



中國基礎能源控股有限公司

China Primary Energy Holdings Limited

(Incorporated in the Cayman Islands with limited liability)
(Stock Code : 8117)



2024 ENVIRONMENTAL, SOCIAL
AND GOVERNANCE REPORT

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I. PREAMBLE

Energy is vital in supporting people's daily lives and nation's development in modern society nowadays. Phasing out non-renewable sources including coal and other fossil fuels for energy generation has become an emerging trend in light of the current severe climate change situation. During this transitional period to renewable energy sources, natural gas is considered a less-polluting options, emitting fewer emissions, including air pollutants and carbon dioxide (CO₂), while providing comparable energy to coal, petroleum and other fossil fuels in the short-term. China Primary Energy Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group") recognise the importance of investing in green energy to accelerate the global transition to a clean energy system, in the meantime, continue to advance their performance across the Environmental, Social and Governance ("ESG") aspects.

China has targeted to achieve carbon neutrality by 2060 and increase the proportion of non-fossil fuels in its primary energy consumption to around 25 percent by 2030, demonstrating the nation's determination in striving for green development and a better future. In reviewing the targets outlined on the 14th Five-Year Plan, the Chinese government has been actively working to combat climate change. National policies and guidelines have been established and released for industries to follow, including the "Action Plan for Carbon Dioxide Peaking Before 2030" (《2030年前碳達峰行動方案》) and the "14th Five-Year Plan for Renewable Energy Development" (《「十四五」可再生能源發展規劃》). The Group is dedicated to taking its responsibility as a clean energy provider and supporting the ambitions of the Chinese government.

Moving forward, the Group is committed to enhancing its clean energy transformation while improving its performance in environmental protection, social wellbeing and economic growth. By optimising its ESG system and performance, the Group aims at further exploring sustainable alternatives both within its operations and throughout its entire value chain.

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II. ABOUT THIS REPORT

The Group is pleased to present its ESG Report (“ESG Report”) for financial year 2024 (“FY2024”), covering the period from 1 January 2024 to 31 December 2024. Through this ESG Report, the Group aims to demonstrate its strategies and performance concerning ESG management and corporate sustainable development. Key challenges and opportunities that the Group has found along the pathway towards sustainability, together with the effective approaches and strategies that the Group will implement to overcome these challenges and seize the opportunities are also outlined in this report.

This ESG report was prepared in compliance with Appendix C2 – Environmental, Social and Governance Reporting Guide (“ESG Guide”) and under the “Comply or Explain” provision as set out in the GEM Listing Rules on The Hong Kong Exchanges and Clearing Limited (“HKEX”). Under the guidance of the HKEX’s ESG Guide and relevant standards, the Group has strictly conformed to the requirements and recommended steps for measuring, recording, evaluating and disclosing its ESG performance during the year under review. This ESG Report was also prepared with reference to the Global Reporting Initiative (“GRI”) Standards. For readers’ convenience, a complete content index and a linkage table of the GRI Standards are available at the end of the ESG Report.

Reporting Scope

The Operational Control Approach is adopted as the foundation for setting the reporting boundary in this ESG Report. The report covers the key environmental and social performance within the operational boundaries of the Group. These boundaries comprise of the Group’s activities in the transmission and distribution of natural gas, sales of heat and biomass gasification-related products, property investment mainly in the People’s Republic of China (the “PRC”), and trading of electronic components in Hong Kong. For information regarding corporate governance, please refer to the Group’s 2024 Annual Report.

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Reporting Principles

The preparation of this ESG Report adheres to the Reporting Principles outlined in the ESG Guide, which include Materiality, Quantitative, Balance and Consistency. The following is a description of how these principles have been applied throughout the ESG Report.

Materiality:

The Group recognises the importance of identifying and evaluating significant ESG issues as well as the related risks and opportunities. To obtain feedback from stakeholders about their concerns and expectations regarding the Group's sustainable development, an annual materiality assessment is conducted. The outcomes are reviewed by the Group's Board of Directors (the "Board") and serve as a valuable resource to inform the Group's business development. For more details, please refer to the chapter **STAKEHOLDER ENGAGEMENT**.

Quantitative:

This ESG Report encompasses quantitative data and Key Performance Indicators ("KPIs") that numerically represent the Group's environmental and social performance. Each performance table includes footnotes that clearly explain the corresponding calculation methods, assumptions and conversion factors used.

Balance:

To provide a comprehensive overview of the Group's sustainability performance, the Group is fully transparent about its significant achievements as well as areas for improvement.

Consistency:

The Group acknowledges the importance of adopting a consistent methodology and framework that align with previous ESG Reports for its stakeholders. This approach facilitates meaningful comparisons of the Group's sustainability performance. In the event of any significant differences from previous reporting framework, appropriate explanations will be provided.

Information Disclosure

The information in this ESG Report was collected through a number of channels, including internal policies of the Group's different subsidiaries, factual evidence of the implementation of ESG practices within the Group, feedback from staff via online surveys including both quantitative and qualitative questions based on the reporting framework, and the statistics of the Group's annual performance in business operations and sustainable development. This ESG Report is prepared in both English and Chinese. In case of any conflict or inconsistency, the English version shall take precedence.

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III. SUSTAINABILITY GOVERNANCE & STRATEGY

Board Statement

Being a clean energy provider, the Group understands its responsibility to actively pursue pathways that facilitate a clean energy transformation in support of a sustainable future. In order to continue its commitment to support the nation's green development and its target of carbon neutrality before 2060, the Group is dedicated to planning and implementing appropriate and effective strategies.

ESG management approach and strategy

The Group acknowledges that an efficient and robust governance structure is essential for its sustainable development. Therefore, the Group adopts a “top-down” management approach within its sustainability governance framework (as illustrated in **Sustainability Governance Structure** below), allowing communications of the Group's ESG vision and strategy from the Board to management teams and general staff. Concerning the overseer of the Group's ESG issues, the Board takes the ultimate responsibility for ensuring the effective implementation of ESG policies and reporting matters.

The Board evaluates, prioritises and manages material ESG issues proactively by stakeholder engagement and materiality assessment, which will be further discussed in the chapter **STAKEHOLDER ENGAGEMENT**. Under the leadership of the Board, the Group's management teams develop effective policies and operational procedures that address various ESG-related areas to implement sustainability strategies.

Roles and responsibilities

The management teams, together with the external ESG consultants engaged by the Group, are responsible for evaluating the degree of effectiveness of the ESG policies implemented. The Group's progress towards relevant goals and targets are monitored, while the outcomes of the materiality assessment are also considered.

To keep the Board informed about the Group's performance in maintaining a robust ESG mechanism and its overall progress towards relevant objectives, information is summarised and presented during conference meetings. Regular updates from the management, along with the Group's annual ESG report, provide the Board with timely insights. The Board continuously reviews the Group's practices and performance, based on qualitative descriptions and numeric figures of metrics related to environmental impacts, labour practices, operations, and other relevant topics derived from its materiality assessment. Trend analysis on the context of sustainability can then be conducted with the metrics.

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Looking forward

The Group is dedicated to continuing to explore new environmentally friendly technologies for energy generation. With sustainable alternatives, energy can be generated more efficiently while producing fewer emissions and pollutants. Low-carbon and cost-effective solution, including electrification and biomass gasification technology using rice husk as the primary raw material, has been developed and adopted. Such innovations will continue to help meet the nation's target of carbon neutrality by 2060 while striving towards a cleaner future.

Last but not least, on behalf of the Board, I would like to express my sincere gratitude to our employees, management team, Board members, as well as our business partners and clients, for their continued support and valuable contributions towards the Group's sustainable development.

Integration of ESG Risk Management

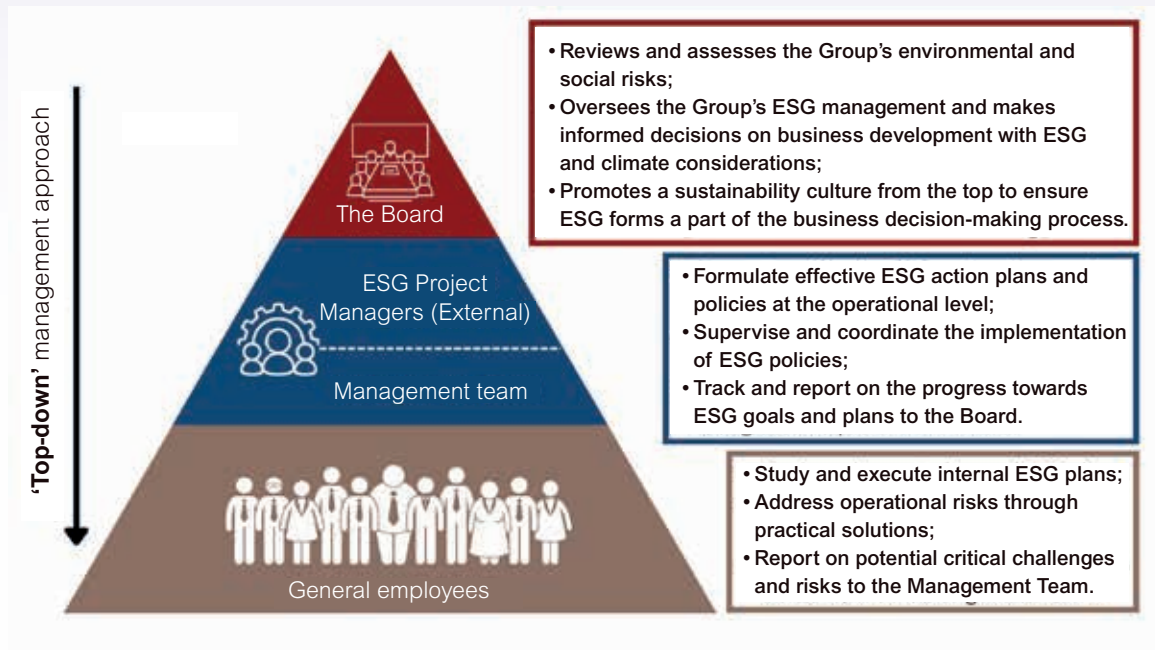
Risk management is an important part in maintaining stable and resilient business operations for the Group. With ever-changing needs of its stakeholders and industry trends, the Group regularly reviews and updates its sustainability policies while taking into account material ESG-related risks.

In addition, the Group has implemented a transparent and efficient reporting mechanism to effectively manage ESG risks. This system allows the Board to promptly identify, assess and respond to both actual and potential ESG risks. It also supports necessary adjustments to the annual budget and commercial planning.

As part of its ESG integration plan, the Group is dedicated to promoting the idea and strategies of ESG across all relevant Board committees and functional departments. For more details on the Group's risk management approaches, please refer to section **A.4 Climate Change** in the chapter **ENVIRONMENTAL SUSTAINABILITY**.

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Sustainability Governance Structure



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IV. STAKEHOLDER ENGAGEMENT

The Group believes stakeholders' concerns and expectations in its ability are the keys to create long-term value. Valuing stakeholders' feedback, the Group highly prioritises on building and maintaining trusting and supportive relationships with them.

In FY2024, the Group engaged with its stakeholders through various channels and promptly addressed their concerns. The effective management of stakeholder relationships allowed the Group to understand their needs and expectations, thus developing corresponding approaches in response. The following table outlines the expectations of the Group's stakeholders and their preferred communication channels.

Table 1 Stakeholders Expectations and Communication Channels

Stakeholders	Expectations and Concerns	Communication Channels
Government and regulatory authorities	<ul style="list-style-type: none"> - Compliance with laws and regulations - Support economic development - Business sustainability - Acceleration of energy restructuring towards clean and renewable energy 	<ul style="list-style-type: none"> - Supervision on the compliance with local laws and regulations - Routine reports and tax paid
Shareholders	<ul style="list-style-type: none"> - Return on investments and targets achievements - Corporate governance and communication - Policy reviews and performance monitoring 	<ul style="list-style-type: none"> - Regular reports and announcements - Regular general meetings - Official company website
Employees	<ul style="list-style-type: none"> - Employees' remuneration and benefits - Career development - Implementation of ESG strategies - Health and safety in the workplace - Transition to clean and renewable energy - Environmental protection - ESG due diligence 	<ul style="list-style-type: none"> - Performance reviews - Regular training programs - Regular meetings (private meetings or AGMs) - Emails, notice boards, hotline, caring activities with management - Questionnaires and online surveys - Written comments and responses
Customers	<ul style="list-style-type: none"> - Production quality assurance - Protect the rights of customers - Qualified products with good performance against environmental indicators - Environmental protection 	<ul style="list-style-type: none"> - Customer satisfaction survey - Customer service hotline and email - Face-to-face meetings and onsite visits

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Stakeholders	Expectations and Concerns	Communication Channels
Suppliers	<ul style="list-style-type: none"> - Fair and open procurement - Win-win cooperation - Business ethics - Environmental protection - ESG due diligence 	<ul style="list-style-type: none"> - Open tendering - Suppliers' satisfactory assessment - Face-to-face meetings and onsite visits - Industry seminars - Questionnaires and online surveys - Written comments and responses
Professional bodies	<ul style="list-style-type: none"> - Climate change awareness and inputs - Laws and regulations compliance - Implementation of ESG strategies 	<ul style="list-style-type: none"> - Routine reports - Emails, hotline, enquires
General public	<ul style="list-style-type: none"> - Involvement in community activities - Laws and regulations compliance - Awareness of environmental protection - Promotion of the use of natural gas 	<ul style="list-style-type: none"> - Media conferences and responses to enquiries - Public welfare activities - Regular reports and announcements - Face-to-face interview

Materiality Assessment

The Group understands that industries can have various ESG risks and opportunities, depending on each corporate backgrounds, business models and operational characteristics. Therefore, the Group conducts an annual materiality assessment with the use of information from stakeholder engagement to identify, evaluate and prioritise the material ESG issues.

In FY2024, the Group engaged an external agency and invited its key stakeholders to participate in the materiality assessment survey. Criteria such as the extent of influences and dependence of the Group on them were used to identify key stakeholders, including employees and suppliers. Key stakeholders were surveyed to rate the 28 ESG issues categorised across seven pillars, including environment, employment, supply chain management, product responsibility, anti-corruption, community relations, and leadership and governance.

With the stepwise approach, feedback and ratings on ESG topics from different stakeholders are being gathered, analysed and prioritised. In FY2024, the Group continues to apply to the approach of weightings over the ratings of the ESG topics classified from the E, S and G pillars. The results were shown below.

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Materiality Assessment Outcome	
<p>Areas that are identified to be relatively more important to external stakeholders only</p> <ul style="list-style-type: none"> • Energy Management • Solid Waste Stewardship • Climate Change Mitigation and Adaptation • Labour Practices • Employee Remuneration and Benefits • Occupational Health and Safety • Employee Development and Training • Green Procurement • Engagement with Suppliers • Environmental and Social Risk Management of Supply Chain • Supply Chain Resilience • Product/Service Quality and Safety • Customer Privacy and Data Security • Marketing and Promotion • Intellectual Property Rights • Labelling Relating to Products/Services • Participation in Philanthropy • Cultivation of Local Employment • Support of Local Economic Development • Business Model Adaptation and Resilience to Environmental, Social, Political and Economic Risks and Opportunities 	<p>Areas that are identified to be vital</p> <ul style="list-style-type: none"> • Renewable and Clean Energy • Business Ethics and Anti-corruption • Internal Grievance Mechanism • Management of the Legal and Regulatory Environment (regulation-compliance management) • Critical Incident Risk Responsiveness • Systemic Risk Management (e.g. Financial Crisis)
<p>Areas that are identified to be relatively insignificant</p> <ul style="list-style-type: none"> • Greenhouse Gas (GHG) Emissions • Water and Wastewater Management 	<p>Areas that are identified to be relatively more important to internal stakeholders only</p> <p>N.A.</p>

Based on the outcomes of the materiality analysis, “Renewable and Clean Energy”, “Business Ethics and Anti-corruption”, “Internal Grievance Mechanism”, “Management of the Legal and Regulatory Environment (regulation-compliance management)”, “Critical Incident Risk Responsiveness”, and “Systemic Risk Management (e.g. Financial Crisis)” were identified to be the material ESG topics to the Group. The Board then reviewed and approved the outcomes. The materiality assessment allows the Group to focus on and have overall better management on its material ESG issues, thereby formulating strategic action plans to solve emerging risks.

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UN Sustainable Development Goals ("SDGs")

In FY2024, the Group continued to stay committed to administering performance benchmarking on the global SDGs, aiming to utilise this worldwide-recognised framework to guide its business development. From online surveys with its stakeholders and an in-depth analysis of its interconnections with global sustainability issues, the Group received valuable concerns from stakeholders to enhance its performance on six SDGs, which include Goal 3: Good Health and Well-Being, Goal 4: Quality Education, Goal 5: Gender Equality, Goal 6: Clean Water and Sanitation, Goal 7: Affordable and Clean Energy, and Goal 8: Decent Work and Economic Growth.



Stakeholders Feedback

As the Group strives for excellence, stakeholders' feedback is kindly welcomed, especially on topics listed of high importance in the materiality assessment. Readers are also welcomed to share their views with the Group at info@china-p-energy.com.

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V. ENVIRONMENTAL SUSTAINABILITY

The Group is committed to maintaining environmental and community sustainability within its operating regions. It carefully tracks and manages its emissions and resources consumption, ensuring adherence to relevant laws and regulations in Hong Kong and the PRC throughout its daily operations. By aligning its efforts with national energy transition goals and global climate objectives, the Group actively contributes to environmental protection, embedding these principles into its core operations.

This section mainly discloses the Group's policies, practices and quantitative data on emissions, the use of resources, the environment and natural resources, as well as climate change in FY2024.

A.1. Emissions

In FY2024, the Group complied with relevant environmental laws and regulations in its operating regions relating to air and GHG emissions, discharges into water and land, generation of hazardous and non-hazardous wastes, and noise that have a significant impact on the Group, including but not limited to:

- Environmental Protection Law of the People's Republic of China (《中華人民共和國環境保護法》); and
- Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution (《中華人民共和國大氣污染防治法》).

In FY2024, the primary emissions generated by the Group were air and GHG emissions, non-hazardous solid waste and wastewater, and there was no hazardous waste generated. During the year under review, the Group had a similar GHG emissions profile with FY2023, with Scope 2 (Energy Indirect Emissions) dominated the Group's total GHG emissions. Meanwhile, the Group emitted air pollutants consisted of sulphur oxides ("SO_x"), nitrogen oxides ("NO_x") and particulate matter ("PM").

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The Group's total emissions are summarised in Table 2 as follow.

Table 2 The Group's Total Emissions by Category in FY2024 and FY2023

Emission Category	Key Performance Indicator (KPI)	Unit	Amount in FY2024	Intensity (Unit/employee) in FY2024 ¹	Amount in FY2023 ^{2,3}	Intensity (Unit/employee) In FY2023 ^{2,3}	
Air Emissions⁴	Transportation vehicles	SO _x	kg	1.1	-	1.1	-
		NO _x	kg	511.3	-	776.5	-
		PM	kg	36.8	-	55.9	-
	Natural gas	SO _x	kg	781.7	4.9	1,404.2	9.3
		NO _x	kg	4,292.2	26.7	2,645.0	17.5
		PM	kg	328.9	2.0	214.4	1.4
GHG Emissions⁵	Scope 1 (Direct Emissions) ⁶	tonnes of CO ₂ e	563.1	3.5	775.5	5.1	
	Scope 2 (Energy Indirect Emissions) ⁷	tonnes of CO ₂ e	7,551.8	46.9	7,916.2	52.4	
	Scope 3 (Other Indirect Emissions) ⁸	tonnes of CO ₂ e	44.7	0.3	45.8	0.3	
	Total (Scope 1 & 2 & 3)	tonnes of CO ₂ e	8,156.9 ⁹	50.7	8,719.6	57.7	
Non-hazardous Waste	Solid Wastes	kg	310,190.0	1,926.6	352,660.0	2,335.5	
	Wastewater ¹⁰	m ³	119,737.7	743.7	124,720.8	826.0	

1. Intensity was calculated by dividing the amount of air, GHG and other emissions by the number of employees of the Group in FY2024, which was 161;

2. The amount and intensity of non-hazardous waste for FY2023 were extracted from the Group's FY2023 ESG Report;

3. The amount and intensity of air emissions and GHG emissions for FY2023 have been recalculated and restated in alignment with the consolidation method for consistency;

4. Air emissions included only the air pollutants in the exhaust gas from vehicles for transportation and natural gas consumption for the Group's business operations;

5. The methodology adopted for reporting on GHG emissions set out above was based on "How to Prepare an ESG Report? – Appendix 2: Reporting Guidance on Environmental KPIs" issued by HKEX and with reference to the IPCC Emission Factor Database;

6. The Group's Scope 1 (Direct Emissions) included only emission arose from the consumption of gasoline, diesel and natural gas for the operation of motor vehicles and other business operations;

7. The Group's Scope 2 (Energy Indirect Emissions) included only the emission arose from the electricity consumption;

8. The Group's Scope 3 (Other Indirect Emissions) included only the emission arose from the paper waste disposed at landfills, electricity used for processing fresh water and sewage by government departments, and business air travels;

9. The Group's total GHG emissions included the carbon offset by a total of 902 trees planted by the Group since establishment; and

10. The total amount of wastewater discharged from the Group in FY2024 was based on the assumption that 100% of the consumed fresh water entered the building drainage system.

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Management Approach

Transmission and distribution of the natural gas business

The natural gas business segment is one of the main operations of the Group, therefore effective management of the environmental performance and related impacts of its natural gas transmission and distribution activities is of paramount importance to the Group. The Group strictly adheres to relevant industrial standards that monitor the operational practices and emissions performance, such as Ambient Air Quality Standards 《環境空氣質量標準》(GB3095-2012), Environmental Quality Standard for Noise 《聲環境質量標準》(GB3096-2008) and Environmental Quality Standards for Surface Water 《地表水環境質量標準》(GB3838-2002). The Safety Supervision Department and other departments are responsible for addressing environment-related issues, based on the Group's internal policies.

Sales of heat and biomass gasification related products

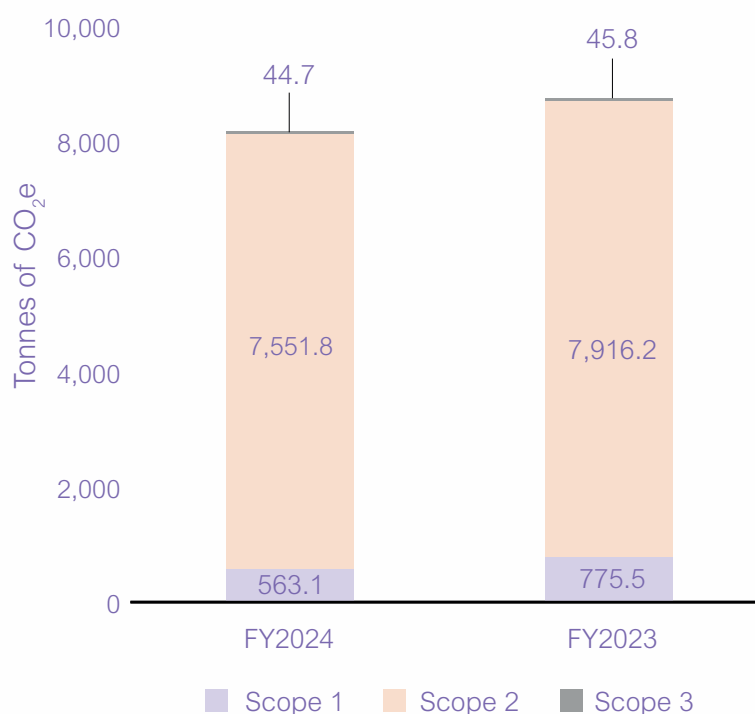
Over the course of the years, enhancing the development of biomass-related products as a clean energy solution has been the Group's focus, thus the Group has strengthened the integration of its clean energy infrastructure. To effectively monitor and assess its environmental impact, the Group adopts an online monitoring system in recording, measuring, evaluating its performance against predefined environmental standards. Through a systematic performance tracking approach, the Group sets targets and devises plan for continuous improvement.

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Air Emissions and GHG Emissions

In FY2024, the Group's air emissions arose from the use of vehicles for transportation and natural gas consumption for its business operations. The dominated proportion of GHG emissions, Scope 2, was attributed to the electricity consumption. Scope 1 (Direct Emissions) was mainly due to the consumption of gasoline, diesel and natural gas, while Scope 3 (Other Indirect Emissions) was mainly due to paper waste disposed at landfills, electricity used for processing fresh water and sewage by government departments, and business air travels. Comparing to FY2023, the amount and intensity of the Group's total GHG emissions decreased by 6.5% and 12.3% respectively, with each GHG emissions Scope dropped accordingly.

The Group's Total GHG Emissions
in FY2024 and FY2023



The Group has committed substantial resources to exploring cleaner and more sustainable alternatives for powering vehicles and supporting its operations. One of its initiatives includes adopting a cleaner combustion method to enhance air quality. Furthermore, the Group places significant importance on the safe use of Tetrahydrothiophene (THT), a common warning odorant used in the natural gas industry in the PRC, thereby ensuring strict adherence to relevant regulations in its operations.

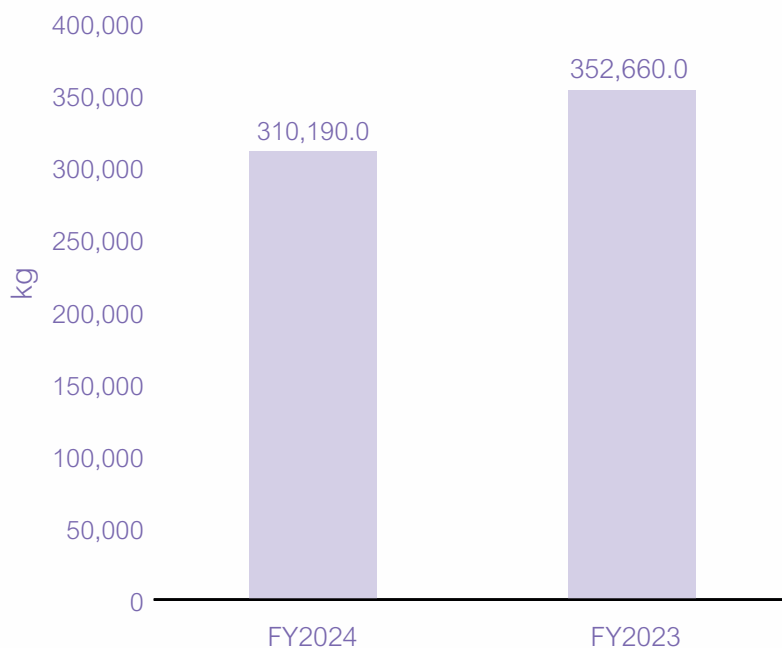
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Moreover, the Group's business segment on the sales of heat and biomass gasification related products is actively working to reduce GHG emissions by regulating the electricity and water consumption rates of its products. Through the gasification of biomass, including rice husk and straw, the energy inside these materials can be effectively transformed into a convenient gaseous fuel. The Group believes that accelerating this process can generate both economic and environmental advantages.

Waste

In FY2024, the solid waste and wastewater generated by the Group were primarily domestic sewage and solid waste from daily operations. The Group's wastewater undergoes proper treatment prior to the discharge into the sewer. Meanwhile, solid waste produced by the Group is collected, sorted and handled by eligible third parties for recycling. Compared to FY2023, both the amount of the Group's solid waste and wastewater demonstrated a slight decrease of 12.0% and 4.0% respectively.

The Group's Solid Waste Produced
in FY2024 and FY2023



The Group is committed to effectively controlling and managing its waste generation through the implementation of sustainable waste management practices. As part of this commitment, the Group seeks to raise its employees' awareness of environmental stewardship by emphasising the importance of waste reduction and compliance with national policies on waste sorting, recycling and the National Water-Saving Action Plan (國家節約用水行動方案).

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The Group's business segment on the sales of heat and biomass gasification related products has introduced several measures to minimise waste, including the reutilisation of carbonised material generated after the gasification of rice husk. In addition, the Group separately measures water consumption for production and domestic use so as to minimise heat loss and avoid unnecessary water usage. Moreover, industrial wastewater generated undergoes desulphurisation treatment, allowing it to be reused for other purposes.

Given that the amount of wastewater discharged highly depends on the amount of water used, water conservation initiatives and practices will be discussed in **A.2. Use of Resources**.

A.2. Use of Resources

In FY2024, the Group mainly consumed resources of electricity, gasoline, diesel, natural gas, water, and paper, while no raw materials were consumed. Compared to FY2023, the Group's total energy consumption dropped by 10.8% in FY2024. Moreover, the Group did not use any packaging material during the year under review due to its business nature.

The Group complied with relevant laws and regulations on its use of resources, including but not limited to:

- Energy Conservation Law of the People's Republic of China (《中華人民共和國節約能源法》); and
- Provisions on the Management of Water Conservation in Cities (《城市節約用水管理規定》).

Management Approach

The Group remains dedicated to improving the monitoring, measurement and evaluation of its energy and water usage to ensure resources are managed efficiently. In the meantime, in its ongoing commitment to minimising potential negative environmental impacts, the Group actively explores alternatives and applies innovative technologies, in addition to the integration of the "3R Principles" – Reduce, Reuse, Recycle. The table below illustrates the amount of resources consumed by the Group in FY2024.

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Table 3 The Group's Total Use of Resources by Category in FY2024 and FY2023

Use of Resources ¹	Key Performance Indicator (KPI)	Unit	Amount in FY2024	Intensity (Unit/employee) in FY2024 ²	Amount in FY2023 ³	Intensity (Unit/employee) in FY2023 ³
Energy	Electricity	MWh	12,384.1	76.9	12,981.2	86.0
	Gasoline	L	46,060.1	286.1	62,311.2 ⁴	412.7 ⁴
	Diesel	L	38,040.3	236.3	22,539.0 ⁴	149.3 ⁴
	Natural gas	m ³	180,000.0	1,118.0	291,738.0	1,932.0
	Total Energy Consumption	MWh	15,195.7	94.4	17,027.0⁴	112.8⁴
Water	Water ⁵	m ³	119,737.7	743.7	124,720.8	826.0
Paper	Paper	kg	425.0	2.6	732.5	4.9

1. No raw materials (paper-made raw materials and rice husk) were consumed by the Group in FY2024 and FY2023;

2. Intensity was calculated by dividing the amount of resources by the Group's number of employees in FY2024, which was 161;

3. The amount and intensity for FY2023 were extracted from the Group's FY2023 ESG Report, unless otherwise specified;

4. The amount and intensity of gasoline, diesel, and total energy consumptions for FY2023 have been recalculated and restated in alignment with the consolidation method for consistency; and

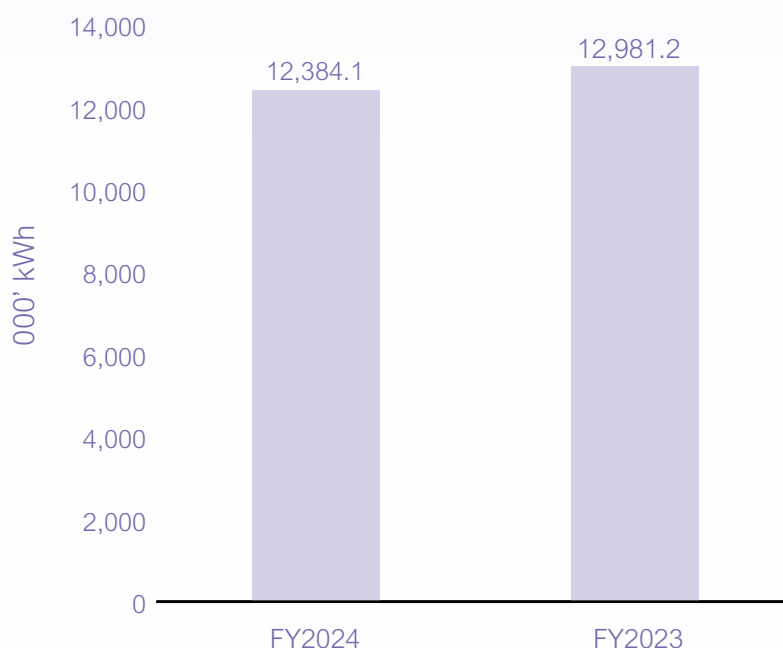
5. The water consumption excluded the Hong Kong office of the Group in both FY2024 and FY2023 as the water bills were covered in the property management fees and regarded immaterial relative to the amount of water use for production.

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Electricity

In FY2024, the electricity consumption of the Group decreased by 4.6%, reflecting the policies and practices on electricity conservation implemented are becoming effective.

The Group's Total Electricity Consumption
in FY2024 and FY2023



In order to further consume electricity efficiently in the Group's daily operations, the following practices has been implemented:

- Turn off idle lights and air-conditioning;
- Place “Saving Electricity, turn off the Light when Leaving” posters in prominent places as reminder;
- Maintain electrical appliances (including refrigerator, air-conditioner and paper shredder) regularly;
- Prioritise electrical appliances with certified energy-saving labels during procurement;
- Utilise natural gas as fuels for canteen operations;
- Include electricity bills of office operations in annual budget management; and
- Prohibit heating equipment and other electricity guzzling appliances in the office.

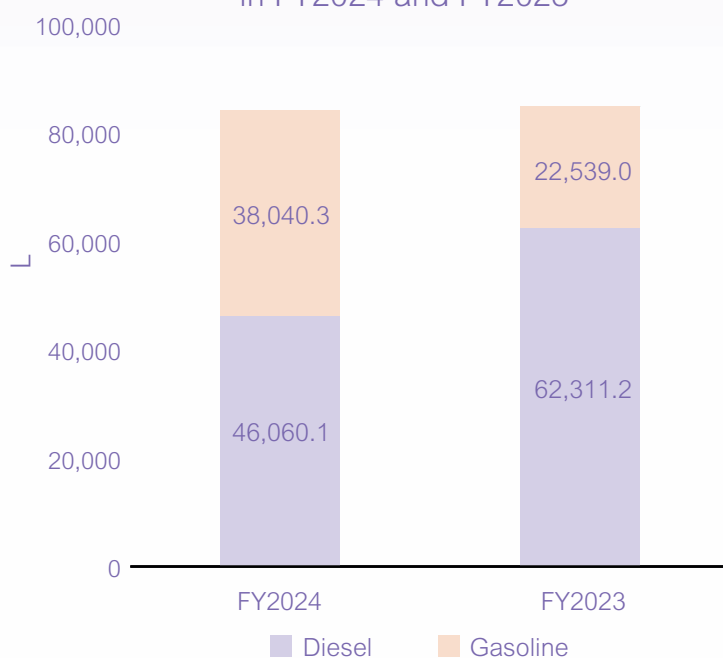
Additionally, variable frequency equipment has been installed at production factories to improve the electricity use efficiency.

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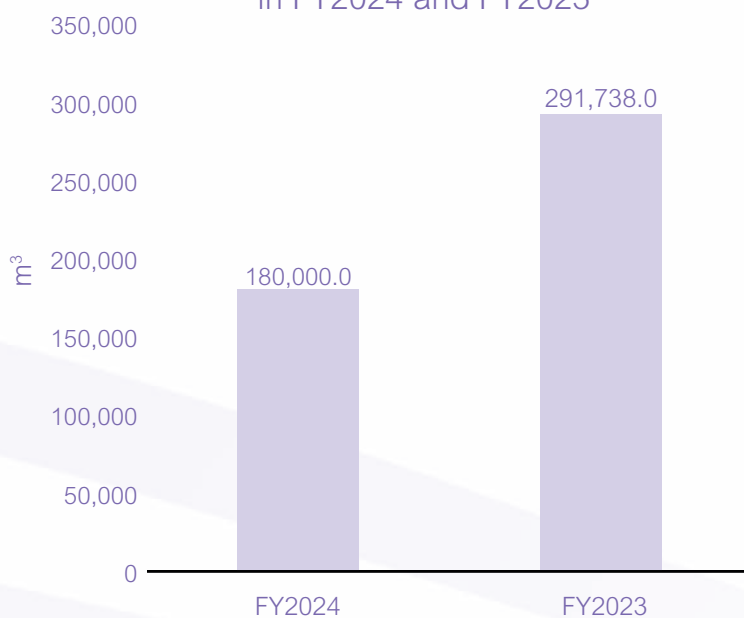
Other Energy Resources

In FY2024, the Group consumed other energy resources including gasoline, diesel and natural gas. The consumption of diesel and natural gas decreased by 26.1% and 38.3% respectively, while the consumption of gasoline increased.

The Group's Total Gasoline and Diesel Consumption in FY2024 and FY2023



The Group's Total Natural Gas Consumption in FY2024 and FY2023



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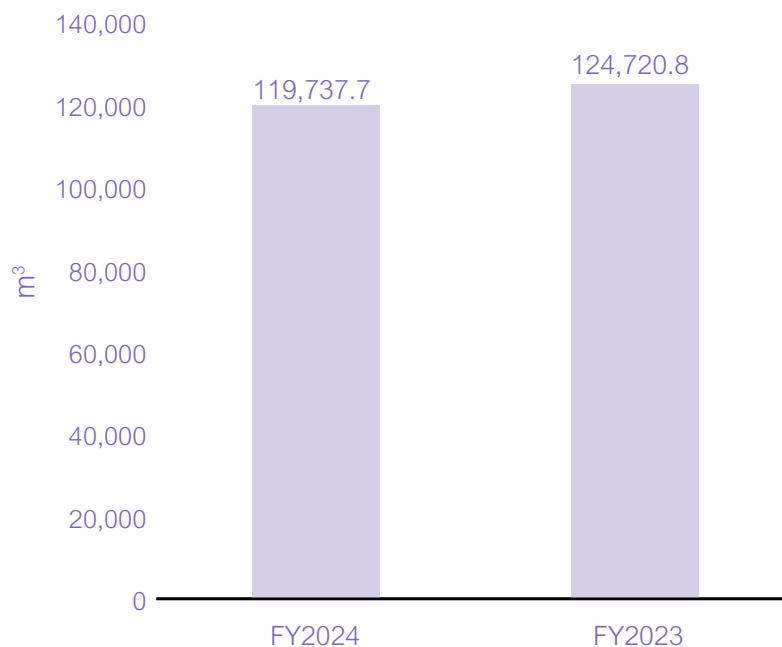
In order to reduce fuel consumption for transportation, the Group has implemented the following practices:

- Conduct regular vehicle maintenance to promote fuel conservation and emission control;
- Adopt vehicle sharing for business travel when appropriate; and
- Encourage staff to use public transportation as an alternative to driving to work.

Water

The Group aims to fully utilise water resources so as to reduce unwanted water loss. With the Group's efforts in regulating the use of water, there was a slight decrease of water consumption by 4.0% in FY2024. The Group is devoted to continuously control its water usage by the implementation of water conservation measures at its daily operations.

The Group's Total Water Consumption
in FY2024 and FY2023



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In order to further enhance water consumption efficiency, the Group has taken the following initiatives:

- Reuse the circulating water for cooling as heating water and domestic water;
- Place “Saving Water Resource” posters in prominent places to promote water conservation;
- Conduct leakage tests on water taps, washers and other components of the water supply system regularly for prompt identification and repair;
- Include water bills of office operations in annual budget management;
- Adjust the flow rate of water taps; and
- Repair dripping taps promptly.

During the year under review, the Group did not face any problems in sourcing water that is fit for purpose.

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Paper

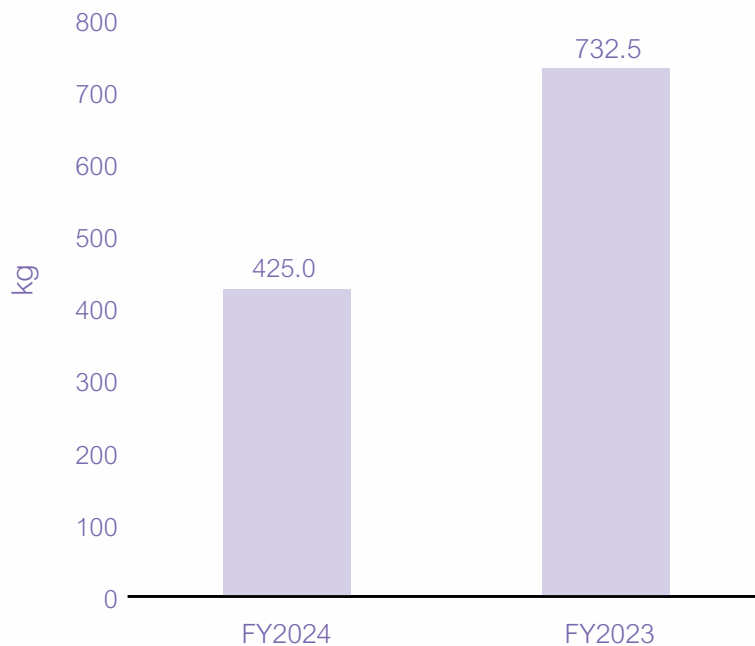
The Group is dedicated to promoting a paperless working environment, aligning with the principles of “Circular Economy”. Throughout the operations, the Group reduces, reuses and recycles paper-made products. In addition to paper recycling, the use of digital formats for storing and reviewing documents has also been promoted among employees.

In the meantime, the Group has implemented the following practices in its daily operations to reduce paper consumption:

- Place paper tray beside printers to collect and recycle used single-sided paper;
- Print documents on recycled paper;
- Place “Think Before Print” posters to remind staff to avoid unnecessary printing;
- Publish information through email or electronic bulletin boards; and
- Encourage customers to use electronic invoice.

With its employees’ increased awareness of saving paper, the Group’s paper consumption lowered by 42.0%. Moreover, the Group recycled 30.0 kg of paper, supporting the idea of “Circular Economy”.

The Group’s Total Paper Consumption
in FY2024 and FY2023



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A.3. The Environment and Natural Resources

As a member of the energy sector, the Group acknowledges the significance of the use of renewable energy resources for generating clean power. With years of experience in the natural gas business and recent ventures into biomass gasification, the Group is pursuing to contribute to a sustainable future. Therefore, the Group has been continuously monitoring and assessing its environmental impact through well-defined KPIs.

In FY2024, the Group remains steadfast in its dedication to regulating its emissions and natural resources consumption. In particular, the Group significantly reduced its natural gas consumption and paper consumption. The Group understands the importance of the transition to greener options and has devoted to developing biomass gasification heating, which is a modern sustainable alternative providing a cleaner and more sustainable heating alternative to the public. It enables the Group to contribute to the establishment of a low-carbon development model for the country.

Meanwhile, to address potential negative impacts, the Group recognises the significance of the implementation of adequate and effective precautionary measures. For example, the Group has installed an atmospheric online monitoring system to make sure the quality of emitted fumes adhered to local standards.

The Group emphasises on enhancing energy efficiency as one of its key strategic goals for improving environmental sustainability. It monitors the progress towards the environmental targets by actively recording and measuring energy and water consumption during production. In FY2024, with the effective implementation of various measures, the Group did not impose any significant environmental impacts. Still, to further increase efficiency in operations and encourage innovation, the Group has formulated targets listed in the table below. By setting these targets, the Group aims to encourage its staff to contribute to achieving environmental sustainability goals and drive the transition towards a low-carbon business model.

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Targets and Actions

Aspect	Target	Action
Air and GHG Emissions	Setting FY2021 as the baseline year, the Group aims to reduce its overall GHG emissions (Scopes 1 and 2) by 22.5% by 2030	The Group remains committed to pursuing electrification as a way to enhance sustainable energy solutions and promote cost-effective and low-carbon technologies for transportation and operations
Waste	Setting FY2024 as the baseline year, the Group aims to maintain its waste intensity fluctuation at 5% above or below	The Group continues to implement its sustainable waste management practices to regulate and manage its waste generation
Electricity	Setting FY2024 as the baseline year, the Group aims to maintain its electricity consumption per product at the same level	The Group continues to follow the principle of “Rationally Using and Saving Electricity” and embed it into its business strategy
Other Energy Resources	Setting FY2024 as the baseline year, the Group aims to maintain its gasoline consumption at the same level	The Group is committed to minimising the consumption of gasoline by developing travel plans for transportation. In addition, the Group further explores innovative ideas and the application of environmentally friendly technologies for long-term business operations
Water and Wastewater	Setting FY2024 as the baseline year, the Group aims to maintain the production water loss rate within 10%	The Group continues to promote water conservation among its staff

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A.4. Climate Change

The Group has been actively involved in the exploration, promotion, and application of clean energy for several years. The expertise and experience gained over this period have positioned the Group to recognise climate-related risks and opportunities as critical factors that can significantly impact its daily operations. In response to global climate targets and the evolving challenges posed by climate change, the Group has proactively identified its climate-related risks and opportunities. Guided by the recommendations of the Task Force on Climate-related Financial Disclosures (“TCFD”), the Group is developing strategic plans to address these issues effectively. This effort is further reinforced by the anticipated regulatory enhancements to the ESG Code of the Hong Kong Stock Exchange, which underscores the importance of robust climate management.

Governance

To manage its climate-related risks and opportunities, the Group develops handbooks, guidelines and manuals stating the standardised procedures. Additionally, the Group designates the Senior Management to oversee climate-related risks and opportunities by reviewing, monitoring and executing internal policies. To assess and manage climate-related risks and opportunities, the management assists in coordinating and communicating between departments, while maintaining effective management systems for environmental and financial data.

Once any ESG and climate-related issues at operational level are identified, the management will report to the Board immediately, followed by holding contingency meetings to discuss further handling procedures. If there are no incidents reported, the Board and its committees will receive information on climate-related risks and opportunities through regular meetings at least once per year. In addition to reviewing ESG performance through summaries and calculations in ESG Reports, the Board and its committees also monitor and review progresses towards targets to oversee the setting of the targets related to significant climate-related risks and opportunities.

Apart from overseeing the Group’s operations, the Board is responsible for monitoring and reviewing the effectiveness of the management approach, including a review of metrics, targets and action plans. The Board also engages with external consultant to receive updates on relevant standards and occasionally participates in trainings organised by professional organisations, ensuring there are appropriate skills and competencies available to oversee strategies designed to respond to climate-related risks and opportunities.

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Strategy

Throughout these years, the Group has conducted its risk assessment from a holistic perspective to identify and assess climate-related risks and opportunities specific to its operations and value chains, enhancing the Group's monitoring and management of climate-related risks.

To review and align its strategic approach of climate-related issues with its business and financial planning, the Group has defined its climate-related risks and opportunities into short-term (1 year), medium-term (3 years), and long-term (10 years). The following climate-related risks and opportunities have been identified which may impact the Group's business operations.

Risk	Potential Impact	Responses
Physical Risk <i>Medium-term</i> <ul style="list-style-type: none"> Rising sea level and mean temperature due to global warming 	<ul style="list-style-type: none"> It may affect the stability of the Group's existing assets, which leads to write-offs and early retirement. The rising mean temperature could influence the stability of the Group's supply chain management in particular, affecting the potential capacity of biomass gasification. 	<ul style="list-style-type: none"> Strengthen operational facilities for natural gas transmission and distribution Conduct routine inspections and maintenance to ensure optimal conditions Regularly examine plants and transmission pipelines to prevent wear and damage Ensure stable natural gas supply and mitigate safety hazards Eliminate risks of gas leaks caused by fractures or defects in facilities
Transition Risk <i>Medium-term</i> <ul style="list-style-type: none"> Enhanced emissions-reporting obligations Increased pricing of GHG emissions 	<ul style="list-style-type: none"> Compliance and operating costs are expected to rise in response to the rippled effect brought by stricter regulations 	<ul style="list-style-type: none"> Engage external consultants to ensure compliance with the latest climate-related requirements and allocate additional resources to implement climate-related strategies Minimise the risk of fines by staying updated on climate-related issues and standards with professional advice Offset compliance and operating costs through preventative measures that reduce potential damage Enhance the Group's sustainability reputation to attract more investment

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Risk	Potential Impact	Responses
<p><i>Medium- to Long-term</i></p> <ul style="list-style-type: none"> Decreased demand for natural gas due to the global trend towards renewable energy 	<ul style="list-style-type: none"> Reduced revenue from the natural gas business segment 	<ul style="list-style-type: none"> Explore greener options, including renewable energy, to align with the global shift toward renewable energy and sustainability Invest in advanced innovative technologies and assess the feasibility of low-carbon alternatives Transition toward sustainable alternatives, such as biomass gasification, to replace the natural gas business segment

Opportunity

Medium- to Long-term

- Starting out and scaling up the potential of renewable energy sources, including the biomass gasification opportunities in business development

Potential Impact

- It can enhance the Group's image and directly foster sustainable development with the promotion of renewable energy

To manage the climate-related risks identified or to be identified, the Group primarily adopts the approach of risk mitigation, which proactively formulates and implements measures to minimise the impacts of climate-related risks. Apart from the above practices, the Group has developed strategic plans to address the potential impacts caused by identified climate-related risks:

- Keep itself updated with the latest developments in science-based climate risk assessment standards and disclosure frameworks, including the International Financial Reporting Standards (IFRS) S2 Climate-related Disclosures;
- Enhance the knowledge of employees on climate science with the provision of trainings and workshops; and
- Benchmark and align strategies and operating measures with global best practices to improve energy efficiencies in equipment used during business operations.

At the initial phase of the Group's review on its climate-related strategy, it has considered potential impacts that may be brought by the identified climate-related opportunity, but a more in-depth analysis is needed to foresee more detailed impacts. In the future, the Group will continuously search for green financing opportunities in a way to adjust its business model in terms of human resources and financial resources respectively.

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Financial Implications

The Group preliminarily estimates, in a qualitative manner, the extent of the identified risks in affecting its financial performance, financial position, and cash flow. The Group has taken the amount of funds required into account to achieve its committed plans, while planning sources of funding to implement strategy for addressing significant climate-related risks. It is anticipated that the aforementioned risks will bring negative impacts to its future financial position, financial performance, and cash flows according to the Group's initial analysis.

Although the identified climate-related risks may not lead to a significant material adjustment to the Group's assets and liabilities, its revenue is expected to decline in the short-term due to the current conservative strategy in addressing climate-related risks and opportunities. However, it is expected that the Group's revenue will rise over the medium- and long-term due to adaptive solutions implemented and its determination to enhance its climate-related approach and strategy.

In the future, to further enhance the Group's resilience to climate change throughout its operations, a more detailed climate scenario analysis and financial implication analysis will be conducted. These analyses help the Group to identify potential impacts induced by climate-related risks and opportunities under a variety of uncertain conditions along its value chains and anticipate the effectiveness of the financial adaptive solutions, allowing the Group to develop more comprehensive climate-related strategies.

Risk Management

Climate-related risks and opportunities have been identified through the Group's integrated risk management model, allowing the Group to assess, monitor, and manage the risks while seizing the potential opportunities. The model will be conducted annually for the Board and its committees' oversight.

The Group identifies and assesses climate-related risks with the Group's risks appetite, with consideration of the likelihood and impact severity of risks. Once the risk exceeds its risks appetite based on forthcoming analyses, the Group will prioritise the corresponding risk and inform the Board and its committee during annual meeting.

At this stage, comprehensive climate-related scenario analysis has not yet been applied. However, four physical and transition risks have been identified based on a preliminary risk assessment. Under the Group's risk management framework, the material risk categories of Operational and Strategic Risks incorporate the identified physical and transition risks, ensuring its risk mitigation approach is effective in addressing climate change.

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The integrated risk management model allows the Group to conduct regular risk assessment for identifying and monitoring climate-related risks. In the future, the Group will have a more in-depth analysis on the impacts associated with the identified climate-related risks and opportunities, formulating effective adaptive solutions. Once the Group finishes the climate scenario and climate resilience analysis, as well as financial implication analysis, the Group will disclose corresponding information.

Metrics and Targets

The Group has disclosed its Scope 1 and Scope 2 GHG emissions, which are accounted according to the GHG Protocol: A Corporate Accounting and Reporting Standard (2004) and the 2006 IPCC (Intergovernmental Panel on Climate Change) Guidelines for National Greenhouse Gas Inventories, in its annual ESG Report over the years. The well-known standards allow the Group to report relevant information with structured methodology. Moreover, the Group is determined to improve its disclosure of the Scope 3 GHG emissions in the coming years. For details of the measurement approach adopted and the corresponding disclosures, please refer to section **A.1. Emissions**.

At the current stage, neither internal carbon prices nor climate consideration in remuneration policy have been part of the management approach of the Group in addressing climate-related issues. However, the Group is dedicated to conduct a more detailed evaluation on the climate-related issues with cross-industry metrics in the coming years, including the amount and percentage of assets or business activities vulnerable to climate-related risks and the capital deployment for climate-related opportunities.

Regarding the climate-related targets, the Group currently are aiming for the set of emissions targets outlined in the Targets and Actions subsection, which were set particularly on gross GHG emissions and had not yet set any plan on using carbon credits to offset its emissions.

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VI. SOCIAL SUSTAINABILITY

B.1. Employment

The Group understands the importance of effective employee management and is committed to treating all employees equally and with respect, thus it values their opinions and strives to address their needs and concerns. With the goal of creating and maintaining a comfortable workplace, the Group is dedicated to providing sustainable career development opportunities to all employees and growing with its employees together. In its employee management practices, the Group complies with the principle of “paying respect to the dedicated, utilising the competent, fostering the aspired and incentivising the innovative”.

In FY2024, the Group had a total of 161 full-time employees. For details on the employees distribution of the Group, please refer to the table below.

Table 4 Number of Employees by Age Group, Gender, Employment Type, Position Type, Geographical Locations of the Group in FY2024 ¹

Unit: Number of employees	Age group				Total
	30 or below	Between 31 and 40	Between 41 and 50	51 or above	
Gender					
Male	10	32	31	31	104
Female	10	15	15	17	57
Total	20	47	46	48	161

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Unit: Number of employees		Position		
Gender	General staff	Middle management	Senior management and directors	Total
Male	66	24	14	104
Female	43	10	4	57
Total	109	34	18	161

Employment type		
Full time	Part time	Total
161	0	161

Geographical location	
Locations	Number of employees
PRC	158
Hong Kong	3
Total	161

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

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Law compliance

The Group adjusts and updates its employment policies on a regular basis to ensure compliance with relevant laws and regulations in the PRC and Hong Kong. In FY2024, the Group adhered to the relevant laws and regulations, including but not limited to:

- Employment Ordinance (Chapter 57 of the Laws of Hong Kong);
- Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong);
- Minimum Wage Ordinance (Chapter 608 of the Laws of Hong Kong);
- Labour Law of the People's Republic of China (《中華人民共和國勞動法》); and
- Labour Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》).

Management approach

The Group's Human Resources Department has the responsibility of reviewing and updating relevant company policies in alignment with the latest laws and regulations on a regular basis. The Group has formulated a list of fundamental strategies in managing its employment system strictly and effectively, these strategies include:

- Provide equal recruitment and promotion opportunities to employees;
- Adopt both internal and external recruitment for vacant positions; and
- Consider multiple essential criteria, such as work performance, when promoting employees.

In order to support the management of its employment system, various employment policies and mechanisms have been adopted, such as the Human Resources Management System (人力資源管理制度), Labour Contract Renewal Management System (勞動合同續簽管理制度), Comprehensive Management System (綜合管理制度) and Employee Handbook.

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Recruitment and promotion

Throughout the recruitment and promotion processes, the Group follows the rule of gender equality and manages its recruitment activities according to the “Yearly Recruitment Plan”. It offers fair and competitive remuneration and benefits based on individuals’ performance, personal attributes, job experiences, career aspiration and market benchmarks, aiming to attract high-calibre candidates.

The General Department (綜合部) is responsible for reporting the interview results to the general manager for approval. Strict recruitment and entry procedures are then followed, and newly employed staff are required to complete the “Employee Enrolment Registration Form” (員工入職登記表).

The Group refers to market benchmarks and objective criteria to ensure that promotion opportunities are provided equally. Employees who have demonstrated outstanding performance and made significant contributions to the Group are considered as eligible candidates for promotion.

Compensation and dismissal

The Group reviews its compensation packages and conducts performance appraisal on a regular basis to ensure that employees are fairly rewarded for their contributions, with annually adjustment of the salary packages which takes into account of factors such as the overall market level, inflation rate and its profitability.

The Group strictly prohibits any kind of unfair or illegitimate dismissals. The Group takes a stepwise disciplinary process towards employees with poor performance. A verbal warning is given before issuing a warning letter. The Group dismisses employees who repeat the same mistakes despite previous warnings or consistently fail to improve in accordance with its internal policies.

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Table 5 Employee Turnover Rate by Age Group, Gender and Geographical Locations in FY2024¹

Unit: Number of employees		Age group			
Gender	30 or below	Between 31 and 40	Between 41 and 50	51 or above	Total
Male	3	4	2	7	16
Employee turnover rate	30.0%	12.5%	6.5%	22.6%	15.4%
Female	2	1	1	4	8
Employee turnover rate	20.0%	6.7%	6.7%	23.5%	14.0%
Total	5	5	3	11	24
Total employee turnover rate	25.0%	10.6%	6.5%	22.9%	14.9%

Geographical locations		
Locations	Employee turnover	Employee turnover rate
PRC	24	15.2%
Hong Kong	0	0.0%
Total	24	14.9%

¹ The turnover data in headcount was obtained from the Group's Human Resources Department based on the employment contracts entered into between the Group and its employees. Turnover rate was calculated by dividing the number of employees who resigned in FY2024 by the number of employees as of the end of FY2024. The methodology adopted for reporting on turnover data set out above was based on "How to Prepare an ESG Report – Appendix 3: Reporting Guidance on Social KPIs" issued by HKEX.

Working hours and rest period

The Group's policies on working time and annual leaves apply to all employees. The Group adopts a punch-in system to track employee attendance and monitor their adherence to prescribed working hours in alignment with relevant laws and regulations. The Group also compensates employees for overtime work. In addition to statutory holidays, employees can enjoy special leaves including maternal leave, medical leave and bereavement leave.

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Equal-opportunity and anti-discrimination

The Group is dedicated to providing a fair, respectful and diverse working environment. As an equal opportunity employer, the Group ensures that human resources and employment decisions are made in consideration of anti-discrimination and equal opportunities. In addition, training and promotion opportunities, dismissals and retirement policies are determined irrespective of employees' gender, race, age, disability, family status, marital status, sexual orientation, religion beliefs, nationality or any other non-job-related factors across all business units. The Group has zero tolerance to any workplace discrimination, harassment or victimisation, with an equal opportunities policy established complying with relevant laws and regulations, including but not limited to:

- Disability Discrimination Ordinance (Chapter 487 of the Laws of Hong Kong); and
- Sex Discrimination Ordinance (Chapter 480 of the Laws of Hong Kong).

Moreover, the Group promotes positive relationships and open communication between general and managerial staff by encouraging candid interactions and cooperation. The Administration Department and the Trade Union Committee play an important role in facilitating employee relations and internal dialogues. They are responsible for assisting all staff members in enhancing their job satisfaction and labour security, as well as providing counselling services and dealing with grievances. Additionally, the Group engages with its employees by written or face-to-face surveys so as to receive feedback from employees on their experiences, aiding to create a working environment that treats every employee fairly. The Group acknowledges that comments and ideas suggested from its employees are highly valuable, thereby taking their opinions into account during the decision-making processes regarding operations and management.

Other benefits and welfare

In FY2024, the Group organised and arranged a series of activities for its employees, such as team building activities and meal gatherings to establish and foster the sense of belonging of its employees. In addition, the Group provides benefits including insurance package, medical and catering subsidies, special holiday leaves and physical examinations. The Group also delivers cards or gifts during festivals and birthday. Meanwhile, the Group offers well-equipped dormitories to employees working in factories.

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

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B.2. Health and Safety

Law compliance

The Group places high emphasis in protecting its employees' wellbeing and minimising their exposure to occupational health and safety risks. In order to maintain a stable working environment, the Group has implemented a set of internal policies in accordance with relevant national and local regulations relating to occupational health and safety.

In FY2024, the Group adhered to laws and regulations relating to the workplace health and safety in its operating regions, namely:

- Occupational Safety and Health Ordinance (Chapter 509 of the Laws of Hong Kong);
- Law of the People's Republic of China on the Protection of Production Safety (《中華人民共和國安全生產法》); and
- Regulation on Work-Related Injury Insurance (《工傷保險條例》).

Management approach

In order to minimise the risks of accidents in workplace and improve employees' health and safety awareness, the Group has established a holistic mechanism and implemented effective policies regulating safety and labour practices, in accordance with relevant standards, such as GB/T 29639-2013, GBZ 1-2010, GB 12011-2009 and GB 2811-2007. Furthermore, in order to maintain a safe working environment, the Group's internal policies and guidelines, including the Fire Safety Management System (消防安全管理制度), Engineering Safety Management System (工程安全管理制), Quality Management Manual (質量管理手冊), Accident Contingency Plan and Regular Drill Management System (事故應急預案及定期演練管理制度) and Production Safety Emergency Plan (生產安全事故應急預案) have been set up.

The General Manager Office is responsible for overseeing and supervising the implementation of internal health and safety policies, coordinating with other departments under the accountability system. For example, the fire safety manager carries out regular fire safety meetings, which require the attendance of second-level responsible persons, managers and heads of functional departments. Local authorities including the Administration for Market Regulation and Economic Development Zone Management Committee regulate and govern the Group's implementation and performance on its safety control measures as well, including the operation and maintenance of pressure vessels.

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Additionally, the Group has implemented several management measures on occupational health and safety risks during operations, including:

- Provide appropriate personal protective equipment to employees, including helmets, safety shoes, anti-freezing gloves and cotton anti-static gloves;
- Maintain installed fire equipment regularly such as automatic smoke spray system and powder fire extinguishers;
- Implement an emergency management system with clear responsibility allocation and outline procedures of dealing with any emergency. For instance, to monitor the parameters at all sites continuously, the robust combustible gas leakage detection and alarm system was strictly designed based on the GB 50028 standard;
- Arrange annual emergency fire drills and set safety signs to enhance employees' safety awareness;
- Place medicine boxes in accessible places; and
- Provide employment injury insurance for its employees.

Table 6 Number of work-related fatalities and lost days due to work injury of the Group in the past three financial years ¹

Year	FY2024	FY2023	FY2022
Number of work-related fatalities	0	0	0
Lost days due to work injury	0	0	0

¹ The information about injury and fatality was obtained from the Group's Human Resources Department. The methodology adopted for reporting the number and rate of work-related fatalities set out above was based on "How to Prepare an ESG Report – Appendix 3: Reporting Guidance on Social KPIs" issued by HKEX.

During the year under review, the Group complied with the relevant laws and regulations in relation to providing a safe working environment and protecting the employees from occupational hazards that have a significant impact on the Group.

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B.3. Development and Training

Management Approach

The Group focuses on improving the knowledge and skills of employees, allowing them to be competent in their respective roles and contribute to innovative ideas. Therefore, the Group has engaged in a multipronged strategy to talent development, meeting its business needs, while providing opportunities for all employees to pursue their professional goals.

The General Department of the Group is responsible for formulating and organising training programmes, designing annual training plans and coordinating with various departments to carry out training and examinations on a monthly basis. Furthermore, a series of internal policies, such as the Employee Training Management Measures (員工培訓管理辦法), have been implemented to manage employee development and trainings in a more efficient manner. Guidelines and procedures are provided in these policies for training programme categorisation, audience selection, training procedures and budget management. Through setting up clear guidelines, the Group ensures that the training programmes are following the principles of “Enterprise-Oriented, Market-Oriented and Era-Oriented” (面向企業、面向市場、面向時代).

All new hires will be provided with comprehensive orientation training, enabling them to familiarise them with the company’s corporate culture, business processes, health and safety policies, vehicle management procedures and corporate development history. For experienced employees, the Group provides diverse training programmes, allowing them to develop their skills and increase their competencies. In the meantime, the Group promotes life-long learning to its employees to strengthen their competitiveness and expand their capacity by participating in external training programmes which aligns with their professional goals and development needs. For employees who have attained professional titles that align with their job positions, the Group also provide them with subsidies.

In FY2024, the Group arranged various training programmes related to health and safety, and operational measures for its employees, enhancing the knowledge of fire safety and preventive awareness of occupational diseases. In particular, it is required for dangerous goods drivers at the Group’s natural gas distribution business to participate monthly training courses and pass the evaluation before approving to work.

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Table 7 Number and Percentage of Employees Trained in the Group by Gender and Position Type in FY2024¹

Gender	Position			Total
	General staff	Middle management	Senior management and directors	
Male	46	20	21	87
% of employees trained	31.3%	13.6%	14.3%	59.2%
Female	39	17	4	60
% of employees trained	26.5%	11.6%	2.7%	40.8%
Total	85	37	25	
% of employees trained	57.8%	25.2%	17.0%	
Total number of employees				161
Total number of employees trained				147
Total percentage of employees trained				91.3%

¹ The training information was obtained from the Group's Human Resources Department. Training refers to the vocational training that the Group's employees attended in FY2024. The methodology adopted for reporting on the number and percentage of employees trained set out above was based on "How to Prepare an ESG Report – Appendix 3: Reporting Guidance on Social KPIs" issued by HKEX.

Table 8 Training Hours Received by the Employees of the Group by Gender and Position Type in FY2024¹

Gender	Position			Total
	General staff	Middle management	Senior management and directors	
Male	871.0	214.0	186.0	1,271.0
Average training hours	13.2	8.9	13.3	12.2
Female	406.5	60.0	24.5	491.0
Average training hours	9.5	6.0	6.1	8.6
Total	1,277.5	274.0	210.5	1,762.0
Average training hours	11.7	8.1	11.7	10.9

¹ The training information was obtained from the Group's Human Resources Department. The methodology adopted for reporting training hours set out above was based on "How to Prepare an ESG Report – Appendix 3: Reporting Guidance on Social KPIs" issued by HKEX.

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B.4. Labour Standards

Complying with the principles of “System Regulation and Contract Regulation” (制度監管與合同監管), the Group adhered to relevant laws and regulations relating to the prevention of child and forced labour that have a significant impact on the Group in FY2024, including but not limited to:

- Employment Ordinance (Cap. 57 of the Laws of Hong Kong);
- Labour Law of the People’s Republic of China (《中華人民共和國勞動法》); and
- Labour Contract Law of the People’s Republic of China (《中華人民共和國勞動合同法》).

The Group is dedicated to combating illegal employment practices such as child labour, underage workers and forced labour. Therefore, the Human Resources Department requires all applicants to provide valid identification documents, including identity card and household register (if applicable), and resume, prior to the confirmation of employment, verifying all candidates are over 18 years old and legitimately employable.

The Human Resources Department is responsible for monitoring and ensuring adherence to the latest laws and regulations that prohibit child labour and forced labour. Meanwhile, the Group regularly reviews the human resources policies to ensure they comply with applicable labour standards. It has set up a reporting mechanism to monitor and enforce relevant laws and regulations as well. Moreover, the Group conducts onsite inspection of its administration and personnel annually, in which compensation and employment risks from last year will be identified and assessed. If any practices violate relevant labour laws, regulations or standards, the respective employment contract will be immediately terminated.

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B.5. Supply Chain Management

The Group acknowledges the significance of the environmental and social risks that might arise from the different phases of its supply chain. Thus, its operating subsidiaries undertake close monitoring, thorough assessment and effective management of their suppliers, striving to establish a sustainable and resilient value chain.

In FY2024, the Group engaged with a total of 154 major suppliers, with 1 supplier located in Hong Kong and the remaining suppliers located in the PRC.

Management Approach

The Group's Supplier Evaluation Criteria (供方評定準則) provides guidance on comprehensive evaluations and comparisons for supplier selection. When assessing and prioritising the candidate suppliers, major elements that the Group considers are listed below:

- Quality of goods and services;
- Business license and previous track record(s);
- Market reputation;
- Quality management system;
- Production capacity;
- Technical parameters;
- Delivery time;
- Financial performance; and
- Fulfilment of social and environmental responsibilities.

The Procurement Department is responsible for coordinating, managing, and monitoring supply-side issues. The Group targets to minimise the underlying environmental and social risks by utilising a list of criteria, including quality, price, punctuality and compliance with environmental regulations when choosing and collaborating with suppliers.

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Furthermore, the Group has set up the Measures for the Environmental Impacts of the Party (對相關方施加環境影響的管理辦法). This framework is used to evaluate, review and manage the practices of its suppliers. The Group will not engage with suppliers who have previously violated relevant environmental regulations or may pose potential risks to the environment through their operations.

To ensure its suppliers comply with local laws, regulations and corporate ethics, the Group fosters strong bonding with them through various communication means, including the internet and phone calls. In FY2024, 100% of the suppliers were covered and monitored by the Group's supplier management policy.

Transmission and distribution of the natural gas business

Liquefied natural gas ("LNG") is the primary raw material for the Group's natural gas business. To ensure a stable supply, the Group establishes long-term gas supply contracts and annual supplemental agreements with carefully selected suppliers, chosen for their proven production capabilities and strong business reputations.

The Group is responsible for sourcing LNG from upstream suppliers, including state-owned enterprises, and overseeing its product distribution to customers for various purposes, such as industrial, commercial and household applications. To maintain safety and operational efficiency, the Group has implemented Safety Plans and Emergency Plans. Additionally, it maintains regular and consistent communication with its suppliers to ensure the LNG quality meets the GB 17820 national standard.

To manage social and environmental risks within its supply chain, the Group closely audits the qualifications of its suppliers based on well-defined criteria. Selected suppliers are required to submit the "Natural Gas Quality Inspection Report" to the Group on a monthly basis, demonstrating that its operating practices and product quality comply with national and local standards.

Sales of heat and biomass gasification related products

This business segment is focused on central heating projects in parks, utilising biomass gasification technology with rice husk as the primary raw material for production. The steam generated through this process is transported via pipelines to heat-using enterprises, while the carbonised rice husks are delivered by freight trucks to the steel mills for heat preservation of molten steel.

In selecting raw materials, particularly rice husk, the Group places significant emphasis on factors such as moisture content and integrity. To minimise potential social and environmental risks, the Group prioritises sourcing rice husk from large-scale and reputable rice processing factories, ensuring both the quality and reliability of the raw material supply.

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Besides, the Group maintains close contacts with these rice processing factories through communication channels such as face-to-face meetings and phone calls. Complying with the principles of “Openness, Fairness, Impartiality and Trustworthiness” and following the guidelines of the Raw Material Procurement Management System (原材料採購管理制度), the Group conducts annual quality inspection on the rice husks produced and supplied.

In addition, the Group has implemented a Green Procurement Policy to promote environmentally friendly practices throughout its value chain. As part of this policy, environmental impacts and production processes of the rice processing factories are evaluated. In FY2024, 24 of the Group’s major suppliers were covered by its Green Procurement Policy. All aspects of the process, from raw material procurement, transportation, usage to production and sales, are subject to strict assessment and supervision by various departments of the Group.

B.6. Product Responsibility

Law compliance

The Group is committed to proactively sustaining a high level of reliability and robustness in its products and services, thereby continuously improving its facilities, personnel and management processes. In FY2024, the Group complied with relevant laws and regulations relating to health and safety, advertising, labelling and privacy matters relating to products and services provided that have a significant impact on the Group, including but not limited to:

- Law of the People’s Republic of China on Product Quality (《中華人民共和國產品質量法》);
- Law of the People’s Republic of China on the Protection of Consumer Rights and Interests (《中華人民共和國消費者權益保護法》);
- Law of the People’s Republic of China on Road Traffic Safety (《中國人民共和國道路交通安全法》);
- Law of the People’s Republic of China on the Protection of Production Safety (《中華人民共和國安全生產法》);
- Regulations on the Safety Administration of Dangerous Chemicals (《危險化學品安全管理條例》); and
- Natural Gas GB 17820-2018 (《天然氣》).

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Management Approach

The Group has established a set of internal policies, such as the Operation Department Management Regulation (營運部管理規定), Engineering Management System (工程管理制度) and Quality Management Manual (質量管理手冊), to ensure that its product and service responsibilities are effectively fulfilled.

Product quality

Customer satisfaction is of paramount importance to the Group. The Sales Department is responsible for gathering customer feedback on product quality, pricing and delivery services, enabling the Group to monitor customer satisfaction levels. If a low score is recorded in the customer satisfaction surveys, the Group takes immediate action by launching a thorough investigation. Following the investigation, corrective measures are established to address any identified issues, and precautionary policies are implemented based on the requirements outlined in the Improvement Control Procedures (改進控制程序).

During the year under review, no products are subjected to recalls for safety and health reasons. Given the nature of its business and the principle of materiality, the Group considers product recall procedures not applicable to its operations, thereby these are not disclosed in this ESG Report.

Complaints

The Group places significant emphasis on client feedback. Feedback from clients is diligently reported to the head office for examination and verification. Once complaints are substantiated, they are forwarded to the relevant departments according to the nature of the feedback. Immediate corrective measures are then initiated to address the raised issues. The results of the processes are openly shared with all employees, and communicated with its clients timely.

In FY2024, the Group did not receive any complaint relating to the quality of products and services.

Advertising

The Group acknowledges the importance of providing accurate marketing materials to both its clients and the general public. The Group has implemented a set of internal procedures that strictly prohibit any form of misrepresentation or exaggeration of its products, ensuring the adherence to relevant laws and regulations. The General Department is tasked with monitoring and verifying the legitimacy, completeness and accuracy of sales and marketing materials before publication. In case of any inconsistencies or deviations from the Group's policies, corrective measures are promptly taken.

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Privacy matters

The Group operates within its internal policies to protect customer rights by complying with applicable local privacy laws and regulations, including the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong). Internal policies, such as the Customer Property Control Procedures (顧客財產控制程式) and File Management Regulation (檔案管理規定), are monitored and implemented by the Financial Controller.

All personal data collected will only be used for the purposes defined. To maintain confidentiality and ensure customer information is protected, all employees are required to adhere to the regulations and are strictly prohibited from disclosing any confidential information to external parties without customers' authorisation. Additionally, relevant employees are obligated to sign a non-disclosure agreement, which is an additional protection layer to prevent unauthorised disclosure of confidential information related to the Group's clients.

Intellectual property rights

In FY2024, the Group adhered to relevant laws and regulations relating to intellectual property rights, including but not limited to:

- Patent Law of the People's Republic of China (《中華人民共和國專利法》);
- Trademark Law of the People's Republic of China (《中華人民共和國商標法》); and
- Patents Ordinance (Chapter 514 of the Laws of Hong Kong).

In alignment with the principle of materiality, labelling is considered not material or applicable to the Group in consideration of its business nature, thus it will not be discussed in the ESG Report.

Transmission and distribution of the natural gas business

The Group strictly adhered to regulations such as the Regulation on the Administration of Urban Gas (城鎮燃氣管理條例) and Standard for Construction of City Gas Station (城市燃氣場站建設規範) throughout its operations. Following its service principle, "Safety has no end, Unremitting efforts in Prevention" (安全沒有終點·防範常抓不懈), the Group has established the Safety Operation Management Policy (安全運營部管理制度) so as to ensure thorough assessment and management of gas safety operations.

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A series of measures are applied to make sure gas safety during its operations. Measures encompass the implementation of the station gas supply maintenance system, incident and hidden danger management, combustible gas leakage alarm management system and operational procedures for station workers and gas supply equipment. Moreover, the Group carries out regular comprehensive safety inspections (綜合性安全檢查), including indoor safety checks and comprehensive emergency rescue drills, for proactive identification and management of potential risks relating to gas safety. Semi-annual anti-static testing and pressure safety testing are also conducted on station facilities to ensure ongoing safety standards.

In addition, the Group has implemented a 24-hour monitoring system and professional teams dedicated to inspecting pipe network stability, preventing leakages and addressing any system breakdowns in order to ensure safe and stable gas delivery. The Group prioritises communication with upstream suppliers to conduct regular checks of pipelines, patrol systems and equipment maintenance, ensuring the safety and quality of gas supplied to customers.

Sales of heat and biomass gasification related products

Steam generation and transportation constitute major operations within the Group's business segment. The principle of "Understanding Users' True Needs and Providing High-Quality Products and Services" applies to the quality management of the Group. To formalise this commitment, the Group establishes a "Steam Supply Contract" with its clients, ensuring mutual agreement on confidentiality requirements. Meanwhile, to facilitate effective communication and administration, the Group has designated line patrol personnel responsible for engaging with the client's production department and overseeing the parameters of steam supply and usage. This ensures that the steam provided meets the client's needs while maintaining high standards of safety and operational efficiency.

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B.7. Anti-corruption

Law Compliance

In order to uphold a fair and ethical working environment, the Group strictly follows the applicable laws and regulations relating to anti-corruption and bribery in its operating regions, including:

- Anti-Corruption Law of the People's Republic of China (中華人民共和國反腐敗法);
- Law of the People's Republic of China on Anti-money Laundering (中華人民共和國反洗錢法);
- Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Cap. 615 of the Laws of Hong Kong); and
- Prevention of Bribery Ordinance (Cap. 201 of the Laws of Hong Kong).

In FY2024, the Group complied with relevant laws and regulations relating to bribery, extortion, fraud and money laundering that have a significant impact on the Group.

Management Approach

The Group prioritises to provide a fair, honest, open and standardised working environment. In accordance with ethical standards, the Group mandates its employees and business partners to adhere to the code of conduct, with internal policies such as the "Employee Handbook" (員工手冊) and "Accounting Management System" (往來賬務管理系統) implemented to standardise employees' practices and promote integrity and honesty in the workplace. The Financial Supervisor takes the responsibility to review and monitor the implementation of anti-corruption policies within the Group.

In case of any suspected misconduct, the Group provides a secure environment for whistle-blowers to report the case without fear of reprisals or inappropriate reactions. Several forms, such as verbal or written report to the Group's Human Resources Department or directly to the General Manager, are applicable for whistle-blowers. With full details of the incident and supporting evidence from the report received, the Group conducts comprehensive investigations into any suspected or illegal behaviour to protect its interests. If any criminal activity is substantiated, the Group will report in a timely manner to the relevant regulators or law enforcement authorities as deemed necessary by the Group's management.

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During the year under review, the Group organised two training workshops on anti-corruption and anti-bribery, with a total of 4-hour training for 6 management members and 12 general employees. While introducing the negative impacts of anti-corruption and preventive measures through case studies during the trainings, the Group circulated anti-corruption related materials among its employees. The Group will regularly offer employees trainings to equip them with relevant knowledge and raise their awareness on building a working environment with integrity. In FY2024, there are zero concluded legal cases regarding corrupt practices brought against the Group or its employees.



B.8. Community Investment

The Group is committed to operating ethically and contributing positively to the local economic development. As an enterprise placing a great emphasis on creating values for all stakeholders, the Group robustly maintains ethical values and demonstrates respect to communities and the environment. These principles underly the transparent and successful business development of the Group.

In FY2024, as the Group is still exploring community investment projects and organisations that aligned with its core values and commitment to the same sustainable goals, no monetary donations has been made. However, the Group is aware of its role as a responsible corporate citizen, which prioritises the well-being of the local communities and society, with a dedication to bringing good health and well-being to everyone. The Group aims to set up a systematic approach to bring greater prosperity and positivity to communities in the future.

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VII. REPORT DISCLOSURE INDEX

Statement of use	China Primary Energy Holdings Limited has reported the information cited in this GRI content index for the period 1 January 2024 to 31 December 2024 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

Aspects	ESG Indicators	Description	GRI Standards Alignment*	Page
A. Environmental				
A1: Emissions	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. Note: Air emissions include NOx, SOx, and other pollutants regulated under national laws and regulations. Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride. Hazardous wastes are those defined by national regulations	GRI 2-27, GRI 3-3 (c), GRI 305, GRI 306	12
	KPI A1.1	The types of emissions and respective emissions data.	GRI 305-1, 305-2, 305-3, 305-6, 305-7	12
	KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	GRI 305-1, 305-2, 305-4	13
	KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	GRI 306-3 (a)	12
	KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	GRI 306-3 (a)	13
	KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	GRI 3-3 (c, d), GRI 305-5	25
	KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	GRI 3-3 (c, d), GRI 306-4, 306-5	16

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Aspects	ESG Indicators	Description	GRI Standards Alignment*	Page
A2: Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials. Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.	GRI 3-3 (c)	17
	KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	GRI 302-1, 302-3	18
	KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	GRI 303-5	18
	KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	GRI 3-3 (c, d), GRI 302-4, 302-5	25
	KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	GRI 3-3 (c, d), GRI 303-1	22, 25
	KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	GRI 301-1	17
A3: The Environment and Natural Resources	General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	GRI 3-3 (c)	24
	KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	GRI 3-3 (c, d), GRI 303-1, GRI 304-2, GRI 306-1, 306-2	24
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.	GRI 2-12 (a, b-i), GRI 3-3 (c)	26
	KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	GRI 201-2	26

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Aspects	ESG Indicators	Description	GRI Standards Alignment*	Page
B. Social				
Employment and Labour Practices				
B1: Employment	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	GRI 2-27, GRI 3-3 (c)	31
	KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	GRI 2-7 (a, c), GRI 405-1 (b)	31
	KPI B1.2	Employee turnover rate by gender, age group and geographical region.	GRI 401-1 (b)	35
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.	GRI 2-27, GRI 3-3 (c), GRI 403-1	37
	KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year	GRI 403-9, 403-10	38
	KPI B2.2	Lost days due to work injury.	N/A	38
	KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	GRI 3-3 (c, d), GRI 403-1, 403-3, 403-5, 403-7	37
B3: Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training. It may include internal and external courses paid by the employer	GRI 3-3 (c), GRI 404-2 (a)	39
	KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	N/A	40
	KPI B3.2	The average training hours completed per employee by gender and employee category.	GRI 404-1	40

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Aspects	ESG Indicators	Description	GRI Standards Alignment*	Page
B4: Labour Standards	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	GRI 2-27, GRI 3-3 (c)	41
	KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	GRI 3-3 (c), GRI 408-1 (c), GRI 409-1 (b)	41
	KPI B4.2	Description of steps taken to eliminate such practices when discovered	GRI 3-3 (c, d), GRI 408-1 (c), GRI 409-1 (b)	41
Operating Practices				
B5: Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	GRI 3-3 (c)	42
	KPI B5.1	Number of suppliers by geographical region.	GRI 2-6 (b-ii)	42
	KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	GRI 2-6 (b-ii), GRI 3-3 (c, d), GRI 303-1 (c), GRI 308-1, 308-2, GRI 414-1, 414-2	42
	KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	GRI 2-6 (b-ii), GRI 3-3 (c, d), GRI 303-1 (c), GRI 308-1, 308-2, GRI 414-1, 414-2	43
	KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	GRI 3-3 (c, d)	44
B6: Product Responsibility	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	GRI 2-27, GRI 3-3 (c), GRI 417-2, 417-3, GRI 418-1	44
	KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	N/A	45
	KPI B6.2	Number of products and service related complaints received and how they are dealt with.	GRI 2-29, GRI 3-3 (c, d), GRI 418-1	45
	KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	N/A	46
	KPI B6.4	Description of quality assurance process and recall procedures	N/A	45
	KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	GRI 3-3 (c)	46

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Aspects	ESG Indicators	Description	GRI Standards Alignment*	Page
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	GRI 2-27, GRI 3-3 (c), GRI 205-3	48
	KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases	GRI 205-3	49
	KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	GRI 2-26, GRI 3-3 (c), GRI 205	48
	KPI B7.3	Description of anti-corruption training provided to directors and staff.	GRI 205-2	49
Community				
B8: Community Investment	General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	GRI 3-3 (c)	49
	KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	GRI 203-1 (a)	49
	KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	GRI 201-1(a-ii)	49

* The linkage between the GRI standards and disclosures that relate to each aspect in HKEX ESG Reporting Guide refers to the summary table from the 'Linking the GRI Standards and HKEX ESG Reporting Guide' (updated July 2020), with amendments from the GRI Universal Standards 2021