

TLMC

TAK LEE MACHINERY HOLDINGS LIMITED
德利機械控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock code : 2102

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE REPORT
2020



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ABOUT THIS REPORT

Tak Lee Machinery Holdings Limited (hereinafter referred to as the “Company” or “TLMC”) along with its subsidiaries (“we” or our “Group”) is pleased to present the Environmental, Social and Governance (“ESG”) Report (the “Report”). This Report serves to present the ESG management approach, performance and achievements of our key operations. It is prepared in accordance with the “comply or explain” provisions of the Environmental, Social and Governance Reporting Guide (the “ESG Guide”) under Appendix 20 to the Rules Governing the Listing of Securities on GEM (the “GEM Listing Rules”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and Appendix 27 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

This Report communicates the principal activities operated by our Group, which include the sales of heavy equipment and spare parts, leasing of heavy equipment, as well as the provision of maintenance and ancillary services in Hong Kong. Unless otherwise specified, this Report covers our financial year from 1 August 2019 to 31 July 2020 (the “Reporting Period”).

The purpose of this Report is to communicate our Group’s policies, initiatives, performances and plans relating to material environmental and social issues. All information is prepared and published based on existing policies, practices and official documents or reports in an accurate, genuine and transparent manner. It adheres to the reporting principles of “materiality”, “quantitative”, “balance”, and “consistency”.

Materiality	As assessed and confirmed by the board of directors of the Company (the “Board”), this Report is structured based on the materiality of ESG aspects and respective issues. The Board and the management will review these sustainability issues annually to ensure that they are being addressed in our daily operations.
Quantitative	This Report discloses quantitative environmental and social key performance indicators (“KPIs”) of our principal activities, which mainly cover (i) sales of heavy equipment and spare parts, (ii) leasing of heavy equipment, as well as (iii) provision of maintenance and ancillary services in Hong Kong.
Balance	This Report provides an unbiased overview of our ESG performance. It discloses both achievements and areas of improvement, whenever applicable.
Consistency	This Report is prepared in accordance with the ESG Guide, as well as consistent methodology for the calculation of ESG data. For further details of the quantification methodology, please refer to the “Environmental Management” section.

We highly value readers' feedback on this Report and our approach to sustainability. If you have any comments or suggestions, please share with us via:

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For more details regarding our corporate governance and financial performance, please refer to our Annual Report 2020.

SUSTAINABILITY AT TLMC

Our Group highly appreciates the continuous support from shareholders, employees, customers and suppliers along our corporate sustainability journey. As we attach great importance to product quality, customer and supplier relationships, business ethics, occupational health and safety, as well as employee well-being and development, we also strive to respect the earth's limited resources through stringent environmental management.

Commitment from the Board

This Report is endorsed by the Board, who is responsible for overseeing strategies and managing ESG matters of our Group. The Board is dedicated to monitoring sustainability performances through regularly reviewing ESG-related policies and initiatives, and publishing an ESG Report on an annual basis. It also strives to evaluate, identify and manage sustainability risks, as well as uncover opportunities through closely observing regulatory requirements, relevant updates and industry practices.

Principal Activities

Established in 2001, we engage in the principal business activities of (i) the sales of new and used heavy equipment and spare parts, (ii) the leasing of heavy equipment and (iii) the provision of maintenance and ancillary services in Hong Kong. Heavy equipment provided by our Group includes excavators, articulated dump trucks, compactors, wheel loaders, bulldozers, lifting cranes, and diesel energy generators.

TLMC is dedicated to building up expertise and reputation within the heavy equipment services industry. In particular, we take pride in being the:



Sole authorised dealer of Hitachi brand heavy equipment in Hong Kong and Macau



Distributor of heavy equipment of LaBounty brand in Hong Kong and Macau



Exclusive distributor of heavy equipment of Ramfos brand in Hong Kong, Macau and certain provinces in the PRC



Supplier of our own TLMC brand of heavy equipment reliably manufactured in Italy



Exclusive dealer of heavy vehicles of Ammann brand in Hong Kong and Macau



Distributor of diesel engine generators of Airman brand in Hong Kong and Macau



Distributor for articulated dump trucks and articulated trucks of Bell brand in Hong Kong

Stakeholder Engagement

At TLMC, we believe stakeholders' interests, expectations and concerns intertwine with our overall performance. As we aspire to construct a positive environment that fosters corporate growth, we ensure transparent and interactive channels are available for meaningful communication of mutual interests.

Stakeholder engagement enables effective examination and management of stakeholders' views, which in turn strengthens their understanding towards our business directions. By doing so, it helps us align policies and strategies with consideration to stakeholders' interests and expectations. The table below lists the engagement channels through which we interacted with our stakeholders during the Reporting Period.

Stakeholder Groups	Engagement Channels
Shareholders and Investors	<input type="checkbox"/> Press releases <input type="checkbox"/> Annual/ interim reports <input type="checkbox"/> Company and Stock Exchange's webpages <input type="checkbox"/> Announcements and circulars <input type="checkbox"/> General meeting(s)
Employees	<input type="checkbox"/> Meetings, teleconferences and emails <input type="checkbox"/> Performance assessments <input type="checkbox"/> Training programmes <input type="checkbox"/> Company events
Customers	<input type="checkbox"/> Company webpage <input type="checkbox"/> Satisfaction surveys <input type="checkbox"/> Meetings, teleconferences and emails
Suppliers	<input type="checkbox"/> Tender meetings <input type="checkbox"/> Supplier assessments <input type="checkbox"/> Visits <input type="checkbox"/> Meetings, teleconferences and emails
Community	<input type="checkbox"/> Charity events <input type="checkbox"/> Emails
Media	<input type="checkbox"/> Press releases <input type="checkbox"/> Emails
Regulatory Bodies	<input type="checkbox"/> Compliance/ non-compliance reports <input type="checkbox"/> Certifications/ licensing <input type="checkbox"/> Meetings and correspondences <input type="checkbox"/> Site visits

Materiality

During the Reporting Period, our Group has commissioned an independent sustainability consultancy to assist in managing and reviewing ESG-related policies and material issues. Reviewed and approved by the Board, this Report is structured into five sections – “Governance and Integrity”, “Environmental Management”, “Product and Service Commitment”, “People at TLMC”, and “Community Engagement”.



Moving forward, to gain a more holistic perspective, our Group shall consider conducting an ESG-specific stakeholder engagement exercise to prioritise ESG issues based on stakeholders’ levels of concern. Where appropriate, our Group shall also disclose ESG-related targets and goals, as well as relevant strategies in the pursuit of continuous sustainability improvement.

Pandemic Uncertainties and Future Prospects

Coronavirus Disease 2019 (“COVID-19”)

The outbreak of the novel COVID-19 since December 2019 has posed immense threats to public health and safety worldwide. Its unpredictable development has also marked uncertainties to the local economy as certain business sectors in Hong Kong were badly affected.

At TLMC, some of our business operations were adjusted and employees were working remotely from time to time as part of our preventive measures against COVID-19. In addition, our key suppliers are heavy equipment manufacturers with headquarters located in Japan, Canada, Korea, the People’s Republic of China, the United States, Switzerland and South Africa. Any delay in operation resumption and logistics arrangements might lead to disruption of heavy equipment supply. These might potentially interrupt the commencement and progress of our clients’ construction projects.

During the Reporting Period, one of our leasing customers suspended the construction works of an infrastructure project for two weeks, following the incident where one of their employees was diagnosed with COVID-19. As a result, there was a two-week suspension on the leasing of the relevant heavy equipment.

TLMC's Response

Against all odds, our business operation and financial performance have not been materially and adversely affected. With the commencement of several other large-scale infrastructure projects, such as the Three Runway System of the Hong Kong International Airport, Route 6 Development and the Tung Chung New Town Extension, and with the concerted efforts of our employees, our business stays robust. According to the 2020-21 Budget Speech, the Hong Kong government has proposed a land enhancement strategy by reclamation and rock cavern development, and we are of the view that such proposal hints at a relatively stable growth for the heavy equipment industry.

While monitoring the impact of COVID-19, we strive to commit to our corporate strategies and preserve our business value in the long run. We uphold an optimistic outlook for the sales and leasing of our heavy equipment as we foresee an investment increase in infrastructure projects. To maintain our competitiveness in the industry, we do our best to maintain close communication with our suppliers to ensure timely supply of heavy equipment.

In addition, we are committed to seizing business opportunities by diversifying our supplier base and product offering. During the Reporting Period, we entered into a new agreement under which we were granted the dealership for foundation equipment. Moving forward, we will continue to identify suitable suppliers and products to pursue more dealerships or distributorships that would sustainably boost our competitive edge in the future.

GOVERNANCE AND INTEGRITY

TLMC is committed to governing business integrity and maintaining trustworthy relationships with our business partners and customers. We uphold a transparent and open governance structure in the planning and implementation of policies and procedures. During the Reporting Period, we operated under the code provisions set out in the Corporate Governance Code contained in Appendix 15 to the GEM Listing Rules. We have also adopted practices to ensure high standards of business ethics, including anti-corruption, labour standards, as well as respect of privacy and other rights.

Anti-Corruption

As detailed in the Risk Management Policy, our Group strives for a high standard of ethical conduct and adopts a zero-tolerance approach against bribery, extortion, fraud and money laundering. We require our employees to understand their responsibilities and obligations with respect to their work duties, such as accountability in financial reporting, prohibition of insider trading and other misconducts. All corruption and fraud risks shall be assessed and reported at the Group level by considering potentially fraudulent activities.

Potentially fraudulent activities

- ☐ Fraudulent financial reporting arising from improper revenue recognition, capitalisation of expenses, asset valuation, related-party transactions, and management override of financial transactions
- ☐ Misappropriation of assets
- ☐ Improper or unauthorised expenditures
- ☐ Self-dealings, including kickbacks
- ☐ Violations of laws, rules and regulations

Responsibilities of TLMC Personnel

The Board	Organises a formal fraud risk evaluation annually to evaluate and record key fraud risks, as well as review the effectiveness of controls to avoid potential occurrence.
Human Resources Department	Arranges training on professional ethics and prohibition against fraudulent behaviours.
All managers	Examine fraud risks within their scope of duty constantly and ensure adequate controls are in place. Material fraud risks must be reported to the Board.

Whistle-Blowing

TLMC is committed to the highest level of transparency, integrity and accountability. We expect and encourage employees to call attention to any alleged misconduct or delinquency. We have implemented a whistle-blowing policy to prevent, deter and detect fraudulent financial activity. It provides an official, transparent and confidential channel for employees to raise concerns about possible improprieties and malpractices without fear of reprisals. Our Group reassures that a whistle-blower who lodges a complaint based on the policy will not be fired, mistreated, or suffer unnecessary disciplinary punishments. By adopting this policy, we aspire to encourage professional work ethics and stamp out any internal improprieties, unethical acts, malpractices, fraudulent acts, corruptions and/or criminal activities.

Any alleged or concerned misconduct shall be reported to the Board and tabled as necessary to the Audit Committee. Under the Supervisory Policy, all allegation records shall be preserved by the Audit Committee for further investigation. Security of relevant information, such as photocopies or electronic files shall be assured for necessary investigation and subsequent procedures. Fraud investigation shall not be initiated without confirmation and approval from the Board. When an investigation process is initiated, all information shall remain strictly confidential, while investigation shall be conducted with discretion. Appropriate disciplinary actions may be taken against any violators of corroborated allegations.

During the Reporting Period, our Group was not aware of any material complaints, cases, or non-compliance with any laws and regulations relating to bribery, extortion, fraud or money laundering.

Labour Standards

At TLMC, we support labour rights, particularly on the eradication of child and forced labour within the industry. We comply with relevant laws and regulations and prohibit hiring of workers below 16 years old. In order to demonstrate our firm stance against child and forced labour, identity and background verifications are performed prior to hiring anyone.

During the recruitment process, hiring personnel will closely examine applicants' personal identity documents and verify the information through interviews and, if necessary, governmental information channels. The recruitment process will begin only after the applicant's identity has been verified in order to eliminate any irregularities.

Our Group also ensures that employees' hours of work do not exceed those stated by regulatory requirements. Subject to the requirements of laws and regulations, hours of work can be arranged flexibly according to work demand. If employees are required to work overtime due to work demand, the amount of extra time shall not violate the requirements of relevant laws and regulations. During the Reporting Period, our Group was not aware of any material non-compliance with any laws and regulations relating to labour standards. Our Group also did not receive any complaint or cases relating to child or forced labour.

Confidentiality

TLMC acknowledges the importance of confidentiality and is committed to protecting company and personal privacy, including trade secrets and customer information. We strive to handle, store and file confidential information with due care. During the Reporting Period, our Group was not aware of any material non-compliance with any laws and regulations relating to infringement of personal privacy.

Group Policy for Disclosure of Information

Any employee, department or subsidiary shall not disclose sensitive information to any other person or department prior to TLMC's official disclosure to the public. Our Group shall enter into a confidentiality agreement with every personnel appointed to uphold confidentiality prior to official disclosure to the public. In the event that any employees, departments or subsidiaries discover that any of such information has been exposed prior to the official disclosure, they shall immediately notify the Company Secretary and seek advice from the external advisers if deemed necessary.

Human Resources Manual

Personal data will only be collected for necessary purposes by lawful and fair means. Data subjects will be informed on or before the collection whether they are obliged to provide the data, the consequences if they do not do so, the purposes of collection, the classes of persons to whom the data may be disclosed, and their access and correction rights. Personal data will be protected against unauthorised or accidental access, processing, or other use. Information on policies and practices in relation to personal data and the type of data kept and purpose of use could be made available upon enquiry.

Intellectual Property Rights

We strive to preserve our intellectual property rights in the development of heavy equipment, including copyrights, patents and trademarks. Our Group currently possesses two registered trademarks of "TLMC" in Hong Kong and is the owner of a domain name. Meanwhile, our Group respects the intellectual property rights of third parties. Our Group seeks necessary authorisation before using third parties' intellectual property. We are currently authorised to use our suppliers' brand names, logos, trademarks and other forms of branding for marketing purposes, under relevant dealership and distributorship agreements.

During the Reporting Period, our Group was not aware of any material non-compliance with any laws and regulations relating to the violation of intellectual property rights. We shall continue to protect the intellectual property rights by filing proper registration in a timely manner.

ENVIRONMENTAL MANAGEMENT

TLMC respects the natural environment and appreciates the natural resources that support our business operations. We recognise the physical and transitional risks involved, and are concerned with the need to collaborate with different stakeholders in seeking solutions to minimise environmental impacts.

As we are primarily engaged in the sales, leasing and maintenance of heavy equipment, the environmental impacts arising from our operations remain minimal. Nevertheless, the TLMC strives for effective environmental management through laws and regulations compliance, as well as mindful usage of resources in our operations.

Environmental Compliance

Our operation is subject to the Air Pollution Control (Non-road Mobile Machinery) (the “NRMM”) (Emission) Regulation (Cap. 311Z of the Laws of Hong Kong), which requires compliance with prescribed emission standards. We have obtained approval or exemption labels for regulated machineries, inventory and leasing.

The Noise Control Ordinance (Cap. 400 of the Laws of Hong Kong) also requires the noise pollution levels of our heavy equipment to be indicated by the Quality Powered Mechanical Equipment (“QPME”) Labels. They are used to help monitor and track the noise pollution levels generated by our machines.

<i>(As of 31 Jul 2020)</i>	Exempted NRMM	Approved NRMM	QPME
Inventory (unit)	2	181	40
Leasing Fleet (unit)	2	329	198

During the Reporting Period, our Group was not aware of non-compliance with any laws and regulations relating to air and greenhouse gas (“GHG”) emissions, noise emissions, discharges into water and land and generation of hazardous and non-hazardous waste that have a significant impact on our Group. Our Group also did not receive any material complaints of non-compliance incidents.

Environmental Impact and Resource Management

TLMC’s business nature focuses on the sales, leasing and maintenance of heavy equipment. Thus, our environmental impact and resource use are relatively minimal compared to our manufacturers and product users at construction sites. Nevertheless, we seek innovative and practical ways to minimise our indirect environmental footprints.

Energy

We understand that maximising energy efficiency implies an overall improvement in our environmental performance. During the Reporting Period, fossil fuel and electricity remain the two principal energy sources in supporting our operations.

Energy Type	Function
Diesel, Petroleum	<input type="checkbox"/> Operation and transportation of heavy equipment for the delivery and collection of sold and leased equipment to and from customers; and <input type="checkbox"/> Transportation means for our personnel.
Electricity	<input type="checkbox"/> Powering electronic appliances that support operations.

Our Group is dedicated to enhancing employee awareness in the responsible consumption of energy. We have implemented various energy saving initiatives with the aim to ultimately reduce energy usage and respective air and GHG Emissions.

Energy Saving Initiatives at TLMC
<input type="checkbox"/> Maintaining indoor temperature at an optimal level for comfort <input type="checkbox"/> Encouraging employees to turn off computers and monitors when not in use <input type="checkbox"/> Setting timers and other sensors to automatically turn off office machines, such as copiers, TV monitors and air-conditioners, after office hours <input type="checkbox"/> Encouraging employees to make the best use of telecommunication system to avoid unnecessary travel arrangements <input type="checkbox"/> Putting up signages that emphasise the importance of energy saving <input type="checkbox"/> Optimising logistics arrangement to and from clients' sites

Energy Usage	Unit	FY2017/18	FY2018/19	FY2019/20	% Change ¹
Diesel	L	42,852.25	32,953.76	40,494.37 ²	(5.50%)
Petroleum	L	5,091.45	3,805.37	3,648.37 ³	(28.34%)
Electricity	kWh	71,436.64	86,348.81	101,694.15 ⁴	42.36%

¹ This column compares information of FY2019/20 with FY2017/18 as the base year.

² The calculation of diesel usage covers 12 vehicles (2019: 8 vehicles).

³ The calculation of petroleum usage covers 3 vehicles (2019: 2 vehicles).

⁴ The calculation of electricity usage covers our headquarters and 4 operating sites/land zones (same as 2019).

Air and GHG

TLMC is aware of the potential challenges and climate change risks imposed by the increasing severity of global warming effects. We strive to lessen our contribution to climate impacts by continuously monitoring our emission performance, minimising the emission where appropriate, and transparently disclose this data every year.

Our Group owns and operates vehicles to support daily business operations. We are committed to documenting energy usage, and calculating respective air and GHG emissions annually, in an accurate and transparent manner. As of 31 July 2020, our Group maintained a total fleet of 16 (2019: 11) vehicles and the total distance travelled of all vehicles with available data was 276,886.74 (2019: 238,202.7) km.

The following table presents relevant emission data of air pollutants⁵, including nitrogen oxides (“NOx”), sulphur oxides (“SOx”) and particulate matter (“PM”), scope 1 direct GHG emissions generated by the use of diesel and petroleum, as well as scope 2 indirect GHG emissions generated from electricity consumption.

The quantification methodology referenced the Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purpose) in Hong Kong, published by the Electrical and Mechanical Services Department and Environmental Protection Department, as well as the latest emission factors, published by the China Light and Power Company Limited.

Emission Type	Unit	FY2017/18	FY2018/19	FY2019/20	% Change ⁶
NOx	kg	206.19	404.67	534.18	159.07%
SOx	kg	0.35	0.56	0.71 ⁷	102.86%
PM	kg	14.83	33.51	42.24	184.83%
Scope 1 Emissions	tCO ₂ e-	127.85	99.59	118.89 ⁸	(7.01%)
Scope 2 Emissions	tCO ₂ e-	36.43	44.04	50.85	39.58%

Waste

Our operations generate two major waste types, namely scrap metal and non-hazardous waste. We are committed to reducing the amount of wastes by diverting useful resources from landfills to recycling or repurposing, whenever applicable.

⁵ 2 vehicles are excluded from the calculation of NOx and PM due to lack of mileage record.

⁶ This column compares information of FY2019/20 with FY2017/18 as the base year.

⁷ We started purchasing barrels of diesel oil to fill up some of our vehicles in June 2020.

⁸ Due to insufficient data, the calculation of scope 1 direct emissions assumed 7,562 litres of diesel oil was consumed for the use of a medium goods vehicle.

Scrap metals are sorted, organised, and stored on site at our facility. Once a certain amount is collected, we would commission a metal recycler to collect and recycle the scrap metal waste. During the Reporting Period, all scrap metals produced on site have been collected and sold to the commissioned metal recycler. Our Group has remarkably increased the effort to recycle 62,450 (2019: 10,850) kg of scrap metal, representing a 475.58% increase in scrap metal recycling.

For other non-hazardous waste, including package materials of parts, domestic household and office waste, we strive to handle them in a responsible manner. Employees are encouraged to reuse and recycle whenever applicable. A designated area has been set up for waste handling by an appointed waste collection company. During the Reporting Period, 115 tonnes of waste have been collected for further handling by our third-party collection company.



We are a registered Chemical Waste Producer under the Waste Disposal Ordinance (Cap. 354 of the Laws of Hong Kong). During the Reporting Period, chemical waste such as waste synthetic oil was generated by the direct usage of heavy equipment by our lessees. Although our operations did not directly produce any hazardous chemical waste, we strive to ensure that all chemical wastes were handled with due care by our lessees at sites, for instance, designating an area for the storage of wastes, in accordance with the Code of Practice on the Packaging, Labelling and Storage of Chemical Wastes under the Waste Disposal Ordinance (Cap. 354 of the Laws of Hong Kong).

Water

Water is mainly used for washing equipment and domestic use. We have set up a water sedimentation tank as the first layer of wastewater treatment that allows suspended particles to settle out of the water as it flows into the public stream. The accumulated solids, or sludge, are formed at the bottom of the tank and are periodically removed by a professional licensed waste collector. During the Reporting Period, our Group did not encounter any issue in sourcing water. We have consumed a total of 2,136.57 (2019: 1,526.53) cubic metre of water.

Paper

Our Group is committed to the mindful consumption of resources. We encourage employees to adopt electronic systems in substituting paper for internal communications. They are also encouraged to adopt double-sided printing, as well as the reuse and sharing concept of stationery and office furniture. During the Reporting Period, we have consumed approximately 55,000 pieces of paper, which is equivalent to the weight of 0.27 tonne.

PRODUCT AND SERVICE COMMITMENT

As a leading distributor in the heavy equipment industry, we consider that product and service quality is highly important to our business standing. It is our priority to deliver services professionally and responsibly, including satisfying requirements of safety, quality, value for money and material efficiency. We place importance on assuring product quality while striving to maintain close relationships with customers and suppliers through sourcing reliable supply of heavy equipment and related services to all. During the Reporting Period, our Group was not aware of any material non-compliance with any laws and regulations relating to product and service responsibility.

Product Quality Assurance

For many years, TLMC has been guided by the ISO 9001:2015 Quality Management System (the “QMS”) in the supply, rental, installation and maintenance of heavy equipment, such as excavators, breakers and generators.

Quality Assurance

Our senior management is responsible for overseeing the plans and actions in achieving quality objectives for our continual improvement, including acknowledging risks and opportunities, delegating roles and responsibilities, ensuring employee competence and awareness, and managing customer satisfaction. We also ensure our operations fulfil the requirements of the Quality Manual and Quality Policy, which have both been reviewed during the Reporting Period.

Quality requirements at TLMC:

- ☐ Providing adequate, effective and sufficient resources to efficiently provide high quality and reliable services to its customers
- ☐ Identifying and controlling business risks and opportunities
- ☐ Ensuring that the operations are customer-driven, and that customers’ requirements and expectations are met as planned
- ☐ Maintaining effective internal and external communications, and actively monitoring, observing and understanding customers’ needs
- ☐ Complying with all applicable requirements, including standards, statutory requirements, guidelines and codes, under all circumstances
- ☐ Being responsible for the continuous development, analysis, improvement and enhancement of product or service quality, as well as operational efficiency and effectiveness to reduce operating costs
- ☐ Monitoring and continuously improving the effectiveness of the QMS through regular internal audits, data analysis and management reviews



2019/20 Quality Objectives and Targets

1. <3 customer complaints for every project
2. >90% of customer satisfaction in Grade B

2019/20 Quality Assessment Results

No material customer complaint in FY19/20



No corrective action request was issued for internal audit



>90% of customer satisfaction in Grade A and B



During the Reporting Period, we observed the Operation Procedures - Internal Audit and performed an internal review on our quality management system. We also appointed external auditors to perform Management System Certification Audit on the quality of supply, rental, installation and maintenance service of excavators, breakers and generators at TLMC. A management review was conducted to review assessment findings on our 2019 objectives and targets where both targets were achieved. During the Reporting Period, we did not have any product sold or shipped that has been subject to recalls for safety and health reasons.

Advertising and Labelling

At TLMC, all relevant product details such as engine model, fuel, weight, capacity, frequency, voltage, rated output and current, phase, as well as power factor are informatively outlined on our marketing brochures for customers' references.

ZAXIS-SA series

TLMC
HITACHI
Reliable solutions

ZAXIS490

HYDRAULIC EXCAVATOR
Model code: ZAXIS-490 / ZAXIS490-5A / ZAXIS490-5A-CH
Rated Power: 270 kW (365 HP)
Operating Weight: 24,000 kg (52,900 lb)
ZAXIS490-5A-CH
ZAXIS490-5A-CH-5A
ZAXIS490-5A-CH-5A-CH

SPECIFICATIONS

Fixed Undercarriage: ZK470-5A / ZK470LC-5A / ZK480H-5A / ZK480LC-5A
Variable Gauge Undercarriage: ZK480LC-5A

General		Dimensions	
Model	ZAXIS490-5A / ZK470LC-5A	Overall length	10,000 mm (32' 8")
Type	4-wheel drive (4WD), 4-wheel steering	Overall width	2,500 mm (8' 2")
Application	Construction, maintenance	Overall height	3,300 mm (10' 8")
No. of cylinders	4	Ground clearance	350 mm (1' 2")
Rated output	270 kW (365 HP) at 2,000 rpm (1,800)		
ISO 9246-1 net	187 kW (255 HP)		
Rated fuel	220 kg (485 lb) at 2,000 rpm (1,800)		
Rated fuel	187 kW (255 HP)		
Rated fuel	220 kg (485 lb) at 2,000 rpm (1,800)		
Maximum torque	1,300 Nm (954 ft-lb) at 1,500 rpm (1,125)		
Rated torque	1,000 Nm (737 ft-lb)		
Rated torque	1,300 Nm (954 ft-lb) at 1,500 rpm (1,125)		
Rated torque	1,000 Nm (737 ft-lb)		

Hydraulic System		Travel Device	
Hydraulic pumps	2 x variable displacement axial piston pumps	Travel device	Each track drive by axial piston motor through reduction gear for low speed and high speed. Travel device is spring-mounted.
Main pump	2 x 100 L/min	Travel speed	High: 0 to 1.0 km/h
Relief valve	1 per pump	Travel speed	Low: 0 to 0.5 km/h
Maximum oil flow	300 L/min		

Hydraulic Motors		Service Refill Capacities	
Rated	2 x axial piston motors with planetary gearbox	Fuel tank	720 L
Rated	2 x axial piston motors	Engine coolant	80 L
Rated	2 x axial piston motors	Engine oil	47 L
Rated	2 x axial piston motors	Swing device (gear oil)	47 L
Rated	2 x axial piston motors	Swing device (gear oil)	47 L
Rated	2 x axial piston motors	Swing device (gear oil)	47 L
Rated	2 x axial piston motors	Swing device (gear oil)	47 L

Operating Weight		Operating Weight and Ground Pressure	
Model	ZAXIS490-5A / ZK470LC-5A	Operating weight	24,000 kg (52,900 lb)
Model	ZAXIS490-5A / ZK470LC-5A	Operating weight	24,000 kg (52,900 lb)
Model	ZAXIS490-5A / ZK470LC-5A	Operating weight	24,000 kg (52,900 lb)
Model	ZAXIS490-5A / ZK470LC-5A	Operating weight	24,000 kg (52,900 lb)

We also have brand logos of heavy equipment products that we represent adhered to our company vehicles as well as heavy equipment for marketing purposes. All these actions have been taken mindfully and responsibly in compliance with relevant laws and regulations.



During the Reporting Period, TLMC participated in the 3-day Construction Innovation Expo and showcased our construction machinery from a wide range of manufacturers, including Hitachi and Bell. The event allowed us to exchange knowledge with industry peers.



Customer Services

To ensure our services satisfy customer expectations, our Group is guided by the standardised terms and conditions under the Sales Policy in the ordering and acceptance of equipment quotations. We follow the Technical Procedures - Tender Review and Project Initiation under the QMS in the preparation, review, approval and post-contract processing of quotations. Upon every customer's acceptance of quotations, a sales order will be issued to inform customers of the estimated delivery time. A sales invoice and delivery order will be issued subsequently after customers have signed and confirmed the sales order.

Customised Solutions

Given the special terrain and scope of infrastructure projects, they may present technical complexities that require customised solutions. We take initiatives to come up with ideal solutions that best suit the needs of our customers.

During the Reporting Period, one of our leasing customers suspended the construction works of an infrastructure project for two weeks, following the incident where one of their employees was diagnosed with COVID-19. The leasing of respective heavy equipment was suspended during the two-week period. According to the leasing terms agreed between our Group and this leasing customer, the leasing fees were charged on a monthly basis. Having considered the exceptional circumstance and the business relationship, our Group partly waived the monthly fee.

Prior to the Reporting Period, our Group has implemented marketing strategy to attract customers to lease heavy equipment for longer leasing period. We offer free delivery of heavy equipment to designated sites if the leasing periods exceed a certain period. We also offer discounted leasing rates to customers who agree to longer leasing period.

Defective Goods Procedures

All new equipment is examined by our licensed technicians and is covered by warranty. Customised service plans for regular recondition, refurbishment and service can be chosen. In the event of a manufacturing defect, our Group will recover payment for the replacement from the manufacturer according to the dealership and distributorship agreements.

Repairing and Maintenance

For leased equipment, detailed and comprehensive component checks are performed prior to delivery. Our Group provides experienced operators and on-site training for lessees, whenever necessary. Condition reports are generated for each equipment upon receipt and removal from the warehouse. The technicians are responsible for conducting checks on the equipment upon assembly on site, as well as carrying out repair and maintenance work when the equipment is returned.

Customer Satisfaction

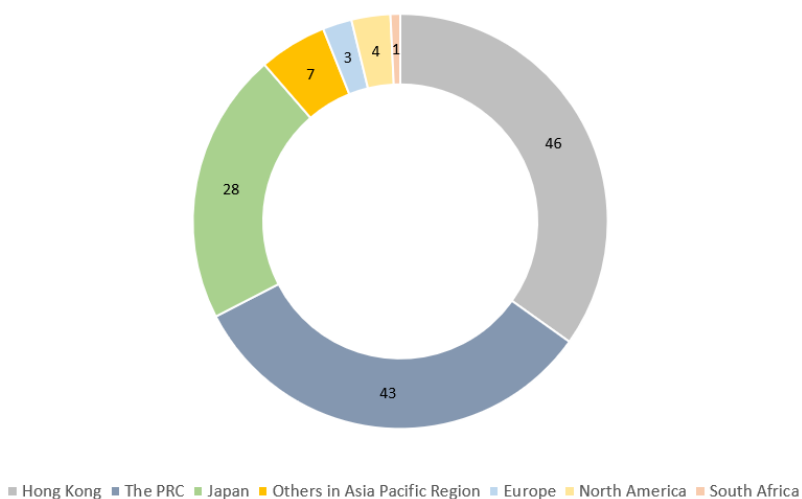
As our Group strives to deliver quality service, customer feedback is highly valuable for our continuous improvement. We follow the Operation Procedures - Customer Satisfaction under the QMS and distribute satisfaction surveys on an annual basis. The survey assesses appropriateness, efficiency and accuracy of services and communications, staff's willingness to assist and service attitude, as well as the ability to meet agreed timelines and expectations. Constructive feedback is evaluated to improve the quality of the products and services.

Supply Chain Management

Our Group is committed to ensuring stable supply of products for our customers by maintaining close relationships with our business partners along the supply chain. We select suppliers based on the Technical Procedures - Selection and Appointment of Suppliers and evaluate all potential suppliers under the New Supplier Assessment on criteria, such as value of the procured products and/or services, customer requirements and quotation, years of experience and reputation in the industry.

We have acquired two pieces of land for warehousing prior to the Reporting Period. An enlarged space for inventory has enhanced our overall operational flexibility and lowered the disruption risk during product supply.

Distribution of Suppliers by Geographical Location



During the Reporting Period, our Group has worked with 132 suppliers that span across more than 10 geographical locations.

All of them have been engaged through our annual Supplier Performance Assessment and were assessed based on 9 criteria. They have all successfully passed our assessment criteria for continual appointment moving forward.

Supplier Performance Assessment Criteria

- Product and/or Service Pricing
- Response and Handling to Quotation and/or Order
- Employee Attitude and Competency
- Product and Craftmanship Quality
- Provision of Sufficient Resources
- Procedural Control
- Compliance with Legal and Contractual Requirements
- Timely and Accurate Delivery
- Safety and Environmental Awareness

PEOPLE AT TLMC

Our Group aspires to construct a favourable work environment for the people who form the core of our business. We strive to retain talents by maintaining a healthy and safe workplace that is free of discrimination and harassment, providing attractive remunerable packages, as well as arranging training programmes for our employees to thrive. During the Reporting Period, our Group was not aware of any material non-compliance with any laws and regulations relating to occupational health and safety and employment.

Occupational Health and Safety

Our concerns for occupational health and safety primarily stem from the use, handling, storage, transportation and maintenance of the equipment. We are committed to constructing a hazard-free working environment by identifying, assessing, evaluating and mitigating operational hazards and risks for our employees and contractors.

In turn, we expect them to be familiarised with their roles and responsibilities as outlined in the Human Resources Manual, and report to senior management regarding hazards they are exposed to, or any injuries and illnesses they have experienced.

Administration Department's Role

- ☐ Assign responsible persons to attend risk assessment training
- ☐ Identify any actual and potential hazards to everyone and work towards a safe and hygienic work environment for employees by reducing, eliminating and controlling hazards at workplace
- ☐ Monitor and review the safety management system and perform regular audit on safety and health performance
- ☐ Maintain a complete set of emergency procedures and ensure that procedures are being tested, drilled and updated systematically as required by law
- ☐ Organise safety and health programmes to equip employees with the knowledge and skills to perform their duties in a safe manner

Employee's Role

- ☐ Comply with the safety and health measures and cooperate in all safety-related tests, drills and auditing
- ☐ Be fully aware of their personal responsibilities regarding occupational safety and health
- ☐ Be alert to potential risks and hazards related to their activities, and avoid improper behaviour or operation that may lead to accidents or occupational disease or injury
- ☐ Ensure contractors meet the same safety standards and requirements as TLMC

Our Group has in place safety guidelines and operating manuals provided by suppliers. These guidelines and manuals set out safety measures that cover proper operation and usage of each equipment and machinery, as well as accident reporting procedures. Safety gear is provided to site employees when necessary. For office employees, we have guidelines that detail workplace health and safety tips. In protecting employees' well-being and maintaining indoor air quality, we have implemented a Smoke-free Working Policy.

Details of Smoke-Free Working Policy

- ☐ Smoking is prohibited in the entire office premises covering enclosed offices, open office areas, conference rooms, pantries, toilets and lift lobbies
- ☐ Host employees should take the initiatives to advise guests and visitors on the Policy, where appropriate
- ☐ Non-compliance to the Policy may result in disciplinary action

Workplace Environmental Assessment

During the Reporting Period, the QMS auditor commissioned by our Group has performed the annual Workplace Environmental Assessment, where 8 aspects relating to site health and safety conditions at TLMC were being assessed. All aspects were assessed and considered satisfactory.

We are committed to identifying potential hazards by reviewing current workplace practices, as well as uncovering improvement measures. During the Reporting Period, 6 improvement suggestions were proposed to, and approved by senior management.

Workplace Environmental Assessment

Air Ventilation and Odour

Noise Nuisance and Vibration

Hygiene Condition

Adequacy of Lighting

Room Temperature and Humidity

Availability of Fire-Fighting Equipment

Unobstructed Escape Routes

Availability of Other Safety Equipment

2019/20 Improvement Suggestions

1. To purchase equipment and related facilities that meet safety standards and ensure that they are properly maintained (reviewed once every three months)
2. To provide employees with occupational safety and health training
3. To arrange for employees to complete designated occupational safety and health courses and obtain relevant certificates (reviewed once every six months)
4. To enhance employees' first aid knowledge
5. To conduct regular workplace inspections to improve occupational safety and health
6. To undertake improvement measures to prevent accidents from recurring

COVID-19 Arrangements

Sharing symptoms in a similar manner to influenza, including fever, cough and shortness of breath, COVID-19 primarily spreads via respiratory droplets from coughing or sneezing. The ongoing pandemic disease has clustered globally and caused hundred-thousands of deaths. Hence, it is highly essential to maintain high levels of emergency preparedness against public health and safety risks.

At TLMC, we closely follow government mandates and advice, and stay informed of the ongoing situation. We also assess the health and safety risk of our employees, including commuting and office hygiene. We have also implemented several preventive and control measures to ensure maximum protection of our employees.

COVID-19 Preventive and Control Measures

- ☐ Providing hand sanitisers and masks to employees
- ☐ Performing body temperature checks with forehead digital thermometer at least twice per day
- ☐ Interviewing employees regarding their travel record during the Lunar New Year and assessing the risks associated with contracting the virus
- ☐ Communicating important tips and latest notices through internal notices
- ☐ Implementing flexi-working hours by allowing particular employees to work from home

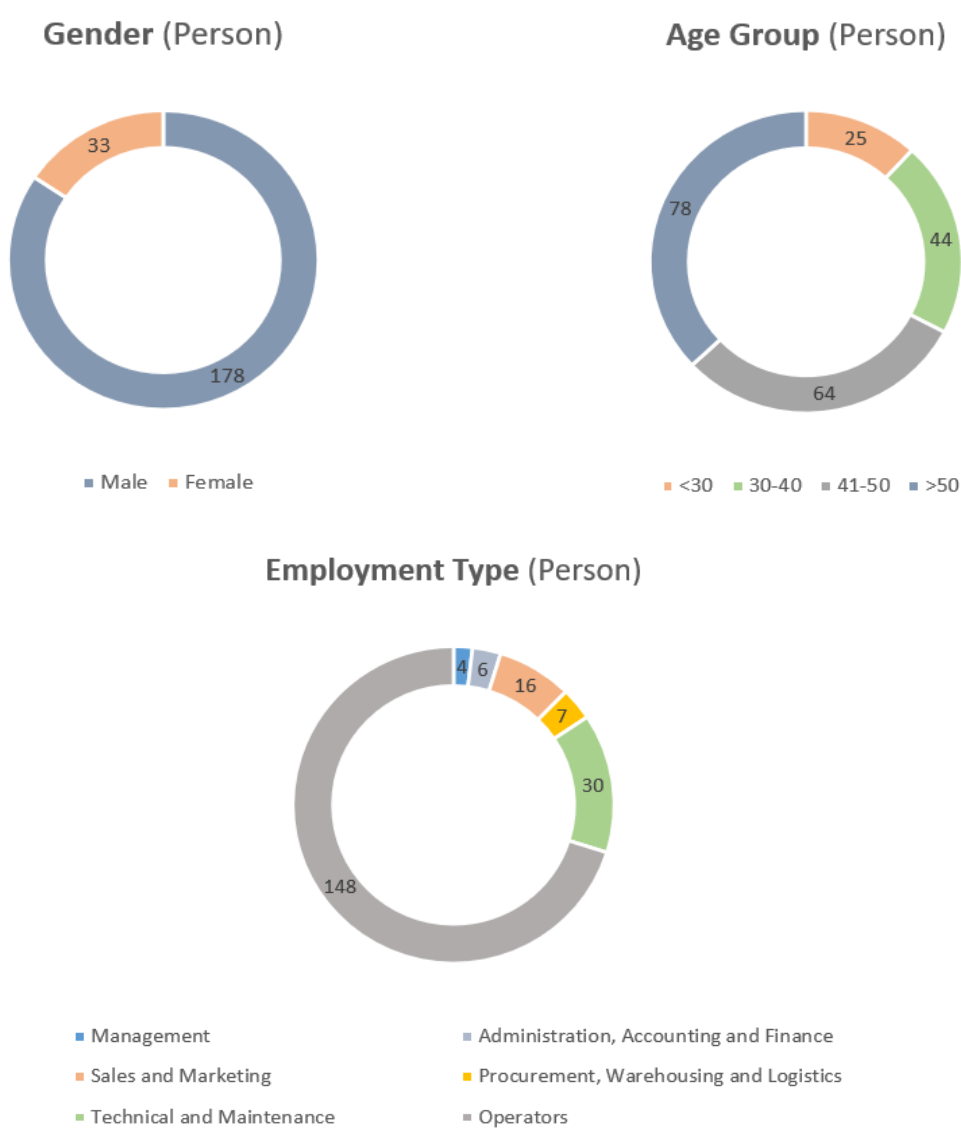
Employment

Our Group is dedicated to creating a discrimination-free workplace by ensuring all employees and candidates are entitled to equal opportunities. As outlined in the Employment Policy under Human Resources Manual, selection and promotion should not be based on their age, sex, marital status, pregnancy, family status, disability, race, nationality or religion, provided that these do not impede the abilities of the prospective appointees to carry out normal job duties or affect the health and safety of fellow employees. On the contrary, appointments should be made with due consideration to merits and abilities, including job knowledge and technical know-how, competence and potential, performance and quality of work, qualifications, working attitude and interpersonal skills, as well as personal attributes.

All employees are entitled to attractive remuneration packages, including basic salary, performance-related discretionary bonus, retirement benefits, overtime allowance as well as Group medical insurance scheme. They are also entitled to rest periods and leave, such as annual leave, sick leave, education leave, maternity leave, paternity leave, marriage leave, compassionate leave, and jury leave. Compensation will be provided to eligible employees for hours outside normal working hours as specified by management in the form of compensation leave, or job-related payments and reimbursements, as set out in the Human Resources Manual.

During the Reporting Period, our Group was not aware of any non-compliance with laws and regulations that have a significant impact on us relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.

Our workforce consists of full-time management and office employees, as well as technicians and operators. All members of our workforce are from Hong Kong. As at 31 July 2020, there were 211 employees within our Group (2019: 117), representing an 80% increase in the total workforce as compared to that of 31 July 2019. We believe the expansion in workforce will further assist in facilitating our business operations.



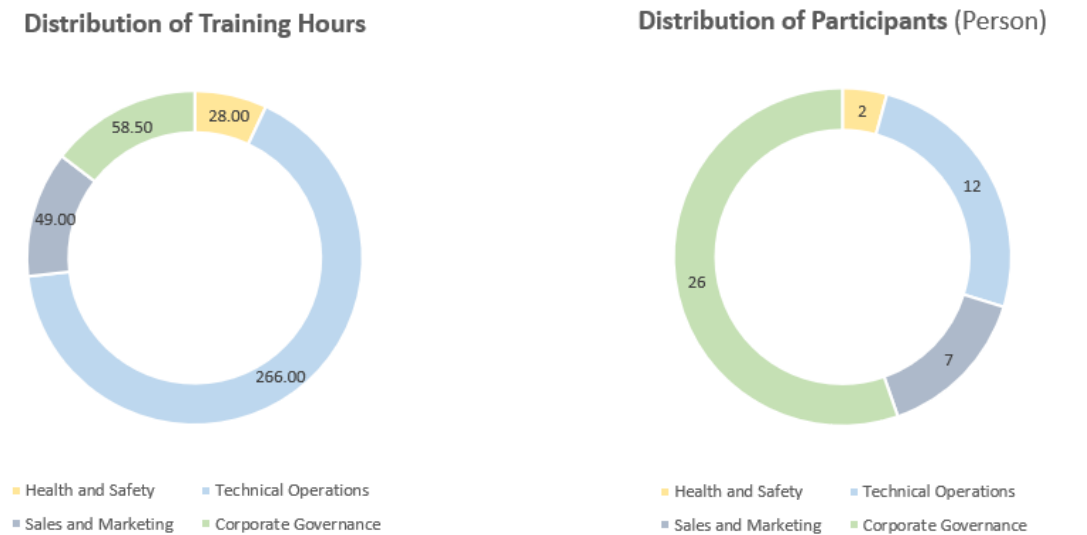
To ensure good employment practices and compliance with the statutory requirements, the Human Resources Manual has set out conditions and procedures relating to termination and dismissal of employment with our Group. All contracts of employment may be terminated by either party giving notice in writing or payment in lieu, as specified in the contract of employment.

Training and Development

At TLMC, we encourage employees to strengthen skills and competencies, and enhance overall productivity. We sponsor them to attend external training programmes, as well as to undertake relevant public examinations as they see fit.

Internally, we arrange induction training for all new recruits to better comprehend our core values, organisation structure, business goals, relevant policies, as well as code of conduct. We also arrange for our directors to attend training programmes on corporate governance as well as the latest update of the Stock Exchange.

Among our technicians and operators, we have arranged specific training for selected products. Some of these product training is directly held by the suppliers, which ensures our technical team is equipped with the latest knowledge and skills to effectively operate and properly maintain the equipment. These skill sets are also highly beneficial in promptly resolving customers’ enquiries. During the Reporting Period, 401.5 hours have been allocated for training purposes within our Group.



Community Engagement

Our Group aspires to foster a sustainable community by integrating social responsibility into our corporate culture and driving positive values and relationships with the local community. We have been awarded the 5 Years+ Caring Company by the Hong Kong Council of Social Service as a company that cares for the community, employees, and environment.

Charitable Donation

For many years, TLMC has been actively supporting charitable and non-profit organisations of various areas to help different disadvantaged and vulnerable groups. During the Reporting Period, a total of HK\$465,000 has been donated to support the operations of various organisations, including Orbis International, Hong Chi Association, End Child Sexual Abuse Foundation, St. James' Settlement, The Samaritan Befrienders Hong Kong, Yan Oi Tong, and Hong Kong Guide Dogs Association.



Spreading Love and Care during COVID-19

Amidst uncertainties during the pandemic where a lot of people in the city, and other parts of the world are facing difficulties to source personal hygiene products, TLMC has formed a volunteering team to gather hygiene products.

Our Group has donated more than a thousand bottles of alcohol hand sanitisers and hundreds of boxes of masks to the elderly and underprivileged through various channels including district councils and churches. Knowing that some of our overseas suppliers have faced sourcing difficulties, we also arranged logistics and delivered masks to their company offices.



LAWS AND REGULATIONS COMPLIANCE

TLMC recognises the importance of and is committed to having an effective governance system. Our Compliance Policies and Procedures outline our goals to maintain the highest standards of diligence in all areas of public accountability and conduct our activities in accordance with relevant regulatory requirements, internal policies and procedures.

Our Group Corporate Governance Policy also requires that members of the senior management who have been delegated responsibilities are to use their best endeavours to ensure our operations strictly comply with applicable laws and regulations. The following table communicates all relevant laws and regulations that we have rigorously adhered to.

Governance and Integrity

- Listing Rules
- Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)
- Competition Ordinance (Cap. 619 of the Laws of Hong Kong)
- Trade Descriptions Ordinance (Cap. 362 of the Laws of Hong Kong)
- Prevention of Bribery Ordinance (Cap. 201 of the Laws of Hong Kong)
- Personal Data (Privacy) Ordinance (Cap. 486 of the Laws of Hong Kong)

People in the Community

- Employment Ordinance (Cap. 57 of the Laws of Hong Kong)
- Minimum Wage Ordinance (Cap. 608 of the Laws of Hong Kong)
- Mandatory Provident Fund Schemes Ordinance (Cap. 485 of the Laws of Hong Kong)
- Employment of Children Regulations (Cap. 57B of the Laws of Hong Kong)
- Employment of Young Persons (Industry) Regulations (Cap. 57C of the Laws of Hong Kong)
- Employees' Compensation Ordinance (Cap. 282 of the Laws of Hong Kong)
- Occupational Safety and Health Ordinance (Cap. 509 of the Laws of Hong Kong)
- Occupiers Liability Ordinance (Cap. 314 of the Laws of Hong Kong)
- Motor Vehicles (First Registration Tax) Ordinance (Cap. 330 of the Laws of Hong Kong)
- Road Traffic (Registration and Licensing of Vehicles) Regulations (Cap. 374E of the Laws of Hong Kong)
- Factories and Industrial Undertakings Ordinance (Cap. 59 of the Laws of Hong Kong)
- Factories and Industrial Undertakings (Loadshifting Machinery) Regulation (Cap. 59AG of the Laws of Hong Kong)
- Factories and Industrial Undertakings (Lifting Appliances and Lifting Gear) Regulations (Cap. 59J of the Laws of Hong Kong)
- Code of Practice for Safe Use of Excavators published by the Labour Department

Environmental Management

- Air Pollution Control (Non-road Mobile Machinery) (Emission) Regulation (Cap. 311Z of the Laws of Hong Kong)
- Noise Control Ordinance. (Cap. 400 of the Laws of Hong Kong)
- Waste Disposal Ordinance (Cap. 354 of the Laws of Hong Kong)
- Water Pollution Control Ordinance (Cap. 358 of the Laws of Hong Kong)

PERFORMANCE DATA SUMMARY

Key Performance Indicators	Unit	FY2017/18	FY2018/19	FY2019/20
Environmental				
NOx Emissions	kg	206.19	404.67	534.18
SOx Emissions	kg	0.35	0.56	0.71
PM Emissions	kg	14.83	33.51	42.24
GHG Emission - Scope 1	tCO ₂ e-	127.85	99.59	118.89
GHG Emission - Scope 2	tCO ₂ e-	36.43	44.04	50.85
GHG Emissions (Scope 1 & 2)	tCO ₂ e-	164.28	143.63	169.74
GHG Emission Intensity by Revenue	tCO ₂ e- / HKD'000	0.00	0.00	0.00
GHG Emission Intensity by Full-time Employee (FTE)	tCO ₂ e- / Person	2.99	1.23	0.80
Electricity Usage	kWh	71,436.64	86,648.81	101,694.15
Petroleum Usage	Litre	5,091.45	3,805.37	3,648.37
Diesel Usage	Litre	42,852.25	32,953.76	40,494.37
Energy Usage	MJ	2,082,239.66	1,710,655.18	2,051,693.87
Energy Usage Intensity by Revenue	MJ / HKD'000	3.47	2.99	3.26
Energy Usage Intensity by FTE	MJ / Person	37,858.90	14,620.98	9,723.67
Water Usage	m ³	1,493.31	1,526.53	2,136.57
Water Usage Intensity by Revenue	m ³ / HKD'000	0.00	0.00	0.00
Water Usage Intensity by FTE	m ³ / Person	27.15	13.05	10.13
Scrap Metals Recycled	kg	11,350.00	10,850.00	62,450.00
Paper	Tonne (Piece)	N/A	N/A	0.27 (55,000)
Social				
Total Workforce (Turnover)	Person (Person)	55	117	211 (30)
<i>By Gender (Turnover)</i>				
Male	Person (Person)	N/A	N/A	178 (20)
Female	Person (Person)	N/A	N/A	33 (10)
<i>By Age Group (Turnover)</i>				
<30	Person (Person)	N/A	N/A	25 (9)
30-40	Person (Person)	N/A	N/A	44 (12)

41-50	Person (Person)	N/A	N/A	64 (8)
>50	Person (Person)	N/A	N/A	78 (1)
<i>By Employment Type (Turnover)</i>				
Management	Person (Person)	N/A	4	4 (0)
Administration and Accounting	Person (Person)	N/A	4	6 (1)
Sales and Marketing	Person (Person)	N/A	13	16 (11)
Procurement and Warehousing	Person (Person)	N/A	6	7 (0)
Technical and Maintenance	Person (Person)	N/A	22	30 (18)
Operators	Person (Person)	N/A	68	148 (0)
Total Trained Employees	Person	26	48	20
Total Training Hours	Hour	168.00	552.00	401.50
<i>Trained Employees By Gender (% of Employees Trained)</i>				
Male	Person (%)	17 (N/A)	33 (N/A)	15 (8%)
Female	Person (%)	9 (N/A)	15 (N/A)	8 (24%)
<i>Trained Employees (% of Employees Trained) By Employment Type</i>				
Management	Person (%)	4 (N/A)	4 (100%)	4 (100%)
Administration and Accounting	Person (%)	5 (N/A)	3 (75%)	2 (33%)
Sales and Marketing	Person (%)	3 (N/A)	6 (46%)	2 (13%)
Procurement and Warehousing	Person (%)	3 (N/A)	2 (33%)	2 (29%)
Technical and Maintenance	Person (%)	10 (N/A)	27 (100%)	8 (27%)
Operators	Person (%)	1 (N/A)	6 (9%)	2 (1%)
<i>Training Hours By Gender (Average per Employee)</i>				
Male	Hour (Hour)	115.00 (N/A)	339.50 (N/A)	310.50 (1.74)
Female	Hour (Hour)	53.00 (N/A)	212.50 (N/A)	91.00 (2.76)
<i>Training Hours By Employment Type (Average per Employee)</i>				
Management	Hour (Hour)	47.00 (N/A)	58.00 (14.50)	79.50 (19.88)
Administration and Accounting	Hour (Hour)	5.00 (N/A)	16.00 (4.00)	42.00 (7.00)
Sales and Marketing	Hour (Hour)	17.00 (N/A)	53.00 (4.08)	14.00 (0.88)
Procurement and Warehousing	Hour (Hour)	18.00 (N/A)	2.00 (0.33)	14.00 (2.00)
Technical and Maintenance	Hour (Hour)	73.00 (N/A)	283.00 (12.86)	238.00 (7.93)
Operators	Hour (Hour)	8.00 (N/A)	140.00 (2.06)	14.00 (0.09)

HKEX ESG GUIDE CONTENT INDEX

Aspects, General Disclosures and KPIs	Description	Relevant Chapter or Explanation
A. Environmental		
Aspect 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.	Environmental Management - Environmental Compliance, Environmental Impact and Resource Management; Laws and Regulations Compliance
KPI A1.1	The types of emissions and respective emissions data.	Environmental Management - Environmental Impact and Resource Management; Performance Data Summary
KPI A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Environmental Management - Environmental Impact and Resource Management; Performance Data Summary
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Environmental Management - Environmental Impact and Resource Management; Performance Data Summary
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Environmental Management - Environmental Impact and Resource Management; Performance Data Summary
KPI A1.5	Description of measures to mitigate emissions and results achieved.	Environmental Management - Environmental Impact and Resource Management
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	Environmental Management - Environmental Impact and Resource Management
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Environmental Management - Environmental Impact and Resource Management
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).	Environmental Management - Environmental Impact and Resource Management; Performance Data Summary
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Environmental Management - Environmental Impact and Resource Management; Performance Data Summary
KPI A2.3	Description of energy use efficiency initiatives and results achieved.	Environmental Management - Environmental Impact and Resource Management

KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	Environmental Management - Environmental Impact and Resource Management
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Our Group did not use packaging material to support our operations during the Reporting Period.
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	Environmental Management - Environmental Compliance, Environmental Impact and Resource Management
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environmental Management - Environmental Compliance, Environmental Impact and Resource Management
B. Social		
Employment and Labour Practices		
Aspect 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.	People at TLMC - Employment; Laws and Regulations Compliance
KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	People at TLMC - Employment; Performance Data Summary
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Performance Data Summary
Aspect 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.	People at TLMC - Occupational Health and Safety; Laws and Regulations Compliance
KPI B2.1	Number and rate of work-related fatalities.	Nil.
KPI B2.2	Lost days due to work injury.	Nil.
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	People at TLMC - Occupational Health and Safety

Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	People at TLMC - Training and Development
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	People at TLMC - Training and Development; Performance Data Summary
KPI B3.2	The average training hours completed per employee by gender and employee category.	People at TLMC - Training and Development; Performance Data Summary
Aspect 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.	Governance and Integrity - Labour Standards; Laws and Regulations Compliance
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Governance and Integrity - Labour Standards
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Governance and Integrity - Labour Standards
Operating Practices		
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Product and Service Commitment - Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	Product and Service Commitment - Supply Chain Management
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Product and Service Commitment - Supply Chain Management
Aspect 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.	Product and Service Commitment - Product Quality Assurance and Customer Services; Laws and Regulations Compliance
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Nil.
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Nil.
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Governance and Integrity - Intellectual Property Rights
KPI B6.4	Description of quality assurance process and recall procedures.	Product and Service Commitment - Product Quality Assurance and Customer Services

KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Governance and Integrity - Confidentiality
Aspect 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.	Governance and Integrity - Anti-Corruption; Laws and Regulations Compliance
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.	Nil.
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Governance and Integrity - Anti-Corruption
Community		
Aspect 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.	Community Engagement - Charitable Donation and Spreading Love and Care during COVID-19
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community Engagement - Charitable Donation and Spreading Love and Care during COVID-19
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Community Engagement - Charitable Donation and Spreading Love and Care during COVID-19