



青鸟环宇
JADE BIRD UNIVERSAL

**BEIJING BEIDA JADE BIRD UNIVERSAL
SCI-TECH COMPANY LIMITED
北京北大青鳥環宇科技股份有限公司**

STOCK CODE 股份代號 : 08095

[A joint stock limited company incorporated in the People's Republic of China with limited liability]
[於中華人民共和國註冊成立之股份有限公司]

2023
ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

	PAGE
I. ABOUT THE REPORT	2
II. BOARD INCLUSIVENESS	4
III. STAKEHOLDER ENGAGEMENT	7
IV. ENVIRONMENTAL SUSTAINABILITY	13
V. SOCIAL SUSTAINABILITY	27
VI. APPENDIX – PERFORMANCE TABLE	40
VII. REPORT DISCLOSURE INDEX	43



I. About the Report

Beijing Beida Jade Bird Sci-Tech Universal Company Limited (the “Company”, together with its subsidiaries, the “Group”) is pleased to present its Environmental, Social and Governance (“ESG”) Report (the “Report”) for the financial year 2023 (“FY2023”). Through this Report, the Group aims to demonstrate its approach and performance in terms of ESG management and corporate sustainable development.

This Report was prepared in compliance with Appendix C2 – Environmental, Social and Governance Reporting Guide (“ESG Guide”) of the GEM Listing Rules of the Hong Kong Exchanges and Clearing Limited (“HKEX”). A complete content index is available at the end of the Report for readers’ convenience to check its integrity.

The Group is principally engaged in the development of travel and leisure business, investment holding, as well as other operations such as the sales and purchases of metallic products, production and sales of LED devices, and production and sales of wine and related products.

With a primary focus on tourism development projects in the People’s Republic of China (the “PRC”), the Group recognises the significance of environmental and social sustainability for the long-term success of the tourism industry and local communities. Aligned with the Chinese government’s strategic direction on sustainable development and a low-carbon economy, the Group is committed to adhering to national initiatives like the “30.60 Carbon Target” and other guiding documents on climate actions.

The Group understands that it is crucial to integrate ESG management into its business operations in order to navigate challenges that impact global environmental sustainability, social stability and economic growth. Therefore, the Group continuously refines its business model and strives to build resilience in facing various challenges.

Boundary Setting

The Group adopts the operational control approach and defines its reporting boundary to include the environmental and social performance of the major business segments of the Group in the PRC. Demonstrating the principle of materiality, due to the insignificant annual operations and revenue, the Group excludes the production and sales of wine and related products business in the reporting boundary.

The reporting period of this Report is FY2023, from 1 January 2023 to 31 December 2023, unless specifically stated otherwise. The environmental and social data presented in this Report, including the number of employees, only covers the aforementioned scope, therefore there may be a slight difference as compared to the data for the whole Group as disclosed in the latest Annual Report. For the corporate governance section, please refer to the Group’s Annual Report 2023.

Reporting Principles

Materiality:

The Group recognises the evaluation and prioritisation of its environmental, social and economic impacts is crucial for developing an effective sustainability strategy. As such, the Group conducts an annual materiality assessment for collecting feedback from internal and external stakeholders regarding the Group's sustainable development. For more information, please refer to the section Materiality Assessment under Stakeholder Engagement. Meanwhile, the principle of materiality is also reflected in the boundary setting where only ESG performances of material business segments will be included in this Report.

Quantitative:

This Report includes quantitative data and Key Performance Indicators ("KPIs") as a numeric presentation of the Group's environmental and social performance. Calculation methods, assumptions and conversion factors used are specified clearly in the footnote of the corresponding performance tables.

Balance:

To portray a complete picture of the Group's sustainability performance, the Group is fully transparent on its outstanding achievements and room for improvement.

Consistency:

The Group adopts a consistent reporting framework and reporting techniques that align with previous ESG Reports to facilitate informed decision-making process through transparent information disclosure and allow meaningful comparisons. In case of any significant differences from the previous reporting framework, corresponding explanation will be made.

Information disclosure

The information in this Report was gathered through numerous channels, including official documents and internal policies of different subsidiaries of the Group, the factual evidence of the implementation of ESG practices in the Group, the feedback from staff via online surveys in the format of quantitative and qualitative questions based on the reporting framework, and the analysed statistics of the Group's annual performance in business operations and sustainable development. The Report is prepared in both English and Chinese. Should there be any conflict or inconsistency, the English version shall prevail.



II. Board Inclusiveness

The Group recognises the significance of a robust and comprehensive sustainability governance framework in driving its long-term development and creating a positive societal impact. The board of directors of the Company (the “Board”) holds the responsibility of overseeing the Group’s ESG issues through championing the integration of ESG principles in risk management and business operations throughout the organisation.

The Board has the ultimate responsibility to ensure the effective implementation of the Group’s ESG policies and initiatives, thus carrying out its sustainability strategies from top to bottom. To embed the ESG concept in the organisational culture and operations, the Board members, the secretary of the Board and the Company Secretary monitor and manage the Group’s sustainable development performance. They oversee the implementation of ESG-related internal strategies, including the identification and management of climate-related risks, as well as the formulation and revision of policies governing material topics in business operations.

To meet the evolving needs of stakeholders, the Board regularly reviews and adjusts sustainability policies based on management reports. Details of the Group’s management approaches can be found in various sections of this Report.

Equipped with forward-looking guidance and well-designed action plans to address ESG issues, the Group is committed to optimising its internal sustainability framework. By being a proactive pioneer in the industry, the Group aims to gain a competitive advantage and contribute to the overall prosperity of the industry.

Board Statement

DEAR VALUED STAKEHOLDERS,

On behalf of the Board, I am pleased to present this ESG Report, demonstrating the Group's approach, performance and commitment to sustainable development for the financial year ended 31 December 2023.

Throughout the year, our focus has been on building resilience in the face of climate change and upholding our dedication to creating a sustainable future. Recognising the urgent need for action, we have prioritised sustainability as a fundamental principle in guiding our decisions and practices. We aim to contribute to a more sustainable and resilient future for our organisation and the communities we serve by adhering to the sustainability principles.

Our approach to a better future

We place great value on the natural environment which we heavily rely on. To effectively manage climate-related risks, we have aligned our risk management practices with the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD"). This allows us to assess and address potential climate-related risks and identify opportunities that may arise from climate change.

In order to identify material ESG issues, we conduct an annual materiality assessment as a means to engage with our stakeholders. The assessment helps us to prioritise the material ESG issues and the results will be validated by the Board, enabling us to meet the needs and expectations of the stakeholders.

Furthermore, we remain committed to the Sustainable Development Goals ("SDGs") established by the United Nations in 2015. Guided by our missions, we align our efforts with the SDGs and enhance our commitment to sustainable development. Through evaluation and communication with stakeholders, we have identified and continued to contribute to the three SDGs, namely SDG 3: Good Health and Well-being, SDG 4: Quality Education, and SDG 16: Peace, Justice and Strong Institutions.



II. Board Inclusiveness

Our aspirations

Green travel has emerged as a prominent trend in balancing the tourism industry with environmental conservation, offering a sustainable option for long-term development option that the nation highly prioritises. We recognise that decoupling the growth of the tourism industry from carbon emissions is crucial in our journey towards achieving carbon neutrality. To this end, we diligently identify and establish environmental targets that are both feasible and aligned with the nation's ambition of achieving carbon neutrality by 2060. The Board oversees and regularly reviews the progress made towards these targets, thereby approving their disclosures in this Report.

Moving ahead, we remain steadfast in our commitment to fulfilling our role as a corporate citizen. Our primary focus is to provide our customers with products and services of the best quality, while simultaneously working towards developing a more sustainable future for the nation. We understand the importance of balancing business objectives with environmental and social considerations, and we will continue to innovate and implement sustainable practices that contribute to the well-being of our customers and the broader community.

Last but not least, I would like to take this opportunity to express my sincere gratitude to our employees for their excellent contributions during the year, and to our shareholders and business partners for their unwavering support on our journey towards the creation of a sustainable future.

Ni Jinlei




Chairman and Executive Director

28 March 2024

III. Stakeholder Engagement



The Group recognises the crucial role of stakeholder engagement plays in ensuring its business directions and sustainability strategies align with key stakeholders’ priorities and interests, as well as adhering to industry best practices. As such, the Group places great importance on actively engaging with both its internal and external stakeholders by utilising various preferred communication channels as listed below.

Stakeholders 	Expectations and Concerns 	Communication Channels 
Government and regulatory authorities	<ul style="list-style-type: none"> • Compliance with laws and regulations • Anti-corruption policies • Occupational health and safety 	<ul style="list-style-type: none"> • Supervision on the compliance with local laws and regulations • Fulfilment of statutory reporting requirements • Written correspondence
Shareholders	<ul style="list-style-type: none"> • Return on investments • Corporate governance • Business compliance 	<ul style="list-style-type: none"> • Regular reports and announcements • General meetings • Official website of the Group • Investor briefings and research reports
Employees	<ul style="list-style-type: none"> • Employees’ remuneration and benefits • Career development • Health and safety in the workplace 	<ul style="list-style-type: none"> • Performance appraisals • Regular meetings and trainings • Emails, notice boards, hotline, team building services with the management
Customers	<ul style="list-style-type: none"> • Production quality assurance • Protection of customers’ privacy and rights 	<ul style="list-style-type: none"> • Customers’ satisfaction surveys • Face-to-face meetings and onsite visits • Customer service hotline and emails
Suppliers	<ul style="list-style-type: none"> • Fair and open procurement • Win-win cooperation • Environmental protection • Protection of intellectual property rights 	<ul style="list-style-type: none"> • Open tender for key suppliers • Contracts and agreements • Suppliers’ satisfaction assessment • Telephone discussions • Face-to-face meetings and onsite visits
General public	<ul style="list-style-type: none"> • Involvement in communities • Business ethics • Environmental protection awareness 	<ul style="list-style-type: none"> • Media conferences and responses to enquiries • Public welfare activities • Official website of the Group



III. Stakeholder Engagement

Materiality Assessment

Since ESG risks and opportunities vary across industries and depend on different corporate backgrounds, perspectives and business models, the Group takes a stepwise approach and conducts an annual materiality assessment to identify, assess and prioritise the material ESG issues.

In FY2023, the Group engaged an independent consultant and invited its key stakeholders to participate in the materiality assessment survey. Key stakeholders, including employees, suppliers and regulators, were selected based on their influence and degree of dependence of the Group. They were asked to express their views on a range of corporate ESG management topics through online surveys.

1. Identification

With reference to the ESG Guide and internationally recognised reporting frameworks, the Group has identified 28 topics across seven pillars, which include environment, employment, supply chain management, product responsibility, anti-corruption, community relations, and leadership and governance. These topics have been recognised as having potential environmental and social impacts resulting from the Group's operations, reflecting the latest sustainability landscape.

III. Stakeholder Engagement

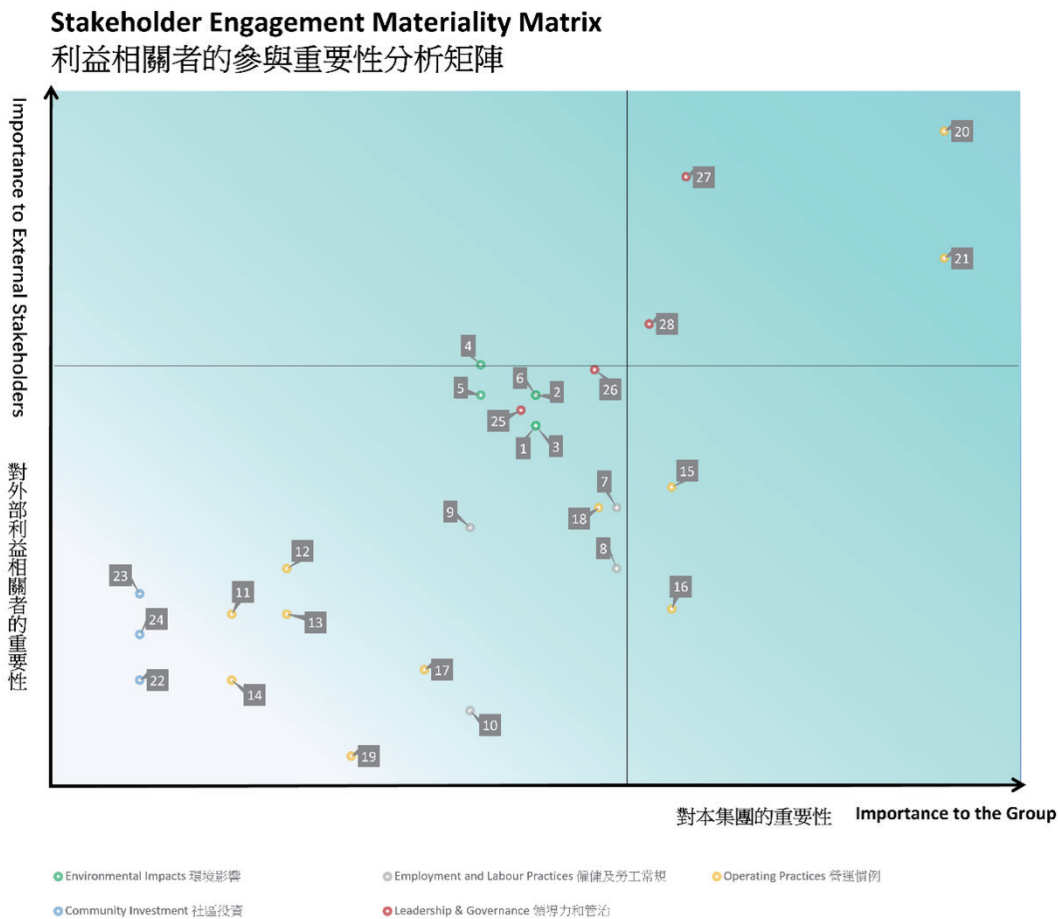


1	GHG Emissions	15	Product/Service Quality and Safety
2	Energy Management	16	Customer Privacy and Data Security
3	Water & Wastewater Management	17	Marketing and Promotion
4	Solid Waste Stewardship	18	Intellectual Property Rights
5	Climate Change Mitigation & Adaptation	19	Labelling Relating to Products/Services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

III. Stakeholder Engagement

2. Prioritisation

Through a systematic approach, stakeholders' feedback and ratings on ESG topics are being collected, analysed and prioritised. In FY2023, the Group further enhanced the methodology of the materiality assessment by applying weightings on the ratings of the ESG topics identified in terms of the E, S and G pillars. Afterwards, the results have been formulated into a materiality matrix as shown below. The materiality matrix reflects the relative importance of the ESG topics rated by its stakeholders, and further facilitates the Group to develop action plans for a more effective management system.



According to the materiality matrix, “Business Ethics & Anti-corruption”, “Internal Grievance Mechanism”, “Critical Incident Risk Responsiveness” and “Systemic Risk Management (e.g. Financial Crisis)” were being identified as the material ESG topics to the Group.

3. Validation

The results were being reviewed and endorsed by the Board. This assessment enables the Group to effectively prioritise and pinpoint material ESG issues, facilitating the development of action plans that align with the evolving needs of its stakeholders.

Sustainable Development Goals

The Group demonstrates proactive support for the SDGs and remains committed to identifying, integrating and aligning the SDGs that hold the greatest significance for its stakeholders and business operations. These SDGs are regarded as crucial drivers for the Group's sustainability strategy. In addition to maintaining its focus on the two prioritised SDGs from the previous reporting year, the Group has identified one more material SDG to be incorporated into its strategy.

3 GOOD HEALTH AND WELL-BEING

Ensure healthy lives and promote well-being for all at all ages

The Group places special emphasis on the health and well-being of local residents in the communities where it operates. As an active participant in the tourism industry, the Group recognises the importance of prioritising the health and safety of the staff and tourists at its scenery spots, while promoting economic growth and development.

In line with this commitment, the Group is dedicated to ensuring effective implementation of safety measures at the scenic areas and safeguarding employees health.


4 QUALITY EDUCATION

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

The Group is dedicated to providing its employees with ongoing on-the-job training to enhance their professional skills and empower them to realise their self-value, as a response to the call for promoting lifelong learning opportunities for all.

Furthermore, the Group remains focused on supporting projects that promote inclusive and equitable quality education for all. Recognising the correlation between poverty and access to quality education, the Group has long been committed to providing financial support to underprivileged students to pursue higher education at universities. Additionally, the Group offers free shuttle services for students taking the Entrance Examinations annually.

III. Stakeholder Engagement



16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

The Group emphasises the importance of maintaining a fair and ethical business and working environment. Having zero tolerance towards all forms of corruption and bribery, the Group adheres to relevant laws and implements a series of internal policies and procedures. For instance, new hires are required to sign a letter of integrity and understand the Group's Anti-corruption Code of Conduct; while the Group provides anti-corruption-related trainings to current employees as well in combating commercial bribery.

Dedicated to safeguard its interests, in addition to prevention mechanisms, the Group implements a whistleblowing policy that allows employees to report any suspected activities.

Stakeholders Feedback

As the Group strives for excellence, the Group highly welcomes stakeholders' feedback especially on topics listed as the highest importance in the materiality assessment and its ESG approach and performance. Readers are welcome to contact the Group through www.jbu.com.cn.

The Group upholds the preservation of the environment and the well-being of the community as its foremost core values, placing a high emphasis on long-term sustainability. In FY2023, the Group stringently controlled its emissions and resource consumption, and complied with the relevant environmental laws and regulations in its operating regions, including but not limited to:

- Environmental Protection Law of the People's Republic of China (中華人民共和國環境保護法);
- Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution (中華人民共和國大氣污染防治法);
- Law of the People's Republic of China on Prevention and Control of Water Pollution (中華人民共和國水污染防治法);
- Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes (中華人民共和國固體廢物污染環境防治法);
- Law of the People's Republic of China on Prevention and Control of Pollution from Environmental Noise (中華人民共和國環境噪聲污染防治法); and
- Energy Conservation Law of the People's Republic of China (中華人民共和國節約能源法).

This section primarily discloses the Group's policies, practices, and quantitative data on emissions, use of resources, the environment and natural resources, as well as climate change in FY2023.

A.1 Emissions

In FY2023, the Group was not in violation of any laws and regulations in relation to air and GHG emissions, discharges into water and land, generation of hazardous and non-hazardous waste, and noise, that have a significant impact on the Group. To mitigate its environmental impacts, the Group is committed to monitoring, measuring and recording its emissions during operations.

During the year under review, the Group's major emissions were air and GHG emissions, non-hazardous solid waste and wastewater, and hazardous waste. Air emissions including sulphur oxides ("SO_x"), nitrogen oxides ("NO_x") and particulate matter ("PM") were mainly generated from vehicles for transportation. GHG emissions were mainly composed of Scope 1 (Direct Emissions), which is mostly contributed by the use of liquid fuels. The table below summarises the Group's emissions in FY2023.

IV. Environmental Sustainability

Table E1 – The Group’s Total Emissions by Category in FY2023

Emission Category	Key Performance Indicator (KPI)	Unit	Amount in FY2023	Intensity (Unit/employee) in FY2023 ¹	Amount in FY2022 ²	Intensity (Unit/employee) In FY2022 ²
Air Emissions ³	SO _x	Kg	23.6	0.04	12.2	0.02
	NO _x	Kg	19,846.3	33.5	15,178.9	26.0
	PM	Kg	934.8	1.6	857.2	1.5
GHG Emissions ⁷	Scope 1 ⁴ (Direct Emissions)	Tonnes of CO ₂ e	4,125.9	7.0	2,006.9	3.4
	Scope 2 ⁵ (Energy Indirect Emissions)	Tonnes of CO ₂ e	2,683.6	4.5	1,643.0	2.8
	Scope 3 ⁶ (Other Indirect Emissions)	Tonnes of CO ₂ e	69.2	0.1	17.6	0.03
	Total (Scope 1 & 2 & 3)	Tonnes of CO ₂ e	6,878.7	11.6	3,667.3	6.3
Non-hazardous Waste	Solid Waste	Tonnes	2.2	0.004	–	–
	Wastewater ⁸	Tonnes	150,928.7	254.9	40,708.0	69.7
Hazardous Waste	Solid Waste	Tonnes	0.5 ⁹	0.001	–	–

- Intensity for FY2023 was calculated by dividing the amount of air, GHG and other emissions respectively by the total number of employees 592 of the Group in FY2023 within the reporting scope;
- The amount and intensity for FY2022 were extracted from the data in the ESG Report 2022;
- The calculation of air emissions included only the consumption of fossil fuels for transportation purpose;
- The Group’s Scope 1 (Direct Emissions) included only the emissions arose from the consumption of liquid fuels in motor vehicles;
- The Group’s Scope 2 (Energy Indirect Emissions) included only the emissions arose from electricity consumption;
- The Group’s Scope 3 (Other Indirect Emissions) included only the emissions arose from paper wastes disposed of at landfills, and electricity used for processing fresh water and sewage by government departments;
- The methodology adopted for reporting on GHG emissions set out above was based on “How to Prepare an ESG Report? – Appendix 2: Reporting Guidance on Environmental KPIs” issued by HKEX, GHG Protocol Corporate Accounting and Reporting Standard and the 2006 IPCC Guidelines for National Greenhouse Gas Inventories;
- As most wastewater generated was discharged into the municipal sewage system without a clear record, the amount of wastewater generated by the Group was estimated on the assumption that 100% of freshwater used was discharged as wastewater; and
- The total amount of hazardous solid waste includes 0.2 tonnes of sludge and 0.1 tonnes of container used for collecting hazardous substances.

Compliance

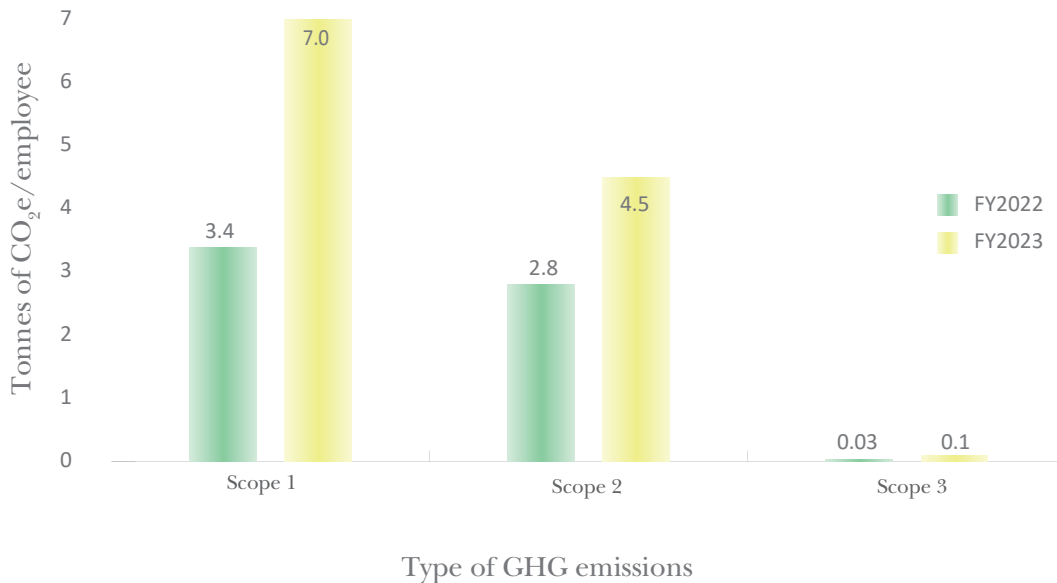
To enhance its emissions management, the Group has adopted an Environmental Protection Management Specification (環境保護管理規範). Moreover, to ensure compliance with local environmental regulations and requirements, the commercial management department is responsible for engaging a third-party testing agency to assess the pollution factors associated with commercial sewage and emissions. It is imperative that the pollution levels remain within the prescribed national and local pollutant emission concentration standards. In any case of violations, investigations are conducted to identify the underlying causes, followed by prompt implementation of corrective measures.

Air & GHG Emissions

The Group's sales and production of LED devices business emits volatile organic compound ("VOC") during the production process. Abiding by the Group's internal policies, VOC emissions must be controlled according to the formulated standards and regular inspection are required on the machinery. With the utilisation of collection ducts to collect the VOC, which will then be purified by the external air purification unit in the ventilation system before releasing to the atmosphere, the Group's VOC emission remained at a steady level in FY2023.

In FY2023, Scope 1 emissions dominated the Group's GHG emissions, accounting for 60% of its total GHG emissions profile. The rise in both Scope 1 and Scope 2 (Indirect Emissions) emissions was due to the increase in the consumption of fuel for transportation and electricity consumption respectively from the Group's tourism business, given the relaxation of policies on travel restrictions in the PRC.

The Group's GHG emissions intensity in FY2022 and FY2023



The Group is committed to effectively addressing its aspirations by actively managing its consumption of fossil fuels and optimising its operations. Details on the Group's actions on managing its resource consumption will be described in A.2 Use of Resources.

IV. Environmental Sustainability

Wastewater

In FY2023, the Group's wastewater primarily consists of non-hazardous commercial and domestic wastewater. The municipal wastewater was directly discharged into the drainage system of the property building. The Group ensures its wastewater discharge meets the third-level standard in the Integrated Wastewater Discharge Standard (GB8978-1996), and receives approval from the local government before discharging. For domestic sewage and construction wastewater, the Group makes sure they are treated by grease traps and septic tanks before entering the urban sewage pipe network.

Sales and Production of LED devices business

The Group ensures that the drainage pipes and rainwater pipes are separated, and strictly prohibits discharging wastewater into rainwater pipes. The administrative department takes on the responsibility of monitoring the condition of water pipes in order to prevent clogging and maintain their proper functioning. Furthermore, the wastewater discharged from production plants complies with the requirements specified in the Guangdong Province Discharge Standard (水污染物排放限值-廣東省地方標準) (DB44/26-2001). Various pollutants, including COD_{Cr} (chemical oxygen demand), BOD₅ (five-day biochemical oxygen demand) and SS (suspended solids) remained at a steady level in FY2023. The Group understands that the generation of wastewater highly depends on the consumption of freshwater, therefore, it adopts effective water saving measures to reduce both its water consumption and wastewater discharge in daily operations. Details will be discussed in A.2 Use of Resources.

Solid Waste

The Group remains dedicated to incorporating the principles of sustainable waste management into its daily operations. As part of this commitment, the Group has continued to implement its Waste Management Measures (廢棄物處理辦法), ensuring responsible handling and disposal of waste materials.

As a response to the waste sorting regulation implemented nationwide, the Group has adopted waste classification practices throughout its operations. To ensure proper waste handling, qualified third parties have been engaged to perform onsite waste classification, collection and further treatment including reuse and recycling. In FY2023, 0.3 tonnes of plastic waste and 0.1 tonnes of metal waste have been recycled.

Meanwhile, solid waste that cannot be recycled will be transported to the waste disposal plant. To minimise the generation of solid waste, the Group discourages the use of single-use items such as disposable cutlery, paper cups and tissue. Additionally, slogans reminding employees to value food and minimise food waste are prominently displayed in canteens.

As tourism development constitutes a significant aspect of the Group's business, reclamation and construction projects are inevitable. However, the Group recognises the importance of aligning these projects with national policies and local requirements to effectively manage potential emissions and discharges. To ensure that the impact on the surrounding environment remains within controllable limits, the Group enforces the three-simultaneous system along with strict implementation of measures on ecological protection and pollution prevention and control.

Sales and Production of LED devices business

This business segment serves as the main source of solid waste generated by the Group in FY2023. To effectively handle and control waste disposed, it has developed a Solid Waste Management Control Program (固體廢棄物管理控制程序) which clearly outlines the procedures for disposing hazardous and non-hazardous waste. For instance, hazardous and non-hazardous waste must be placed separately with labels marked. Also, the amount of hazardous waste generated must be reported on a designated website and handed over to a certified third-party recycling company for further treatment.

A.2 Use of Resources

In FY2023, the Group mainly consumed electricity, diesel, gasoline, water, paper, metal, and paper-made packaging materials. The Group prioritises the effective utilisation of natural resources as a key environmental concern, thus the Group consistently strives to enhance its performance in resource management. By establishing and tracking appropriate KPIs that address procurement practices and resource consumption, the Group can identify areas for improvement and implement strategies to optimise resource utilisation. The following table illustrates the Group's resource consumption during the year under review:

Table E2 – The Group's Total Use of Resources by Category in FY2023

Use of Resources	Key Performance Indicator (KPI)	Unit	Amount in FY2023	Intensity (Unit/employee) in FY2023 ¹	Amount in FY2022 ²	Intensity (Unit/employee) in FY2022 ²
Energy ³	Electricity	000' kWh	4,398.7	7.4	2,827.9	4.8
	Diesel	L	587,581.0	992.5	339,575.9	581.5
	Gasoline	L	965,235.0	1,630.5	458,489.3	785.1
	Total	000' kWh	20,042.2	33.9	10,905.9	18.7
Water	Water	m ³	150,928.7	254.9	40,708.0	69.7
Paper	Paper	Kg	2,255.0	3.8	927.5	1.6
	Plastic	Tonnes	–	–	0.5	0.0009
	Metal	Tonnes	0.2	0.0003	–	–
Packaging materials	Paper	Tonnes	0.5	0.0008	0.8	0.0014

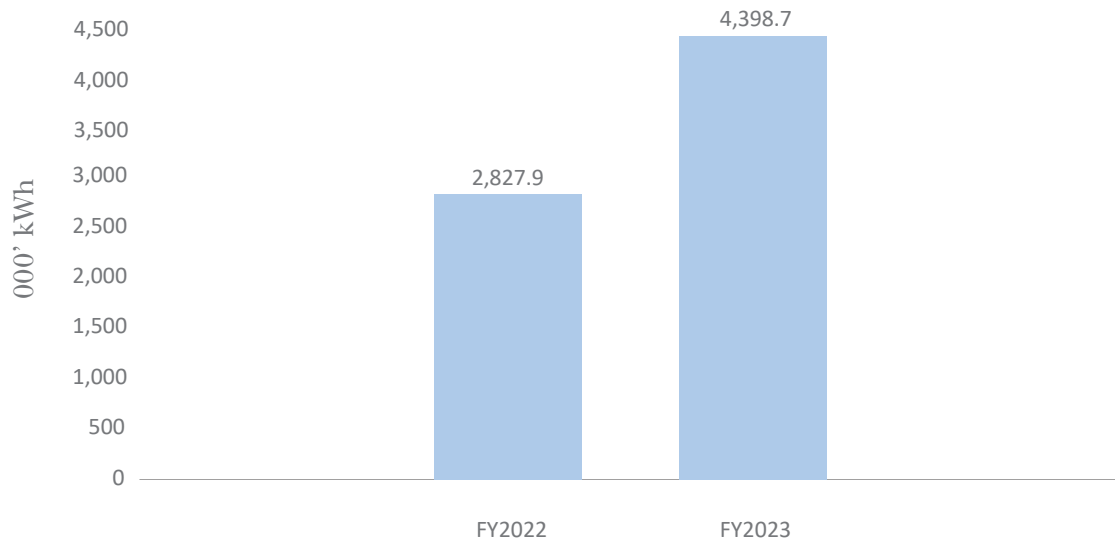
1. Intensity for FY2023 was calculated by dividing the amount of resources the Group consumed in FY2023 by the total number of employees 592 of the Group in FY2023 within the reporting scope;
2. The amount and intensity in FY2022 were extracted from the data in the ESG Report 2022 of the Group; and
3. The energy conversion of resources consumed was based on the energy coefficient set out in “How to Prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs” issued by HKEX.

IV. Environmental Sustainability

Electricity

The tourism business and manufacturing operations mainly contribute to the Group's electricity consumption in FY2023. The electricity consumption of the Group surged during the year under review due to the reopening of tourists spots of the Group and the commencement of the manufacturing lines of the sales and production of LED device business.

The Group's electricity consumption in FY2022 and FY2023



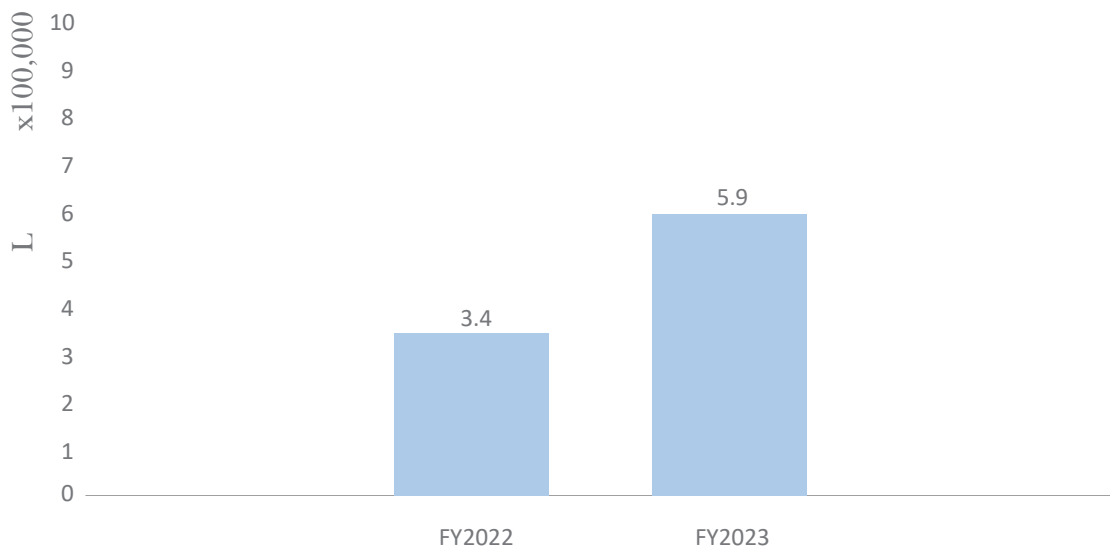
During the year under review, the Group has implemented a series of electricity saving measures, including but not limited to:

- Switch off idle lighting, air conditioner and other electrical appliances;
- Clean and repair equipment regularly to ensure their efficiency;
- Prioritise energy efficient equipment with energy label during procurement;
- Place stickers and posters at the workplace to remind employees on saving energy; and
- Replace high-power lamps with electricity saving lamps such as LED lightbulbs.

Other energy resources

Other than electricity, the Group consumed diesel and gasoline during the year under review for its transportation services under the tourism business. With the cancellation of travel restrictions, there was a rise in demand for transportation services, leading to a notable increase in fuel consumption in FY2023.

The Group's consumption of diesel in FY2022 and FY2023



The Group aims to control its fuel consumption by adopting the following measures:

- Adopt centralised fleet management to reduce unnecessary transportation;
- Maximise the fleet's transportation efficiency through strict monitoring and frequency reduction of empty transport miles;
- Upgrade the fleet with energy-efficient engines;
- Encourage employees to take public transport for commuting; and
- Reduce unnecessary business travel by utilising digital means for communications.

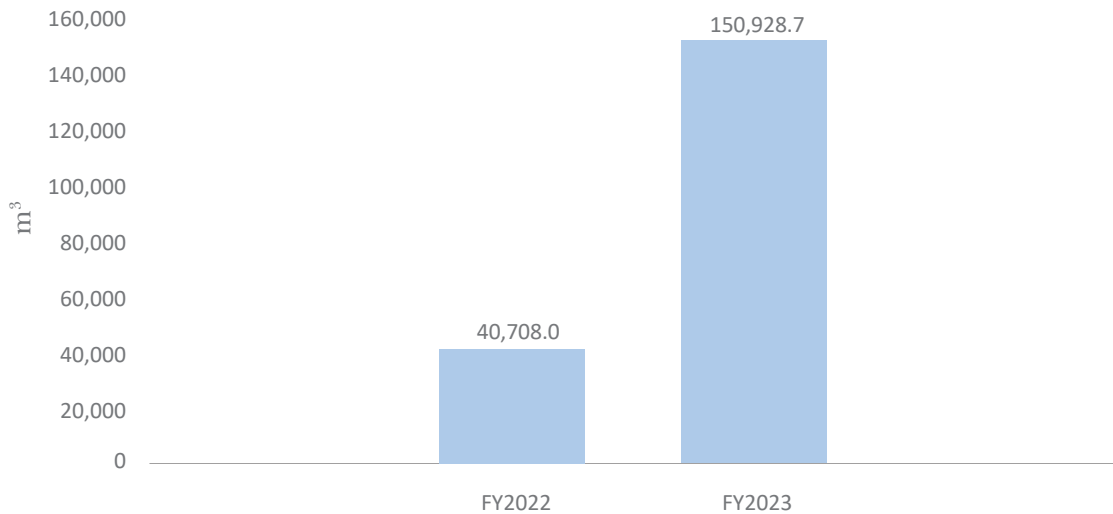
Water

Water is another major resource that the Group consumed in FY2023. Due to the full opening of its travel and leisure business as well as the production and sales of LED devices, the Group's water consumption rose drastically.

IV. Environmental Sustainability

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

The Group's water consumption in FY2022 and FY2023



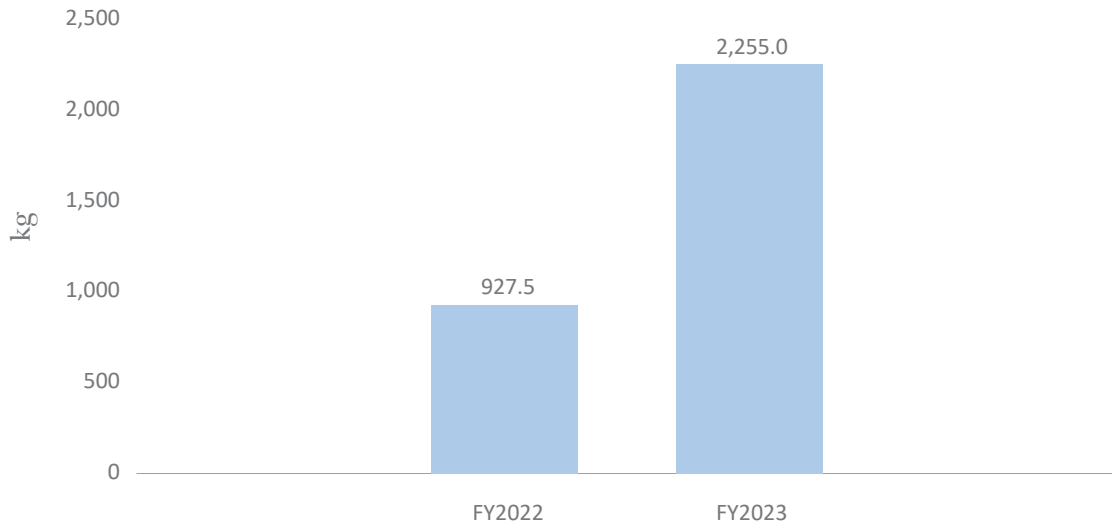
To improve the utilisation of water resources, the Group has implemented a series of internal policies, including the Water and Electricity Safety Management Measures (水電安全管理辦法), and actions such as:

- Promote and educate staff on water conservation;
- Place “saving water resources” banners at prominent places;
- Establish targets and water usage quotas to encourage staff to save water;
- Fix dripping taps immediately;
- Conduct regular leakage test on water taps and joint rings, along with performance check on other parts of the water supply system; and
- Facilitate wastewater reuse after treatment.

The Group has also started to replace its original water supply system by a frequency conversion water supply system, which provides water according to the demand and time frame. This helps to improve water usage efficiency and reduce waste of water.

Paper

The Group's paper consumption in FY2022 and FY2023



Paper was mostly used in the Group's administration operations. In FY2023, there was a significant increase in paper consumption due to the resumption of activities of the Group's travel and leisure business, and the commencement of the production and sales of LED devices. To minimise the consumption of paper and other paper-made products, the Group is active in recycling which more than 130 kg of paper was recycled in FY2023, and has taken the measures below.

- Place paper tray beside copy machines to collect and recycle used paper;
- Set double-sided printing as default;
- Use singled-sided paper for printing documents not of top importance;
- Publish information through email or electronic bulletin boards;
- Remind staff to think before print to prevent unnecessary waste;
- Edit documents directly in soft copy without printing; and
- Encourage customers to use electronic invoices.

IV. Environmental Sustainability

A.3 The Environment and Natural Resources

The Group recognises that its diverse range of businesses can have varying impacts on the environment and natural resources. Considering the Group as a whole, the relatively significant environmental impacts in FY2023 were the GHG emissions resulting from electricity and fuel consumption, as well as an increase in water consumption.

Nonetheless, the Group remains fully committed to upholding its standards and actively fulfilling its environmental responsibilities, aligning with the national ambition to achieve carbon neutrality by 2060. Through the adoption of a systematic approach, the Group continuously monitors and analyses its environmental performance, and has established a set of environmental targets as listed below:

Areas	Targets	Actions
Air and GHG emissions	Taking FY2023 as the baseline year, the Group aims to reduce the intensities of air pollutants and GHG emissions in FY2024 to be lower than the corresponding intensities in FY2023.	<p>The Group maintains a strong commitment to ensuring that all of its operating vehicles comply with national standards and successfully pass the annual vehicle inspection, which ensures that the vehicles meet the required pollutant emission limits and measurement criteria.</p> <p>The Group continues to seek out more environmentally friendly fuels to reduce its GHG emissions.</p>
Solid waste	Taking FY2023 as the baseline year, the Group aims to maintain its solid waste intensity at the same level.	The Group is committed to adhering to its internal policies related to solid waste disposal and exploring alternatives to minimise waste generation during its operations.
Electricity	<p>Taking FY2023 as the baseline year, the Group aims to reduce the electricity consumption intensity in FY2024 to be lower than the corresponding intensity in FY2023.</p> <p>Some of the Group's subsidiaries have set a reduction target on electricity consumption by 4% in FY2024, setting FY2023 as the baseline year.</p>	<p>The Group has implemented a series of internal policies and guidelines, including the Water and Electricity Safety Management Measures (水電安全管理辦法), to instruct all employees to study and implement sustainable practices.</p> <p>All subsidiaries of the Group are required to strictly comply with its energy saving policies.</p>

IV. Environmental Sustainability

Areas	Targets	Actions
Other Energy resources	Taking FY2023 as the baseline year, the Group aims to maintain the energy consumption intensities in FY2024 to be lower than the corresponding intensities in FY2023.	The Group continues with its efforts in exploring cleaner fuel alternatives.
Water and Wastewater	<p>Taking FY2023 as the baseline year, the Group aims to reduce the water consumption and wastewater discharge amount by 10% in FY2024 as compared to the figure in FY2023, assuming the overall business scope will remain unchanged.</p> <p>Some of the Group's subsidiaries have set a reduction target on water consumption by 3% in FY2024, setting FY2023 as the baseline year.</p>	The Group continues to motivate its staff to conserve water by recognising their efforts towards sustainability as a part of performance appraisals.
Paper	<p>Taking FY2023 as the baseline year, the Group aims to maintain its paper consumption at the same level.</p> <p>Some of the Group's subsidiaries have set a reduction target on paper consumption by 4% in FY2024, setting FY2023 as the baseline year.</p>	The Group strives to control the number of printed documents and promote an automated and paperless office culture.

As an enterprise with a wide array of businesses, the Group acknowledges that each of its business segment may have varying impacts on the environment and natural resources. In addition to setting environmental targets, the Group remains dedicated to upholding its standards and prioritising efforts to promote the concepts of “Responsible travel” and “Responsible workplace”.

Responsible travel

Committed to fostering an environmentally conscious culture and promoting sustainable travel practices, the Group continuously strives to improve the environmental performance of its vehicle usage by adhering to national standards and passing inspections. Moreover, the Group actively encourages its staff to utilise public transportation whenever possible and reduce unnecessary business travel by making use of digital communication methods. Through the above initiatives, the Group aims to minimise waste generation and reduce harmful emissions, while embracing more sustainable alternatives in transportation and business operations.

IV. Environmental Sustainability

Responsible workplace

With a commitment to creating a sustainable workplace, the Group actively implements a series of energy-saving initiatives, such as avoiding heating or cooling of unused spaces and prioritising improved building design to optimise energy efficiency. Furthermore, one of the Group's subsidiaries demonstrated its dedication and efforts to ensuring sustainable and responsible environmental practices by conducting an Environmental Impact Assessment (EIA) and obtaining an Environmental Permit for the tourism development project in the past.

A.4 Climate change

As a supporter of the TCFD recommendations, the Group is dedicated to identifying and managing climate-related challenges for its stakeholders and the planet, which aligns with the national climate goal of "30.60 dual carbon target". In view of the increasing concern from stakeholders and the enhanced requirements on climate-related disclosures, the Group is committed to preparing in advance and has started its preliminary steps with reference to the basic elements outlined in the International Financial Reporting Standards (IFRS) S2 Climate-related Disclosures.

Governance

The Group manages its climate-related risks by developing handbooks, guidelines and manuals stating the standardised procedures. Meanwhile, the senior management is responsible for overseeing the Group's climate-related risks.

In assessing and managing climate-related risks, the management has the responsibility of designing and implementing climate-related policies at operational level. To ensure effective implementation of the policies and initiatives, the management coordinates and ensure two-way communication between various departments. In addition, to enable progress and performance tracking on the targets set on behalf on the climate-related risks, the management is also responsible for maintaining the data management systems, including environmental and financial data.

In case of any relevant issues identified at operational level, the management has to report to the Board immediately, and contingency meetings will be held to discuss further handling procedures.

Overseeing the Group's operations, the Board monitors and reviews and effectiveness of the management approach, including a review of metrics, targets and action plans. To ensure that it has the ability to oversee strategies designed to respond to climate-related risks, the Board engages with external consultant to receive updates on relevant standards and regulations, as well as participating in trainings organised by professional organisations to enhance the appropriate skills and competencies. Through quarterly meetings, the Board and its committees receive information update on climate-related issues and hold discussions on relevant issues.

Risk Management

Over the years, the Group has been conducting climate risk assessment and has recognised several climate-related risks that may impact its long-term business operations.

Furthermore, the Group has conducted a materiality analysis to evaluate the significance and potential consequences of the risks identified. Understanding that climate-related risks not only impact the organisation itself but also other members of the society, the Group has also engaged with internal and external stakeholders to understand their concerns and expectations on these risks.

Risk		Potential Impact
Acute Physical Risk	<ul style="list-style-type: none"> Increasing frequency of extreme weather events. 	<p>Severe weather conditions and frozen roads pose a potential threat to the safety of both staff and tourists in the scenic areas. The potential rise in accidents due to these conditions can lead to safety concerns among tourists, resulting a decrease in visitor numbers and subsequently reducing the Group's revenue.</p> <p>Moreover, the Group may have to allocate additional financial resources to enhance tourists' safety measures and provide compensation for any injuries sustained by tourists or staff. As a result, operating costs may increase for the Group due to these circumstances.</p>
Chronic Physical Risk	<ul style="list-style-type: none"> Change in weather patterns. 	<p>Such changes may cause some of the Group's scenic areas inaccessible for visitors or limiting the Group's potential to explore new scenic areas for tourists.</p>



IV. Environmental Sustainability

To monitor and manage climate-related risks, the Group will proactively identify and assess climate-related risks specific to its operations and value chains, followed by developing appropriate strategies to mitigate their impact. Furthermore, the Group will establish robust systems to collect and analyse relevant data and metrics. This enables the Group to track progress on its mitigation measures as well as identifying areas for improvement.

The Group will continue to closely monitor emerging climate-related risks and stay informed about regulatory changes. To further strengthen its resilience towards climate change, the Group will regularly review and enhance its approach to climate-related risk monitoring and management while ensuring that the management system is supported by appropriate governance structures and accountability mechanisms. Meanwhile, the Group will also provide training to enhance employees' awareness and understanding of climate change.

Strategy

In response to the identified climate-related risks, the Group has implemented emergency plans to ensure the safety of both staff and tourists during severe weather events. Relevant guidelines are also available to instruct staff on handling accidents promptly. Additionally, the Group has increased the frequency of safety inspections to safeguard the well-being of all.

Although no immediate severe impacts on the Group's operations have been identified, the Group remains vigilant and is aware of the potential climate impact on its financial performance. As such, the Group is developing plans to quantify the impacts of climate change and assess the associated financial implications. This includes evaluating the potential costs of adapting to climate-related challenges and identifying opportunities for investments in sustainable practices.

Although the Group has yet to quantify the impacts of its identified climate-related risks and be ready to design specific climate transition plans, it aims to make informed decisions and allocate resources effectively to address climate-related risks and seize potential advantages by adopting a forward-looking approach. Recognising that trends related to climate change may present potential opportunities, the Group is prepared to proactively identify and capitalise on such opportunities in the near future.

EMPLOYMENT AND LABOUR PRACTICES

The Group views its employees as one of the most valuable assets, thus it believes the quality, performance and commitment of them are the key elements in sustaining the Group's long-term development. As such, the Group strongly supports human rights, diversity, inclusion and ethical behaviour in the workplace and incorporates them into its employment policies.

B.1 Employment

In FY2023, a total of 592 employees were employed under the Group, in which 395 were male and 197 were female. Details on the employee distribution is illustrated in Table S3 in the APPENDIX – PERFORMANCE TABLE.

Law compliance

In FY2023, the Group abided by the relevant laws and regulations in its operating regions that were material to the Group's business, including but not limited to:

- Employment Ordinance (Cap. 57 of the Laws of Hong Kong);
- Employees' Compensation Ordinance (Cap. 282 of the Laws of Hong Kong);
- Labour Law of the People's Republic of China (中華人民共和國勞動法);
- Labour Contract Law of the People's Republic of China (中華人民共和國勞動合同法);
- Minimum Wage Standards (最低工資規定); and
- The Social Insurance Law of the People's Republic of China (中華人民共和國社會保險法).

The Human Resources Department has the responsibility to regularly review and update the corporate documents in talent management in order to ensure the Group's employment policies align with the latest laws and regulations.

Recruitment and promotion

During the recruitment process, the Group strictly adheres to the principles of democracy, openness, impartiality and excellence as outlined in the Recruitment Management System (招聘錄用制度). All applicants are subjected to a standardised selection process, which includes a written test to evaluate their professional skills, comprehensive ability tests and interview. Only those who have successfully passed these stages will be officially hired.

V. Social Sustainability

Besides, the Group conducts periodic performance evaluations to assess the performance of its staff members. Those who consistently demonstrate exceptional performance, particularly in areas of growth and operational excellence, will be considered for management positions. The Group also places emphasis on the career growth of junior staff by providing them with a clear career development path. Furthermore, employees who have served the Group for more than three years will be offered a promotion and salary increase, recognising their dedication and contribution.

Compensation and dismissal

The Group's Salary Management System (薪資管理制度) provides a transparent breakdown of the salary composition, which includes a monthly fixed salary, subsidies under specific conditions and bonuses. The Group conducts regular compensation reviews and salary adjustments, which take market conditions, inflation rate, the Group's profitability and employees' past performance into account. These reviews aim to motivate, reward and recognise individuals who have made significant contributions to the Group.

Moreover, the Group strictly prohibits any forms of unlawful or unreasonable dismissals. The termination of an employment contract is carried out solely on reasonable and lawful grounds in accordance with the Dismissal Management System (解聘管理制度) and the relevant laws and regulations. In FY2023, the turnover rate of the Group was 5.6%. Details can be found in Table S4 in the APPENDIX – PERFORMANCE TABLE.

Working hours and rest period

In accordance with the "Provisions of the State Council on Employees' Working Hours" (國務院關於職工工作時間的規定), the Group ensures that its employees have reasonable working hours and designated rest periods. The Attendance Management System (考勤管理制度) is implemented to monitor the working hours of each staff. While the Group does not encourage overtime work, employees who work overtime are entitled to corresponding compensation based on the Assessment Management System or their relevant employment contracts.

In addition to basic paid annual leave and statutory holidays mandated by the local governments, additional leave benefits such as marriage leave, paternity leave and compassionate leave are also provided to employees.

Equal-opportunity and anti-discrimination

The Group is dedicated to fostering a fair, respectful and diverse working environment as an equal opportunity employer. It strives to cultivate a team spirit that embraces and leverages the multicultural essence of the Group, while offering equal opportunities to individuals with talent and potential. The Group's policies on training and promotion opportunities, dismissals and retirement are determined irrespective of employees' gender, race, age, disability, family status, marital status, sexual orientation, religion beliefs, nationality or any other non-job-related factors.

The Group maintains a zero tolerance policy towards workplace discrimination, harassment and victimisation, thus has implemented internal policies that align with relevant laws and regulations. The Human Resources Department is responsible for monitoring compliance with applicable laws and regulations. Moreover, it strives to eliminate all forms of discrimination and harassment in the workplace by reinforcing fair treatment and consideration in daily practices. Employees are also encouraged to voice their concerns and report any instances of discrimination or harassment experienced or witnesses during work.

Furthermore, the Group promotes gender equality through trainings on fairness to provide female employees with a comprehensive understanding of their rights and interests, aiming to increase their self-protection awareness.

Benefits and welfare

The Group cares for its employees and aims to cultivate a sense of belonging within the organisation. As such, the Group provides additional benefits and welfare such as insurances, medical check-ups, subsidies for working under hot weather, well-equipped dormitories and housing subsidies, as well as activities including festival dinner parties and field trips.

During the year under review, the Group complied with relevant laws and regulations in relation to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, welfare and other benefits that have a significant impact on the Group.

B.2 Health and Safety

The Group prioritises the safety and well-being of its employees and recognises the significance of maintaining the highest standards of safety and employee protection. To uphold this commitment, the Group has implemented rigorous internal health and safety policies that adhere to the applicable laws and regulations in the regions where it operates.

In FY2023, the Group complied with relevant laws and regulations, including but not limited to:

- Production Safety Law of the People's Republic of China (中華人民共和國安全生產法);
- Road Traffic Safety Law of the People's Republic of China (中華人民共和國道路交通安全法);
- Law of the People's Republic of China on Prevention and Control of Occupational Diseases (中華人民共和國職業病防治法);
- Fire Control Law of the People's Republic of China (中華人民共和國消防法);
- Law of the People's Republic of China on the Protection of Rights and Interests of Women (中華人民共和國婦女權益保障法);
- Regulation on Emergency Responses to Work Safety Accidents (生產安全事故應急條例); and
- Regulation on Work-Related Injury Insurance (工傷保險條例).

V. Social Sustainability

In addition to the above regulations, the production lines of the sales and production of LED devices business segment strictly follow the Regulations on Labor Protection in Workplaces Where Toxic Substances Are Used (使用有毒物品作業場所勞動保護條例), Regulation on the Safety Management of Hazardous Chemicals (危險化學品安全管理條例) and Regulations on Preparedness for and Response to Emergent Public Health Hazards (突發公共衛生事件應急條例).

The Group regularly conducts emergency drills and safety inspection. It also organises training programmes regarding safety management requirements, fire safety regulations and prevention on infectious diseases. Adhering to the Provisions on the Prevention of Occupational Hazards and Labour Protection of Female Employees (職業病防治及女職工勞動保護規定) and Regulations on the Distribution and Use of Protection Equipment (勞動防護用品發放使用規定), the Group provides its employees with personal protection equipment.

To ensure a safe working environment, all employees are required to strictly comply with the internal safety production management policies and regulations, including the Office Safety Management Regulations (辦公場所安全管理規定) and the Quality, Occupational Health and Safety Management Manual (質量職業健康安全管理手冊). The Security Department is responsible for conducting regular safety inspections, while the Administrative Department is in charge of organising medical check-ups for staff members. The General Manager has the responsibility of supervising and ensuring the effective implementation of relevant safety measures.

The Group's commitment to providing a safe working environment is evident in its efforts to implement internal safety measures, which the effectiveness of these measures is reflected in zero work-related fatalities in the past three financial years. Meanwhile, in the event of any injuries or accidents, an Accident Investigation Report (意外事故調查報告) has to be completed and submitted to the Administrative Department within 24 hours. The Group will review all incidents carefully and organise meetings to prevent similar occurrences in the future.

In FY2023, there was 1 work-related injury recorded with 7 lost days due to work-related injury. The Group was in compliance with the relevant laws and regulations in relation to providing a safe working environment and protecting the employees from occupational hazards that have a significant impact on the Group.

B.3 Development and Training

The Group recognises the value of its employees as a vital asset. To maintain and improve its competitiveness, the Group believes that all of them should have the opportunity for training and development, as nurturing talented individuals is essential for the Group's long-term development. Moreover, the Group aims to foster a strong sense of identity among its staff members and supports their growth and development in various aspects. As such, the Group offers its employees with pre-job training and on-the-job training, as well as recommending them to take post-graduate studies.

Following the principle of "Fairness, Competition, Rewards" (公平、競爭、獎優), the Group has established a Training Management System (培訓管理制度) to support the development of its employees. The Human Resources Department is responsible for formulating the Annual Training Plan, which outlines the objectives, content, time and participants of the planned training programmes.

The Group offers customised training courses for both newly employed and experienced staff members. To facilitate a smooth transition for newly hired employees into their roles and ensure they have a solid understanding of the organisation's values and expectation, they receive comprehensive induction training that familiarises them with the corporate culture, business process, work safety requirements, management policies and development philosophy of the Group. Meanwhile, experienced employees benefit from trainings programmes that are designed in collaboration with domestic technology research institutes and equipment manufacturers. These programmes aim to improve their technical and product knowledge, as well as providing insights into relevant industry standards and workplace safety standards.

In FY2023, the Group provided 449 staff with 6,726 hours of training on topics such as health and safety, operations and service management. More details regarding the number of staff trained and the training hours can be found in Tables S5 and S6 in the APPENDIX – PERFORMANCE TABLE.

B.4 Labour Standards

In FY2023, the Group abided by relevant labour laws and regulations in its operating regions to prohibit any child and forced labour employment, including but not limited to:

- Employment Ordinance (Cap. 57 of the Laws of Hong Kong);
- Labour Law of the People's Republic of China (中華人民共和國勞動法); and
- Law of the People's Republic of China on the Protection of Minors (中華人民共和國未成年人保護法).

The Group strictly abides by the requirements stated in the State Council's Provisions on the Prohibition of Using Child Labour (禁止使用童工規定) and the Ministry of Labour's Provisions on Special Protection of Underage Workers (未成年工特殊保護規定) in combating illegal employment of child labour, underage workers and forced labour. Its internal management measures are formulated according to the above regulations and are clearly listed in the Staff Handbook and Recruitment Management Specifications (招聘管理規範).

V. Social Sustainability

According to the Group's Prohibition of the Use of Child Labour and Underage Labour Management Systems (禁止使用童工和未成年工管理制度), the Human Resources Department has the responsibility to check the identity documents of all job applicants to ensure that they are lawfully employable prior to confirmation of any employment. The Human Resources Department is also responsible for monitoring and reviewing current employees' identity documents and updating the records monthly in order to ensure the Group's policies have been implemented properly.

In the event of incompliance with relevant labour laws, regulations or standards, the Group holds responsible staff accountable and makes announcement across the organisation. Subsequently, the Group engages in discussions to identify areas for improvement in its recruitment process, labour protection and grievance system, thus enact accordingly to prevent similar incidents from occurring in the future.

Furthermore, the Group extends its commitment to respecting and promoting human rights throughout its supply chain, not limited to its internal systems and practices. All suppliers and contractors are required to acknowledge and uphold fair labour practices. If any case of violation has been identified, the suppliers/contractors will be removed from the list of qualified suppliers, followed by the termination of business partnership until corrective measures have been implemented.

In FY2023, the Group was in compliance with applicable laws and regulations in relation to the prevention of child and forced labour that have a significant impact on the Group.

OPERATING PRACTICES

B.5 Supply Chain Management

Suppliers and business partners play a critical role in the Group's business sustainability. The Group is committed to fostering ongoing and mutually beneficial relationships with its suppliers while promoting sustainable practices throughout the value chain as a socially responsible enterprise.

To ensure responsible and sustainable procurement practices, the Group follows the Supplier Conduct Code which outlines the ethical, environmental and social criteria for selecting suppliers. By selecting suppliers who demonstrate responsible business operations, the Group demonstrates its commitment to sustainable procurement and the creation of share value within the supply chain.

Each operating subsidiary within the Group strictly monitors the quality of its suppliers and continuously evaluates their practices using an internal supplier evaluation checklist. The checklist lists out the criteria for supplier assessment, including product quality control, product traceability, complaint handling, nonconformity control and environmental hazardous substance management. By implementing supplier assessments, the Group aims to minimise potential environmental and social risks throughout the supply chain.

Sales and Production of LED devices business

In alignment with the Supplier Conduct Code, the Procurement Department conducts regular assessments of supplier performance on a monthly or quarterly basis. Only suppliers who pass the assessment can maintain their status as qualified suppliers of the Group.

In addition to performance evaluations, the Group places great importance on implementing green procurement policies to mitigate the potential environmental impacts associated with this business. These policies ensure that suppliers provide materials that comply with relevant regulations such as Restriction of Hazardous Substances (RoHS), Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), Halogen-free (HF) and Material Safety Data Sheet (MSDS) regulations. To ensure compliance, suppliers are required to provide reports that meet the standards set by the European Union before official engagement.

Tourism development business

The Procurement Department is responsible for conducting a comprehensive assessment of potential suppliers, considering factors such as product quality, experience, service quality, financial status and operational stability. In the final evaluation, all selection factors and risks have to be considered, in addition to the results from the assessment which allow the Group to make informed decisions and establish a competitive supply chain system.

All qualified suppliers are recorded in the Group's Supplier Database, which undergoes an annual review process. Meanwhile, to foster effective collaboration, the Group communicates with its suppliers regularly through phone calls, online meetings, emails and on-site visits.

Moreover, in consideration of the environmental impact of the material supplied, the Group's green procurement policies emphasise the importance of material quality. Suppliers are required to provide evidence that their materials supplied meet the requirements of relevant RoHS regulations. Meanwhile, those who provide design materials have to submit relevant environmental protection information about the manufacturer to the Group to ensure its credibility.

Suppliers who have been certified as green partners and possess ISO 14001 certification will be listed as priority procurement partners. In the coming five years, as a dedication to building a green value chain, this business segment of the Group strives to achieve 80% of its business partners being local suppliers.

V. Social Sustainability

Metallic products trading business

In accordance with the Group's internal Trader Access Criteria (貿易商准入標準), suppliers are required to adhere to relevant laws and regulations pertaining to environmental management systems and occupational health and safety management systems. The Procurement Department conducts a preliminary background check on potential partners by utilising external resources including TianYanCha, to identify and minimise any potential environmental and social risks, ensuring that they have not been involved in non-compliance or litigation cases.

The Group places a high priority on suppliers with better environmental performances as part of its commitment to green procurement. Moreover, the Group highly values suppliers who possess national environmental protection system certification and quality system certification, as they demonstrate compliance with relevant environmental protection policies and requirements. Meanwhile, if any supplier is found to be involved in environmental litigation, the Group will terminate the partnership immediately.

In FY2023, the Group were in stable communication and collaboration with 167 key suppliers which all of them are located in the PRC. The aforementioned supplier engagement policies are applied to 87 of the Group's key suppliers, and 75 key suppliers are included in the Group's green procurement policies.

B.6 Product Responsibility

Law Compliance

Investment business

This business segment complied with relevant laws and regulations, including the Price Law of the People's Republic of China (中華人民共和國價格法), during the reporting year. To prevent operational risks and ensure standardised operations, the Group strictly adheres to its internal control policies. For instance, the Safety Production Management Measures (安全生產管理辦法) and Investment Management System (投資管理制度) have been implemented to promote institutionalisation, standardisation and systematisation of safety management and supervision. These measures are also designed to effectively prevent accidents, eliminate potential hazards and ensure responsible investment practices. The Inspection Department plays a crucial role in monitoring the implementation of control measures, and is responsible for assessing their rationality, completeness and effectiveness. Meanwhile, due to the business nature of the Group, number of products recall for safety and health reasons and recall procedures are not applicable thus will not be discussed in this section.

Tourism development business

In FY2023, this business segment of the Group complied with relevant laws and regulations, including but not limited to:

- Production Safety Law of the People's Republic of China (中華人民共和國安全生產法);
- Product Quality Law of the People's Republic of China (中華人民共和國產品質量法);
- Price Law of the People's Republic of China (中華人民共和國價格法); and
- Regulation of the People's Republic of China on Road Transport (中華人民共和國道路運輸條例).

Quality and Safety

Upholding the vision of “Safety is life, Service is soul” (「安全是生命，服務是靈魂」), the Group focuses its efforts on enhancing health and safety of employees while maintaining excellent service quality at all times. To ensure that its services meet the standards, the Group has implemented several internal policies, such as the Code of Service Behaviour and Language Usage (服務行為和用語規範) in guiding staff behaviour, and the Non-conforming Control Management Procedures (不合格控制管理程序) to address any instances where staff performance does not meet the standards.

Sales and Production of LED devices

The Testing and Inspection Procedure (產品檢驗管理程序) clearly outlines the steps for testing and inspection which apply to all materials and products. Before processing any orders, all materials have to be certified in order to proceed to the production process. Afterwards, the On-going Reliability Test is conducted for each batch of products, and the shipment is authorised to proceed only after the products successfully passed the test.

Tourism development business

The Safety Production Committee has formulated a safety management system in order to protect the safety of all tourists in the scenic areas. In addition, it conducts safety production supervision and inspection regularly, following the requirements of Occupational Health and Safety Management System (GB/T 45001-2020), Quality Management System (GB/T19001-2016) and Basic Requirement for Enterprise Safety Production Standardisation (GB/T 33000-2016).

V. Social Sustainability

Customer Satisfaction and Complaint Handling

The Group places great importance on collecting customers' feedback to drive continuous improvement in its service quality, and it serves as a crucial force for enhancing the Group's operations. To evaluate its performance in meeting clients' needs and identifying areas of improvement, the Group conducts a satisfaction survey on an annual basis.

Tourism development business

Apart from the satisfaction survey, the Group has implemented the Customer Re-interview Specification (客戶回訪工作規範) to stay updated with customers' opinions on service quality and their experiences during their stay in the scenic areas. Meanwhile, the Customer Service Department is responsible for managing the Group's tourist service quality. A 24-hour service hotline has been set up to ensure timely handling of all customer opinions.

To maintain public trust, the Group continuously improves the transparency of its hotline operation and management. It has implemented a series of control measures, such as the Hotline Service Specification (熱線服務規範) and Complaint Acceptance and Handling Service Specification (投訴受理及處理服務規範), to standardise internal procedures.

In FY2023, the Group did not receive any complaints. However, the Group remains committed to monitoring the quality of its products and services across all business segments and striving for further improvement.

Intellectual Properties and Innovations

The Group has established the Enterprise Management Innovation Work Procedures (企業管理創新工作程序) to foster a culture of innovation. It incentivises employees who contribute reasonable and feasible suggestions for innovation achievements, ultimately enhancing the Group's operations.

Meanwhile, the Group actively applies for appropriate intellectual property rights for new trademarks, labels, product designs and self-developed technical know-how. To ensure proper protection of its intellectual properties, the Group engages legal counsel to provide legal advice and promptly reports and addresses any case of violating intellectual property rights.

Advertising and Promotions

The Advertising Planning Department and Marketing Department have the responsibility of developing marketing plans and designing advertising materials. All materials are required to adhere to internal verification standards and comply with the Advertising Law of the People's Republic of China (中華人民共和國廣告法). In addition, to identify and rectify any instances of exaggerated or wrongful descriptions in the materials, the Group employs an experienced legal counsel to review and monitor the advertisements and marketing materials before release.

Data Security and Privacy Matters

Maintaining credibility is a fundamental aspect of the Group's investment business. Therefore, ensuring information security and data protection are crucial to sustain its competitiveness. All business relevant information is kept secure within the Group's internal system. To prevent any unauthorised data exports or leaks, the IT Department is responsible for establishing and monitoring the effective implementation of all firewalls and restrictions.

Moreover, personal data collected will only be used for the defined purposes. All employees are required to strictly adhere to the rules and prohibited from disclosing confidential information to external parties without customers' authorisation. To further enhance security, the Group's intranet is encrypted to prevent any unauthorised information usage and exportation. In the manufacturing business, customer codes are utilised throughout the ordering and sales procedures without disclosing customers' information.

During the year under review, the Group did not receive any substantial complaints from its customers regarding its products and services quality, and no privacy information or sensitive data leakage incident has been reported.

In FY2023, the Group complied with the relevant laws and regulations regarding health and safety, advertising, intellectual property, labelling and privacy matters of its products and services that are material to the Group. Due to its business nature, labelling-related issues are deemed not material, thus will not be discussed in this Report.

B.7 Anti-corruption

The Group recognises the significance of establishing enduring and trustworthy relationships with its customers, business partners, and other key stakeholders by fostering a culture of ethical behaviour and operating with integrity. The Group is committed to maintain a fair, ethical and efficient business and working environment.

Under the reporting period, the Group adhered to relevant laws and regulations relating to bribery, extortion, fraud and money laundering, including but not limited to:

- Anti-Corruption Law of the People's Republic of China (中華人民共和國反腐敗法);
- Law of the People's Republic of China on Anti-money Laundering (中華人民共和國反洗錢法);
- Interim Provisions on Banning Commercial Bribery (關於禁止商業賄賂行為的暫行規定);
- Anti-Unfair Competition Law of the People's Republic of China (中華人民共和國不正當競爭法);
- Article 274th of the Criminal Law of the People's Republic of China on extortion and fraud (中華人民共和國刑法第二百七十四條關於敲詐勒索); and
- Prevention of Bribery Ordinance (Cap. 201 of the Laws of Hong Kong).

V. Social Sustainability

To uphold an environment of integrity, all new hired employees are required to sign a letter of integrity and gain knowledge on the Group's Anti-corruption Code of Conduct (反貪污行為守則). Moreover, to further strengthen business integrity and mitigate business risks, the Group has implemented a comprehensive Internal Control Process (內部控制指引), which clearly outlines specific responsibilities and schedules for various control audits.

Furthermore, the Group has implemented a Prevention System of Conflict of Interest (利益衝突防範制度) which serves to promote integrity, legality and effective operations. This prevention system demonstrates the Group's dedication to initiating meaningful reforms and continuously improving prevention mechanisms.

In order to safeguard the Group's interests during significant contract negotiations with external partners, the Group follows a stringent process. At least two people are required to make inquiries simultaneously, ensuring that there are no hidden or secret deals that could potentially undermine the Group's interests. In addition, before signing any contract, the business, financial and compliance departments thoroughly review the terms and conditions to ensure that each clause does not contain any loopholes.

The Group places great emphasis on the construction of social spiritual civilization and the development of an ideological and moral mindset among its staff. In order to foster a culture of integrity and combat commercial bribery, in FY2023, the Group organised anti-corruption-related training seminars and workshops, amounted to 10 hours for 188 general employees and 42 management staff.

Meanwhile, the Group has implemented a whistleblowing policy that allows employees to report any suspected activities. The Human Resources and Administrative Department is responsible for handling and investigating any suspected or illegal behaviour to safeguard the Group's interests. The President's Office is responsible for monitoring, reviewing and taking appropriate actions when the Group substantiates any reported crimes.

In FY2023, no concluded legal cases regarding corrupt practices brought against the Group or its employees was recorded. The Group complied with the relevant laws and regulations in relation to bribery, extortion, fraud and money laundering that is material to the Group.

COMMUNITY

B.8 Community Investment

The Group recognises the mutual benefits of creating long-term shared value for the local communities and the well-being of the residents. Committed to supporting activities in the communities where it operates, in addition to creating local job opportunities, the Group focuses on two key areas of community investment, namely Education and Poverty Alleviation, and Health and Well-being of the Communities, during the reporting period.

Education and Poverty Alleviation

In FY2023, as part of its community investment initiatives, the Group donated uniforms which amounted to about RMB50,000 to support students living in rural farming villages in collaboration with local education institutions. This initiative aims to alleviate the financial burden on families and promote equal educational opportunities for all.

Moreover, to support students who are attending the Entrance Examinations (中考、學考及高考), the Group continued to provide caring shuttle bus services for them to ensure that they arrive at the exam venues safely.

Health and Well-being of the Communities

Promoting health and well-being to the residents of the local communities has always been one of the Group's top priorities. Upholding the vision of fostering harmony with local communities, in FY2023, a total of 35 volunteers of the Group's Chinese Communist Party (CCP) branch along with other volunteers organised free medical consultations to provide healthcare support to the locals. They also conducted anti-scam promotional activities to raise locals' awareness on prevalent scams and educate community members on prevention.

Furthermore, one of the Group's volunteer teams in Hengyang City, Hunan Province, actively participated in community activities in FY2023. Five volunteers served breakfast and drinks to tourists at the scenic areas. Moreover, the volunteers organised 42 times of safety patrols which 2 volunteers are responsible for each patrol. The team also sent 1 volunteer each time for paying regular visit to local communities for more than 100 days to conduct polls and promotions, and participating in the seasonal community health evaluation activity.



VI. Appendix – Performance Table

Table S3. Number of Employees by Age Group, Gender, Employment Type, Position Type, Geographical Locations of The Group in FY2023 ¹

Unit: Number of employees		Age group			
Gender	Aged 30 or below	Aged between 31 and 40	Aged between 41 and 50	Aged 51 or above	Total
Male	54	84	143	114	395
Female	53	62	60	22	197
Total	107	146	203	136	592

Unit: Number of employees		Position		
Gender	General staff	Middle management	Director and Senior management	Total
Male	344	36	15	395
Female	170	20	7	197
Total	514	56	22	592

Employment type		
Full time	Part time	Total
592	0	592

Geographical location	
Locations	Number of employees
PRC	584
Hong Kong	8
Total:	592

- The employment data in headcount was obtained from the Group's Human Resources Department based on the full-time employment contracts entered into between the Group and its full-time employees. The data only covered full-time employees engaged in a direct employment relationship with the Group according to relevant local laws and workers whose work and/or workplace was controlled by the Group within the reporting scope. The methodology adopted for reporting on employment data set out above was based on "How to Prepare an ESG Report – Appendix 3: Reporting Guidance on Social KPIs" issued by HKEX.

VI. Appendix – Performance Table



Table S4. Employee Turnover Rate by Age Group, Gender and Geographical Locations in FY2023 ¹

Unit: Number of employees		Age group				Total
Gender	Aged 30 or below	Aged between 31 to 40	Aged between 41 to 50	Aged 51 or above		
Male	3	8	9	1	21	
Employee turnover rate (%)	5.6%	9.5%	6.3%	0.9%	5.3%	
Female	3	8	1	0	12	
Employee turnover rate (%)	5.7%	12.9%	1.7%	0.0%	6.1%	
Total	6	16	10	1	33	
Total employee turnover rate (%)	5.6%	11.0%	4.9%	0.7%	5.6%	

Geographical locations		
Locations	Employee turnover	Employee turnover rate (%)
PRC	31	5.3
Hong Kong	2	25.0

- The turnover data in headcount was obtained from the Group's Human Resources Department based on the full-time employment contracts entered into between the Group and its employees. Turnover rate was calculated by dividing the number of full-time employees who resigned in FY2023 by the number of full-time employees in FY2023. The above data only covers the workplace within the reporting scope. The methodology adopted for reporting on turnover data set out above was based on "How to Prepare an ESG Report – Appendix 3: Reporting Guidance on Social KPIs" issued by HKEX.

VI. Appendix – Performance Table

Table S5. Number and Percentage of Employees Trained in the Group by Gender and Position Type in FY2023 ¹

Unit: Number of employees		Position			
Gender	General staff	Middle management	Director and Senior management	Total	
Male	298	17	6	321	
% of employees trained	66.4	3.8	1.3	71.5	
Female	118	8	2	128	
% of employees trained	26.3	1.8	0.4	28.5	
Total	416	25	8		
% of employees trained	92.7	5.6	1.8		
Total number of employees			592		
Total number of employees trained			449		
Total percentage (%) of employees trained			75.8		

- The training information was obtained from the Group's Human Resources Department. Training refers to the vocational training that the Group's employees attended in FY2023. The above data only covers the workplace within the reporting scope. The methodology adopted for reporting on the number and percentage of employees trained set out above was based on "How to Prepare an ESG Report – Appendix 3: Reporting Guidance on Social KPIs" issued by HKEX.

Table S6. Training Hours Received by the Employees of the Group by Gender and Position Type in FY2023 ¹

Unit: Training Hours		Position			
Gender	General staff	Middle management	Director and Senior management	Total	
Male	4,326	317	71	4,714	
Average training hours	12.6	8.8	4.7	11.9	
Female	1,868	112	32	2,012	
Average training hours	11.0	5.6	4.6	10.2	
Total	6,194	429	103	6,726	
Average training hours	12.1	7.7	4.7	11.4	

- The training information was obtained from the Group's Human Resources Department. The above data only covers the workplace within the reporting scope. The methodology adopted for reporting training hours set out above was based on "How to Prepare an ESG Report – Appendix 3: Reporting Guidance on Social KPIs" issued by HKEX.



HKEX ESG Guide content index

Aspects	ESG Indicators	Description	Page/Remark
A. Environmental			
<i>A1: Emissions</i>	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 NOx, SOx, 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	13, 15
	KPI A1.1	The types of emissions and respective emissions data.	14
	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).	14
	KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	14
	KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	14
	KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	22
	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.	16-17
<i>A2: Use of Resources</i>	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.	17-21
	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).	17
	KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	17
	KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	22-23
	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.	20, 23
	KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	17
<i>A3: The Environment and Natural Resources</i>	General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	23-24
	KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	23-24
<i>A4: Climate Change</i>	General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	24
	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.	25-26

VII. Report Disclosure Index

Aspects	ESG Indicators	Description	Page/Remark
B.Social			
Employment and Labour Practices			
<i>B1: Employment</i>	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	27
	KPI B1.1	Total workforce by gender, employment type (for example, full- or parttime), age group and geographical region.	40
	KPI B1.2	Employee turnover rate by gender, age group and geographical region.	41
<i>B2: Health and Safety</i>	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.	29
	KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year	30
	KPI B2.2	Lost days due to work injury.	30
	KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	30
<i>B3: Development and Training</i>	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	31
	KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	42
	KPI B3.2	The average training hours completed per employee by gender and employee category.	42
<i>B4: Labour Standards</i>	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.	31
	KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	31-32
	KPI B4.2	Description of steps taken to eliminate such practices when discovered	32

VII. Report Disclosure Index

Aspects	ESG Indicators	Description	Page/Remark
Operating Practices			
<i>B5: Supply Chain Management</i>	General Disclosure	Policies on managing environmental and social risks of the supply chain.	32
	KPI B5.1	Number of suppliers by geographical region.	34
	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.	33-34
	KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	34
	KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	33-34
<i>B6: Product Responsibility</i>	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.	34
	KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	34
	KPI B6.2	Number of products and service related complaints received and how they are dealt with.	36
	KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	36
	KPI B6.4	Description of quality assurance process and recall procedures	35
	KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	37
<i>B7: Anti-corruption</i>	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	37
	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	38
	KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	38
	KPI B7.3	Description of anti-corruption training provided to directors and staff.	38
Community			
<i>B8: Community Investment</i>	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.	38-39
	KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	38
	KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	39



青鸟环宇
JADE BIRD UNIVERSAL