2)	tCO ₂ e	1,359.21	1,837.78
Total GHG emissions (Scope 1 and 2)	tCO ₂ e	1,364.24	1,858.75
Total GHG emissions intensity	tCO ₂ e/employee ²	14.83	14.75

Note:

1. GHG emission data are presented in terms of carbon dioxide equivalent and are based on, but not limited to, "The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standards" issued by the World Resources Institute and the World Business Council for Sustainable Development; "How to prepare an ESG Report – Appendix II: Reporting Guidance on Environmental KPIs" issued by HKEX; the latest released 2020 Singapore's Grid Emission Factor; Emission Factor issued by the Directorate General of Electricity, Ministry of Energy and Mineral Resources, Indonesia; 2019 Baseline Emission Factors of China's Regional Power Grids for Emission Reduction Project.
2. As at 31 December 2023, the Group had a total of 92 full-time employees (2022: 126). These data are also used for calculating other intensity data.

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Sewage Management

Industrial wastewater will be produced during the manufacturing process, for which it is discharged together with domestic wastewater during our daily operations. Processed water used in manufacturing process can be subdivided into three categories:

- (1) cooling (or heating) water for production;
- (2) cleaning water used for product surface cleaning and equipment washing; and
- (3) finishing water used to remove excessive scraps and polishing products.

During the Reporting Period, the data of sewage discharge are considered to be the same as water consumption volume, and is going to be presented in aspect A2 – Use of Resources. We have adopted the following pollution prevention measures for industrial wastewater generated:

- For water used in production, we have installed activated carbon process where possible to remove soluble organics;
- For materials and accessories, we have used bio-degradable plasticisers where possible; and
- For cleaning and finishing water, we have recycled and reused the water after sedimentation or settling units and after removal of suspended solids, oils and grease.

The waste-water (including industrial waste-water and domestic waste-water) disposal of the Group is properly treated according to relevant standards before discharging to government's sewage pipe.

Waste Management

Non-hazardous wastes

Non-hazardous wastes generated during our production process are mainly plastic, which includes Polyvinyl Chloride ("**PVC**") materials, Poly-carbonate materials, Poly-ethylene ("**PE**") materials, Poly-propylene materials, Acrylonitrile Butadiene Styrene materials and Poly-oxy-methylene materials, etc. Other non-hazardous wastes generated include carton boxes and metal scraps. We properly segregate and classify different types of industrial wastes, and each type of non-hazardous waste is collected and disposed separately by licensed and qualified general waste collectors.

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The intensity of total non-hazardous wastes disposed has increased by around 47.9% from approximately 0.71 tonnes per employee in 2022 to approximately 1.05 tonnes per employee in 2023. The summary of the Group's non-hazardous wastes disposal performances was as follows:

Type of non-hazardous wastes	Unit	Disposal	
		2023	2022
PVC Materials	tonnes	51.30	36.81
PE Materials	tonnes	6.40	15.60
Other Materials	tonnes	38.70	37.23
Total non-hazardous wastes	tonnes	96.40	89.64
Total non-hazardous wastes intensity	tonnes/employee	1.05	0.71

All the non-hazardous wastes disposed were recycled in 2023 and 2022.

Hazardous wastes

Hazardous wastes such as used oil and oily water or oil sludge from oil interceptor are widely generated throughout the plastic injection procedures and equipment maintenance process. The Group provides strict instructions on proper wastes sorting of such wastes into storage barrels, for which they will be regularly collected and disposed by a third-party licensed toxic industrial waste collector.

The summary of the Group's hazardous wastes disposal performances was as follows:

Type of hazardous wastes	Unit	Disposal	
		2023	2022
Disposal waste oil	litres	460	1,400
Total hazardous wastes	litres	460	1,400
Total hazardous wastes intensity	litres/employee	5.00	11.11

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Apart from the above wastes, the Group also implements the following measures to reduce general waste disposed during our daily operation and within our office area:

- Set up waste recycling points within the manufacturing area to encourage waste recycling;
- Promote green information via electronic communication, such as e-mail and electronic workflows in order to implement “paperless” concept;
- Place “Green Message” reminders on office equipment;
- Utilise used envelopes and promote double-sided printing; single side printing would be used only when handling contractual and confidential documents; and
- Encourage the use of recycled paper.

Through these waste management measures, employees’ awareness on waste management has been enhanced. Moreover, the target of zero incident of spillage was achieved during the Reporting Period.

A2. Use of Resources

The Group continues with initiatives to introduce resource efficiency and eco-friendly measures to the Group’s operations, and is committed to optimising the use of resources in all of our business and production operations.

During our daily operations, different kinds of resources such as fuel, electricity and water are frequently consumed. The Group has therefore established relevant policies and procedures in governing the efficient use of resources, with reference to the objective of achieving higher energy efficiency and reducing the unnecessary use of materials.

Resource Management

Energy Efficiency Management

Energy policy has been developed to set energy conservation as one of the Group’s fundamental policies. All employees must adopt the introduced measures, including the purchase of energy-efficient products and services, switching off lights and air-conditioners when not in use, and assume responsibility for the Group’s overall energy efficiency. By building an energy management system, we develop and review our energy objectives and targets regularly to continuously enhance the Group’s energy performances. Unexpected high consumption of energy will be investigated for its root causes with corresponding preventive measures being taken when deemed necessary.

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During the Reporting Period, the total energy consumption intensity has increased by approximately 0.3% from approximately 36.59 MWh per employee in 2022 to 36.69 MWh per employee in 2023. The summary of the Group's energy performances was as follows:

Energy type	Unit	Emissions	
		2023	2022
Direct energy consumption			
Diesel	MWh	18.60	25.43
Petrol	MWh	–	51.22
Indirect energy consumption			
Purchased electricity	MWh	3,356.91	4,533.88
Total energy consumption	MWh	3,375.51	4,610.53
Total energy consumption intensity	MWh/employee	36.69	36.59

Water Efficiency Management

The water consumption of the Group principally comprised of office water and industrial water consumption. We encourage all employees and customers to develop the habit of conserving water consciously in order to reduce office water consumption. The Group has been strengthening its water-saving promotion, posting water-saving slogans, and guiding employees to consume water reasonably. During the Reporting Period, the Group's water consumption intensity has decreased by approximately 72.6% from 8.19 cubic meters per employee in 2022 to 2.24 cubic meters per employee in 2023. The summary of the Group's water consumption performances was as follows:

Water consumption	Unit	Emissions	
		2023	2022
Water consumption	m ³	206.20	1,032.30
Water consumption intensity	m ³ /employee	2.24	8.19

In view of the geographical location of the Group's operation and the nature of business, there is no issues in sourcing water that is fit for purpose.

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Packaging Materials Management

The Group encourages operational staff to reuse packaging materials, and utilise some of the packaging materials such as cardboard boxes and wooden crates to the maximum extent. We have been constantly exploring alternative packaging solutions in order to attain maximum operating efficiency. The summary of the Group's packaging material consumption performances was as follows:

Type of packaging material	Unit	Consumption	
		2023	2022
Carton boxes	tonnes	17.27	26.85
Carton boxes intensity	tonnes/employee	0.19	0.21

A3. The Environment and Natural Resources

The Group endeavours to minimise negative environmental impact of our business operations in order to achieve a sustainable development for generating long-term values to our stakeholders and community as a whole. We work tirelessly to mitigate the environmental impact of our activities through adopting industrial best practices which target at reducing the consumption of natural resources and achieving effective emission management. We regularly assess the environmental risks of our business, and adopt preventive measures to reduce risks and ensure compliance with relevant laws and regulations.

Noise Control

During operation, noises will be generated from the operation of machineries. The Group has developed a noise control procedure to minimise noise pollution. Noises are monitored through different monitoring stations which are located within and outside the manufacturing plant boundary. The Group employs external qualified testing agencies to conduct monitoring measures annually to ensure noise levels do not exceed the statutory requirements of relevant standards. We also provide hearing tests for employees who are potentially exposed to high noise influence.

A4. Climate Changes

Climate change has varying impacts on businesses, and our Group is no exception. Extreme weather conditions, in particular, pose a significant risk to our operations, potentially causing damage and disruption. We have undertaken a thorough assessment of the potential climate-related risks facing our business, including both physical and transition risks. Physical risks can arise from events such as flooding, storms, and sustained high temperatures, while transition risks may arise from changing environmental regulations or shifts in customer preferences.

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In light of this assessment, we have taken proactive steps to mitigate potential physical risks, such as ensuring our offices are not located in high-risk flood areas and maintaining a diverse supplier base that enables us to source from alternative suppliers if necessary. We are also closely monitoring the regulatory environment and the product market to ensure that our products and services align with customer and regulatory expectations and demand.

While we anticipate that extreme weather conditions, sustained high temperatures, changing regulations, and shifting customer preferences are unlikely to have a material impact on our operations, we remain vigilant in our efforts to minimize potential risks. We have established a robust safety procedure that provides clear guidelines for handling disruptions caused by extreme weather and environmental events. This procedure outlines preventive and control measures for various extreme weather and environmental scenarios, and we prioritize the health and safety of our employees, including ceasing operations and evacuating employees when necessary.

B. SOCIAL

B1. Employment

We believe employees are one of the vital factors for the success of an enterprise, and we regard employees as the most valuable asset and reliable partner in promoting sustainable development. Through a comprehensive employment management system, we provide employees with a competitive, attractive, fair, and inclusive working environment. We make every effort to let all employees fully unleash their potential, and create a workplace where employees feel satisfied and relaxed.

The Group values equal employment opportunities that employees should enjoy. Employee recruitment adheres to equality between men and women and ethnic equality. During the Reporting Period, it did not encounter any major labor disputes or other labor waves.

During the Reporting Period, the Group has not identified any material non-compliance with employment-related laws and regulations, including but not limited to the Employment Act (Chapter 91) of Singapore, Employment of Foreign Manpower Act (Chapter 91A) of Singapore, Central Provident Fund Act (Chapter 36) of Singapore and Law No. 13/2003 on Manpower of Indonesia that would have a significant impact on the Group.

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Employment Practices

Recruitment and Remuneration

The Group hires employees through open recruitment and fair competition. We conduct regular appraisals to assess employees' knowledge and ensure that employees are constantly updated with the skills and knowledge related to their job requirements.

Employees of the Group are remunerated at a competitive level and are rewarded according to their performance and experiences. We offer a wide range of benefits on top of what is required by laws and regulations in Singapore and Indonesia to cater the personal needs of our employees and care for their physical and psychological development, such benefits include but are not limited to:

- Minimum wage;
- Holidays;
- Annual leave;
- Medical scheme;
- Dental scheme;
- Group insurance or social security programs;
- Mandatory provident fund;
- Overtime payment;
- Incentive; and
- Discretionary bonus.

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Promotion and Career Development

We cherish and care for our employees, and we wish our employees can thrive and grow from time to time. We have therefore established a comprehensive promotion system to attract outstanding talents to join our workforce.

The Group adjusts the remuneration level with reference to the salary surveys and guidelines published by the governmental bodies in Singapore and Indonesia, and makes promotion decisions in a timely manner. We adopt a responsibility system for operational and management objectives, and have developed systematic business indicators as important basis for annual performance and career development assessments. Supervisors are also required to facilitate an effective two-way communication with employees by discussing their performances for advancement. We offer rewards to employees in encouraging continuous improvement based on the evaluation results.

Communication Channels

The Group heavily emphasises communication between the management and employees at all levels as we believe that good communication could enhance employees' sense of belonging, boost work morale, and create a harmonious workplace culture. We maintain regular communication with employees through overall progress reporting, seminars for new joiners, and employee satisfaction surveys.

Gender Equality and Anti-discrimination

Equal opportunities and anti-discrimination are part of the core values of our corporate culture. We strive to establish and maintain a diversified, inclusive, and non-discriminatory work environment as we appreciate different backgrounds and professional experiences of all employees. All employees, regardless of gender, age, nationality, race and region, are entitled to equal job opportunities and benefits, covering trainings, promotion, transfer, dismissal, layoff, employment conditions, etc.

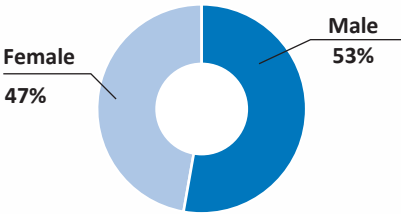
We have also formulated policies to provide clear and specific guidelines on the prohibition of any forms of discrimination and harassment concerning gender, marital status, pregnancy, disability, family status, race, etc. Employees are welcome to report any suspected cases through the whistleblowing mechanism to protect the rights and interests of each employee.

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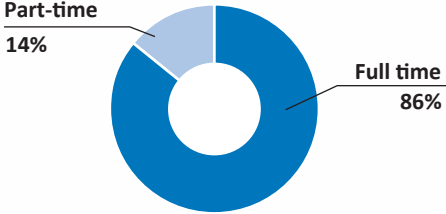
As of 31 December 2023, the Group had a total of 92 employees (2022: 126 employees). The figures below show the workforce distribution and turnover rate by different categories.

Categories	Number of staff	Percentage
By sex		
Male	49	53.3%
Female	43	46.7%
By employment type		
Full-time	79	85.9%
Part-time	13	14.1%
By age group		
30 years old or below	8	8.7%
31-40 years old	22	23.9%
41-50 years old	25	27.2%
51 years old or above	37	40.2%
By region		
Singapore	33	35.8%
Mainland China	25	27.2%
Hong Kong	2	2.2%
Others	32	34.8%

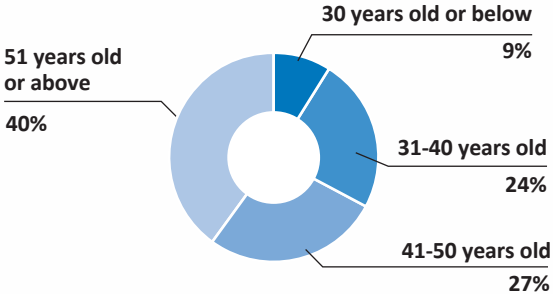
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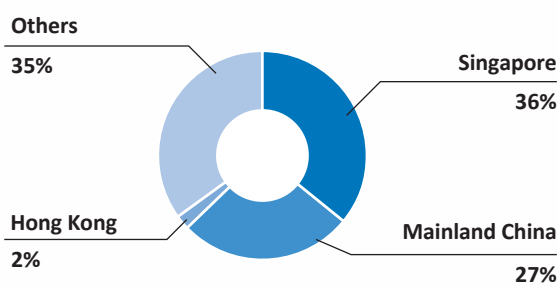
BY EMPLOYMENT TYPE



BY AGE GROUP



BY REGION



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Categories	Turnover rate (%)
By sex	
Male	19.1
Female	12.8
By age group	
30 years old or below	9.6
31-40 years old	10.6
41-50 years old	10.6
51 years old or above	1.1
By region	
Singapore	3.2
Mainland China	3.2
Indonesia	20.2
Others	5.3

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B2. Health and Safety

The Group is committed to providing a safe and healthy working environment. Therefore, we have adopted an EHS management system and corresponding policies in accordance with relevant occupational health and safety rules, laws and regulations. The Group also conducts regular risk assessment to ensure the provision of a safe and healthy working environment. Below please find the summary of lost day due to work injury during the Reporting Period:

Natures	Unit	
Number of working days lost as a result of work-related injuries	Day	-
Number of injuries caused by working	Case	-

Over the past three years, which includes the Reporting Period, there have been no fatalities related to work.

During the Reporting Period, the Group has not identified any material non-compliance with health and safety-related laws and regulations, including but not limited to the Workplace Safety and Health Act (Chapter 354A) of Singapore, the Work Injury Compensation Act (Chapter 354) of Singapore, No 50 of 2012 concerning the Implementation of Occupational Safety and Health Management Systems of Indonesia that would have a significant impact on the Group.

Health and Safety Management

Safety Management

The Group has developed policies for safety and health management, and formulated specific work guidelines in accordance with varying scopes and procedures of production to guarantee the health and safety of all employees and people affected by any relevant production process.

The Group has established a Corporate Safety Management Committee which is chaired by our directors to formulate and implement safety policies. Our top and senior management are also required to attend safety conferences to discuss safety policies and safety case studies, and to suggest and assist in formulating safety policies. We also carry out safety inspections on machineries and equipment to maintain safe working environment and site tidiness, while ensuring workers' safety at the same time.

We monitor our health and safety systems regularly to ensure compliance with statutory and contractual requirements. In addition, we implement appropriate improvements for the existing system when necessary.

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Safety Training

We take appropriate measures to ensure that the person at work has received adequate instructions, information, training and supervision as necessary to perform his work. The Group provides regular safety trainings to our staff, which include but not limited to:

- Provide appropriate safety training and instructions generally and for use of new production methods and equipment;
- Carry out safety hazard clearance, emergency drills, safety advocacy and other related activities on the production bases; and
- Post EHS information in conspicuous places visible for all employees.

Employee Health Management

The Group offers comprehensive health care coverage for all employees, including healthcare benefits. We organise work-life balancing activities for employees, implement green projects at offices and production bases, and carry out other activities that promote healthy living practices. We also convey information relating to health to employees in order to raise their awareness on occupational health and safety.

B3. Development and Training

The Group believes that fostering and retaining talent is a key to ensure sustainable development and strengthen the overall competitiveness of the Group. We regard our staff as strategic partners who contribute to the Group, and hence we provide a variety of trainings and support for employees' career development and personal value enhancement through regular and systematic training programmes.

Training and Career Development

Training and Development Policies

In order to improve employees' skills and knowledge and to unleash their potentials, the Group has organised workshops, seminars and training programmes which cover various aspects. We also encourage employees to enroll in external training opportunities and job-related courses to enrich themselves through acquiring higher professional skills and qualifications.

We have developed related policies in controlling the training related procedures to ensure the effectiveness of training programmes. Training plans are developed by the management based on the requirements from various departments and employees, while special technicians will be provided with trainings which are necessary to obtain relevant technological licences. The management is responsible to examine the effectiveness of training programmes and to provide improvement plans. Facilitators are acquired to obtain adequate knowledge and qualifications prior to delivering trainings, such knowledge and qualifications include the understanding of operating sectors and relevant standards, laws and regulations.

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Training Programmes

The Group provides sufficient training to our employees in regards to quality, environmental rules, and occupational safety in order to enhance employees' awareness, skills, and knowledge.

New employees are required to undergo an orientation to ensure that they are familiar with the management system for quality, environmental, health, and safety issues. They will be reminded constantly on the importance of conforming to the Site Staff Manual to prevent potential consequences including accidents or incidents due to deviation from specific procedures such as safe work procedures. They will also be provided with on-the-job trainings under the guidance of senior staff, for which the time period is decided by their respective department heads. Professional and technical information is also made available through knowledge sharing sessions.

Furthermore, we provide different forms of training including internal trainings and external special courses to train staff with professional skills and abilities in catering the actual needs of different departments and individuals. External courses include occupational first-aid course, health and safety management and equipment operation courses, etc. Course contents include ISO 13485, ISO 9001 trainings, construction laws and good industry practices.

Below please find the summary of training data during the Reporting Period:

Employment Type	Unit	Male	Female
Management			
Number of employees participating in the training	Person	1	1
Total training hours	Hour	16	16
Office employee			
Number of employees participating in the training	Person	1	1
Total training hours	Hour	16	16
General employee			
Number of employees participating in the training	Person	–	–
Total training hours	Hour	–	–

B4. Labour Standards

Prevention of Child Labour and Forced Labour

Child and forced labour are strictly prohibited during the recruitment process as defined by laws and regulations. The Group strictly complies and conducts recruitment based on related local laws and regulations. We have established a set of procedures to prevent the employment of child labour or forced labour by carefully reviewing personal information of job candidates and clearly explaining to them the employment conditions.

Personal data are collected during the recruitment process to assist the selection of suitable candidates and to verify candidates' personal data. The Human Resources Department also ensures identity documents are carefully checked. If violation is involved, it will be dealt with as clearly in the light of circumstances as stated in the Group's Employee Handbook.

During the Reporting Period, the Group has not identified any material non-compliance with child and forced labour-related laws and regulations, including but not limited to the Employment Act (Chapter 91) of Singapore and Law No. 13/2003 on Manpower of Indonesia that would have a significant impact on the Group.

B5. Supply Chain Management

We understand the importance of supply chain management in mitigating the indirect environmental and social risks. We are aware of the environmental and social practices of suppliers, and usually engage suppliers who act responsibly with regards to green supply chain management. The Group's Procurement Department has developed a supply chain management system in order to choose suppliers according to their social responsibility performance, which in turn helps to monitor suppliers' quality.

Procurement Practices

Supplier Audit and Management

The Group has regularly reviewed the suppliers portfolio and our suppliers should not violate with relevant labour laws and regulations, and substantial violation may incur the termination of supplier relationship. The Group will also propose remedial actions and measures if suppliers are discovered to have serious violation to ensure the problem is handled properly.

Fair and Open Procurement

We have also formulated rules to ensure that suppliers could participate in competitions in an open, fair and transparent way. The Group will not differentiate or discriminate against any suppliers, and we do not allow any forms of corruption or bribery. The Group will strictly monitor and prevent all kinds of business bribery, and any employees or other individuals having any interest or relationship with suppliers are not allowed to participate in related business activities.

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Below please find the number of suppliers by geographical region during the Reporting Period:

By region	Number of suppliers
Singapore	41
Mainland China	1
Others	3

B6. Product Responsibility

We believe the Group’s success depend heavily on our quality assurance standards, our in- depth industrial experience, and our specialised and efficient production capability. The Group adopts the tagline “Quality, Service, and Innovation” as we continuously focus on providing high quality services and manufacturing innovation to medical technology companies, while complying with relevant requirements regulating the medical industry. In order to ensure that high quality and sustainable products and services are delivered to our customers, we continuously focus on improving production facilities, quality assurance, research, technology and innovation, and customer service and privacy. The Group has been in strict compliance with related laws and regulation in Singapore and Indonesia.

During the Reporting Period, the Group has not identified any material non-compliance with laws and regulations concerning health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress, including but not limited to the Personal Data Protection Act 2012 of Singapore, Customer Protection (Trade Descriptions and Safety Requirements) Act (Chapter 53) of Singapore and Law No. 20/2016 on Personal Data Protection in Electronic Systems of Indonesia that would have a significant impact on the Group.

Quality Assurance

Quality Assurance Department

As at 31 December 2023, the Group’s quality assurance team is comprised of 11 staff members, and it is primarily responsible for formulating and implementing procedures under our quality management system in accordance with the adopted requirements and standards, while ensuring that the product supply chain and production processes comply with relevant standards and procedures. Staff members of the quality assurance team are required to receive trainings before performing the relevant quality assurance tasks. The quality control team is responsible for (i) inspecting incoming raw materials, semi-finished products and final products; (ii) performing audits and checks on the quality assurance system; and (iii) validating process.

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Our Quality Control and Assurance Department establishes the procedures in respect of each of our production and operation processes, and monitors the implementation and compliance with these procedures. Our quality control system is implemented by our production and operation employees, and in this respect, we conduct regular trainings to our employees to enhance their understanding of the quality control requirements applicable to our production and operation.

Quality Control System

Ensuring the quality of our products and maintaining our reputation are critical to the Group's operations, therefore we have established an effective quality management system throughout our operations. Since 2002, we had been certified under the ISO9001 standard for quality management system and the ISO13485 standard for comprehensive quality management system for the design and manufacturing of medical devices. We believe our strong emphasis on stringent quality assurance processes is an important factor to the Group's success at any time.

Our productions are conducted in accordance with the relevant quality standards and specifications. Our quality management system standardises all documents and ensures all of the Group's operations are well-documented. To achieve this, we have implemented extensive quality control measures which are reviewed annually throughout our operations. We believe such measures promote good communication between departments, and help improve the quality consciousness of the Group and our ability to meet customer requirements. In every production process, staff from our Quality Assurance Department are assigned to inspect each process according to the pre-determined standards and inspection conditions, and to maintain a record of the inspection results.

External Audit

As many of our customers are large multi-national companies, some of our customers require our operations to undergo annual audits so that they can be satisfied with the systems that we have put in place. This also ensures the quality and proper manufacturing of our products are carried out in accordance with customers' specifications and requirements.

Our production facility and processes are also subject to regular audit by relevant certification bodies in order to maintain the certificates and approvals for manufacturing and sales of our products, as well as to ensure the compliance with relevant requirements.

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Production Facilities

The Group has two production bases, which are in Singapore and Batam, Indonesia. The Singapore production base is well-equipped with specialised production facilities for medical devices, including Class 10,000 and Class 100,000 clean rooms installed with equipment for injection molding and assembling of plastic parts. Our Batam production base has a Class 100,000 clean room facility.

To cater for requirements from our customers in the medical device industry, our injection molding and assembly processes take place in our production facilities stated above. The clean room environment allows us to maintain and meet high manufacturing standards as a multi-national company, while providing support to the Group’s process in attaining consistent validation.

Innovation, Research and Development

As a medical technological product manufacturer, we continuously focus on the research for technology and innovation. We have engaged technical managers and engineers for the implementation of the technical operations and new production processes, which will form part of the Group’s standard operating process. The scope of responsibilities of the Technical Department is summarised as follows:

- Technical manager
 - Evaluate and plan the Group’s future technical roadmap to increase business opportunities and to protect the Group’s intellectual property rights;
 - Provide design and manufacturing related technical consultation advice to the Group’s customers; and
 - Lead members of the Group to ensure timely completion of projects.
- Engineer
 - Finalise and implement the protocol of any new process before the new process is used in mass production.
- Microbiologist
 - Establish sterilisation process after the machinery has been purchased; and
 - Assist in evaluating different assay methodologies proposed by microfluidic customers and propose an alternative assay protocol, if required, which will be incorporated into the injection molded microfluidic chip.

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Customer Service and Privacy

The Group strives to (i) understand our customer needs; (ii) meet our customer expectations; and (iii) develop a long-term partnership with our customers. Thus, we have established clear procedural guidelines for handling any issues raised by our customers.

Maintaining good communication with our customers has been the Group's underlying principle for effective customer management. As part of our quality management system, we have established procedures and measures for (i) gathering feedback from customers on our products and services, which can provide us with necessary information to appropriately adjust and improve our service quality, while serve as a key performance indicator for the Group's corporate health; (ii) dealing with complaints of non-conforming products; and (iii) procedures to correct non-conformities and prevent potential non-conformities.

The specifications of the products we manufacture are determined by our customers. If the parts do not meet our customer's specifications, our customers have the right to return the manufactured parts. When customers have an issue with a product, they will typically return the affected batch of products to us and we will issue a credit note for the affected batch of products. According to Euromonitor International, it is the industrial practice that the whole batch of products is returned as customers do not want to incur time and costs sorting through a batch of products which may have issues. Once the products are returned to us, members of our production team will sort out the items that may have issues from those that meet customer specifications. The Quality Department will verify the effectiveness of the sort out action.

Throughout the Reporting Period, the Group received complaints in respect of 11 pieces of products, which were found to be non-conforming to specifications. Standard procedure was followed, and credit notes were issued for the returned products. The Group has since taken corrective action, either through rework or scrapping of products deemed beyond repair, to address these issues. During the Reporting Period, there were no products being sold or shipped and were discovered to pose safety and health concerns, prompting a recall.

The Group is also committed to ensuring that all confidential or special information provided by customers, employees and business associates is securely stored. We enter into confidential agreements with clients and suppliers, and information will not be disclosed to any third party or made available to the public without their authorisation. We strictly comply with the Personal Data Protection Act 2012 of Singapore and the Law No. 20/2016 on Personal Data Protection in Electronic System of Indonesia and have constructed a personal privacy protection system based on the above laws and other relevant regulations in Singapore and Indonesia.

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Advertising and Labelling

As the Group's operational process does not involve advertising and labelling practices, the compliance issue relating to advertising and labelling is considered not relevant to the Group.

B7. Anti-corruption

The Group values and upholds integrity, honesty and fairness in how we conduct business, and we do not tolerate any forms of corruption, fraud and all other behaviours violating work ethics.

During the Reporting Period, the Group has not identified any material non-compliance with related laws and regulations of bribery, extortion, fraud and money laundering, including but not limited to the Prevention of Corruption Act (Chapter 241) of Singapore and Law No. 31/1999 on the Eradication of the Criminal Act of Corruption of Indonesia that would have a significant impact on the Group.

Internal Control

We have established a formal Code of Conduct to define appropriate methods in handling circumstances such as conflict of interests, accepting advantages, leakage of confidential information, etc. to comply with relevant laws and regulations of Singapore and Indonesia. All employees should decline any offer of advantage which could possibly affect their objectivity in conducting the Group's business. Employees will be subject to disciplinary actions if they violate the Code of Conduct. Disciplinary actions including verbal or written warnings, demotion and dismissal, and reporting to law-enforcement authorities for possible prosecution will be taken against any kind of misconduct or malpractice, depending on the situation.

To further mitigate business frauds, Internal Audit function is also established for continuous evaluation of the Group's internal control effectiveness, detecting potential deficiency, and identifying areas of improvement. Audit report is distributed to the responsible department for the timely remediation.

Whistleblowing System

In order to further achieve and maintain the highest standards of openness, probity and accountability, the Group has also implemented a whistleblowing policy. This policy allows the employees of the Group and other independent third parties (e.g. customers, suppliers, sub-contractors, creditors and debtors) who deal with any employees to report any forms of improprieties, misconducts, malpractices or irregularities to the Company's audit committee anonymously. Reports and complaints received will be handled in a prompt and fair manner. Such policy also aims at protecting whistle-blowers from unfair dismissal, victimisation and unwarranted disciplinary actions. Any person who is found to have victimised or retaliated against those who have raised concerns under this policy will be subject to disciplinary sanctions.

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Anti-corruption trainings were provided to the our staff and management regularly to raise their awareness towards anti-bribery. There was no concluded legal cases regarding corrupt practices brought against the Group or its employee during the Reporting Period.

B8. Community Investment

The Group is committed to emboldening and supporting the public by various means of social participation and contribution as part of its strategic development. We strive to nurture corporate culture and practice corporate citizenship in the daily work life. We aim to promote the stability of the society, and support the underprivileged on rehabilitation to improve the quality of life. We also focus on inspiring our employees towards social welfare concerns. We embrace the human capital into the social management strategies to sustain our corporate social responsibility as part of the strategic development of the Group.

Corporate Social Responsibility

We participate in community activities, for example, donations, volunteering services, sponsorships, etc. Apart from participating actively in community events, we also communicate with local charities regularly to understand community's needs. We also encourage our employees to donate to recognised charitable institutions in order to help grass-roots community or those in need, so that they can gain education and care. We believe that active community engagement does not only help to connect us with the local community and maintain a mutually beneficial relationship to the society as a whole, but also helps to enhance the civic awareness of employees and establish correct values of them.

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APPENDIX I. REPORT DISCLOSURE INDEX

HKEx ESG Guide content index

Aspects	ESG Indicators	Description	Page/ Remark
A. Environmental			
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. Note: Air emissions include NO _x , SO _x , and other pollutants regulated under national laws and regulations. Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride. Hazardous wastes are those defined by national regulations.	5
	KPI A1.1	The types of emissions and respective emissions data.	6
	KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	7
	KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	9
	KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	9
	KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	7
	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.	8

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Aspects	ESG Indicators	Description	Page/Remark
A2: Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials. Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.	10
	KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	11
	KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	11
	KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	10
	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.	11
	KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	12
A3: The Environment and Natural Resources	General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	12
	KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	12
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.	12
	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.	12

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Aspects	ESG Indicators	Description	Page/ Remark
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, antidiscrimination, and other benefits and welfare.	13
	KPI B1.1	Total workforce by gender, employment type (for example, full or part time), age group and geographical region.	16
	KPI B1.2	Employee turnover rate by gender, age group and geographical region.	17
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.	18
	KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	18
	KPI B2.2	Lost days due to work injury.	18
	KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	18
B3: Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training. It may include internal and external courses paid by the employer.	19
	KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	20
	KPI B3.2	The average training hours completed per employee by gender and employee category.	20

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Aspects	ESG Indicators	Description	Page/Remark
B4: Labour Standards	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	21
	KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	21
	KPI B4.2	Description of steps taken to eliminate such practices when discovered.	21
B5: Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	21
	KPI B5.1	Number of suppliers by geographical region.	22
	KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	21
	KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	21
	KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	21
B6: Product Responsibility	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	22
	KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	25
	KPI B6.2	Number of products and service related complaints received and how they are dealt with.	25

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Aspects	ESG Indicators	Description	Page/ Remark
	KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	24
	KPI B6.4	Description of quality assurance process and recall procedures.	22
	KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	25
B7: Anticorruption	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.	26
	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.	26
	KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	26
	KPI B7.3	Description of anti-corruption training provided to directors and staff.	27
Community			
B8: Community Investment	General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	27
	KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	27
	KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	27