



VIXTEL TECHNOLOGIES HOLDINGS LIMITED

飛思達科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock code: 1782



Environmental, Social and
Governance Report **2018**

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ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

With a vision to become a global leading application performance management (“APM”) and network performance monitoring corporation, Vixtel Technologies Holdings Limited (the “Company”) and its subsidiaries (hereafter “We”, “Vixtel” and the “Group”) recognise that it is vital to embrace our corporate social responsibility (“CSR”) to create positive influence to the society and meet the growing expectations from stakeholders, as a part of our larger goal in addition to making a profit. Therefore, we endeavour to integrate CSR into our daily business operation by maximising value for and enhancing the experience of our customers, nurturing our employees’ growth, and creating benefits for the community in adherence to our corporate values.

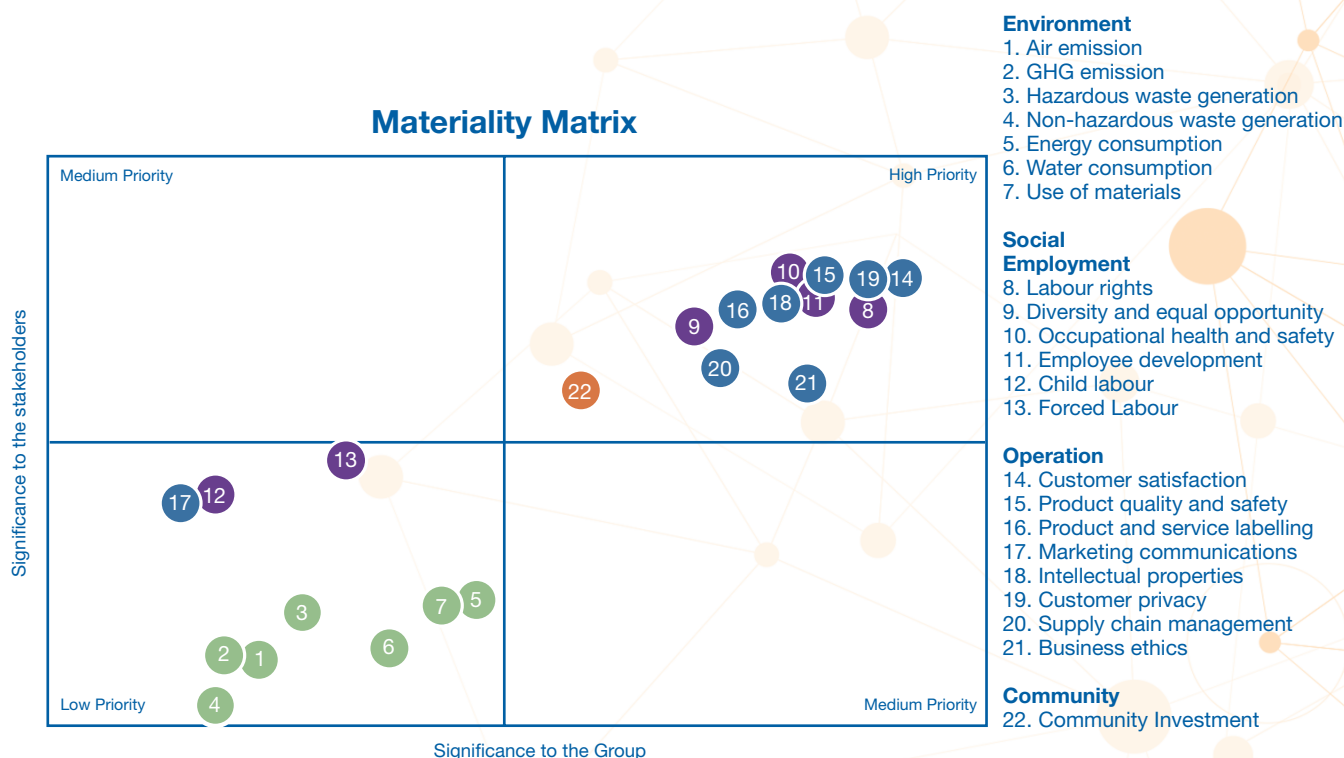
This is our third Environmental, Social and Governance (“ESG”) Report, which had been prepared in accordance with the Environmental, Social and Governance Reporting Guide under Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“HKEx ESG Reporting Guide”) and this report covered the period from 1 January 2018 to 31 December 2018 (“the Reporting Period”, “2018”). The scope of this report includes our entire operation in our headquarters in Beijing, our branches in Guangzhou, Shanghai, Hefei, Chongqing, Zhengzhou and Tianjin of China¹. This report has been reviewed and approved by the board of directors of the Company (the “Board”).

We value your feedback and opinion that can help us to improve our ESG performance. Please feel free to contact us via email at info@vixtel.com.

¹ Compared with 2017, the scope of this ESG reporting excluded the branch in Harbin due to the business de-registration in the Reporting Period, while expanding to cover the environmental key performance indicators (“KPIs”) data of three branches in Chongqing, Zhengzhou and Tianjin, which are considered as significant in supporting the Group’s business development.

STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

Maintaining communications with our different key stakeholders is vital to better understand their needs, expectations and concerns in relation to our business operation and to formulate suitable strategic goals and programmes for CSR implementation. This year, we employed an independent consultant to carry out a stakeholder engagement exercise through an online questionnaire. The questionnaire served as a platform to communicate with our internal and external stakeholders, including those from the Board, employees, customers and suppliers to obtain their opinions on the Group's current CSR execution and identify the material ESG issues to the Group. A materiality assessment was then conducted based on their valuable views and feedback, which helped us to identify the material topics, as shown in the materiality matrix below:



We have identified 12 most material ESG topics that our stakeholders would like us to focus on. They are customer satisfaction, customer privacy, labour rights, products quality and safety, employee development, occupational health and safety, intellectual properties, business ethics, product and service labelling, diversity and equal opportunity, supply chain management and community investment. With these results in mind, we will continuously formulate corresponding ESG strategies, policies and targets to improve our performance and work towards sustainability as well as enhance the report disclosure on the aforementioned significant topics to fulfil the expectations of our stakeholders in the future.

CORPORATE SOCIAL RESPONSIBILITY POLICY

We realise that embedding CSR into our management model and guiding us in the corporate decision-making process is an integral part in maintaining our business success and sustainability.

In order to ensure compliance with the relevant laws and regulations and to continuously improve our ESG performance, we have developed the Group's CSR policy, which enables us to formulate appropriate strategies and manage the environmental and social issues in our daily operations.

The scope of our CSR policy focuses on five areas: environmental, health and safety management, employee caring, product responsibility, business integrity and supply chain management, which are illustrated below:



PRODUCT RESPONSIBILITY

With its professional and extensive experience in APM and business of network performance monitoring services for over a decade, Vixtel is committed to enhancing the customer experience and creating the greatest value for our customers through offering competitive products with excellent quality and reliable technological solutions.

Quality products and services

We strive to provide the best customer experience with our high-quality products and services. We offer a wide range of IT technology and analysis solutions such as APM, Real User Experience Management and Big Data Application Performance Analysis, and products such as APM Vista SaaS Platform and Net Vista Platform that are user-friendly and tailor-made in users' perspectives in order to meet the customers' demands in their operation and internet maintenance. In addition, we provide diversified supporting services such as on-site customer training and free remote technical support. To keep abreast with the latest changes in the current technological world and in the future, research and development ("R&D") is crucial for the Group's long-term growth. We continuously look for improvement in our products and service through significant investment in R&D so as to maintain our competitive edge in the industry.

We care about the quality of our products and services. We have implemented the quality management system, which is certified with the international ISO 9001:2015 standard, to ensure that the quality of our products fulfil the requirements of our clients through providing sufficient training, carrying out strict product check-ups and user acceptance tests, as well as conducting close monitoring. In addition, we have devised an IT disaster recovery plan in response to accidents and unforeseeable events such as fire, administrative errors, energy failure, server failures etc., so that we are able to counter the effects of said accidents and events, and recover the important data from the servers in an effective and timely manner in case of emergency. This helps to minimise the risks and the negative impacts on the business operations and on our customers.

To enable our customers to receive factual and unbiased information and descriptions of products or services, we have worked out an internal guideline on corporate promotion and advertising. Our Integrated Management Department has the overall responsibility to design promotion advertisement or campaigns and manage the corporate information disclosure to external parties to ensure the information provided is correct and not misleading and in compliance with the applicable laws and regulations. This practice helps us to make sure that our customers are well-informed about their rights and interests, so that we can gain their trust and confidence.

Listening to our customers

It is important to maintain constant interaction with customers and solicit their opinions and recommendations on our products and services. This process can enable us to better understand the evolving demand of customers and make continuous improvement to maximise their satisfaction. We regularly review the enquiries and feedback as well as carry out customer satisfaction questionnaires to find out their views on the quality, after-sales service, price and the delivery time of our products and services. Based on the analysis of the result, we can evaluate our performance, strengths and weaknesses of our provided products and services, and formulate relevant strategies, programmes and plans accordingly for improvement.

Moreover, we have developed customer complaint handling procedures to handle the potential complaints received from customers. Once a complaint has been received, we start promptly to review and investigate the reported case, analyse the root causes of the complaints, propose corresponding solutions for instant corrective measures and determine remedial action plans to prevent the recurrence of similar cases in the future.

During the Reporting Period, we did not identify any material non-compliance with applicable laws and regulations relating to health and safety, advertising and labelling relating to products and services provided and methods of redress.

SUPPLY CHAIN MANAGEMENT

We recognise that maintaining a sustainable supply chain is one of the essential parts to drive long-term business development and growth. In this regard, we have a comprehensive supplier management system in place to assess the business capability and competency of the new and existing suppliers for product or service provision. Apart from abiding by the relevant local laws and regulations, suppliers are required to go through a stringent evaluation to guarantee their products or services are of high standard and meet our requirements or specifications. The suppliers who can satisfy our requirements are qualified as our approved suppliers, and only the approved suppliers are allowed to supply the necessary products and services for our operations. We also conduct supplier performance assessment on our existing suppliers biannually, particularly in terms of product quality, delivery-time, price and after-sale services, to ensure that their product or service quality is maintained at a high standard. If the suppliers fail to meet our regular standards, we will discontinue the business relationship with those suppliers.

To increase our suppliers' awareness of responsible operation and understand the Group's expectations on CSR, we have established the Supplier's Code of Conduct ("CoC"), which outlined the principles and requirements towards labour practices, human rights, environmental, health and safety management and legislative compliance etc. for suppliers to adopt in their operations in order to enhance the overall sustainability performance along our supply chain. We highly encourage our suppliers to perform the sustainable practices beyond the CoC for greater mutual benefits.

BUSINESS INTEGRITY

With integrity and quality at the core of our business philosophy, we have developed strict policies and a relevant management system to safeguard customers' privacy and our intellectual property ("IP"), as well as to prohibit bribery and corruption at our workplace in order to nurture an ethical culture within the Group.

Anti-corruption & anti-bribery

We are committed to upholding the highest level of fairness, integrity and accountability in our business dealings and have zero tolerance for any form of unethical acts including fraud, corruption or bribery. All employees are required to observe the behaviour and conduct pursuant to our CSR policy and anti-corruption and anti-bribery management procedure, and comply with the legislative requirements (e.g. the Criminal Law of the People's Republic of China) in our business activities, such as during procurement, sales, outsourced services, facility maintenance and quality assurance. For instance, all employees are strictly prohibited to offer or accept any benefits from our business partners or customers. To further eliminate the potential risks of corruption and bribery and protect our business, in addition to our employees, we also require our business partners, including the service providers, contractors and suppliers, to sign a probity agreement and follow our ethical standards and requirements before our business relationships commence.

A department has been formed specifically for the purpose of reviewing the operation compliance on a regular basis and make improvements where necessary. A whistle-blowing system with clear reporting channels is also in place to encourage our employees and business partners to report the possible malpractices and misconducts, or acts involving an unethical conflict of interest. A prompt internal investigation will be carried out to verify the cases with remedial action taken where appropriate. The identity of the whistle-blower together with the reporting information is kept confidential. Any confirmed cases or violation of the probity agreements will result in the termination of business relationship and disciplinary actions.

During the Reporting Period, we were not aware of any material non-compliance with applicable laws and regulations relating to bribery, extortion, fraud and money laundering.

Protection of intellectual property and confidential information

Vixel acknowledges the importance of intellectual property ("IP") protection and confidentiality. We are dedicated to safeguarding the tangible and intangible assets of the Group, and the privacy of our customers.

As the IP assets reflect the entire achievements of innovative invention and advanced technological application by the individual employees or our R&D team, we spare no efforts to secure the IP rights of the Group in accordance with the applicable laws and regulations (e.g. the Patent Law of People's Republic of China and the Implementation Rules of Patent Law of the People's Republic of China, Implementing Rules of the Trademark Law of the People's Republic of China, the Copyright Law of the People's Republic of China, the Trademark Law of the People's Republic of China). We have formulated an "Intellectual Property Management Guideline" for the authorised departments to adopt when handling IP products, including but not limited to patents, copyrights, trademarks, undisclosed technical and trade information, and make proper IP application and registration where appropriate to prevent the risks of IP rights infringement. We have also included the terms and conditions and obligations related to the IP ownership and protection in our product and service contracts, and requested our business partners to exert their due care to respect and protect the IP rights. The employees and suppliers who breach the relevant laws and regulations and our internal rules are subject to disciplinary actions and face the risk of termination of the business relationship.

Our success is also built upon the reliable technical support and the information security in safeguarding the confidential information of our customers. In order to protect our customers' privacy and prevent unintended disclosure of information to unauthorised persons, we have formulated a "Customer Privacy Policy" with the clear elaboration on the purpose of data collection, disclosure and transfer of customer personal data, and the initiatives and measures that we have taken for information security and confidentiality. Furthermore, we have implemented an Information Security Management System in our headquarters, which is in conformance with the international standard of ISO/IEC 27001:2013 standard, and adopted standardised procedures to systematically manage the data assets, personnel security as well as the potential information security incidents etc. to prevent the loss, misuse and disclosure of the collected customer data and confidential information. We also require our suppliers and service providers to sign a confidentiality agreement and deal with the confidential and sensitive information with due care to prevent information leakage and protect the customers' interests.

During the Reporting Period, we did not identify any non-compliance with applicable laws and regulations relating to privacy matters and intellectual rights relating to products and services provided.

CARE FOR THE EMPLOYEES

Vixel recognises that employees are our most valuable assets that drive the success of the Group through their professional knowledge and creativity. Hence, the Group endeavours to provide a fair, safe and pleasant workplace where its employees can enjoy decent working conditions, maintain physical and mental health and reach their full potential in order to grow with the Group.

Labour Practices

Adhering to our CSR policy and “people-oriented” management principle, we offer an attractive remuneration package to our employees including competitive salary, fixed working hours, rest days, holidays, overtime compensation and social insurance coverage etc., which are communicated through our staff handbook, and in compliance with the relevant national labour laws and regulations (i.e. the Labour Law of the People’s Republic of China & the Labour Contract Law of the People’s Republic of China).

To uphold the principles of equal opportunity and the fair treatment to all employees, we evaluate the performance of each of the employee through our comprehensive appraisal system, based on his/her personal work performance (e.g. attitude, discipline and cooperativeness) and contribution to the Group. Those staff members who perform well are rewarded through salary adjustment, discretionary bonus announcement and promotions. Similarly, as in the process of recruitment, position transferal and promotion, we make decisions solely based on the candidates’ qualifications, experience, technical level and performance during interviews or assessments, and without discrimination on the grounds of gender, age, ethnicity, disability, pregnancy and sexual orientation or other unrelated matters in respect of job duties.

We highly respect human rights and freedom. We strictly forbid the employment of child labour and forced labour in our workplace. All new hires must provide proofs of identity, qualifications and job reference to ensure their eligibility for the related job positions, and thus help to prevent the use of child and forced labour. All the employees sign the labour contract on a voluntary and consensual basis prior to the employment, and they are free to submit their resignation with due notice or pay-in-lieu of notice.

During the Reporting Period, we did not identify any non-compliance with applicable laws and regulations relating to employment and prevention of child and forced labour.

Healthy and safe workplace

Providing a healthy and safe working environment for our employees is our first responsibility. To achieve this objective, we have established the “Office Safety Management Procedure” and outlined the series of safety measures and practices to safeguard the workplace safety and comply with the relevant laws and regulations such as Law of the People’s Republic of China on the Prevention and Control of Occupational Diseases. For instance, regular checks and maintenance of fire safety equipment, electric equipment and first-aid kit, and good housekeeping and office security are in place. We carry out regular inspections to ensure that the applicable safety measures are properly maintained. To better prepare for the emergencies that might potentially occur in our workplace, an accident contingency plan is in place for our employees to follow and handle emergency situations (e.g. fire). Regular fire drills are conducted for our employees to raise their safety awareness and strengthen their abilities in emergency evacuation. During the Reporting Period, we did not identify any breaches or non-compliance with the applicable laws and regulations relating to occupational health and safety.

Vixtel strives to promote a work-life balance and enhance the employees’ loyalty and cohesion through staff activities. We organise various recreational activities such as annual staff travel, departmental events and team-building activities to create stronger bonds among employees and release the stress of work. We also provide comprehensive medical check-ups to promote their wellness.



We organised annual staff travel to Singapore in September 2018, aiming to enhance the employee morale, deepen the internal communication and determine the strategic goals for 2019.



Our team-building activities

Training and development

In order to keep abreast with the fast-changing business environment and maintain our competitive edge in the industry, Vixtel places great emphasis on nurturing our employees' talents enabling them to reach their full potential by offering various training programmes.

We have established a comprehensive training management system to manage the overall training plan within the Group. The system helps to address the staff training needs, determine our training objectives and to organise corresponding internal and external training programmes for our employees at different position levels to strengthen their job-related professional knowledge, technical skills and personal competencies. Types of training include:

- Orientation training
- Technical skills training
- Regulatory standards and compliance
- Quality, safety, environmental and information security management
- Professional development

The process of training management:



We also encourage self-learning among our staff and provide the necessary resources (e.g. offering computers and study areas) to assist employees in achieving both personal and professional goals in their leisure time.

COMMUNITY INVESTMENT

As a socially responsible enterprise, Vixtel shall continue to give back to the society where it operates and strive for the positive social development and growth in the community. The Group has established a “Corporate Community Involvement Policy”, and fulfils its social responsibilities through active partnerships with those established social organisations, and by supporting social development and community projects as well as improving the local environment, infrastructure and welfare of the underprivileged.

In May 2018, we organised a tree planting activity for our employees and their family members, aiming to raise their awareness of the issue of climate change and environmental pollution, and encourage our staff to practise green living in order to protect our environment.



Our employees seeded the saplings

In November 2018, we organised a fund raising activity in the Group to continue our support for the China Children and Teenagers’ Fund public welfare project. The raised funds amounting to RMB32,000 were wholly donated to the “Love Books” charity project, which aims to aid the underprivileged children and broaden their horizons via reading, among which “Love Books Package” with classic books appropriate to primary schools and junior high school students were delivered to the 160 students to share our love and warm care. We also encourage our employees to actively participate in community projects so that more people can be benefitted.

CONSERVING OUR ENVIRONMENT

With the increasing concerns for global environmental issues such as climate change, water scarcity and resources depletion nowadays, the Group is committed to conserving our environment by minimising emission and environmental pollution, utilising resource in a more efficient way and through technological innovation, as outlined in our environmental policy.

We have implemented in our operational facilities an environmental management system (“EMS”), which is certified with the recognised international standard of ISO14001:2015, to systematically manage the significant environmental aspects with associated risks and impacts in our operation. Under the EMS, we have taken appropriate measures and actions to ensure compliance with the applicable national environmental laws and regulations such as The Environmental Protection Law of the People’s Republic of China, and make continual improvements on our environmental performance by the regular review of the current practices and the audits. Routine training is organised for our employees to increase their environmental awareness, and to ensure that they understand how to manage environmental issues in the workplace such as waste sorting, storage and treatment and efficient use of resources.

During the Reporting Period, we were not aware of any breaches of relevant laws and regulations relating to the air and greenhouse gas emission, discharges into water and land, and generation of hazardous waste and non-hazardous waste.

Minimising emissions and pollution to the environment

Our activities are mainly carried out within offices considering our business nature and hence the emissions and pollution to the environment caused by our business are limited. Notwithstanding that, the Group is still striving to further reduce the direct emissions from our operations by managing the use of company vehicles and solid waste generation.

We have a policy in place to govern the use of company vehicles in the daily operation which helps us to reduce the level of air pollutants emitted to the atmosphere. In addition, we opt for superior vehicle fuels with low sulphur content and carry out regular maintenance on our company vehicles to improve their efficiency to ensure that they function optimally. We also require our drivers to switch off the idling engines when the car is in stationary states to avoid causing excessive exhaust gas emission.

Disposal of waste is another area that we focus on to minimise pollution to the environment. In our operation in the office, we generate a certain amount of solid hazardous waste, such as fluorescent light tubes, toners, and non-hazardous waste such as paper and general domestic waste discarded by our staff. We understand that improper disposal of hazardous waste can result in water and land contamination. We have established a policy on solid waste management in order to properly control, handle and dispose of the produced waste and comply with the applicable environmental laws and regulations.

We mainly segregate the wastes into three major categories: recyclable, non-recyclable and hazardous, which are stored in designated areas. All the collected recyclable waste and general waste are collected by the property management company regularly for recycling and treatment. The hazardous waste is stored with proper safety labels for hazards identification before they are recollected by service providers, or consigned to qualified waste collectors for further treatment.

In order to cut down the waste generation in our daily operation, we advocate the use of electronic communication channels for internal communication and information and document circulation among our employees, as well as the use of double-sided printing and re-using single-sided paper and letterheads to reduce printing and use of paper. Meanwhile, we promote the use of reusable products (e.g. rechargeable battery, refillable stationeries) instead of utilising single-use disposable and non-recyclable products. We also carry out regular inspection on waste management, and track the amount of solid waste generation to ensure the effectiveness of waste management.

During the Reporting Period, we did not identify any non-compliance with applicable laws and regulations relating to air and greenhouse gas emissions and solid waste generation.

Enhancing resources efficiency

We are aware that we cannot conduct our business activities without the use of energy and water is indispensable to support our business activities. To minimise our impact on the environment and natural resources, we have developed the “Energy Use Policy” and the “Green Office Management Procedure”, which guide us on the responsible use of resources, particularly on energy and water consumption, and further minimise the carbon footprint in our day-to-day operation.

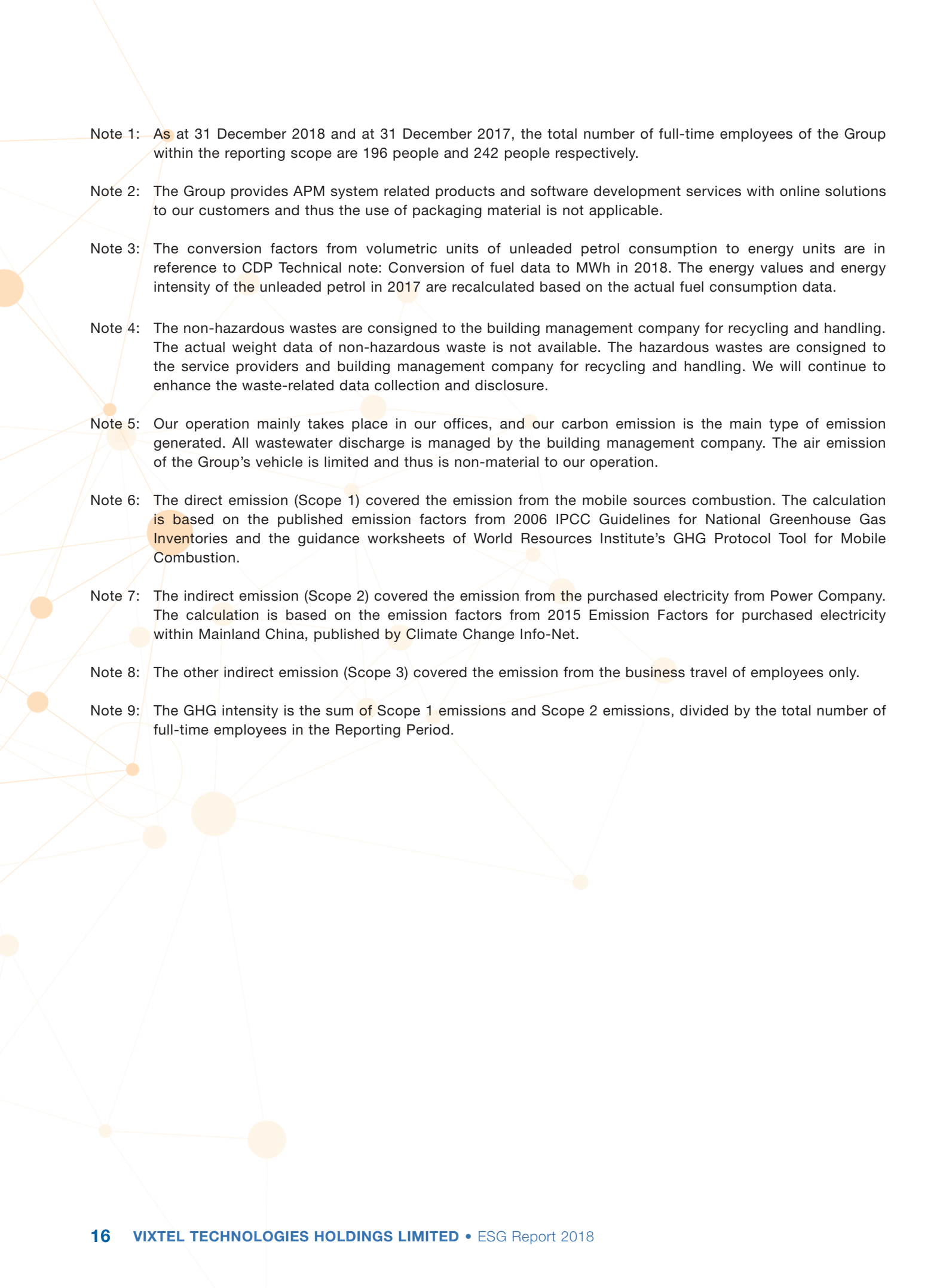
We improve our energy efficiency by the implementation of energy-saving measures. We require the temperature of our offices to be controlled at an energy-efficient level and maintained at 26 degrees Celsius. We have installed energy-saving fluorescent tubes, adopted the electronic appliances with higher energy efficiency and set electronic appliances in energy saving mode by default. We also remind our employees to adopt natural lighting whenever possible, and switch off lights and office equipment when they are not in use to minimise the energy usage. In addition, employees are encouraged to use public transportation where practicable in order to lower the frequency of the use of private vehicles, either owned by the staff or the Group, and reduce fuel consumption.

Apart from energy consumption, we realise that everyone has the shared responsibility to conserve the precious water resources. We have opted for water saving devices and faucets in our workplace and carried out regular water pipe maintenance to prevent water leakage. In addition, we remind our employees to switch off the faucet tightly after finished washing and avoid rinsing the containers under the running water to reduce the water wastage. During the Reporting Period, we did not identify any problem in water sourcing.

Our environmental performance

Our environmental performance data during the Reporting Period is indicated in the table below.

Vixel Technologies Holdings Limited			
	Unit ^(Note 1)	2018	2017
Types of Resources Used^(Note 2)			
Direct Energy^(Note 3)			
– Unleaded petrol for mobile combustion	Litre (“L”)	1,045.00	1,938.00
Total Energy	Giga Joule (“GJ”)	34.26	63.53
Intensity	GJ per full-time employee	0.17	0.26
Indirect Energy			
– Electricity	Megawatt hour (“MWh”)	156.89	137.01
Intensity	MWh per full-time employee	0.80	0.57
Water			
Intensity	m ³ per full-time employee	2.75	1.14
Paper			
Type of Waste^(Note 4)	Tonne	0.18	–
Hazardous Waste			
– Light tubes	Pieces (“pc”)	17	–
– Waste batteries, electronic parts and accessories	pc	13	–
– Waste cartridges	pc	13	–
Intensity	pc per full-time employee	0.22	–
GHG Emissions^(Note 5)			
Direct Emission (Scope 1)^(Note 6)			
	Tonne of carbon dioxide equivalent (“tCO ₂ e”)	2.50	5.15
Indirect Emission (Scope 2)^(Note 7)	tCO ₂ e	158.80	138.91
Other Indirect Emission (Scope 3)^(Note 8)	tCO ₂ e	34.61	–
Intensity^(Note 9)	tCO ₂ e per full-time employee	0.82	0.60

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- Note 1: As at 31 December 2018 and at 31 December 2017, the total number of full-time employees of the Group within the reporting scope are 196 people and 242 people respectively.
- Note 2: The Group provides APM system related products and software development services with online solutions to our customers and thus the use of packaging material is not applicable.
- Note 3: The conversion factors from volumetric units of unleaded petrol consumption to energy units are in reference to CDP Technical note: Conversion of fuel data to MWh in 2018. The energy values and energy intensity of the unleaded petrol in 2017 are recalculated based on the actual fuel consumption data.
- Note 4: The non-hazardous wastes are consigned to the building management company for recycling and handling. The actual weight data of non-hazardous waste is not available. The hazardous wastes are consigned to the service providers and building management company for recycling and handling. We will continue to enhance the waste-related data collection and disclosure.
- Note 5: Our operation mainly takes place in our offices, and our carbon emission is the main type of emission generated. All wastewater discharge is managed by the building management company. The air emission of the Group's vehicle is limited and thus is non-material to our operation.
- Note 6: The direct emission (Scope 1) covered the emission from the mobile sources combustion. The calculation is based on the published emission factors from 2006 IPCC Guidelines for National Greenhouse Gas Inventories and the guidance worksheets of World Resources Institute's GHG Protocol Tool for Mobile Combustion.
- Note 7: The indirect emission (Scope 2) covered the emission from the purchased electricity from Power Company. The calculation is based on the emission factors from 2015 Emission Factors for purchased electricity within Mainland China, published by Climate Change Info-Net.
- Note 8: The other indirect emission (Scope 3) covered the emission from the business travel of employees only.
- Note 9: The GHG intensity is the sum of Scope 1 emissions and Scope 2 emissions, divided by the total number of full-time employees in the Reporting Period.

HKEX ESG REPORTING GUIDE INDEX

HKEx ESG Reporting Guide General Disclosures & KPIs

Explanation/Reference Section

Aspect A: Environment

A1 Emissions

Information on:

(a) the policies; and

(b) compliance with relevant laws and regulations that have a significant impact on the issuer

relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.

Note:

Air emissions include NO_x, SO_x, and other pollutants regulated under national laws and regulations.

Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride.

Hazardous wastes are those defined by national regulations.

CONSERVING OUR ENVIRONMENT –
Minimising emissions and pollution to the environment

KPI A1.1

The types of emissions and respective emissions data.

CONSERVING OUR ENVIRONMENT –
Minimising emissions and pollution to the environment

CONSERVING OUR ENVIRONMENT –
Our environmental performance

HKEx ESG Reporting Guide General Disclosures & KPIs

Explanation/Reference Section

KPI A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	CONSERVING OUR ENVIRONMENT – Our environmental performance
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	CONSERVING OUR ENVIRONMENT – Our environmental performance
KPI A1.4	Total non-hazardous waste produced (in tonnes) and where appropriate, intensity (e.g. per unit of production volume, per facility).	CONSERVING OUR ENVIRONMENT – Our environmental performance
KPI A1.5	Description of measures to mitigate emissions and results achieved.	CONSERVING OUR ENVIRONMENT – Minimising emissions and pollution to the environment
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	CONSERVING OUR ENVIRONMENT – Minimising emissions and pollution to the environment
A2 Use of Resources	<p>Policies on efficient use of resources including energy, water and other raw materials.</p> <p>Note:</p> <p>Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.</p>	<p>CONSERVING OUR ENVIRONMENT – Our environmental performance</p> <p>CONSERVING OUR ENVIRONMENT – Enhancing resources efficiency</p>

HKEx ESG Reporting Guide General Disclosures & KPIs

Explanation/Reference Section

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).	CONSERVING OUR ENVIRONMENT – Our environmental performance
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	CONSERVING OUR ENVIRONMENT – Our environmental performance
KPI A2.3	Description of energy use efficiency initiatives and results achieved.	CONSERVING OUR ENVIRONMENT – Enhancing resources efficiency
		CONSERVING OUR ENVIRONMENT – Our environmental performance
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	CONSERVING OUR ENVIRONMENT – Enhancing resources efficiency
		CONSERVING OUR ENVIRONMENT – Our environmental performance
KPI A2.5	Total packaging material used for finished products (in tonnes), and, if applicable, with reference to per unit produced.	Not Applicable
A3 The Environment and Natural Resources	Policies on minimising the issuer's significant impact on the environment and natural resources.	CONSERVING OUR ENVIRONMENT – Enhancing resources efficiency
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	CONSERVING OUR ENVIRONMENT – Enhancing resources efficiency

Aspect B: Social

B1 Employment

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.

CARE FOR THE EMPLOYEE – Labour Practices

B2 Health and Safety

Information on:

- (a) the policies; and
- (b) compliance with relevant laws and regulations relating to providing a safe working environment and protecting employees from occupational hazards.

CARE FOR THE EMPLOYEE – Healthy and safe workplace

B3 Development and Training

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.

CARE FOR THE EMPLOYEE – Training and development

B4 Labour Standards

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 or forced labour.

CARE FOR THE EMPLOYEE – Labour Practices

HKEx ESG Reporting Guide General Disclosures & KPIs

Explanation/Reference Section

B5 Supply Chain Management

Policies on managing environmental and social risks of the supply chain.

SUPPLY CHAIN MANAGEMENT

B6 Product Responsibility

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.

PRODUCT RESPONSIBILITY

BUSINESS INTEGRITY – Protection of intellectual property and confidential information & Product Responsibility
– Listening to our customers

B7 Anti-corruption

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.

BUSINESS INTEGRITY –
Anti-corruption & anti-bribery

B8 Community Investment

Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.

COMMUNITY INVESTMENT