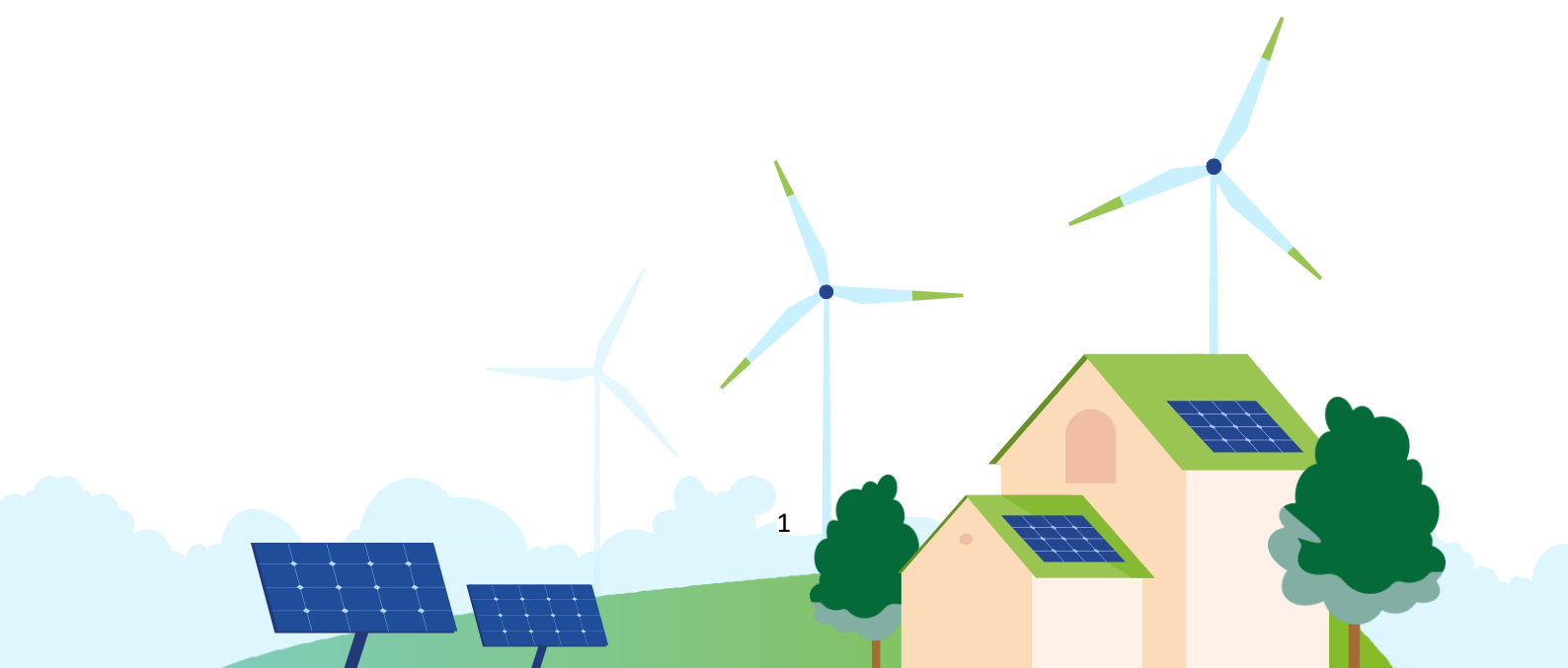


ENVIROMENTAL, SOCIAL AND GOVERNANCE REPORT 2024

PHOENITRON HOLDINGS LIMITED

STOCK CODE : 8066.HK



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ABOUT THE GROUP

Phoenitron Holdings Limited (the “Company”) and its subsidiaries (together, the “Group” or “Phoenitron”) is a conglomerate, principally engaged in the manufacturing and sales of smart cards, provision of customized smart card application systems, provision of financial and management consultancy services, sales and trading of scrap metals and investment in the media and entertainment industry for the financial year ended 31 December 2024 (the “Reporting Period”). During the Reporting Period, the Group also commenced e-commerce business.

ABOUT THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Group launched its ninth "Environmental, Social and Governance Report" (the “ESG Report”) with pleasure. The ESG Report is written in both Chinese and English, focusing on the Group’s policies, measures and performance in the environment, social and governance aspects. For a more in-depth understanding of the Group, please refer to the Group’s annual report for the financial year ended 31 December 2024 (“2024 Annual Report”). The 2024 Annual Report and the ESG Report have been posted on the website of the Group at (www.phoenitron.com) and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) at (www.hkexnews.hk).

Scope of Report

The ESG Report mainly reports on the sustainability performance of the Group during the Reporting Period. Same as previous years, the reporting scope refers to the operation of the plant located in Shenzhen concerning the sales of smart cards business of the Group (its turnover accounts for over 96% of the Group’s total turnover), the plant is operated under the name of Top Wise Technology (Shenzhen) Co., Ltd. (the “Shenzhen Plant” or “Shenzhen Topwise”). Since January 2024, the Shenzhen Plant has been relocated from the old factory (the “Old Factory”) originally located Gongming Sub-District to the new factory (the “New Factory”) at the current location at Matian Subdistrict, to continue its operation. The Group will regularly review the reporting scope based on the principle of materiality to ensure that comprehensive and accurate information will be provided to investors and other stakeholders¹.

¹ “Stakeholders” or “interested parties” represent groups and individuals who have significant impacts on the enterprise’s businesses, or those who are affected by the enterprise’s business, including internal board of directors, management and general staff, external shareholders and investors, customers, suppliers and contractors, government and regulatory authorities, banks and community groups, etc.

Report Standards

The ESG Report is prepared in accordance with the "Environmental, Social and Governance Reporting Code " (the "ESG Code") in Appendix C2 to the "Rules Governing the Listing of Securities on GEM" of the Stock Exchange, and is based on four reporting principles set out therein, including Materiality, Quantitative, Balance and Consistency. A complete index that references the ESG Code is inserted at the end of the ESG Report for readers' easy reference.

Reporting Principle	Definition	Application of the Reporting Principle
Materiality	Focusing on environmental, social and governance issues that have a significant impact on the Group and its stakeholders.	The Group identified environmental, social and governance issues that have a significant impact on the Group's business through board and management questionnaires and made a disclosure on their key points.
Quantitative	Key performance indicators should be measurable and comparable where appropriate.	The Group has set the mid-term and short-term environmental goals. The Group records and estimates the quantitative data and compares it with past performance where feasible.
Balance	The ESG Report should present the Group's environmental, social and governance performance of the Reporting Period in an unbiased manner, selective or omissive reporting should be avoided.	The ESG Report presented the Group's environmental, social and governance performance in an objective manner during the Reporting Period and also described the facing challenges and solutions.
Consistency	The ESG Report should be disclosed in a consistent manner, so that indicators can be compared meaningfully and corporate performance can be understood.	Wherever feasible, the Group uses consistent statistical methods. In the event of any changes that may affect comparisons with previous reports, the Group will make an explanation accordingly.

Confirmation and Approval

The information cited by the Group comes from official internal documents and statistical reports of the Group. The Group has internal control and formal review procedures to ensure that the information presented in the ESG Report is accurate and reliable. The ESG Report was confirmed and approved by the Company's board of directors (the "Board") on 20 March 2025.

Feedback

The Group values stakeholders' views and concerns. Should you have any comments or suggestions regarding the ESG Report and the sustainability performance of the Group, please contact us:

HONG KONG HEADQUARTER

Address : Suite 710, 7th Floor, North Tower, World Finance Centre, Harbour City, Tsim Sha Tsui, Kowloon, Hong Kong.
Telephone: (852) 2377 1888
Facsimile : (852) 2377 2955
Email: info@phoenitron.com

MESSAGE FROM THE BOARD

The Board is honored to issue the ninth “Environmental, Social and Governance Report” of the Group. This ESG report is not only a summary of Phoenitron’s past efforts, but also a good opportunity for us to re-emphasize Phoenitron’s commitment to sustainable development in the future. In this fast-changing world, we believe that the integration of environmental and social responsibility into business decisions is crucial to enhancing the competitiveness of Phoenitron.

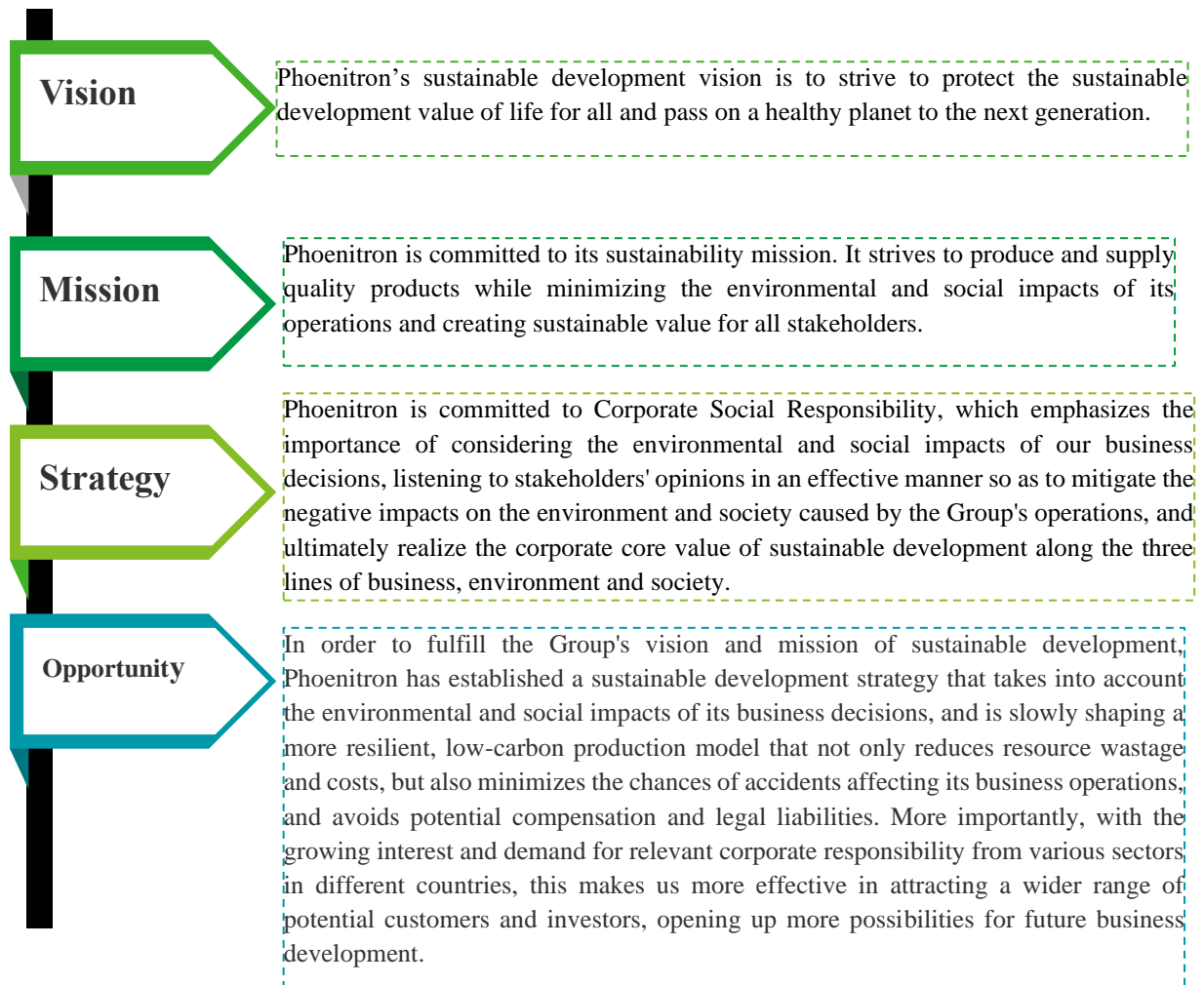
Phoenitron’s sustainable development vision is to strive to protect the sustainable development value of life for all and pass on a healthy planet to the next generation. This vision guides every decision we make and enables Phoenitron to take all responsible actions in our business operations. Under this vision, the Board assumes the highest level of stewardship to ensure the effective implementation of the Group’s environmental, social and governance policies. We not only monitor the development of policies, but also actively evaluate to ensure they are having the desired effects, while at the same time identifying the associated risks and opportunities to ensure the effective functioning of the ESG risk management and internal control systems.

Phoenitron's mission is to create sustainable value for all stakeholders by minimizing the environmental and social impacts of its operations while striving to produce and supply quality products. To this end, we appoint members to lead the sustainability working group (the "Working Group") and receive regular reports on their work. Through data collection and analysis, as well as communication with experts, we are constantly identifying, assessing, and monitoring environmental, social and governance related matters to ensure that Phoenitron's goals are being met.

During the reporting period, we have revised our Group Environmental and Social Policy, not only to reflect on our past work, but also to serve as a guide for Phoenitron's future actions. We have reviewed our environmental targets and are working towards an interim target of reducing the emission intensity of the Shenzhen Plant by 5% in 2025 compared to 2020. We believe that these efforts will further realize Phoenitron's commitment to sustainable development.

Looking ahead, we will further refine our management strategies and measures for sustainable operations, particularly with respect to disclosure of climate-related risks and reporting of greenhouse gas emissions. We will be fully prepared to report Phoenitron's progress and challenges in a transparent manner to our various stakeholders. We are committed to realizing sustainable corporate development and hope to achieve greater synergy through relevant measures to create a virtuous cycle among the environment, society and the economy.

Phoenitron's vision of sustainable development



Introduction to the corporate culture of Shenzhen Topwise - Integrity as the Foundation, Professional and Focused , Win-win Cooperation and Innovative Development

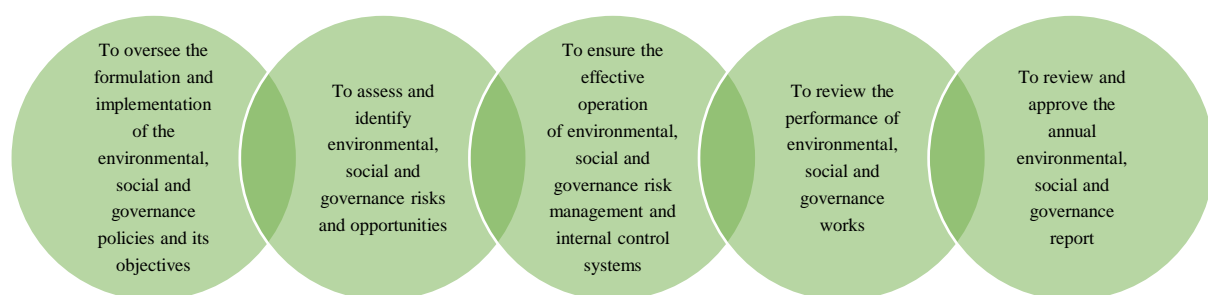
Corporate Culture	Dedicated, Focused, Professional
Corporate Mission	To provide customers with high quality, high efficiency and high coordination of products and services
Corporate Vision	To become the world's leading smart card manufacturer
Core values	Integrity, Professional, Cooperation, Innovation



INTEGRITY-ORIENTED AND GOVERNANCE-BASED SUSTAINABILITY GOVERNANCE

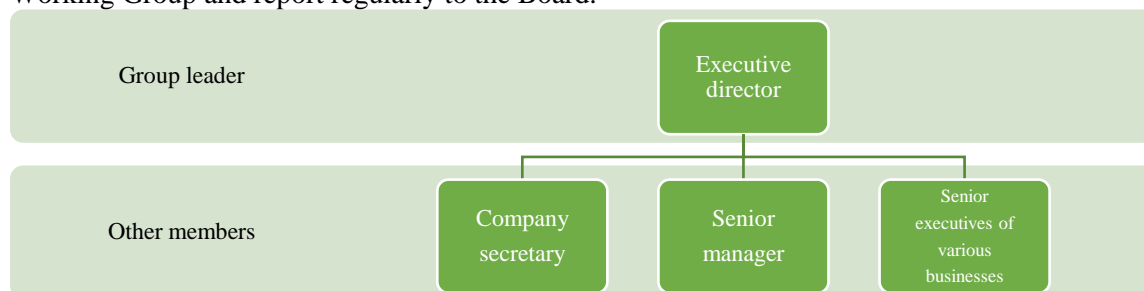
The Group believes that good corporate governance is the cornerstone of sustainable development and that effective management can build long-term sustainable value for shareholders and enhance investor confidence. The Board is fully aware of the importance of sustainable development and promises to incorporate environmental and social considerations into the business decision-making process, and referring to the opinions of internal and external stakeholders to realize the corporate value of business, environment and society in parallel.

The Board is responsible for overseeing the management of the Group's business and financial position and has the highest supervisory responsibility for the Group's sustainability matters and is responsible for overseeing the Group's sustainability policies, initiatives and performance, including:



Structure of the Working Group

The Board also authorizes the Working Group to take charge of the carrying out of sustainable development works, which include regularly collecting and analyzing data as well as identifying, assessing and managing significant environmental, social and governance related issues. The Working Group also regularly reviews the progress in relevant objectives. The head of the Working Group shall be a member of the Board and authorized by the Board to lead all relevant matters relating to the Working Group and report regularly to the Board.



The company secretary of the Company acts as the deputy team leader of the Working Group and is responsible for the effective management of relevant issues, ensuring the Group's compliance with relevant regulations and, where necessary, seeking out relevant experts to provide assistance to strengthen the Group's ability to respond to relevant issues. A senior manager of the Group acts as the coordinator of the Working Group and is responsible for the communication and liaison amongst the members of the Working Group and coordinating the working arrangements between external experts and internal members of the Group. Ex-officio members of the Working Group also include senior executives of the relevant business units. With their full understanding of the relevant business units, they can effectively enable the Working Group and the relevant business units to build a good communication bridge, so that both parties can work together. The Working Group is directly led by a member of the Board, and its authority and functions are recognized by the Board and its resources are fully supported by the Board.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE RISK MANAGEMENT

Effective risk management is an important part of the corporate governance strategy and is vital to the future development of the Group. Under the supervision of the Board and the Working Group, each of the Group's operations will understand the sustainability risks in its operations through data analysis and regular visits to identify key issues and address them in a transparent and accountable manner in order of priority, assessing the relevant performance and reporting in a timely manner. The key environmental, social and governance risks identified by the Group are set out below:

Risk Category and Description	Measures
<p>Waste gas and greenhouse gas emissions The Group generates waste gas and greenhouse gas emissions (e.g., carbon dioxide) during the manufacturing and transportation process, and with the increasing tightening of national and regional environmental protection policies, the Group's operations will be subject to more stringent regulation. If the Group does not have effective emission reduction measures in place, it will increase the risk of non-compliance and result in higher operating costs for the Group.</p>	<ul style="list-style-type: none"> • Establish "Environmental System Operation Control Procedures" and set up environmental targets. We have also formulated a number of resource management measures, covering production process, material procurement and administrative management, so as to save resources; • Regularly review the effectiveness of the set goals, review the areas that do not meet the standards, and continuously improve to facilitate sustainable development; • Integrating transportation arrangements and selecting more environment-friendly transportation service providers to minimize emissions; and • Encourage employees to use electronic communication technology for meetings and reduce unnecessary business trips.
<p>Hazardous wastes The Group generates different types of hazardous wastes during the manufacturing process. These hazardous wastes need to be handled in accordance with safe storage standards and a recycling process that meets local environmental requirements, otherwise they may cause pollution to the surrounding environment and increase the risk of non-compliance. In addition, in the event of hazardous substance leakage, the Group may be required to bear additional financial expenses for aftercare work.</p>	<ul style="list-style-type: none"> • For hazardous waste management, the Group has different firefighting equipment at hazardous waste storage sites; • Provide regular training to all employees on hazardous waste sorting and storage; • Develop environmental management objectives, targets and management plans for hazardous waste emissions; and • Requiring that all hazardous wastes should be sorted as solid or liquid wastes and transferred to a professional recycling company for unified disposal after recycling at the industrial park where the Shenzhen Plant is located.
<p>Impact on the surrounding environment The Group's daily operations may have different degrees of impact on the neighboring communities, including impact on air quality, waste leakage, soil and water pollution and noise pollution. If the Group fails to identify and effectively control the relevant environmental factors, there will be an increased risk of non-compliance, including litigation, fines and orders to cease project operations, which could further affect the Group's reputation.</p>	<ul style="list-style-type: none"> • Closely monitor the impact of business and operation on surrounding environment, identify and manage significant environmental risks in a timely manner; • Establish the "Emergency Response Plan Management Procedures" to mitigate the pollution of the atmosphere and adjacent water and soil caused by the accident; • Strictly enforce noise control, the acoustic ceilings have been installed in the entire workshop of the New Factory. At the same time, a layer of sound-absorbing foam has been affixed to the equipment that generates large amounts of noise, and the noise-cancelling and shock-absorbing floor mats have been replaced to greatly reduce the impact on the surrounding environment during production; and • A monitoring company was engaged to conduct noise inspections to ensure that noise emissions comply with operational standards and local laws and regulations.
<p>Climate change Climate change has led to an increase in the frequency of extreme weather events such as typhoons, rainstorms, flooding and earthquakes. These extreme weather events will cause temporary suspension of the operation of the production facilities and the safety of the staff, respectively, resulting in reduced productivity or additional expenses to the Group as a result of litigation and compensation. Meanwhile, the rising temperature causes the indoor temperature to rise and requires constant air conditioning to ensure the machines operating stably and provide</p>	<ul style="list-style-type: none"> • The inclusion of climate change issues into environmental and social policies, assessing relevant risks in a timely manner, and formulating effective risk mitigation measures to reduce the impact of operation on climate change and that of climate change on operation; • Strictly follow the guidelines on public preparedness for typhoons and rainstorms, take precautionary measures as soon as possible, assess the ability of the Group's assets to withstand severe weather and review the insurance coverage of liabilities and properties from time to time to minimize potential losses. The Group attaches great importance to the safety of employees and makes arrangements for work stoppages in due course, evacuates employees in an orderly manner and/or provides safe shelters for employees to ensure their personal safety;

<p>a comfortable working environment for employees. As a result, electricity consumption continues to increase, increasing the operating costs. At the same time, rising temperatures provide more energy for typhoons. Inclement weather caused by typhoons may result in work stoppages, affecting production progress, even resulting in loss of life and property, and increasing costs. If not handled properly, the Group would face greater losses.</p>	<ul style="list-style-type: none"> • Regularly inspect the use of electricity-using equipment and replace equipment with high power consumption but low efficiency. In the New Factory, the central air-conditioning, which consumes much electricity and is difficult to manage by section, was replaced by the new split-type inverter air conditioner which is more cost-effective and managed by section, thus significantly reducing energy consumption; and • Educate employees on energy conservation.
<p>Health and safety There are a number of safety risks inherent in the manufacturing industry. If employees are not sufficiently aware of safety or do not follow the operating procedures, it may lead to a major safety incident resulting in serious injury or death of employees. This would expose the Group to legal risks, including litigation, fines and compensation, and affect the reputation of the Group.</p>	<ul style="list-style-type: none"> • Each of the business units has also formulated occupational safety management system and set up a task responsible department to conduct occupational hygiene works; • Shenzhen Plant has formulated the “Occupational Health Management System” and the “Social Accountability Management Handbook” to work out management measures in respect of all safety issues to safeguard the health and safety of employees; • We provide employees with protective equipment and establish operating rules for production equipment to ensure operational safety, provide them with regular occupational hygiene and physical examination, and regularly review chemical use procedures and protective measures to ensure compliance with operational and local legal requirements while minimizing the impact of safety risks on operations and employees; and • We provided occupational hygiene training for employees, formulated contingency plans for emergencies and conducted regular drills to enhance employees' responsiveness to emergencies, and strengthened inspection and maintenance of relevant equipment, and conducted timely review and adjustment when there are any deviations in the relevant processes.
<p>Product quality With the increasing technology crime, hacking attacks and information theft are becoming more and more common. If the products do not have adequate data security measures, the chance of data leakage will increase and customers will suffer losses. The Group is also exposed to legal risks of litigation and compensation, which may damage the relationship between the Group and its customers.</p>	<ul style="list-style-type: none"> • Formulated a security protection mechanism in accordance with the “Confidentiality Management System of Customers’ Information” and reviewed it from time to time to plug loopholes to ensure comprehensive protection of customer data; • Adopted measures to protect intellectual property rights in accordance with the “Management Manual” to reduce the risk of data leakage during operations; and • The Group has established a quality management system that meets ISO 9001:2015 certification. The Group monitors and analyses the entire production process to control product quality. Meanwhile, the Group regularly conducts training on product quality for employees to ensure a smooth production process and improve product quality. In order to enhance the assurance of product quality and protection of customer assets, the Shenzhen Plant started the preparation for the GSMA SAS-UP, a security certification of Global System for Mobile Communications in early 2024, with a brand-new security protection system and software and hardware to handle data confidentiality come into service. The relevant certification has been approved in December 2024 and proceeded smoothly.
<p>Business ethics Corruption such as bribery, corruption, conspiracy to defraud, facilitation payments and misappropriation of public funds are not only detrimental to the Group's own interests, but are also serious commercial offences that pose significant legal risks to the Group's operations, including litigation, fines or imprisonment of relevant persons. In addition, if the Group is suspected of violating the relevant laws, it will seriously damage the reputation of the Group.</p>	<ul style="list-style-type: none"> • Formulated a series of anti-corruption policies and codes, such as the “Anti-corruption and Anti-bribery Control Procedure” and “Gift and Gifting Procedure” of the Shenzhen Plant, to safeguard the Group's zero-tolerance attitude towards any form of corruption and bribery; • Required suppliers to sign the “Letter of Undertaking of Anti-bribery/Anti-corruption for Suppliers” to ensure they are aware of the Group's requirements and expectations for maintaining business ethics; • Regularly reviews the anti-corruption mechanism through the internal audit system to ensure the effective operation of relevant mechanisms; and • Provided employees with anti-corruption trainings to enhance their awareness of corruption prevention.

COMPLIANCE PERFORMANCE

Level	Laws and Regulations that have Significant Impacts on the Group	Significant Impacts on the Group	Ways to Ensure the Compliance with these Laws and Regulations
Emissions	"The Environmental Protection Law of the People's Republic of China"	The Group has implemented the ISO 14001:2015 environmental system, and all wastes that are harmful to the environment were transferred to a professional recycling company for unified disposal after recycling at the industrial park where the Shenzhen Plant is located, it involves an annual cost of approximately RMB30,000.	The Group conducts daily business operations in strict accordance with the environmental protection law and invites third party to conduct ISO 14001:2015 external audits to ensure the operation of the Group meets the standards.
Employment	"The Labor Law of the People's Republic of China"	The restrictions of national labor regulations on overtime hours have a certain impact on the hiring of employees by the Group. The Group needs recruited more employees, and the overall wage expenditure has increased by approximately 5-10%.	The Group will continue to strictly follow the labor laws stipulated by the state and sign labor contracts with employees to protect their rights and interests.
Health and safety	"The Production Safety Law of the People's Republic of China" "The Law of the People's Republic of China on the Prevention and Treatment of Occupational Diseases" "The Fire Control Law of the People's Republic of China"	Production safety is a prerequisite for production and operation, which can ensure the continuous and stable operation of the Shenzhen Plant. Employees are the Company's greatest asset, and their health is an important concern of the company. Fire safety is the most basic requirement for the Shenzhen Plant. Therefore, any deviation in any of the above will bring the operation to a halt.	In addition to a series of occupational safety measures, the Group also regularly provides with relevant training on production safety, fire protection, and occupational health.
Labor standards	"The Labor Law of the People's Republic of China" "The Law of the People's Republic of China on the Protection of Minors"	The Group prohibits child labor and forced labor. The Group strictly complies with the national labor regulations and protects the rights and interests of minors. The Group is aware that violating laws and regulations will be subject to penalties by regulatory authorities.	In the process of recruitment, the Group will strictly check the identity documents of job applicants to ensure they meet the legal working age.
Product responsibility	"The Product Quality Law of the People's Republic of China"	Quality is the foundation of an enterprise. The Group attaches importance to product quality and regards high-level product quality as its operation goal. Any problem with product quality will jeopardize the lifeblood of an enterprise.	The Group has established a quality management system that meets ISO 9001:2015 certification. The Group monitors and analyses the entire production process to control product quality. Meanwhile, the Group regularly conducts training on product quality for employees to ensure a smooth production process and improve product quality. In order to enhance the assurance of product quality and protection of customers'

		<p>assets, the Shenzhen Plant started the preparation for the GSMA SAS-UP, a security certification of Global System for Mobile Communications in early 2024, with a brand-new security protection system and software and hardware for data confidentiality come into service. The relevant certification has been approved in December 2024 and proceeded smoothly.</p>
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During the Reporting Period, the Group did not violate the above relevant laws and regulations that had a significant impact on the Group. Meanwhile, for the anti-corruption aspect, no legal case on corruption has been filed against the Group or its employees.

Quality Certification

ISO14001:2015

ISO9001:2015



GSMA SAS-UP, Security Certification of Global System for Mobile Communications



COMMUNICATION WITH STAKEHOLDERS

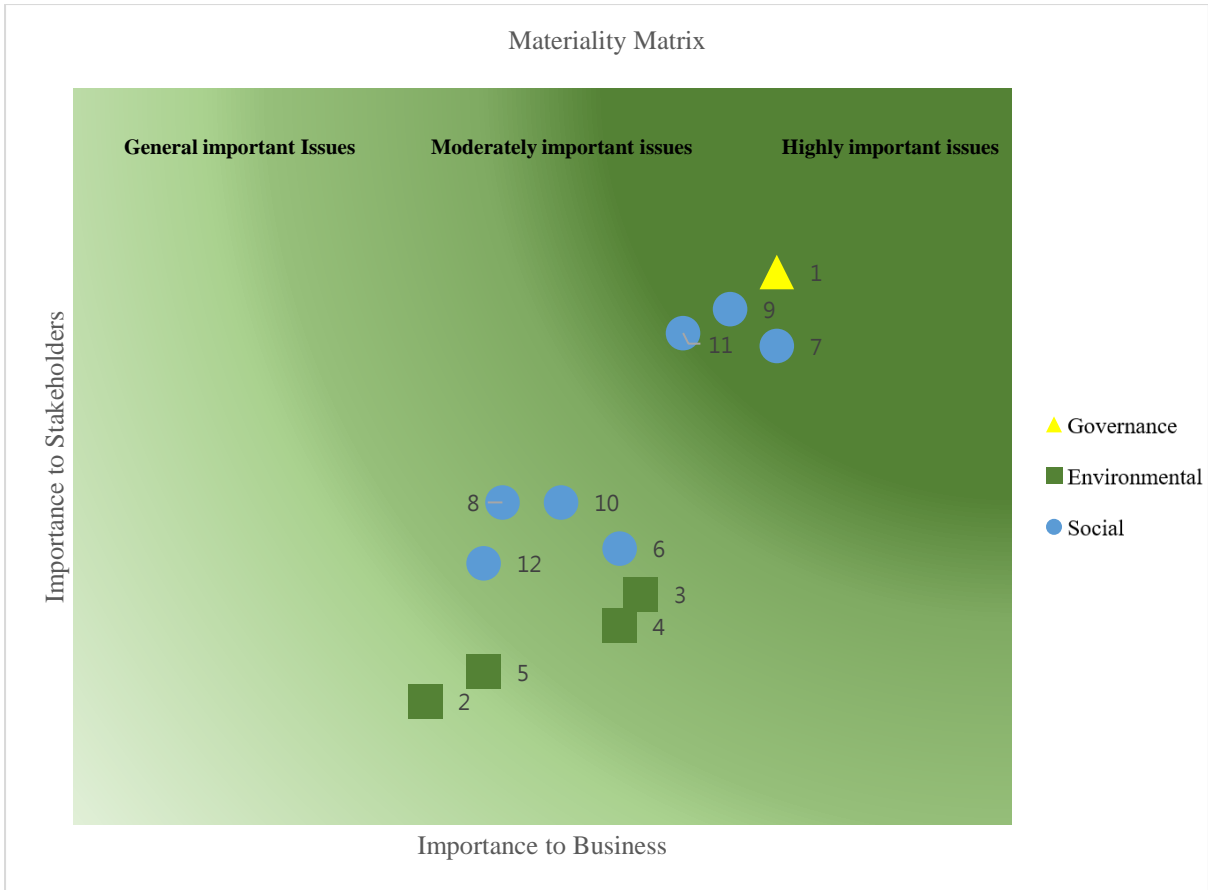
Understanding the needs and concerns of our stakeholders helps the Group to formulate sustainable development plans and future business directions. The Group will take into consideration the stakeholders' views in developing various policies and measures in order to ensure that the Group meets their expectations and requirements on business operations. By communicating with internal and external stakeholders through diverse channels, the Group is able to understand their views accordingly.

The board of directors, the management and the staff
• Meetings of the Board, internal communication, company activities and company meetings
Shareholders and investors
• Annual general meetings, company website, annual reports, meeting, seminars and letters
Customers
• Meetings with customers, emails and phone calls
Government and regulatory authorities
• Meetings, letters, phone calls, site visits and seminars
Suppliers and contractors
• Suppliers evaluation and meetings, emails and phone calls
Banks
• Meetings, emails and phone calls
Community group
• Community investment plans, donations, volunteers and philanthropy activities

SIGNIFICANT SUSTAINABLE DEVELOPMENT ISSUES

During the Reporting Period, the Group delegated an independent sustainable development consultant to conduct the board and management questionnaires that aimed to collect the opinions of the Board and management on each environmental, social and governance issue in business operations. Based on the findings, the Group identified a number of significant sustainable development issues as its future sustainability direction and focused on them in the ESG Report.

Materiality Matrix



Significant Sustainable Development Issues (By Significance)

No	Significant Sustainable Development Issues	Measures Implemented By The Group
1	Anti-corruption Prevention of bribery, extortion, fraud and money laundering	An anti-corruption mechanism is in place for employees to report any corruption cases. Meanwhile, the Group provides anti-corruption training to its employees to enhance their awareness of anti-corruption.
9	Labor Standards Prevention of child labor and forced labor	During the recruitment process, the Group's personnel and administration departments will strictly verify the identity documents of job applicants to ensure compliance with the minimum working age requirements of local laws and regulations. In accordance with the "Social Accountability Management Handbook", no deposit may be collected from employees or no employee identification documents may be kept, and all employees are required to work on a voluntary basis.
7	Health and Safety Provide a safe working environment and protect employees from occupational hazards	Formulated the "Occupational Health Management System" to provide employees with protective equipment, occupational physical examination and occupational hygiene training.
11	Product Responsibility Managing health and safety, advertising, labelling and privacy issues in relation to products and services provided and remedies	Perform full inspection and analysis of the production process in accordance with "Management Handbook" and established ISO 9001:2015 quality management system to control the quality of each product. In order to enhance the assurance of product quality and protection of customers' assets, the Shenzhen Plant started the preparation for the GSMA SAS-UP, a security certification of Global System for Mobile Communications in early 2024, with a brand-new security protection system and software and hardware for data confidentiality come into service. The relevant certification has been approved in December 2024 and proceeded smoothly.

6	Employment System Establish a complete employment management system	Offers the staff a diversified and inclusive working environment by virtue of the employment system and the "Diversification and Inclusiveness Policy", both of them are formulated in accordance with the SA8000 "Standards on Social Accountability Management System".
10	Environmental and Social Risk Management of Supply Chain Managing the environmental and social risk management of supply chain	Starting from the procurement aspect, the Group's purchasing decisions are actively taking into account the environmental and social impacts of the products, requiring suppliers to comply with international principles on human rights, environmental protection, labor safety, forced labor and child labor.
3	Resource Conservation Formulate measures for efficient use of resources such as energy, water and other raw materials	For the use of resources such as electricity, water, paper and other raw materials, the Group has established clear management measures in different areas, covering the production process, material procurement and administration, with a view to achieving resource conservation goals through multi-pronged measures.
8	Development and Training Enhance employees' knowledge and skills to perform their job duties	Established a comprehensive management system for the induction training of new employees and on-the-job training of all employees.
4	Environment and Natural Resources Minimize significant impacts on environment and natural resources	During plant construction or any project expansion, the Group conducted environmental assessment to evaluate the potential impact on the surrounding environment. The Group has established the "Emergency Response Plan Management Procedures" to mitigate the pollution of the atmosphere and adjacent water and soil caused by the accident. In addition, the Group has also formulated the "Environmental System Operation Control Procedures" to implement noise control.
12	Community Engagement Understanding the needs of the communities in which we operate and ensuring that our business activities take into account the interests of the communities through community engagement.	The Group has formulated the "Group Environmental and Social Policies" and the "Giving Back to the Society and Social Investment Management System" to implement the Group's direction of community investment. The Group encourages employees to actively participate in the public welfare undertakings, and promotes positive development of the society.
5	Climate Change Developing countermeasures against climate change	According to weather forecast, make preparations for extreme weather (such as typhoon) in advance, e.g., closing doors and windows, making special reinforcements for devices and locations with higher risks, and arranging persons to conduct timely inspections. Notify and remind employees of travel safety, and provide them with a safe shelter when necessary.
2	Emissions Management Actively take measures to cope with the increasing tightening of national and regional environmental protection policies, and manage the emission of exhaust gas, greenhouse gas, wastewater, hazardous and non-hazardous wastes	Scrapped lamps, oily waste rags, pen refills, ink cartridges and printing-ink bottles, as well as all types of identified hazardous wastes are stored at designated points and recorded accordingly. All hazardous wastes are transferred to a professional recycling company for unified disposal after recycling at the industrial park where the Shenzhen Plant is located. At the same time, the Shenzhen Plant provides training on the sorting and storage of hazardous waste for all employees and enhances their knowledge of disposing of hazardous wastes.

Going forward, the Group will continue to strengthen communication with internal and external stakeholders and through diversified communication channels such as stakeholder and focus group interviews, collect stakeholders' opinions and expectations on operation of the Group so as to improve its sustainability strategy and measures.

Green Integration and Ecological Coordination

As a responsible corporate citizen, the Group is fully aware of the importance of practicing environmental protection and adheres to the mission of sustainable development, and is committed to incorporating environmental protection and sustainable development as a core part of its operational objectives and decision-making process. The Group has formulated the “Group Environmental and Social Policies”, set medium-term environmental targets and implemented various measures on emission management, resource use, environment and natural resources, and climate change. The Shenzhen Plant has also formulated an “Environmental System Operation Control Procedure”, which sets short-term environmental targets and a number of management plans and measures covering production processes, material procurement and administrative management to achieve resource conservation. The Shenzhen Plant reviews the annual environmental objectives, indicators and management plans every year to review the effectiveness and to review the areas that are not up to standard for sustainable development.

Medium-term Environmental Objectives

Reduce Emissions Intensity by 5% in 2025 (2020 as the benchmark)	2025 Objectives	2024	2023	2022	2021	2020
Purchased energy intensity (by output value)	27.46	26.79	28.72	36.68	28.65	28.91
Mobile source energy intensity (by output value)	0.86	1.05 ²	0.65	1.02	0.83	0.91
Non-hazardous waste density (per square meter of area)	9.40	5.56 ³	4.38	4.82	5.17	5.52
Intensity of water consumption (by number of employees)	25.01	43.73 ⁴	22.06	21.16	23.49	26.33

“2024 Annual Environmental Objectives, Indicators and Management Plan”

Environmental Category	Environmental Management Indicators	Progress to Objectives during the Reporting Period
Noise emission	The noise emission of the Shenzhen Plant must comply with the national standard GB12348-2008, maintaining not more than 60 decibels during the daytime and not more than 50 decibels at night time.	Up to standard
Accidental fires	The number of fire alarms is 0 (long-term)	Up to standard
Hazardous waste emissions	All types of identified solid and liquid hazardous waste shall be stored at designated points, and then transferred to a professional recycling company for unified disposal after recycling at the industrial park where the Shenzhen Plant is located.	Up to standard

² The increase in mobile energy intensity in 2024 compared to 2023 was mainly due to the fact that samples could be sent to customers by mail in previous years, but it was necessary to change to trucks for delivery due to the shorter cycle time for customers to request samples.

³ In 2024, a 44% decrease in area of the New Factory compared to the Old Factory resulted in an increase in non-hazardous waste density. A consequent adjustment is made to the relevant target for 2025.

⁴ The increase in water consumption in 2024 compared to 2023 was mainly attributable to the increase in green belts in the industrial park where the New Factory is located, requiring regular watering.

Climate Change

Climate change is one of the major global issues and the Group is aware of the different impacts and risks that climate change brings to its daily operations. Accordingly, the Group has included policies and strategies in the “Group Environmental and Social Policies” to address climate change, and adopted various response measures to mitigate the risks and impacts on the Group:

- Implement energy-saving measures in all facilities under the Group to reduce carbon emissions from production and operations;
- Timely assess the risks of climate change and implement measures to mitigate these risks;
- Purchase raw materials from suppliers and deliver finished products to customers in a more economical mode;
- Product and packaging innovations to achieve more efficient use of consumer goods and energy consumption; and
- Encourage employees, suppliers and customers to minimize carbon emissions in their daily business activities.

Meanwhile, in the pursuit to deal with climate change, we will timely assess the risks of climate change and implement measures to mitigate these risks, and integrate climate change risks into the risk management process of the Group.

Resource Conservation

In order to ensure compliance with its environmental policy and integrate sustainability elements into its daily operations, Phoenitron is committed to continuous improvement in its environmental behavior. We integrate considerations of environmental protection into our decision-making process, business management and corporate culture, and actively promote awareness for environmental protection among all the stakeholders.

For the use of resources, the Group adopts clear management measures on resources such as electricity, water, paper and raw materials, covering production process, material procurement, administration and other areas, with a view to achieving resource conservation with multi-pronged measures. We promote education on resource and energy conservation to enhance employees' awareness of energy saving, preventing wastage of resources.

The Group has set up a clear management scheme involving transition to energy efficient equipment, timely repair and maintenance of equipment, implementation of sub-divisional lighting and water resources improvement plan. We also encourage the use of electronic communication and double-sided printing (if necessary), so as to reduce paper waste by establishing rules for paper conservation.

For raw materials, the Group actively introduces relevant international certification standards to upgrade its production business to industry-leading level. This not only ensures product quality, but also results in regulation, optimized operation and continuous improvement for the production process, greatly reducing the waste of raw materials.

Energy

Environmental Category - Energy Saving Plan	
Measures	<ul style="list-style-type: none"> Promote education on resource and energy conservation, such as post energy-saving signs to improve employees' awareness of electricity conservation; Arrange special personnel to inspect electrical equipment and deal with the abnormal electricity consumption in a timely manner; Regularly repair and maintain electrical equipment, and arrange transformations for high energy consumption equipment; Require employees to turn off unnecessary office equipment when they leave the office, and set to power-saving mode when idle; Implement sub-divisional lighting and remove some lamps to reduce excessive lighting; and Instead of using central air conditioning with high electricity consumption and difficulty to manage in sections, the New Factory adopts the new and more efficient split-type inverter air conditioners that are managed in sections, thus significantly reducing energy consumption.

Energy	2024	2023	2022	2021
Gasoline (MWh)	61.3	49.1	61.0	61.0
Electricity (MWh)	1,566.7	2,176.4	2,195.8	2,096.3
Total energy consumption (MWh)	1,628.0	2,225.5	2,256.8	2,157.3
Energy intensity (MWh/HK\$ million (by output value))	27.8	29.4	37.7	29.5

During the Reporting Period, the Group consumed a total of 1,628 MWh of energy, of which 1,566.7 MWh was electricity consumption, accounting for 96% of the total consumption. The significant decrease of 26.8% in total energy consumption in 2024 compared to 2023 was mainly due to the sharp decrease of 28% in electricity consumption as a result of the Group's continuous energy-saving measures.

Water Consumption

Environmental Category - Water Consumption Plan	
Measures	<ul style="list-style-type: none"> Calculate the water consumption monthly, analyze the water consumption data and take water conservation measures as needed; Regularly inspect and repair water facilities, modify and strengthen the maintenance of appliances that consume large amounts of water; and Post water-saving signs to enhance employees' awareness of water conservation.

Water Consumption	2024	2023	2022	2021
Total water consumption (m³)	5,029.0 ⁵	2,383.0	2,539.5	2,819.1
Intensity of water consumption (m³/employee (by number of employees))	43.7	22.1	21.2	23.5

⁵ The increase in water consumption in 2024 compared to 2023 was mainly due to the increase in green belts in the industrial park where the New Factory is located, which requires regular watering.

During the Reporting Period, the total water consumption of the Group was 5,029 m³ and the intensity of water consumption was 43.7 m³ per employee. The Group sourced water from municipal supply and faced no issue in sourcing water fit for purpose.

Packaging Materials

Packaging materials	2024	2023	2022	2021
Total usage (tonnes)	87.1	119.0	120.4	132.1
Usage density (tonnes/HK\$ million (by output value))	1.5	1.6	2.0	1.8

The Group uses packaging materials (including carton boxes, plastic and wood) during its production process. During the Reporting Period, the Group consumed a total of 87.1 tonnes of packaging materials. The use of such materials significantly reduced by 26.8% as compared to the previous year, which was 4% higher than the decline in output value of 22.8% in the same period, as a result of the Group's ongoing efforts to reduce emissions.

The Environment and Natural Resources

The Group understands that the operation process will have a significant impact on the surrounding environment and natural resources. As such, the Group regularly monitors the impact of its business operations on the environment, identifies and manages major environmental risks. In response to chemical leakage, fire and other environmental accidents, the Group has formulated the “Management Procedures for Emergency Response Plans” to reduce pollution to the atmosphere and adjacent water and soil caused by accidents. Before plant construction or project expansion, we will also conduct environmental assessment to identify and evaluate the potential impact of the project on the surrounding environment to ensure that the impact on the environment is minimized during the construction period.

The production equipment of the Shenzhen Plant generates noise pollution during its operation process. As such, the Group has formulated the “Environmental System Operation Control Procedures” to implement noise control, including reasonable arrangement for the operation of machinery and equipment and conduct daily inspections and maintenance to ensure that the noise emissions meet the national standards. In addition, the Group regularly entrusts an external testing company to conduct noise monitoring in accordance with the “National Standard GB12348-2008 of the People’s Republic of China”, and implements improvement measures based on the testing results. The Shenzhen Plant has also installed acoustic ceilings throughout the entire workshop of the New Factory. At the same time, a layer of sound-absorbing foam has been affixed to equipment that generates a large amount of noise, and the noise-reducing and shock-absorbing mats have been replaced for it, so as to significantly reduce the impact on the surrounding environment during production.

The Group strictly follows the relevant environmental laws and regulations in its daily operations, focuses and evaluates the impacts of its business on the environment to ensure that important environmental issues can be identified, monitored and managed in a timely manner. The effectiveness of environmental protection measures also depends on the support of all the stakeholders. As such, the Group is committed to ensuring that employees are clear about its environmental policy, and suppliers are encouraged to operate in a sustainable manner and disclose relevant information on environmental performance.

Emission Management

Phoenitron is committed to reducing air pollutants, greenhouse gases, sewage and wastes generated in all of its business operations. We are aware that emissions are mainly from energy consumption, transportation arrangements and business trips. Therefore, we actively introduce international certification standards to continuously improve our production operations and optimize production schedules to reduce energy consumption.

To reduce emissions from our operations, we integrate transportation arrangements and incorporate environmental protection requirements into the selection of our transportation service providers. In addition, for business trips, we reduce frequent trips by adjusting itinerary depth, and minimize the need for business trips by emphasizing the use of electronic communication technology for meetings, so as to achieve the emission reduction objective.

The emissions from the daily business operations of the Group include greenhouse gases, air pollutants, hazardous and non-hazardous wastes, and sewage. We are committed to reducing these emissions, so as to reduce the impact on the surrounding environment. Therefore, we have formulated the “Group Environmental and Social Policies” and “Environmental System Operation Control Procedure” to specify our policies and measures for emission management.

Air emissions

The Group’s main air emissions come from combustion of energy used by vehicles, mainly including nitrogen oxides, sulphur oxides and respirable suspended particulates. During the Reporting Period, the emissions of nitrogen oxides, sulphur oxides and respirable suspended particulates were 1.5, 0.5 and 0.1kg respectively, representing a slight increase compared with the previous year. This is mainly because in previous years, samples could be mailed to customers, but as customers required a shorter sample delivery cycle, it had to switch to vehicle delivery.

Air Emissions ⁶ (kg)	2024	2023	2022	2021
Nitrogen oxides	1.5	1.2	1.7	2.0
Sulphur oxides	0.5	0.4	0.5	0.5
Respirable suspended particulates	0.1	0.1	0.2	0.2

The Group has made different requirements for transportation arrangements and business trips, such as integrating transportation arrangements and encouraging employees to make full use of electronic communication technology for business meetings, etc. to minimize emissions.

⁶ Only air pollutant emissions related to fossil fuel combustion from mobile sources are included.

Greenhouse gas emissions

In order to calculate the greenhouse gas emissions generated by its operations, the Group continued to commission an independent consulting firm to conduct a carbon assessment based on local codes and international standards. During the Reporting Period, the Group's total greenhouse gas emissions amounted to 892.8 tonnes carbon dioxide equivalent, among them, greenhouse gas emissions mainly come from the use of purchased electricity of Scope 2, accounting for 89.3% of the total emissions. Compared with the previous year, the Group's greenhouse gas emissions decreased by 37.6%, mainly because the area of the New Factory was reduced by 44% as compared with that of the Old Factory, and the central air conditioning, which had high power consumption and was difficult to manage by sections, was replaced by the new type of split-type inverter air conditioner which is more cost-effective and managed by sections in the New Factory. This resulted in a significant reduction of Scope 1 emissions by 70.4%. In order to further formulate emission reduction objectives, the Group will continue to formulate the directions and measures of emission reduction by assessing and recording annual air pollutants and greenhouse gas emissions data, and disclose the Group's performance during the year to stakeholders.

Greenhouse Gas Emissions (tonnes carbon dioxide equivalent)	2024	2023	2022	2021
Scope 1 : Direct greenhouse gas emissions ⁷	95.6	323.5	324.7	410.9
Scope 2 : Energy indirect greenhouse gas emissions ⁸	797.2	1,107.5	1,252.3	1,224.2
Total greenhouse gas emissions	892.8	1,431.0	1,577.0	1,635.1
Intensity of greenhouse gas (tonnes carbon dioxide equivalent/HK\$ million (by output value))	15.3	18.9	26.3	22.3

Waste

The Group is committed to reducing the generation of hazardous and non-hazardous waste in its daily operation, including waste reduction at the source, classification for collection and recycling. For hazardous waste management, the Group places various firefighting equipment at the storage places of hazardous waste and regularly provides training on the classification and storage of hazardous waste for all employees to enhance their awareness of disposing of hazardous wastes.

In addition, the Group has implemented management measures for various types of wastes, from source reduction, collection and classification, to recycling and disposal, with clear operating procedures. We have compiled a detailed list of the chemicals used by each business unit, and seriously dealt with the hazardous wastes involved in our daily operations, such as air conditioning refrigerants containing Freon, air compressor oil, toner and ink cartridges, etc.

We have formulated guidelines for the transportation, storage, use and disposal of hazardous wastes according to their characteristics, and established an effective monitoring system to ensure the effective implementation of the related guidelines. At the same time, we attach great importance to the use of resources in each business process, and carry out effective statistics and analysis on business processes to propose improvement suggestions.

⁷ Scope 1 includes the combustion of mobile source fossil fuel and fugitive emissions related to refrigerants.

⁸ Scope 2 includes purchased electricity on the Group's premises.

Manage Hazardous Waste

Environmental Category - Management Plan for Hazardous Waste	
Objectives	All types of hazardous wastes are disposed of in accordance with regulatory requirements to reduce the impact on the environment.
Measures	<ul style="list-style-type: none"> All types of identified hazardous waste are stored at designated points with fire prevention measures in place; Store scrapped lamps, oily waste rags, etc. in a fixed location and clearly label the recycling details; Handing over the scrapped pen refills, ink cartridges, printing oil bottles, etc. to the management department for collection and storage, and recording the collection schedule; and All hazardous wastes were transferred to a professional recycling company for unified disposal after recycling at the industrial park where the Shenzhen Plant is located.

Manage Non-Hazardous Waste

Environmental Category - Management Plan for Paper Conservation	
Objectives	Educate our employees about conservation, actively encourage them to reduce waste and promote the recycling of resources.
Measures	<ul style="list-style-type: none"> Promote the use of electronic communication as a communication channel for daily work; Encourage employees to use double-sided printing and refuse excessive printing; Regularly inspect paper consumption equipment to ensure that problems are dealt with as soon as possible; and Promote the importance of paper conservation among employees and strengthen their awareness of paper conservation.

Waste	2024	2023	2022	2021
Total output of hazardous waste (tonnes)	0.3	0.7	0.4	0.5
Density (tonnes/thousand m²)	0.09	0.12	0.07	0.08
Total output of non-hazardous waste (tonnes)	18.6	26.3	28.9	31.0
Density (tonnes/thousand m²)	5.56 ⁹	4.38	4.82	5.17

During the Reporting Period, the Group generated a total of 0.3 tonne of hazardous waste, mainly including waste oil from the Shenzhen Plant. All hazardous wastes were transferred to a professional recycling company for unified disposal after recycling at the industrial park where the Shenzhen Plant is located. Meanwhile, the Group generated 18.6 tonnes of non-hazardous waste including paper, plastic and other daily waste during the Reporting Period. Paper and plastic are delivered to recyclers for recycling and sale, while general daily waste is disposed of upon unified collection.

⁹ In 2024, the increase in non-hazardous waste intensity compared to 2023 was mainly due to the 44% decrease in the area of the New Factory compared with that of the Old Factory.

Wastewater discharge

The wastewater of the Group mainly comes from the domestic wastewater in the Shenzhen Plant. In order to ensure the safe discharge of wastewater, the Group has established a set of sewage discharge system in accordance with the DB44/26-2001 secondary standard of "Guangdong Province Local Standard Water Pollutant Discharge Limits", and all wastewater was discharged only after proper treatment. The domestic wastewater is discharged into the septic tank via the pipeline, and then discharged into the municipal sewage pipeline after being processed.

In addition, the Group is committed to ensuring that well-developed sewage discharge systems are in place at all business locations and all wastewater is discharged only after proper treatment to minimize the impact on the environment.

PEOPLE AS THE KEY, BUILDING A BETTER FUTURE TOGETHER

The continuous efforts and contributions of our employees are pivotal to the business development of the Group. As such, the Group is committed to providing a good, happy and healthy working environment for its employees, whereby enabling them to settle down in their works and stretch their potential to the full. The Group has formulated a series of personnel policies such as the "Group Environmental and Social Policies", the "Human Resources Management Procedure", the "Occupational Health Management System" and the "Social Accountability Management Handbook", so as to clearly explain employees' rights and interests and work arrangements.

Employment System

Employees are the most important asset of Phoenitron, and the cornerstone of enterprise growth. The Group attracts talents through strict recruitment and selection procedures. The Group endeavors to provide an ideal working environment for its employees, take care of their physical and mental health and promote a work-life balance.

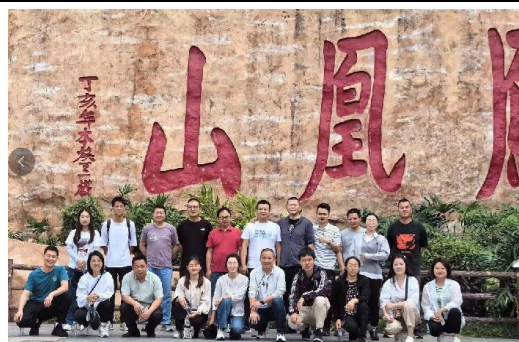
As an equal opportunity employer, Phoenitron has always been in strict compliance with the relevant recruitment legislations. All decisions about recruitment are made based on job requirements, the Group will not subject job applicants to unfair treatment because of age, gender, race, religion, marital status, sexual orientation, or disability. At the same time, the Group is committed to eliminating any form of discrimination and sexual harassment behaviors in the workplace. Therefore, the Group provides a set of clear employment management mechanism with reference to the requirements of SA8000 social responsibility standard, covering remuneration and benefits, working hours, health and safety, discrimination, punitive measures, freedom of association and right of collective bargaining for employees, so that employees understand their rights and responsibilities.

To encourage employees to actively report the company's operation to the management and make suggestions for improvement, the Group has established an "Employee Complaint and Suggestion Management System". In order to protect the interests of the complainants, the investigation will be conducted on an objective and confidential principle to ensure that all types of comments and complaints will be dealt with seriously, with a view to improving the relevant system, so as to avoid the recurrence of similar incidents and provide the best protection for all stakeholders. In addition, the Group also actively recognizes outstanding employees and encourages them to continue to improve.

Phoenitron hopes that every employee can achieve a work-life balance. Therefore, the Group offers sports and recreational activities for its employees. In addition, the Group provides comprehensive support and protection for its employees, including housing and communication allowance, work injury insurance, pension insurance, medical insurance, meal allowance, pensions, year-end bonuses and paid-leaves, etc.

Employment Responsibilities	Management Measures
Recruitment and dismissal	Adopting a strict recruitment and selection procedures and based on the principle of merit-based recruitment, the Group selects suitable candidates in a fair, open and just manner. The Group or employees may propose to terminate the labor contract as required, and complete the leave procedures in accordance with the requirements.
Compensation, benefits and promotion	The Group pays remuneration and benefits based on the functions of employees, which include housing and communication allowance, work injury insurance, pension insurance, medical insurance, meal allowance and social insurance, etc. According to the “Employee Promotion Policy”, department heads regularly fill out lists of recommendations for employee promotion and the Group periodically makes necessary adjustments to job grades after taking into consideration the working experience, qualifications, work performance and behavior of the respective employees, as well as the skills required for higher job positions. The Group has formulated the “Appraisal and Selection System for Outstanding Employees” and the “Reward and Punishment System”, outstanding employees will be granted year-end bonuses and win a promotion opportunity after evaluation by departments.
Working hours and rest periods	The Group arranges the reasonable working hours for employees in accordance with the “Attendance Management System”, and also provides different paid-leaves for employees, including annual leave, marital leave and maternity leave, etc.
Talent diversification	In terms of employment matters such as recruitment and promotion, the Group has formulated the “Diversification and Inclusiveness Policy” and undertook that all employees and job applicants will be provided with equal opportunity. All recruitment and promotion will be considered on the basis of performance and ability.
Anti-discrimination	The Group prohibits any form of discrimination and sexual harassment behaviors. All decisions about recruitment and promotion are made based on job requirements, the Group will not subject employees and job applicants to unfair treatment because of age, gender, sexual orientation, marital or family status, disability, race, nationality, religion or political view.
Staff complaint and suggestion mechanism	The Group has developed an “Employee Complaint and Suggestion Management System” for the employees to file complaints and make suggestions for improvement to the management on the company’s operation. All complaints and suggestions are seriously handled on an objective and confidential principle.

Employee Activity of Shenzhen Topwise - Climbing a Mountain for Blessing



Diversification and inclusiveness policy

Phoenitron believes in providing equal opportunities for all employees and understands that diversity in talent is beneficial to the development of the Group's business. Phoenitron believes that the employment and promotion of employees should be based on work performance, and strives to eliminate all forms of prejudice and discrimination. Our aim is to develop the talents of employees so that they can achieve their full potential. We believe that this is not only beneficial to employees, but also a smart way of doing business.

We are committed to creating an inclusive and supportive work environment for all employees, regardless of age, gender, sexual orientation, marital or family status, disability, race (including ethnicity or nationality), religion or political view. The Group believes that a diverse and inclusive environment enables employees to work with peace of mind and develop their strengths.

Phoenitron has tried its best to incorporate the principle of diversification and inclusiveness into its employment policy, so that all employees have the responsibility to work together with Phoenitron to create a harmonious and inclusive working environment.

During the Reporting Period, the Shenzhen Plant employed a total of 115 employees. The proportions of male and female employees were 64% and 36%, and the majority of employees were the age groups of 30-40, which accounted for 41% of the total number of employees. The new hire and employee turnover rates was 45% and 39%, respectively.

Health and Safety

The Group prioritizes the occupational health and safety of its employees and is committed to creating a safe and healthy working environment to prevent work-related accidents and occupational diseases. The Group has formulated the “Group Environmental and Social Policies” that sets forth the Group’s commitment to occupational health and safety. Each of the business units has also formulated occupational safety management system and set up a task responsible department to conduct occupational hygiene works. Among them, the Shenzhen Plant has formulated the “Occupational Health Management System” and the “Social Accountability Management Handbook” to work out management measures in respect of all safety issues to safeguard the health and safety of employees.

Phoenitron believes that a healthy and safe working environment is closely related to the operational efficiency of an enterprise. The Group regards the health and safety of its employees as its top priority and endeavors to prevent work-related injuries and occupational diseases. To this end, we have established strict occupational safety management system at each business unit to prevent, control and eliminate occupational disease hazards, protect the health and related rights of employees, and improve the working environment.

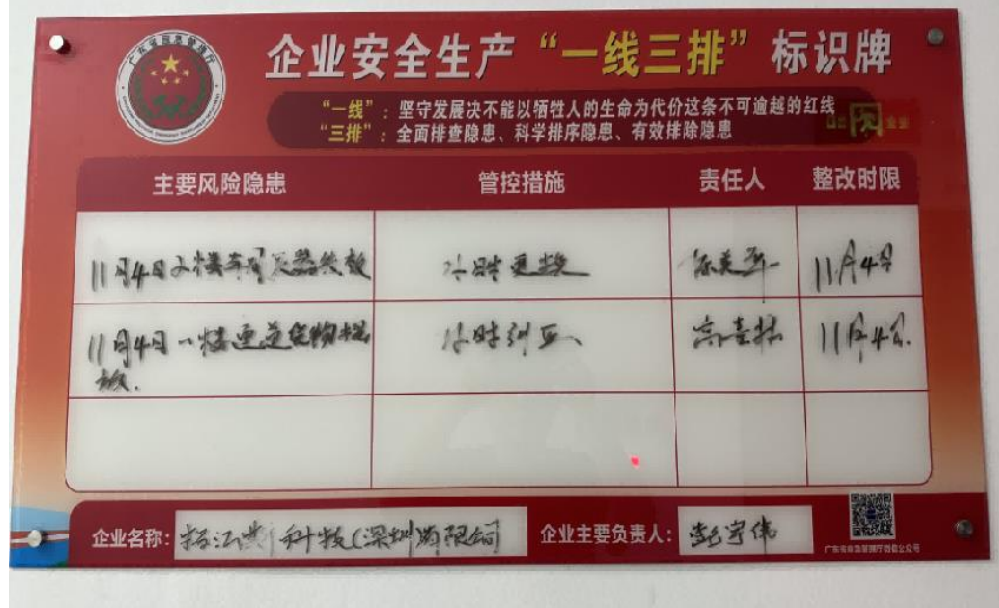
The Group has set up units dedicated to occupational hygiene in each of its businesses, which is responsible for formulating management measures on protective equipment and hazardous substances, promoting and training on the hazards of occupational diseases in each business unit, arranging regular health check-ups for employees who may be at risk of occupational diseases, and preparing detailed reports on accidents.

In our daily operations, we enhance the daily maintenance of all equipment and formulate operating codes to reduce the possibility of human error. In addition, the Group has established strict operating guidelines in respect of use, transportation, labelling, storage, leakage and disposal of chemicals based on the characteristics of chemicals in each business unit, and regularly audits the use and protective behaviors. If any irregularities deviations or deficiencies in operating procedures are found, corrective and preventive actions will be taken in a timely manner.

Testing resilience is an essential part of ensuring safe operations. Therefore, the Group has established a set of emergency management measures to deal with the environmental impacts (such as fire, etc.) that may occur in daily operations. We regularly conduct fire drills, promote awareness among employees, and deploy good fire prevention facilities to prevent fires and reduce the risks of environmental pollution and loss of life and property.

Health and Safety Measures	
Employees' protection	<p>For the sake of employees' production safety:</p> <ul style="list-style-type: none"> the Group has developed an operation code for production equipment to provide guidance on proper use equipment to employees. the Shenzhen Plant has purchased accident insurance and provide protective equipment and pandemic prevention supplies for employees.
Guidelines for handling chemicals and hazardous materials	<p>To ensure compliance with the requirements of operation and local laws, as well as mitigating the safety risks and hidden dangers:</p> <ul style="list-style-type: none"> the Group has formulated a set of established guidelines on the use and transportation, identification and storage, leakage and disposal, and regularly reviewed the relevant use procedures and its protective measures for chemicals and hazardous materials.
Inspection of equipment	<p>For potential risks of safety incidents and environmental disaster:</p> <ul style="list-style-type: none"> the Group will regularly inspect and maintain emergency equipment to ensure that they are in good condition. in case of safety incidents, the Group will conduct post-incident investigations to find out the causes, and corrective and preventive measures will be taken in a timely manner in the case of deficiencies or deviation from operational procedures.
Training and drills	<p>To enhance employees' awareness of occupational safety and emergency:</p> <ul style="list-style-type: none"> the Group provides occupational hygiene training to employees on a regular basis. the Group has developed emergency response management plans and measures, and conducted fire drills and emergency drills periodically.
Health of employees	<p>To protect the health of employees:</p> <ul style="list-style-type: none"> the Group provides regular occupational hygiene and health check-ups for its employees and regularly provides various sports and recreational activities for its employees.

Safety signs inside the factory of Shenzhen Topwise



Labor Standards

Phoenitron is fully aware that both the employment of child labor and forced labor violate basic human rights and international labor conventions and pose threat to sustainable social and economic development. The Group strictly complies with all applicable laws and conventions, and a set of policies and enforcement measures have been established to address child labor and forced labor violate issues.

In the process of recruitment of new employees, the personnel and administration department of the Group will verify the identity documents of the job applicants to ensure that they meet the minimum working age requirements of local laws and regulations. We also monitor minor employees to ensure that their work, health, education and well-being are in compliance with all applicable laws and conventions. In addition, the Group ensures that all employees work voluntarily and that no form of forced labor is tolerated. We have formulated that no deposits shall be taken from new employees or existing employees or no employees' identity documents shall be withheld.

The Group clearly prohibits both the employment of child labor and any form of forced labor violate, and lists our commitments and measures on these issues in the “Social Accountability Management Handbook” and the “Human Resources Management Procedure”.

Measures to Avoid the Employment of Child Labor	
Age checking	In the process of recruitment, the personnel and administration department of the Group will strictly verify the identity documents of the job applicants to ensure that they meet the minimum working age requirements of local laws and regulations.
If it is found that a child labor is hired by mistake	The Group shall immediately cease their works. Besides, the Group shall take remedial actions and be responsible for all required expenses of the child labor under legal working age according to the “Child Labor Rescue Control Procedure”.
Avoiding Forced Labor Measures	
Requirement of “Social Accountability Management Handbook”	The Group has formulated the “Social Accountability Management Handbook”, which stipulates that no deposits shall be taken from employees or no employees’ identity documents shall be withheld, and ensures that all employees work on a voluntary basis. The Group has formulated resignation procedures, pursuant to which, employees can apply for resignation as required and obtain wages to which they are entitled to leave freely.

Development and Training

Phoenitron is committed to providing employees with adequate support and creating a pleasant and healthy working environment. We believe that providing equal opportunities for our employees in all aspects, including remuneration, benefits, recruitment, training, development, promotion and transfer, is the best way to maintain stable human resources. The Group focuses on creating efficiency and value for individuals and the Company, which includes encouraging employees training and learning, and safeguarding their health and safety. Our mission is to hire people on their merits, is a genuine meritocracy where everyone is assessed on their ability and performance.

To ensure that new employees members understand the job requirements, the Group has established a set of induction training management systems for new employees. Before taking office, we will explain the work in detail and provide technical training. Employees are required to have an internship after completing the training, and only after the internship can they officially put into work. If the performance is not up to the standard during the internship, the employee will receive additional training to find ways to improve.

In order to enhance the staff's functions and skills at work, the Group has set up a comprehensive training programme with a view to enhancing the employees' ability to cope with specific business needs. Through on-the-job training, we encourage our employees to broaden their skills and facilitate their career development within the Group.

In terms of employees promotion, Phoenitron has established a set of comprehensive internal management system to recognize and encourage their positive contributions. Proposed promotion lists are filled in by department heads on a regular basis, and ranks are adjusted according to the work experience, qualifications, performance and required skills of employees on a regular basis.

In the face of the rapidly evolving technological environment, Phoenitron is committed to providing training and development programs to help employees upgrade their knowledge and skills to cope with the ever-changing challenges and competition. The Group has always attached great importance to the career development of its employees, and is committed to providing appropriate training and development opportunities for employees at different positions and levels to strengthen the Group’s competitiveness.

The Group has formulated the “Group Environmental and Social Policies” to implement training and development policies. The Shenzhen Plant has also developed a series of employee training plans in accordance with the “Training Control Procedure” and the “Orientation Training Procedure for New Employees”. A training file is created for each employee to record the training content and performance of the employee.

The following are the training contents of the Shenzhen Plant during Reporting Period:

Orientation training	New hires are required to accept orientation training, which includes the study of corporate culture, teamwork and disciplines, product quality and safety awareness. They are required to have pre-job internship before officially taking the job to make sure that they are fit for the job requirements.
Technical training	According to the production process and employee position requirements, trainings of job professional knowledge, process flow, machine operation and new product will be provided to employees.
Vocational training	Job-related training, covering topics such as fire safety, emergency response, anticorruption, business ethics and green procurement, is provided to employees according to their job needs, thereby enhancing their professional knowledge and skills.

Percentage of Employee Accepting Training	Total Training Hours Received by Employees	Percentage of Employees Subject to Regular Appraisal
100%	1,219.5	100%

Training topics during the year	Brief description of training content
Safety training	Product Safety, Information Security Training, Security Awareness Training
Fire drill with community fire brigade	Safe Evacuation, Use of Fire Equipment
New Employee Orientation	Code of Conduct, Factory Discipline, Anti-Corruption
Job skills training	Skills for Each Position
Continuing Operations Plan Training	Continuing Operations Plan Drill

Training photos of Shenzhen Topwise



OPERATION RESPONSIBILITY

The Group always adheres to business ethics and strives to improve the quality of products and services for its customers. The Group has established the “Group Environmental and Social Policies” and a series of policies on product responsibility, anti-corruption and supply chain management to standardize daily operating procedures.

Product Responsibility

Phoenitron is committed to establishing the resources required for each process and clearly defining the responsibilities of the relevant executives. We monitor and analyses the production processes, conduct regular system reviews and take improvement measures to ensure sustainable improvements of our production operations and safeguard excellent product quality. At the same time, the Group has been proactive in introducing international certification standards to provide ideal specifications for each of its business operations, so as to help it rise to a leading level in the industry.

In order to protect the privacy of customers, the Group has established security protection mechanisms and retained operation records at all stages of processing product data submitted by customers, including receipt, storage, internal transmission, processing, delivery and destruction. We maintain active communication with customers on security breaches and risks, and make every effort to ensure customer data security.

The Group adopts strict standards for the production process of its products. The Shenzhen Plant has formulated policies on product quality, complaint handling procedures and customers' privacy protection to ensure that product quality meets the requirements of customers and local policy.

Product Responsibility	Management Measures
Product quality	The Group has established a quality management system that complies with ISO 9001:2015 certification, and comprehensively monitors and analyses the production process in order to control the product quality effectively and ensure that the product quality can be complied with the customer requirements. The Group also regularly reviews the quality management system and adopts improvement measures to improve the production process and enhance product quality. There was no case of product recall during the Reporting Period. In order to enhance the assurance of product quality and protection of customers' assets, the Shenzhen Plant started the preparation for the GSMA SAS-UP, a security certification of Global System for Mobile Communications at early 2024, with a brand-new security protection system and hardware and software for data confidentiality come into service. The relevant certification has been approved in December 2024 and proceeded smoothly.
Label management	The Group attaches different labels to raw materials, semi-finished products and finished products for classification management and traceability purposes. In accordance with "Control Procedures on Product Identification and Traceability", all labels set out information such as product name, product number, quantity and inspector's name for the convenience of future quality monitoring and management.
Customers' privacy	The Group has formulated a security protection mechanism in accordance with the "Confidentiality Management System of Customers' Information" to protect customer product data at different stages such as receipt, storage, internal transmission, processing, delivery and destruction. Customer data shall be classified and archived according to the degree of confidentiality, access rights and operation records are set to ensure the security of customer data. If any security breaches and data leakages are discovered, the Group will immediately take remedial measures, notify customers and discuss solutions with them.
Intellectual property	The Group adopts measures to protect intellectual property rights in accordance with the "Management Manual", and prohibits any employee from disclosing any customers' intellectual property rights and related information to third parties without the customers' approval, so as to reduce the risk of data leakage during its business operations.
Complaint handling	The Group has established a customer complaint mechanism for customers to make complaints about product quality issues. The Group will make an investigation upon receipt of relevant complaints, and formulate corrective measures to meet customer requirements. During the Reporting Period, the Group received only one customer complaint mainly about the position deviation of the Smart Card Milling Slot. As such, the Group had analyzed the reasons and took corrective measures. During the Reporting Period, this complaint has been properly resolved.

Supply Chain Management

Phoenitron fully recognizes the importance of perfect supply chain management and good procurement management to sustainable operation of the enterprise. On the basis of complying with laws and regulations, when procuring specific services or commodities, the Group not only considers price, quality, delivery ability, service quality and integrity, but also requires suppliers to comply with international principles on human rights, environmental protection, labor safety, forced labor and child labor. In addition, our purchasing decisions also incorporate the environmental impact of purchased products as an important consideration.

To achieve this goal, Phoenitron actively introduces international certification standards and formulates implementation guidelines for supply chain management. We have clearly stated our environmental and social responsibility policies to our major suppliers and required them to comply with relevant principles and accept supervision. The Group conducts surveys in different forms and conducts on-site assessments when necessary to check the on-site environmental conditions of suppliers, and requires suppliers to sign a letter of undertaking confirming that they will abide by the Group's environmental policies and requirements during the provision of products or services.

If we find any violation of the Group's environmental and social responsibility policy or customers' social responsibility requirements during our operations, we will investigate and formulate a treatment plan, and monitor the plan to ensure its effective implementation. Phoenitron attaches great importance to the relationship with its suppliers, and expects to improve the environmental and social performance of the entire supply chain through cooperation to ensure excellent product quality and jointly promote sustainable development.

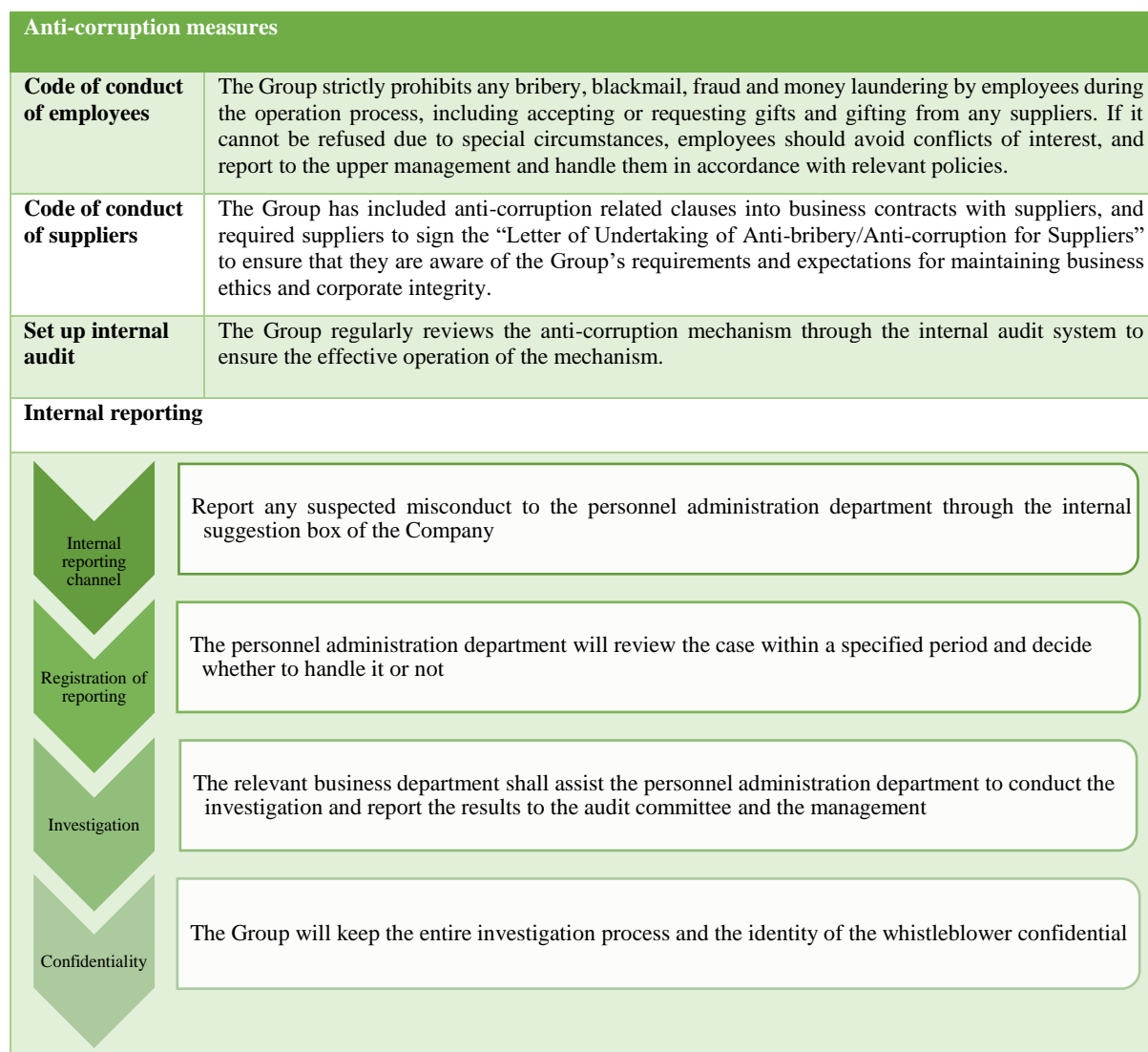
Effective supply chain management is essential for the product quality and daily operations of corporate. As a responsible company, the Group understands that the suppliers' environmental and social performance including human rights, environmental protection, labor safety, forced labor and child labor should also be considered in the procurement process other than considering only the price, quality, delivery capability, service, integrity and compliance. Furthermore, preference is given to purchasing raw materials with less environmental impact where practicable. The Shenzhen Plant regulates the procurement and supplier selection process in accordance with the "Social Accountability Management Handbook", "Purchasing Control Procedures" and SA8000 "Standards on Social Accountability Management System".

Supplier selection	The Group requires suppliers to sign the "Environmental Protection Commitment Agreement" and undertake to comply with the requirements of the Group's SA8000 "Standards on Social Accountability Management System", so as to ensure that suppliers' supplies will be complied with the Group's requirements for environment, human rights, and employee safety and labor.
Supplier evaluation	The Group inspects the suppliers' supply performance through questionnaires. If the performance is found to be unsatisfactory, the Group will discuss with them and formulate solutions to ensure that the suppliers meet the supply requirements.
Employee training	The Group regularly arranges trainings for employees to understand the current development of green procurement in the industry and enhance employees' perception and awareness.

Anti-corruption

Adhering to the core values of honesty, fairness, transparency and accountability, the Group firmly believes that the strict implementation of the anti-corruption policies will not only gain the continuous trust from customers, but also enhance employees' recognition and sense of belonging. The Group has formulated a series of anti-corruption policies and codes, such as the "Group Environmental and Social Policies" as well as the "Anti-corruption and Anti-bribery Control Procedure" and "Gift and Gifting Procedure" of the Shenzhen Plant, so as to avoid any form of corruption and bribery and promote a culture of internal integrity.

The Group has established anti-corruption codes in each business unit to prevent the occurrence of corrupt practices. Any suspected corruption or fraudulent incidents will be immediately investigated by the relevant business departments and reported to the audit committee and the management, which will be reviewed through the internal audit system when necessary. At the same time, to demonstrate to suppliers that Phoenitron takes a firm stance on anti-corruption and fraud, we have included relevant clauses in supplier contracts to ensure that they understand the Group's requirements. We have further improved our overall mechanism through independent audit work integrated with our internal audit system.



In order to strengthen employees’ awareness of anti-corruption and corporate integrity culture, the Shenzhen Plant provided 52 employees with a total of 104 hours of anti-corruption trainings during the Reporting Period. During the Reporting Period, the Group did not receive any legal cases on corruption against the Group or its employees.

CARE FOR THE COMMUNITY

Adhering to the tenet of “from the community, for the community”, the Group is committed to performing corporate social responsibility to take care of the needs of different people in the communities. The Group has formulated the "Group Environmental and Social Policies" and the "Giving Back to the Society and Social Investment Management System" to implement the Group’s direction of community investment.

The Group encourages employees to actively participate in the public welfare undertakings, giving back to the local community through actions and promoting positive development of the society. The Shenzhen Plant allocated a total of RMB9,000 and 40 hours for different activities in the community during the Reporting Period. Looking ahead, the Group will continue to participate in all kinds of community projects and give back to the society.

Natural Environment

Tree-planting day

A total of 10 employees were sent out to participate in this event and RMB8,000 were invested

Labor Employment

Charity-based recruitment event

A total of 2 employees were sent out to participate in this event and RMB1,000 were invested

Tree-planting day photo of Shenzhen Topwise



OVERVIEW OF KEY PERFORMANCE INDICATORS

Environmental Performance

Environmental Key Performance Indicators		2024	2023	2022	2021	Unit
Atmospheric pollutants ¹⁰	Nitrogen oxides	1.51	1.19	1.72	2.02	kg
	Sulphur oxides	0.47	0.38	0.49	0.51	kg
	Respirable suspended particulates	0.14	0.11	0.16	0.19	kg
Greenhouse gas	Scope 1 ¹¹	95.6	323.5	324.7	410.9	Tonnes carbon dioxide equivalent
	Scope 2 ¹²	797.2	1,107.5	1,252.3	1,224.2	Tonnes carbon dioxide equivalent
	Total greenhouse gas emissions	892.8	1,431.0	1,577.0	1,635.1	Tonnes carbon dioxide equivalent
	Intensity of greenhouse gas emissions (by output value)	15.3	18.9	26.3	22.3	Tonnes carbon dioxide equivalent/ HK\$ million
Hazardous waste	Total hazardous waste	0.3	0.7	0.4	0.5	tonnes
	Intensity of hazardous waste (by per thousand square metre)	0.09	0.12	0.07	0.08	tonnes/ thousand m ²
Non-hazardous waste	Total non-hazardous waste	18.6	26.3	28.9	31.0	tonnes
	Intensity of non-hazardous waste (by per thousand square metre)	5.56	4.38	4.82	5.17	tonnes/ thousand m ²
Energy	Gasoline	61.3	49.1	61.0	61.0	MWh
	Electricity	1,566.7	2,176.4	2,195.8	2,096.3	MWh
	Total energy consumption	1,628.0	2,225.5	2,256.8	2,157.3	MWh
	Intensity of energy (by output value)	27.8	29.4	37.7	29.5	MWh/ HK\$ million
Water consumption	Total energy consumption	5,029.0	2,383.0	2,539.5	2,819.1	m ³
	Intensity of water consumption (by number of employees)	43.7	22.1	21.2	23.5	m ³ /employee
Packaging materials	Total packaging materials	87.1	119.0	120.4	132.1	tonnes
	Intensity of packaging materials (by output value)	1.49	1.57	2.01	1.80	tonnes/ HK\$ million

¹⁰ Including only atmospheric pollutant emissions related to the combustion of mobile source fossil fuels.

¹¹ Scope 1 includes the combustion of mobile source fossil fuels and fugitive emissions related to refrigerants. There were no stationary emission sources during the Reporting Period.

¹² Scope 2 includes purchased electricity on the Group's premises.

Social Performance

Employee Distribution			2024	2023	2022	2021
Number of employees	Gender	Male	74	70	85	84
		Female	41	38	35	36
	Age	Below 30	27	86	53	53
		30-40	47	10	48	48
		41-50	32	10	17	17
		Above 50	9	2	2	2
	Position	Main leaders	2	2	2	2
		Senior management	11	11	11	11
		Middle management	10	10	10	10
		Ordinary employees	92	85	97	97
Total number of employees		115	108	120	120	
Number and percentage of new hires	Gender	Male	35 (47%)	35 (50%)	39 (46%)	39 (46%)
		Female	17 (41%)	8 (21%)	12 (34%)	12 (33%)
	Age	Below 30	33 (122%)	43 (50%)	30 (57%)	30 (57%)
		30-40	14 (30%)	0 (0%)	19 (40%)	19 (40%)
		41-50	4 (13%)	0 (0%)	2 (12%)	2 (12%)
		Above 50	1 (11%)	0 (0%)	0 (0%)	0 (0%)
	Position	Main leaders	0 (0%)	0 (0%)	0 (0%)	0 (0%)
		Senior management	0 (0%)	0 (0%)	0 (0%)	0 (0%)
		Middle management	0 (0%)	0 (0%)	0 (0%)	0 (0%)
		Ordinary employees	52 (57%)	43 (51%)	51 (53%)	51 (53%)
Percentage of new hires		45%	40%	43%	43%	
Number and percentage of employee turnover	Gender	Male	31 (42%)	50 (71%)	38 (45%)	41 (49%)
		Female	14 (34%)	5 (13%)	13 (37%)	14 (39%)
	Age	Below 30	45 (167%)	55 (64%)	29 (55%)	33 (62%)
		30-40	0 (0%)	0 (0%)	22 (46%)	22 (46%)
		41-50	0 (0%)	0 (0%)	0 (0%)	0 (0%)
		Above 50	0 (0%)	0 (0%)	0 (0%)	0 (0%)
	Position	Main leaders	0 (0%)	0 (0%)	0 (0%)	0 (0%)
		Senior management	0 (0%)	0 (0%)	0 (0%)	0 (0%)
		Middle management	0 (0%)	0 (0%)	0 (0%)	0 (0%)
		Ordinary employees	45 (49%)	55 (65%)	51 (53%)	55 (57%)
Percentage of employee turnover		39%	51%	43%	46%	

Staff Training		2024	2023	2022	2021	
Number and percentage of trained individuals	Gender	Male	74 (100%)	70 (100%)	80(94%)	80 (95%)
		Female	41 (100%)	38 (100%)	34(97%)	34 (94%)
	Position	Main leaders	2 (100%)	2 (100%)	2 (100%)	2 (100%)
		Senior management	11 (100%)	11 (100%)	11 (100%)	11 (100%)
		Middle management	10 (100%)	10 (100%)	10 (100%)	10 (100%)
		Ordinary employees	92 (100%)	85 (100%)	91 (94%)	91 (94%)
Average training time (hour)	Gender	Male	10.6	9.2	10.1	10.3
		Female	10.6	9.2	11.4	11.5
	Position	Main leaders	10	4.5	6.0	6.0
		Senior management	10	4.5	5.5	6.0
		Middle management	10	4.5	9.6	11.2
		Ordinary employees	10.8	10.5	11.3	11.3
Number of employees who receive a regular performance and career development review	Gender	Male	74	70	54	54
		Female	41	38	14	14
	Position	Main leaders	2	2	2	2
		Senior management	11	11	11	11
		Middle management	10	10	10	10
		Ordinary employees	92	85	45	45

Occupational Safety and Health Performance

Occupational Safety and Health Performance	2024	2023	2022	2021
Number and rate of work-related fatalities	0 (0%)	0 (0%)	0 (0%)	0 (0%)
Number of work injury	0	0	0	0
Lost days due to work injury	0	0	0	0

Supply Chain Management Performance

Location of Suppliers	2024	Percentage of Suppliers Implementing Relevant Practices ¹³
Mainland China	6	100%

¹³ The Group selects suppliers in accordance with the "Social Accountability Management Handbook", the "Procurement Control Procedures" and the SA8000 "Standards on Social Accountability Management System".

"ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE" CONTENT INDEX

Subject Areas	Contents	Section Reference
Mandatory Disclosure Requirements		
Governance structure	(i) Disclosure of the Board's supervision for environmental, social and governance matters.	Message from the Board/ Sustainability governance
	(ii) The Board's approach and strategy for environmental, social and governance management, including the process for assessing, prioritizing and managing significant environmental, social and governance related issues, including risks to the issuer's business.	Message from the Board/ Sustainability governance
	(iii) How the Board reviews progress against ESG-related objectives and explains how they relate to the issuer's business.	Message from the Board/ Sustainability governance
Reporting Principle	Materiality: The ESG report should disclose (i) the process for identifying material ESG factors and the criteria for their selection; and (ii) if the issuer has undertaken stakeholder engagement, a description of the material stakeholders identified and the process and results of the issuer's stakeholder engagement.	Report standards
	Quantitative: Information on the standards, methods, assumptions and/or calculation tools used to report emissions/energy consumption (where applicable) and the source of conversion factors used should be disclosed.	Report standards
	Consistency: Issuers should disclose changes in statistical methodology or key performance indicators (if any) or any other relevant factors affecting meaningful comparisons in ESG reports.	Report standards
Scope of report	Explain the scope of ESG reporting and describe the process of selecting which entities or businesses to include in the ESG report. If the scope of reporting changes, issuers should explain the differences and the reasons for the changes.	Scope of report
"Comply or explain" clause		
A. Environment		
Level A1 : Emissions		
General Disclosure	Information on : (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Green integration and ecological coordination/ Compliance performance
A1.1	The types of emissions and respective emissions data.	Green integration and ecological coordination/ Environmental performance
A1.2	Direct (Scope 1) and energy indirect (Scope 2) GHG emissions and density (if applicable).	Greenhouse gas emissions/ Environmental performance
A1.3	Total hazardous waste produced and intensity (if applicable).	Waste/ Environmental performance
A1.4	Total non-hazardous waste produced and intensity (if applicable).	Waste/ Environmental performance
A1.5	Description of the emission targets and the steps taken to achieve these targets.	Green integration and ecological coordination
A1.6	Description of the methods used to dispose hazardous and non-hazardous waste, and describe the waste reduction targets and the steps taken to achieve these targets.	Green integration and ecological coordination

Level A2 : Use of resources		
General Disclosure	Policies on the efficient use of resources (including energy, water and other raw materials).	Resource conservation
A2.1	Direct and/or indirect energy consumption by type in total and intensity.	Energy/Environmental performance
A2.2	Water consumption in total and intensity.	Water consumption/ Environmental performance
A2.3	Description of energy efficiency targets and the steps taken to achieve these targets.	Green integration and ecological coordination
A2.4	Description of whether there is any issue in sourcing water and the water efficiency targets and the steps taken to achieve these targets.	Green integration and ecological coordination
A2.5	Total packaging material used for finished products and with reference to per unit produced (if applicable).	Packaging materials/ Environmental performance
Level A3 : The Environment and Natural Resources		
General Disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources.	Green integration and ecological coordination
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Green integration and ecological coordination
Level A4 : Climate Change		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Climate change
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.	Environmental, social and governance risk management
B. Society		
Level B1 : Employment		
General Disclosure	Information on : (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, antidiscrimination, and other benefits and welfare.	People as the key, building a better future together / Compliance performance
B1.1	Total workforce by gender, employment type, age group and geographical region.	Social performance
B1.2	Employee turnover rate by gender, age group and geographical region.	Social performance
Level B2 : Health and Safety		
General Disclosure	Information on : (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Health and safety/ Compliance performance
B2.1	The number and rate of work-related fatalities in each of the past three years (including the reporting year).	Occupational safety and health performance
B2.2	Lost days due to work injury.	Occupational safety and health performance
B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Health and safety

Level B3 : Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Development and training
B3.1	The percentage of employees trained by gender and employee category.	Social performance
B3.2	The average training hours completed per employee by gender and employee category.	Social performance
Level B4 : Labor Standards		
General Disclosure	Information on : (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor.	Labor standards/ Compliance performance
B4.1	Description of measures to review employment practices to avoid child and forced labor.	Labor standards
B4.2	Description of steps taken to eliminate such practices when discovered.	Labor standards
Level B5 : Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Supply chain management
B5.1	Number of suppliers by geographical region.	Supply chain management/ Supply chain management performance
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Supply chain management/ Supply chain management performance
B5.3	Description of practices for identifying environmental and social risks in each segment of the supply chain, and related implementation and monitoring methods.	Supply chain management
B5.4	Description of practices to promote the use of environmentally friendly products and services in the selection of suppliers, and related implementation and monitoring methods.	Supply chain management
Level B6 : Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress.	Product responsibility/ Compliance performance
B6.1	Percentage of the total number of products sold or shipped that have to be recalled for safety and health reasons.	Product responsibility
B6.2	Number of products and service-related complaints received and how they are dealt with.	Product responsibility
B6.3	Description of practices relating to observing and protecting intellectual property rights.	Product responsibility
B6.4	Description of quality assurance process and recall procedures.	Product responsibility
B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Product responsibility

Level B7 : Anti-corruption

General Disclosure	Information on : (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Anti-corruption/ Compliance performance
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Anti-corruption
B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Anti-corruption
B7.3	Description of the anti-corruption training provided to directors and employees.	Anti-corruption

Level B8 : Community Investment

General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Care for the community
B8.1	Focus areas of contribution.	Care for the community
B8.2	Resources contributed to the focus area.	Care for the community