Tailam Tech Construction Holdings Limited

泰林科建控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6193)

Environmental, Social and Governance Report 2019

INTRODUCTION

Tailam Tech Construction Holdings Limited (the "Company", together with its subsidiaries, the "Group") is engaged in the manufacturing and sale of pre-stressed high-strength concrete piles ("PHC piles") and commercial concrete in the People's Republic of China (the "PRC"). Both the PHC piles and commercial concrete produced by the Group were primarily used in buildings and infrastructure projects. During the year ended 31 December 2019 ("FY2019"), the Group's products were mainly sold to property developers and construction companies in Jiangsu Province.

This Environmental, Social and Governance Report (the "ESG Report") summarises the environmental, social and governance ("ESG") initiatives, plans and performances of the Group and demonstrates its commitment to sustainable development.

The ESG Governance Structure

The board of directors of the Company (the "Board") oversees and sets out ESG strategies for the Group. The Board is also responsible for ensuring the effectiveness of the Group's risk management and internal control mechanism through an annual assessment.

The Group has assigned personnel to systematically identify and cater to ESG issues. The said personnel are responsible for collecting and analysing relevant ESG issues and identifying and assessing the Group's ESG risks. In addition, the said personnel periodically report to the Board for the evaluation and subsequent implementation or revision of the Group's ESG strategies.

REPORTING SCOPE

The ESG Report covers all of the Group's business activities in Jiangsu Province, the PRC where its principal business operations are located. The Group will continue to assess the major ESG aspects of different businesses and review the scope of disclosures when and where applicable.

REPORTING FRAMEWORK

The ESG Report has been prepared in accordance with the Environmental, Social and Governance Reporting Guide (the "ESG Reporting Guide") as set out in Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

Information relating to the Group's corporate governance practices can be found in the Corporate Governance Report on pages 36 to 47 of the annual report 2019.

REPORTING PERIOD

The ESG Report specifies the ESG activities, challenges and measures taken by the Group during FY2019.

STAKEHOLDER ENGAGEMENT

The Group values its stakeholders and their feedback regarding its businesses and ESG aspects. To understand and address their key concerns, the Group has maintained close communication with key stakeholders including but not limited to, shareholders and investors, employees, customers, suppliers, media and the public, and government and regulatory authorities.

In formulating operational and ESG strategies, the Group takes stakeholders' expectations and concerns into consideration by utilising diversified engagement methods and communication channels, as shown below.

Stakeholders	Communication channels	Expectations and concerns
Shareholders	 Annual General meeting and 	Sustainable profitability
and investors	other shareholder meetings	Corporate governance
	 Financial reports 	Business compliance
	 Announcements and circulars 	Shareholder's return
	 Company's website 	
Employees	• Training activities, seminars, and	Remuneration and benefits
	briefings	Safe working environment
	 Email and suggestion boxes 	Career development
	 Regular meetings 	
Customers	 Customer service hotline and 	High-quality products
	email	Customer satisfaction
	 Business meetings 	
Suppliers	Site visits	Fair and open procurement
	 Business meetings and 	On-time payment
	discussion	Sustainable relationship
Media and	ESG reports	Information transparency
the public	 Announcements and circulars 	Legal compliance
	Financial Reports	Corporate governance
Government	Written or electronic	Compliance with local laws
and other	correspondences	and regulations
regulatory	 Visits and site inspections 	• Stability in business operations
authorities		

The Group endeavours to actively listen to and collaborate with its stakeholders to ensure that their opinions can be voiced out through an effective communication channel. In the long run, the stakeholders' contribution will aid the Group in improving potentially overlooked ESG performances and maintaining the success of the Group's business in a challenging market.

MATERIALITY ASSESSMENT

The Board and management responsible for key functions of the Group have participated in the preparation of the ESG Report. They have assisted the Group in reviewing its operations, identified key ESG issues and assessed its importance to its businesses and stakeholders.

The Group's material ESG issues according to their relative importance are shown below:

	8	
Least material	Material	Most material
Air Emissions	Sewage Discharges into	Greenhouse Gas ("GHG")
	Water and Land	Emissions
Waste Management	Energy Consumption	Generation of Airborne
		Pollutants
	Water Consumption	Occupational Health and Safety
		Management
	Remuneration, Benefits and	Supply Chain Management
	Welfare	
	Protection of Intellectual	Product Quality Assurance
	Property ("IP") Rights	
	Corporate Governance	Provision of Training
	Structure	Opportunities

For FY2019, the Group confirmed that it has established appropriate and effective management policies and internal control systems for ESG issues and confirmed that the disclosed contents are in compliance with the requirements of the ESG Reporting Guide.

FEEDBACKS

The Group welcomes stakeholders to provide their opinions and suggestions. You can provide valuable advice or comments in respect of the ESG Report or the Group's performances in sustainable development by e-mail (<u>comsec@tailamgroup.com</u>).

A. ENVIRONMENTAL

A1. Emissions

General Disclosure and Key Performance Indicators ("KPIs")

Environmental protection has always been one of the fundamental values of the Group. The Group attaches great importance to sustainable development in its operation. To reduce energy consumption and GHG emissions, the Group has actively implemented environmental policies and procured more energy-efficient machinery to reduce its carbon footprint. The Group is currently applying for certification in relation to ISO 14001:2015. The Group continuously improves existing policies and incorporates new policies to mitigate potential direct and indirect negative environmental impacts arising from its business operations.

During FY2019, the Group was not aware of any material non-compliance with laws and regulations relating to air and GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous waste that would have a significant impact on the Group including but not limited to, Environmental Protection Law of the People's Republic of China, Prevention and Control of Atmospheric Pollution of the People's Republic of China, Water Pollution Prevention and Control Law of the People's Republic of China and Prevention and Control of Environmental Pollution by Solid Waste of the People's Republic of China.

Air Emissions

The principal source of emissions arising out of the Group's operation was petrol consumed by vehicles. In response to the abovementioned source, the Group has actively taken measures to control air emissions. Such measures will be described in the following section – "GHG Emissions".

Indicator	Unit	FY2019
Nitrogen oxides (NOx)	kg	36.03
Sulphur oxides (SOx)	kg	0.60
Particulate matter (PM)	kg	2.65

Summary of exhaust gas emissions performances:

GHG Emissions

The principal GHG emissions of the Group were generated from petrol by vehicles and natural gas for the production of PHC piles (Scope 1) and purchased electricity (Scope 2).

Scope 1 – Direct GHG Emissions

The Group has adopted the following measures to mitigate direct GHG emissions from petrol consumption by company vehicles and natural gas for the production of PHC piles in its operations:

- Regularly service boilers to minimise unnecessary natural gas consumption;
- Plan routes ahead of time to avoid route repetition and optimise fuel consumption;
- Regularly service vehicles to ensure optimal engine performance and fuel use; and
- Switch off the engine when the vehicle is idling.

Scope 2 – Energy Indirect GHG Emissions

Electricity consumption accounted for a sizeable percentage of GHG emissions within the Group. The Group has implemented measures to reduce energy consumption, said measures will be mentioned in "Aspect A2 – Use of Resources".

Through the implementation of such measures, the employees' awareness of reducing GHG emissions has been noted to have increased.

Summary of GHG emissions performances:

Indicators ¹	Unit	FY2019
Scope 1 - Direct GHG Emissions	tCO ₂ e ²	6,531.69
Petrol consumption		
Natural gas		
Scope 2 – Energy Indirect GHG Emissions	tCO ₂ e	3,438.05
Purchased electricity		
Total GHG emissions	tCO2e	9,969.74
Intensity ³	tCO2e/million revenue	18.43
	(RMB)	

Notes:

- GHG emissions data is presented in terms of carbon dioxide equivalent and is based on, but not limited to, "The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standards" issued by the World Resources Institute and the World Business Council for Sustainable Development, "How to prepare an ESG report – Appendix II: Reporting Guidance on Environmental KPIs" issued by the Stock Exchange, the latest released emission factors of China's regional power grid basis and the "Global Warming Potential Values" from the IPCC Fifth Assessment Report, 2014 (AR5).
- 2. tCO_2e is defined as tonnes of carbon dioxide equivalent.
- 3. For FY2019, the Group recorded a revenue of approximately RMB541.07 million. This data is used for calculating other intensity data.

Sewage Discharges into Water and Land

The Group did not consider the amount of sewage discharge into water to be disproportionate. To reduce sewage discharge into water, the Group has invested in a water treatment and recycle system to allow for the recycling and subsequent reuse of waste water. The waste water discharged by the Group is disposed of through the municipal sewage network to the regional water purification plant. Similarly, the sewage discharge into land was insignificant.

Waste Management

Hazardous Waste Management

The Group was not involved in the generation of hazardous waste. The Group has engaged a subcontractor for the production of commercial concrete; any hazardous waste produced as a result of the said production is not under the Group's direct operational control. The Group is nevertheless conscious of the need for a proper hazardous waste disposal management should hazardous wastes be generated and that the disposal process should comply with applicable statutory requirements.

Non-hazardous Waste Management

Non-hazardous waste generated was mainly office paper. The Group did not note a disproportional amount of waste produced. The Group endeavours to extend the scope of disclosure of other waste produced when the data collection process matures.

The Group places great effort in raising the awareness of its employees on the importance of reducing waste production and has adopted the following environmentally friendly initiatives to enhance its environmental performance. Green measures include but are not limited to the following:

- Reduce the use of single-use disposable items;
- Reuse single-sided waste paper where possible;
- Print electronic correspondences only when necessary; and
- Recycle office and electronic equipment after their life cycle.

Employees' awareness of waste management has increased as a result of these implementations.

Summary of other non-hazardous waste disposal performance:

Indicators	Unit	FY2019
Office paper	kg	1,327.23
Total non-hazardous waste disposed	kg	1,327.23
Intensity	kg /million revenue (RMB)	2.45

A2. Use of Resources

General Disclosure and KPIs

The Group upholds and promotes the principle of effective use of resources, and is committed to optimising the use of resources in all of its business operations. The Group has established relevant policies and procedures in governing the use of energy and water to achieve higher efficiency and reduce the unnecessary use of resources.

Energy Consumption

The Group recognises the scarcity of finite natural resources and has therefore implemented policies to better govern the use of resources. The Group strives to further reduce energy consumption by adopting the following energy-saving measures:

- Post eye-catching reminders near light switches and electrical appliances as a reminder to employees;
- Switch off all idle machines, appliances and unnecessary lightings upon leaving the Group's premise; and
- Purchase equipment with higher energy efficiency on the replacement of old equipment.

Anomaly in electricity consumption will be investigated and preventive measures will be taken. Through the implementation of the aforementioned energy-saving measures, employee's awareness of energy conservation has been increased.

Indicators	Unit	FY2019
Direct energy consumption		
Petrol	MWh	397.35
Natural Gas	MWh	31,770.64
Indirect energy consumption	1	
Purchased electricity	MWh	4,273.00
Total energy consumption	MWh	36,440.99
Intensity	MWh/ million revenue	67.35
	(RMB)	

Summary of energy consumption performances:

Water Consumption

The Group actively promotes the importance of water conservation to its employees. Apart from posting eye-catching reminders around the Group's premise, the Group also regularly inspects water taps to prevent leakage and installs dual flush water cistern in toilets and water-saving thimble in sinks where possible. Through the implementation of said water-saving measures, employees' awareness of water conservation has been increased.

Due to the geographical location of the Group's premises, the Group did not encounter any problem in sourcing water that was fit for purpose.

Summary of water consumption performance:

Indicator	Unit	FY2019
Total water consumption	m ³	72,283.00
Intensity	m ³ / million revenue (RMB)	133.59

Use of Packaging Material

Due to the Group's business nature, the use of packaging material was not considered to be a material ESG aspect to the Group.

A3. The Environment and Natural Resources

General Disclosure and KPIs

As a PHC piles and concrete manufacturer, dust, wastewater and noise are generated during the Group's production processes. The Group recognizes its responsibility in minimising any negative environmental impacts in its business operations and has therefore established a pollution control system and installed various equipment to process and dispose of its industrial wastes to minimise the impact on the environment. The Group remains conscious of its existing and potential impacts, and regularly assesses the environmental risks of its business model, adopts preventive measures and ensures compliance with relevant laws and regulations.

Generation of Airborne Pollutants

The Group has adopted various measures to reduce dust generated. For vehicles, incoming and outgoing transport vehicles are cleaned. For road surfaces, water is sprayed on the road regularly to reduce the generation of fugitive dust during vehicle travelling. For raw materials that are imported, such raw materials are transported via a fully enclosed conveyor belt from the point of discharge to the raw material warehouse. For raw materials temporarily stacked at the Group's premise, they are fully covered by a dust cloth. A fully enclosed green environmental protection station is in the course of being constructed, which would allow raw materials to be properly stored and protected against the external environment.

To further its effort in reducing the generation of pollutants arising from its production process, the Group has transitioned from using coal to natural gas, a cleaner fuel, as a fuel for the boilers.

Noise Control

The Group has installed soundproof wall in the production plant to reduce noise generated during operations.

B. Social

B1. Employment

General Disclosure

Human resources are essential to the continued success of the Group. Employment policies are formally documented in the Employee Handbook, covering recruitment, compensation, remuneration, diversity and equal opportunities, etc. The Group periodically reviews existing policies and employment practices to ensure continuous improvement of its employment standards and competitiveness against service providers of the same industry. As at 31 December 2019, the Group employed approximately 40 full-time employees and 146 outsourced workers.

During FY2019, the Group was not aware of any material non-compliance with employmentrelated laws and regulations that would have a significant impact on the Group relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare, including but not limited to Labour Law of the People's Republic of China, Labour Contract Law of the People's Republic of China and Regulation on Work-Related Injury Insurances of the People's Republic of China.

Remuneration, Benefits and Welfare

The Group understands that good benefits and welfare encourages retention and fosters a sense of belonging. Therefore, the Group has established a fair, reasonable, and competitive remuneration system for salary payments to employees based on their job scope, responsibilities and performance. Share options may also be granted to eligible employees of the Group.

In accordance with the law, the Group legally pays "five social insurance and one housing fund" for its employees, namely endowment insurance, medical insurance, unemployment insurance, employment injury insurance, maternity insurance, and mandatory housing fund, to ensure that employees are covered by social insurance.

Recruitment, Diversity and Equal Opportunities

Sustainable growth of the Group relies on the diversity of talents and a non-discriminatory recruitment process. The Group's employees are recruited via a robust, transparent and fair recruitment process based solely on their experience and expertise and without regard to their age, ethnicity, origin, gender identity, marital status, sexual orientation and religion.

The Group is of firm belief that employees should have the right to work in an environment free of discrimination, harassment and vilification. Therefore, the Group is committed to creating and maintaining an inclusive and harmonious workplace culture. In addition, the Group emphatically states its zero-tolerance stance on any aforementioned behaviours in the workplace of any form.

Promotion and Performance Appraisal

The Group assesses the performance of the employees on a regular basis, the results of which are used for their salary review and performance appraisal. The Group gives preference to internal promotion to provide an incentive for consistent and continuous effort. Performance bonus is also awarded to employees with outstanding performance.

Working Hours and Rest Periods

Official working hours and rest periods are clearly stated in the Employee Handbook and are in accordance with local employment laws.

Compensation and Dismissal

The Group compensates employees according to the statutory requirements. Unreasonable dismissal under any circumstances is strictly prohibited. Dismissal will be based on reasonable and lawful grounds supported by internal policies of the Group.

B2. Health and Safety

General Disclosure

During FY2019, the Group was not aware of any material non-compliance with health and safetyrelated laws and regulations that would have a significant impact on the Group, including but not limited to Labour Law of the People's Republic of China, Production Safety Law of the People's Republic of China, Law of the People's Republic of China on the Prevention and Treatment of Occupational Diseases and Fire Protection Law of the People's Republic of China.

Occupational Health and Safety Management

The Group strives to create a safe and healthy working environment for its employees by eliminating potential health and safety hazards at the work place. The Group has in place an inspection system to ensure the health and safety of employees during its operation. In addition, the Group's safety personnel conduct regular safety supervision in each business area, including the production lines, testing laboratories and office and provide its workforce with safety information and training on the operations of office equipment, production facilities, tools and testing equipment. Safety guidelines are detailed in the Staff Handbook for employees' easy reference.

Fire extinguishers are stored at visible areas and fire escape routes are clearly shown throughout the Group's premise. To further avoid fire hazards, no smoking is allowed within the production facilities, fire exits and major passageways are kept clear from obstruction. Additionally, the Group provides its employees with clean dormitory rooms with proper sanitary facilities and proper workwear or personal protective equipment.

Furthermore, the Group has established the Occupational Disease Prevention and Responsibility Policy (《職業病防範責任制》) in accordance with the Law of the People's Republic of China on the Prevention and Treatment of Occupational Diseases. The policy states the roles and responsibilities of different departments and members of the Group on protecting its employees from occupational hazards.

The Group places great importance on ensuring that its employees receive adequate and appropriate training to safeguard workplace safety procedures. As such, the Group holds induction safety training for its employees and encourages them to undergo continuous safety training. To further ensure that workplace accidents and common emergencies can be tended to as soon as possible, the Group provided fire hazard training sessions and an external first aid training session to its employees during FY2019.

B3. Development and Training

General Disclosure

Provision of Training Opportunities

The Group places great emphasis on the provision of training and development opportunities to its employees and takes an active approach in providing employees with opportunities to advance their careers.

The Group has established relevant training policies to effectively manage the provision of training opportunities to employees. The management of the Group regularly reviews the training plans to ensure that the training courses given continue to benefit its employees. The Group provides induction training to newcomers and on-the-job training to all its employees regularly. The content of other training activities varies from safety education, understanding financial workflow, coordinating and dealing with inter-departmental issues, to customer service skills. In addition, the Group encourages its employees to take part in external training activities to broaden their horizon and keep them abreast of the ever-changing trend of the manufacturing industry and related industrial requirements.

B4. Labour Standards

General Disclosure

Prevention of Child and Forced Labour

The Group guarantees that no employee will be made to work against his/her will or be coerced to work. The recruitment of child labour is strictly prohibited. All employees recruited by the Group are above the minimum age requirement stipulated by the law. Personal data is collected during the process to assist the selection of suitable candidates and to verify candidates' personal data. The human resources department ensures that their valid identity documents are carefully checked.

During FY2019, the Group was not aware of any material non-compliance with child and forced labour-related laws and regulations that would have a significant impact on the Group, including but not limited to Labour Law of the People's Republic of China.

B5. Supply Chain Management

General Disclosure

Supply Chain Management

The Group places great emphasis on maintaining quality control, safety standard and environmental protection as these factors directly affect the Group's reputation, service quality and competitiveness against other PHC piles and commercial concrete suppliers. Furthermore, the Group understands the importance of incorporating environmental and social practices of its suppliers and therefore usually engages suppliers who act responsibly with regard to green supply chain management.

In selecting suppliers of raw materials, the Group requires suppliers to provide relevant quality control certificates such as quality management systems and copies of their valid business licences where applicable to prevent establishing business with suppliers that are operating illegally or a substandard level. The Group's procurement department has devised a rigorous supply chain management system to govern the procurement process and has developed a comprehensive supplier's questionnaire to ensure that potential suppliers are evaluated carefully. In addition, trial

samples of the raw materials will be requested before placing orders with potential suppliers. Upon ordering and the subsequent delivery of the raw materials, tests on the raw materials will be conducted again. If the quality of the raw materials falls below the agreed standard, they will be returned to the suppliers for replacement. Visits to the Group's main suppliers' business premises are also conducted annually to evaluate their social and environmental responsibility performance.

The Group not only reviews suppliers' basic information during the supplier selection process, but also considers the price offered, production and quality management system, possession of certifications, and compliance with relevant laws, regulations and standards. The Group periodically evaluates and monitors the performance of its suppliers to ensure their compliance with quality and service standards. Suppliers who fail to demonstrate a good standard or fail to meet the Group's supplier selection criteria will be excluded from the list of suppliers for future engagements.

The Group has also formulated rules to ensure that suppliers could be selected in an open, fair and transparent manner. The Group will not differentiate or discriminate against any suppliers and any forms of corruption and bribery are also strictly prohibited.

B6. Product Responsibility

General Disclosure

As a PHC piles and concrete manufacturer, ensuring product quality and safety is of paramount importance and critical to the success of the Group's business.

During FY2019, the Group was not aware of any non-compliance with laws and regulations concerning health and safety, advertising, labelling and privacy matters relating to products and services and methods of redress that would have a significant impact on the Group, including but not limited to the Protection of Consumer Rights and Interests of the People's Republic of China, Advertising Law of the People's Republic of China, Patent Law of the People's Republic of China Trademark Law of the People's Republic of China and Product Quality Law of the People's Republic of China.

Product Quality Assurance

The Group's production facilities are accredited with ISO 9001:2015 quality management certification. Products produced by the Group are subject to an extensive quality assurance process to ensure that the products are in compliance with relevant laws and regulations. The Group believes that its effective quality management systems would improve the overall service quality and customer satisfaction.

Policies relating to product safety have been established and are drafted based on the guidelines of ISO 9001:2015. Such policies detail the procedures of the quality control inspections of raw materials, production process and finished products. Employees are duly notified of the quality control process and are required to strictly abide by such procedures.

The Group has established testing laboratories equipped with various testing equipment at the production facilities to conduct quality testing. Multiple inspection points at different production stages have been set up to test the products. PHC piles are inspected and tested every six months by a qualified inspection institution to ensure compliance with national standards.

Data Privacy Protection

The Group endeavours to safeguard all sensitive information pertaining to its customers and has established guidelines relating to data protection. Employees are required to respect the confidentiality of customers' information. The Group has also implemented firewall, anti-virus, and anti-spam solutions for its IT systems to safeguard confidential information. Such data protection solutions are routinely upgraded. Employees are required to respect the confidentiality of customers' personal data and the Group's confidential information upon signing the legally binding labour contract. Where necessary, applicable employees of the Group may be required to sign a non-disclosure agreement.

Protection of IP Rights

The Group's PHC piles are mainly sold to customers under the Group's own trademark **TALAM**. The logo of the Group had been registered as a trademark in the PRC and a number of patents had also been successfully registered. The Group has established relevant policies to govern the protection of its IP rights. In addition, upon joining the Group, employees are required to protect the IP rights of the Group under the legally binding labour contract.

Any unauthorised use of the Group's brand names, trademarks, and other intellectual property rights by third parties could adversely affect its business, reputation and market position. For any infringement of its intellectual property, the Group will urge infringers to cease such action.

Advertising and Labelling Matters

As mentioned in the preceding "Protection of IP Rights" section, the Group's PHC piles are sold under the Group's own trademark. The Group has relevant measures in place that state the general requirements for the presentation of the registered trademark on the Group's products.

Due to the Group's business nature, the Group considers that advertising matters are not material to the Group.

B7. Anti-corruption

General Disclosure

During FY2019, the Group was not aware of any material non-compliance with the relevant laws and regulations relating to bribery, extortion, fraud and money laundering that would have a significant impact on the Group, including but not limited to the Criminal Law of the People's Republic of China and the Anti-Unfair Competition Law of the People's Republic of China.

Corporate Governance Structure

The Group believes that solid corporate governance is the key to its continuous growth and development. The Group does not tolerate any forms of corruption, fraud and all other behaviours that severely damage the business integrity and reputation of the Group.

Bribery, fraud and corruption in any forms or in relation to any parties are all strictly prohibited in the Group. The Group has incorporated a section in the Employee Handbook regarding the procedures for employees to report any suspected fraudulent activities. Employees may report in writing to their department head regarding the suspected misconduct. Reports and complaints received will be handled in a prompt and fair manner. The Group intends to protect the whistle-blower from common concerns such as confidentiality and potential retaliation or discrimination. Therefore, the employee reporting in good faith under the whistle-blowing mechanism can be assured of protection against unfair dismissal or victimisation, even if the reports are subsequently proved to be unsubstantiated.

B8. Community Investment

General Disclosure

The Group has always integrated social responsibility into its development and is committed to supporting the public by means of social participation and donation. At the same time, the Group encourages its staff to participate in charitable activities and other volunteer services. In light of the outbreak of novel coronavirus (the "COVID-19"), the Group considered that donating anti-epidemic care packs and hand sanitisers to the law enforcement and frontline workers would be of greatest help. In particular, the Group has donated 8,270 bottles of antibacterial hand wash gels to the COVID-19 Prevention and Control Department in February 2020.





During Lunar New Year of 2019, the Group distributed some daily commodities to its neighbours in the same community, fully extending the Group's people-oriented principle to the neighbouring community.

During the first half of FY2019, the Group held the annual Tailam Cup badminton competition (泰林杯) together with Qidong City Education and Sports Bureau (啓東市教育體育局) as part of its commitment to foster community engagement. The Tailam Cup welcomed participation of both badminton enthusiasts in Qidong City and the Group's employees. The Tailam Cup provided them with a platform to participate in physical activity whilst engaging with the Community Qidong City where the Group operates.

