

Sincere Watch (Hong Kong) Limited

Stock Code 股份代號 : 00444

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Environmental, Social and Governance Report

環境、社會及管治報告

2021



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ABOUT THIS REPORT

Sincere Watch (Hong Kong) Limited (hereinafter referred to as “Sincere Watch” or the “Company”) along with its subsidiaries (the “Group”) is pleased to present its third standalone Environmental, Social and Governance (“ESG”) Report (the “Report”).

Reporting Period and Scope

This Report continues to focus on the Group’s watch distribution business in Hong Kong. Unless otherwise specified, the disclosed information covers the Group’s operation of the headquarters office, warehouse, as well as 4 boutiques located in Hong Kong, from 1 April 2020 to 31 March 2021 (the “Reporting Period”).

Reporting Standard and Principles

This Report is prepared in accordance with the Environmental, Social and Governance Reporting Guide (the “ESG Reporting Guide”) under Appendix 27 of the Main Board Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “HKEx”). It complies with the “comply or explain” provision of the ESG Reporting Guide. The Group upholds the following principles during report preparation.

- **Materiality**

During the Reporting Period, the Group contracted an independent consultancy to conduct a materiality assessment, and identified a list of potential ESG issues, which helped determine the reporting structure. For more information, please refer to subsections “Stakeholder Engagement” and “Materiality Assessment” under section “Sustainability Approach”.

- **Quantitative**

In order to quantitatively evaluate the Group’s ESG performance, this Report disclosed relevant key performance indicators (“KPIs”) and corresponding calculation frameworks and methodologies. For more information, please refer to sections “Environment and Resources” and “KPIs Summary Table”.

- **Balance**

This Report summarizes the Group’s ESG practices, performances and outcomes in an unbiased manner.

- **Consistency**

The reporting scope is the same as previous years and the calculation of KPIs adopts consistent frameworks and methodologies, which allow for meaningful comparisons of ESG data over time.

Feedback and Communication

The Group highly values your views on our corporate sustainable development. For further information regarding our corporate governance and financial performance, please refer to our Annual Report. Meanwhile, you are also welcomed to contact us by:

- **Tel** 852 2969 9900
- **Email** info@sincerewatch.com.hk
- **Post** Unit 6101-03, 61/F, The Center, 99 Queen’s Road Central, Central

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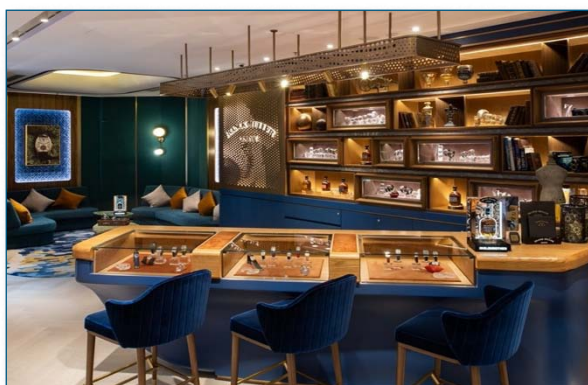
ABOUT SINCERE WATCH

Listed on HKEx in 2005, the Group is principally engaged in the distribution of branded luxury timepieces, watches, and accessories in Hong Kong, Macau, Taiwan, and Mainland China. As the sole distributor of the luxury brands FRANCK MULLER and representative of 3 other brands — CVSTOS, Pierre Kunz, and European Company Watch, the Group strives to provide luxury products with world-class craftsmanship to our customers.

As of 31 March 2021, the Group has established a distribution network with 49 retail points of sales and 12 boutiques. 7 boutiques operated by the Group, and 54 watch retail outlets are operated by 23 independent watch dealers throughout our key markets such as Hong Kong, Macau, Taiwan and Mainland China.

During the Reporting Period, the Group continued to embark on niche marketing initiatives to foster its image and desirability as one of the leading international watch brands. We undertook 8 brand enhancement activities to reinforce the brand leadership with premium product imagery and focused product placements in relevant media. For more information, please refer to the subsection “Brand Enhancement” under the section “Operation and Business”.

The Group will consistently focus on the latest market trend and explore potential opportunities to organize unique events. We aim to increase brand exposure and extend brand networking in the near future.



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SUSTAINABILITY APPROACH

The Group aims to build itself as a responsible corporate with sustainable brand values, and hereby is committed to integrating sustainable ideologies into its business. Apart from rigorously complying with ESG-related laws and regulations, we review, rethink and revise our sustainability approaches in a timely manner. In order to further the synergistic development of sustainability, we actively communicate with our stakeholders, encourage them to participate in ESG-related issues, thereby coordinating their views with our sustainable journey.

ESG Management

Our Board of Directors (the "Board") is the highest authority in managing the Group's ESG-related matters. They uphold the overall responsibility to review and approve the Group's ESG reports, strategy and policy. During the Reporting Period, the Board oversaw a materiality assessment exercise and reviewed the ESG reporting structure. Moving forward, the Group shall consider providing ESG training to the Board and strengthening their roles in ESG governance, thereby improving the Group's overall sustainability performance.

Stakeholder Engagement

The Group strives to maintain close communication with key stakeholders in order to ensure that our economic, environmental and social values could interact harmoniously. During the Reporting Period, we identified the following key stakeholders and developed various engagement channels.

Shareholders and Investors <ul style="list-style-type: none">• General meetings• Annual and interim reports• Correspondences• Corporate website	Suppliers and Business Partners <ul style="list-style-type: none">• Meetings• Tender notices• Inspections and feedback• Correspondences	Customers <ul style="list-style-type: none">• Social media platforms• On-site customer services• After-sale customer services
Staff <ul style="list-style-type: none">• Departmental meetings• Performance appraisals• Internal emails• Notice boards• Trainings	Media <ul style="list-style-type: none">• Press conferences• Interviews• Social media platforms	Regulatory Bodies <ul style="list-style-type: none">• Compliance reports• Correspondences

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Materiality Assessment

During the Reporting Period, an independent sustainability consultancy was commissioned by the Group to assist in the identification of material ESG issues based on their importance to stakeholders as well as the Group's business development. In order to ensure the Group's existing ESG practices, policies and strategies align with stakeholder expectations, an ESG-specific stakeholder engagement exercise was first conducted through online questionnaires.

Step 1: Identification

Based on the following strategies, 16 material issues were identified

- Internal benchmark (previous ESG reports of the Group)
- External benchmark (ESG reports of industry peers)

Step 2: Prioritization

Online questionnaires were distributed to stakeholders across the Group.

- 5 members of the Board and senior management staff ("Management") ranked the importance of material issues on the Group's sustainable development.
- 19 members of other stakeholders, including 12 members of general staff and 7 members of customers and retailers, ranked the importance of material issues on their own preferences and expectations.

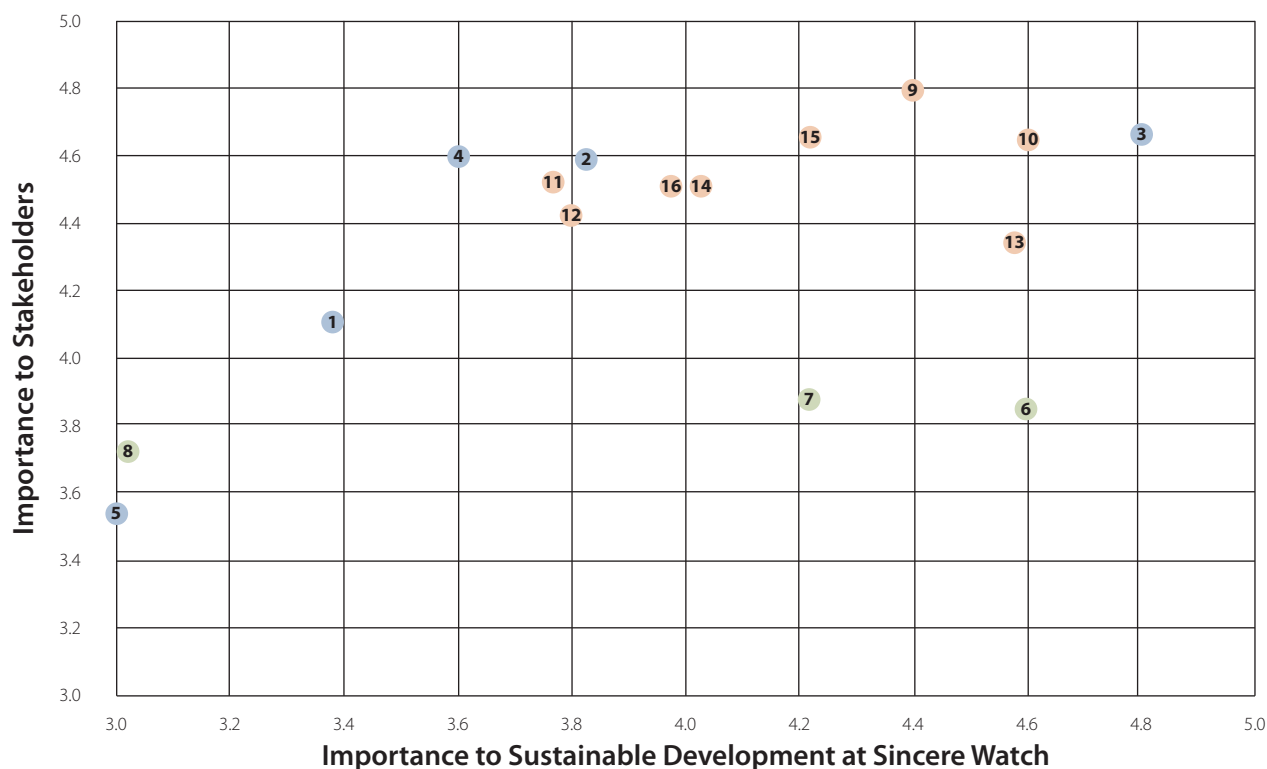
Step 3: Validation

The Board and Management confirmed and validated the list of material issues for disclosure in this Report.

Step 4: Review

The Board and Management reviewed the material issues and matrix to ensure a balanced view of the Group's sustainable performance and stakeholder expectations.

Based on the aforementioned 4-step approach, the survey result was visualized and plotted in a materiality matrix for easy understanding. The Group shall conduct this exercise on an annual basis to keep abreast with our key stakeholders' expectations on the Group's sustainable development.



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Section	Item	Issue	Score ¹ (Rank ²)
People and Community	1	Workplace Diversity and Inclusion	3.75 (14)
	2	Employee Benefits and Welfare	4.17 (9)
	3	Occupational Health and Safety	4.73 (1)
	4	Employee Training and Development	4.10 (12)
	5	Community Engagement	3.28 (16)
Environment and Resources	6	Resources Efficiency	4.22 (8)
	7	Emissions and Waste Management	4.04 (13)
	8	Climate-Related Risk Identification	3.35 (15)
Operation and Business	9	Product Quality	4.60 (3)
	10	Customer Service Satisfaction	4.62 (2)
	11	Supply Chain Management	4.16 (10)
	12	Advertising and Labelling	4.11 (11)
	13	Anti-Corruption and Anti-Money Laundering	4.47 (4)
	14	Intellectual Property	4.25 (7)
	15	Privacy and Confidentiality	4.45 (5)
	16	Anti-Child and Forced Labor	4.25 (6)

In order to determine the reporting structure for this Report, an average score was used to assess and represent the general importance of 3 major aspects. The recommended reporting structure is consistent with the score of each aspect, which is shown in descending order below.

Aspect	Score ³	Rank ⁴
Operation and Business	4.36	1
People and Community	4.01	2
Environment and Resources	3.87	3

¹ The score is based on average from the Board and Management versus other stakeholders.

² The rank indicates the relative priority of each issue is based on the score.

³ The score is based on average from the score of each issue in its corresponding aspect.

⁴ The rank indicates the reporting sequence of each aspect.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

OPERATION AND BUSINESS

Sincere Watch is dedicated to distributing quality watches and providing wholehearted services to customers. Through closely examining our purchased products, devoting ourselves in brand enhancement and customer satisfaction, as well as operating our business at the highest ethical standards, we endeavor to sharpen ourselves as a one-stop luxury watch distributor.

Product Quality

The Group directly sources watches and accessories from suppliers, the manufacturing process is hence not included in our operations. We strive to ensure that all purchased products handed to customers are of the finest quality by carrying out dual inspections. According to the inspection results, a Quality Control Form will be completed by our professional technicians upon each batch of shipment is received. In an unlikely event that a substandard product is detected, an in-house repair will be conducted first. Products with serious defects will be returned to our supplier and replaced by another batch.



To enhance our quality control and assurance throughout the whole operation process, we also provide a two-year and five-year warranty on regular watches and tourbillon watches' movement respectively, and establish a team responsible for after-sales services, including special repair and maintenance services, technical support. During the Reporting Period, we conducted 598 repairing services, approximately 90.30% of which were conducted locally, whereas the remaining 9.70% were sent and repaired in Switzerland.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Brand Enhancement

Building a sustained and recognized brand is crucial for distributors in the luxury goods industry. The Group spares no effort to spread our brand spirits in Hong Kong, Macau, Taiwan and Mainland China. During the Reporting Period, we hosted 8 brand enhancement activities as listed below. For more information of the activities, please refer to the “Business Review” section of our Annual Report.

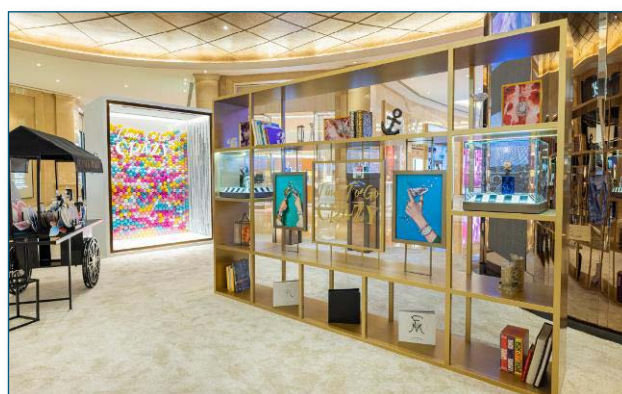
Mainland China

- FRANCK MULLER VIP Cocktail Reception (July 2020)
- FRANCK MULLER Chinese Valentine’s Day Event (August 2020)
- FRANCK MULLER Exclusive High Tea (September 2020)
- FRANCK MULLER Exclusive High Tea (November 2020)
- VIP Christmas Workshop (December 2020)
- FRANCK MULLER Hangzhou Boutique Opening (February 2021)
- Women’s Day VIP Promotion (March 2021)



Macau

- DFS Four Seasons Luxury Timepiece Exhibition (January–May 2021)



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Customer Service Satisfaction

The Group is committed to providing all-round services to cater our valued customers' needs. As stipulated in our Retail Services Standard, we formulated a top-to-bottom service standard for all frontline employees at our boutiques, aiming to give customers a home-like experience.

Pre-sales

- Dress in formal uniforms with a clear and befitting appearance;
- Prepare sales tools such as business cards, price lists, and promotion brochures in advance; and
- Maintain the hygiene condition of boutiques on a daily basis.

On-sales

- Behave in a meticulous and hearty manner;
- Answer phone calls and greet incoming customers in a timely manner;
- Communicate with customers and learn their needs; and
- Confirm customers' orders and properly pack their products.

After-sales

- Learn about the details of complaints or other requirements from customers;
- Ask for invoices or warranties of products for verification;
- Propose further solutions including but not limited to product exchange, repair, and return; and
- Periodically update customers with the handling progress.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Supply Chain Management

The Group seeks and partners with suppliers who uphold the highest standard in the watchmaking industry. As such, we have a deep cooperation with FRANCK MULLER — a Swiss luxury watch manufacturer. Backed by their incredible in-house capabilities, all watches from FRANCK MULLER are created by craftsmen with tremendous care, patience and attention.

In order to promptly align with the FRANCK MULLER's latest manufacturing preferences and product notions, the Group actively engages with them in varied forms such as external training programs. We strive to construct a flawless and consistent supply chain and pursue the same criterion — the creation and distribution of exceptional timepieces.

FRANCK MULLER Watchland in Switzerland



Responsible Marketing

The Group pays great attention to our marketing behaviors. Apart from abiding by relevant laws and regulations, we thoroughly review our advertising materials to ensure all statements are consistent with actual product specifications. Following the latest market trends, the advertising slogans are customized in a timely manner to catch customers' attention. We respect intellectual property rights and strictly prohibit any kinds of plagiarism from other distributors.

During the Reporting Period, the Group was not aware of any non-compliance with relevant laws and regulations that had a significant impact on the Group relating to product health and safety, advertising, as well as labelling.

Business Ethics

The Group insists on operating with the highest moral standards in all walks of business activities. We implicate different codes of conduct and showcase positive attitudes to prevent potential business violations in different scenarios. During the Reporting Period, the Group was not aware of any non-compliance with relevant laws and regulations that had a significant impact on the Group relating to anti-corruption, data privacy, as well as labor standards.

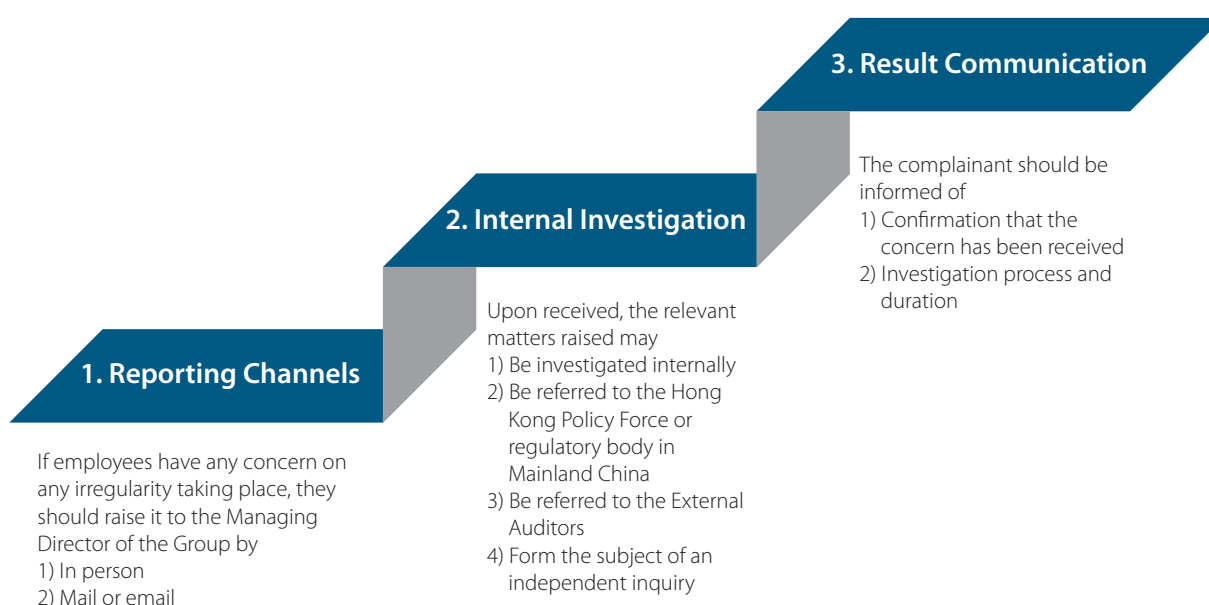
ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Anti-Corruption and Anti-Money Laundering

As a luxury goods distributor, a solid anti-corruption policy needs to be facilitated to monitor trading business. In order to mitigate potential risks and provide guidelines for employees when encountering such situations, we have a Whistleblowing Policy in place.

As stipulated in the policy, employees at all levels are expected to conduct themselves with integrity, impartiality and honesty. It is every employee's responsibility and in all interest of the Group to ensure that any inappropriate behaviors that compromise the interest of the shareholders, investors, customers and the wider public does not occur.

In the unlikely event that a suspicious case occurs, relevant personnel are encouraged to follow the instructions as below:



Privacy and Confidentiality

The Group strives to safeguard the information privacy and confidentiality of all customers, partners, and employees. Complying with legal requirements, we collect, process, and store all personal information in a consistent and confidential manner.

Detailed in the Employment Agreement, during the employment and thereafter, employees shall treat business information with due care and avoid disclosing confidential information including but not limited to all confidential records, documents, accounts, computer discs, letters and papers of the Group.

Anti-Child and Forced Labor

The Group prohibits any form of child labor and carefully screens relevant documents, such as official identity cards, address proof, as well as academic and professional qualification certificates provided by candidates during recruitment. We strictly comply with the Employment Ordinance. In an unlikely event that we recruit a child labor by mistake, we would promptly conduct further investigation and the labor contract will be terminated immediately if justified.

In addition, we clearly state the normal working hours in the Employment Agreement to avoid forced labor in our workplace. All overtime work is voluntary and where appropriate, compensations would be given to employees for their extra work and contributions.



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PEOPLE AND COMMUNITY

Sincere Watch has consistently adhered to the people-oriented governance philosophy. Supported by our dedicated and experienced employees, we are able to continuously thrive under the uncertainty of the luxury goods market. In order to sustain our success, we provide employees with attractive benefits and a harmonious workplace, leading them to grow as professional personnel in the luxury retail industry.

Employee Benefit and Welfare

Benefits

As a responsible corporate, the Group strives to comply with the legislative requirement and offer employees rest periods, statutory holidays, annual leave, sick leave, Mandatory Provident Fund contributions, medical coverage and other basic benefits. To attract and retain our talents, we also provide additional welfare, including discretionary bonus, meal allowance, staff purchase discount, and taxi fare claims.

Professional Training

Maintaining up-to-date product insights and understanding is fundamental for our technicians to carry out proper maintenance and repair work. To facilitate this, we have two kinds of training programs in place:

- *External Training Programs*
The Group arranges and sends our technicians to undergo external training programs at FRANCK MULLER headquarters in Switzerland.
- *In-house Training Programs*
FRANCK MULLER-based technicians are invited to our Hong Kong headquarters office and conduct training on new techniques and latest industry trends.

During the Reporting Period, due to the global lockdown and travel restriction caused by 2019 novel coronavirus disease ("Covid-19"), our training programs were temporarily ceased. Moving forward, we shall consider gradually expanding the types of our training programs, different programs such as on-job training and directors' training would be conducted.

Workplace Improvement

Diversity and Inclusion

Upholding sincerity, fraternity, and leniency, the Group treats each employee with equality and strives to construct a harmonious and inclusive workplace. We hire employees based on their overall interview performance and promote employees who demonstrate diligence, initiative, responsibility and integrity.

We strictly comply with relevant laws and regulations, and prohibit any kind of discrimination, regardless of gender, pregnancy, marital status, nationality, disability, family status, among others. During the Reporting Period, the Group was not aware of any non-compliance with relevant laws and regulations that had a significant impact on the Group relating to equal opportunity, diversity, and anti-discrimination.

Health and Safety

Emergency Response

Workplace security is always the Group's first concern. As we operate several boutiques in Hong Kong, which are prone to be affected by undesirable weather circumstances during summers, we thereby have implemented emergency response guidelines for various scenarios to avoid disruption of operations and prioritize the health and safety of our employees. For more information, please refer to the subsection "Climate-Related Risk Identification" under the section "Environment and Resources".

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Covid-19 Action

During the Reporting Period, Hong Kong was still under a serious epidemic situation. In order to maintain workplace hygiene and prevent potential infectious diseases, we formulated a Covid-19 guideline as below.

- Encourage employees to properly clean their hands, avoid unnecessary touch, and have lunch in their office cubicles;
- Require employees to wear masks in the office;
- Promote online communication and avoid social contact; and
- Inform the Human Resource Department at the earliest possible manner if any suspicious case happens in the office.

Community Engagement

The Covid-19 certainly presented obstacles for the Group to engage with the community and hence there were no relevant activities being held during the Reporting Period. Moving forward, the Group would actively explore public needs and gradually participate in community activities.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ENVIRONMENT AND RESOURCES

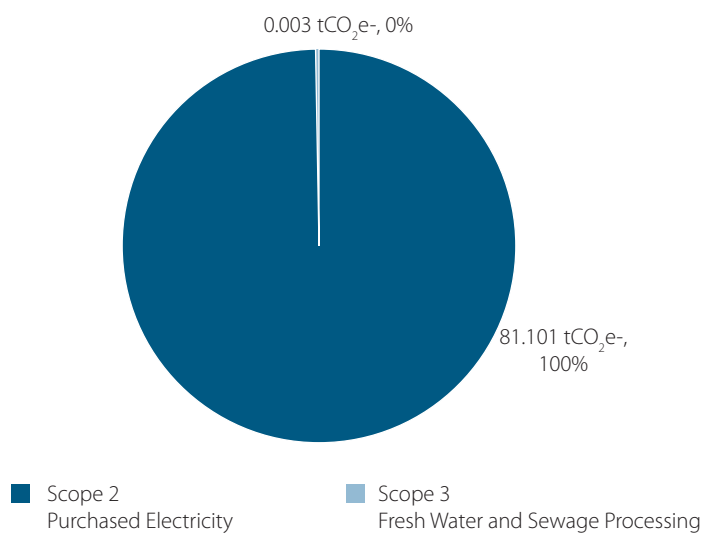
Actively protecting the environment and wisely consuming resources are vital for each industry in the marketplace. As a luxury products distributor, although we have minor environmental impacts, we endeavor to identify and mitigate our carbon footprints to fulfil green office practices and sustainable development.

Emissions and Waste Management

Emissions

The Group's business operations do not generate significant air emissions. During the Reporting Period, greenhouse gas ("GHG") emissions mainly derived from combustion of fossil fuels for the generation of purchased electricity, and the electricity used from processing fresh water and sewage by government departments.

GHG Emissions by Scopes



The calculation methodology for GHG emissions referred to the Guidelines to Account for the Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong by the Environmental Protection Department and the Electrical and Mechanical Services Department, as well as the Greenhouse Gas Protocol by the World Resources Institute and World Business Council for Sustainable Development. The emission factors referred to the sustainability and annual reports of relevant utility companies.

Realizing that the purchased electricity constitutes the majority of our GHG emission, we have implemented energy-saving practices in the office to help reduce our purchased electricity consumption and thereby mitigate our carbon footprints. For more information, please refer to the subsection "Resources Efficiency" under this section.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Waste Management

The Group does not generate any hazardous waste. Non-hazardous waste stemmed from our daily operation at the headquarters office and boutiques largely consist of paper for administrative, promotion and marketing purposes. Due to its insignificant amount, the Group does not maintain any inventory records. Nevertheless, we commissioned a licensed third-party contractor to assist in general waste handling, recycling and disposal. We are also committed to minimising such generation, through the following practices:

- Return all used multifunction devices and consumables to our suppliers for recycling
- Encourage duplex printing and reuse scrap paper
- Implement paperless operation by communicating internal memorandum and reports through digital means

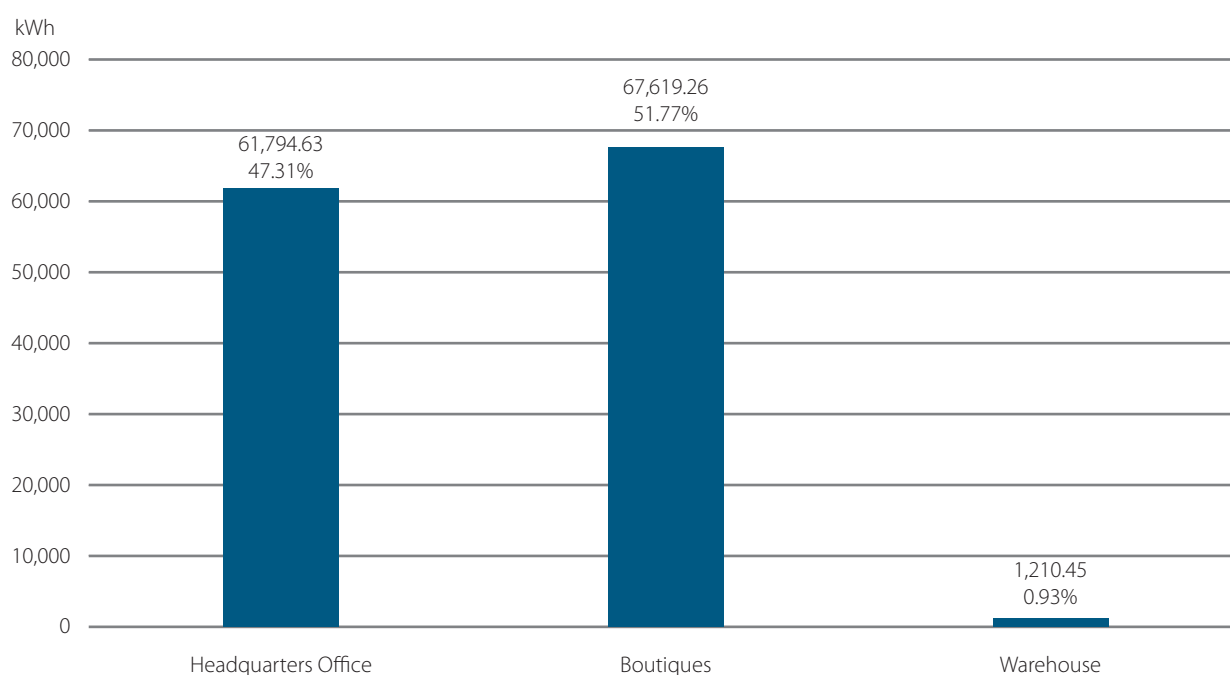
Resources Efficiency

Electricity

Electricity is considered as the primary energy resource the Group consumes. It is mainly used for lighting, cooling, and powering electronic appliances in offices, warehouses and boutiques. In order to increase employee's energy-saving awareness and consume electricity in a responsible manner, the Group develops the following green office practices:

- Encourage employees to turn off lighting and computer systems when they are not in use
- Remind employees to switch relevant office equipment and electronic appliances to energy-saving mode
- Give preference to appliances that meet the Grade 1 standard of the electrical and Mechanical Services Department's energy efficiency label whenever purchasing electrical appliances
- Dim or completely switch off advertising signs or lights for external display purposes after office hours

Electricity Consumption by Operations





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Water

Water is principally used to support our employees in the headquarters office and boutiques for drinking and sanitary purposes. As the Group directly purchased water from the Water Supply Department, we did not encounter any water sourcing problems. We understand the importance and urgency of water conservation, and hence develop the following water-saving measures:

- Place posters and stickers in highly visible locations to remind employees of the scarcity of water resources
- Work closely with property management representatives and appoint technicians for regular inspection of water taps to ensure there is no leakage

During the Reporting Period, the Group was only responsible for its water consumption at one of our boutiques. For the consumption amount, please refer to section "KPIs Summary Table".

Materials

In our headquarters office and boutiques, the Group mainly consumes paper to support our daily operation. Realizing the mindless use of paper would accelerate deforestation, we formulated a paper consumption guideline to instruct employees to use paper in a wise manner.

For office paper

- Gradually eliminate the use of paper in the workplace through going paperless and relying more on IT systems
- Adopt double-sided printing and reusing paper

Climate-Related Risk Identification

Current climate-related hazards in Hong Kong mainly include typhoons and rainstorms especially in the summers, which may cause significant damages each year. In order to protect our employees, customers, as well as company's properties, we fully comply with requirements of the Labor Department and have developed the Guideline for Work Arrangement under Typhoons and Rainstorms. Under extreme situations such as Signal No.8 Typhoon and Black Rainstorm Warning, employees are required to stay at home and all our boutiques would close when necessary. During the Reporting Period, the Group was not aware of any life or property loss caused by climate-related hazards.

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LAWS AND REGULATIONS TABLE

Operation and Business

Hong Kong

- Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Cap. 615 of the Laws of Hong Kong)
- Consumer Goods Safety Ordinance (Cap. 456 of the Laws of Hong Kong)
- Competition Ordinance (Cap. 619 of the Laws of Hong Kong)
- Companies Ordinance (Cap. 622 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)
- Sale of Goods Ordinance (Cap. 26 of the Laws of Hong Kong)
- Supply of Services (Implied Terms) Ordinance (Cap. 457 of the Laws of Hong Kong)
- Trade Descriptions Ordinance (Cap. 362 of the Laws of Hong Kong)

Mainland China

- Advertising Law of the People's Republic of China
- Labour Law of the People's Republic of China
- Provisions on Minimum Wages

People and Community

Hong Kong

- Employment Ordinance (Cap. 57 of the Laws of Hong Kong)
- Employment of Children Regulations (Cap. 57B of the Laws of Hong Kong)
- Employees' Compensation Ordinance (Cap. 282 of the Laws of Hong Kong)
- Mandatory Provident Fund Schemes Ordinance (Cap. 485 of the Laws of Hong Kong)
- Minimum Wage Ordinance (Cap. 608 of the Laws of Hong Kong)
- Occupational Safety and Health Ordinance (Cap. 509 of the Laws of Hong Kong)

Environment and Resources

Hong Kong

- Motor Vehicle Idling (Fixed Penalty) Ordinance (Cap. 611 of the Laws of Hong Kong)
- Product Eco-responsibility Ordinance (Cap. 603 of the Laws of Hong Kong)

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KPIs SUMMARY TABLE

KPIs ⁵	Unit	FY2021
Environmental		
GHG Emissions		
GHG Emissions (Scope 2)	tCO ₂ e	81.10
GHG Emissions (Scope 3)	tCO ₂ e	0.00
Total GHG Emissions	tCO ₂ e	81.10
GHG Emissions Intensity by Revenue ⁶	tCO ₂ e/HK\$ Million	0.94
GHG Emissions Intensity by FTE	tCO ₂ e/Person	1.50
Energy Usage		
Electricity Usage	kWh	130,624.33
Total Energy Usage	MJ	470,247.59
Energy Usage Intensity by Revenue	MJ/HK\$ Million	5,453.16
Energy Usage Intensity by FTE	MJ/Person	8,708.29
Water Usage		
Water Usage	m ³	5.17

⁵ All figures are rounded up to 2 decimal places, which might lead to minor discrepancies when added up.

⁶ During the Reporting Period, the Group has generated a total revenue of HK\$86,234,000.00.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

KPIs	Unit	FY2021
Social		
Workforce		
Total Workforce	Person(s)	54
<i>Workforce by Gender</i>		
Male	Person(s)	27
Female	Person(s)	27
<i>Workforce by Employment Level</i>		
Senior	Person(s)	14
Intermediate	Person(s)	8
General	Person(s)	32
<i>Workforce by Age</i>		
<30	Person(s)	5
30–50	Person(s)	41
>50	Person(s)	8
<i>Workforce by Geographical Region</i>		
Hong Kong	Person(s)	54
Turnover Rate		
Total Turnover Rate	%	26.32
<i>Turnover Rate by Gender</i>		
Male	%	29.63
Female	%	23.33
<i>Turnover Rate by Employment Level</i>		
Senior	%	7.41
Intermediate	%	42.11
General	%	29.41
<i>Turnover Rate by Age</i>		
<30	%	30.77
30–50	%	25.58
>50	%	26.67
<i>Turnover Rate by Geographical Region</i>		
Hong Kong	%	26.32
Health and Safety		
Work-related Fatality	Case(s)	0
Work-related Injury	Case(s)	0
Lost Days due to Work Injury	Day(s)	0
Supply Chain and Product Responsibility		
Complaints received	Case(s)	2
<i>Suppliers by Geographical Region</i>		
Switzerland	No.	1

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HKE_x 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.	<ul style="list-style-type: none"> • Environment and Resources — Emissions and Waste Management • Laws and Regulations Table
KPI A1.1	The types of emissions and respective emissions data.	<ul style="list-style-type: none"> • Environment and Resources — Emissions and Waste Management • KPIs Summary Table
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	<ul style="list-style-type: none"> • KPIs Summary Table
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	<ul style="list-style-type: none"> • Environment and Resources — Emissions and Waste Management
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	<ul style="list-style-type: none"> • Environment and Resources — Emissions and Waste Management
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	<ul style="list-style-type: none"> • Environment and Resources — Emissions and Waste Management
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	<ul style="list-style-type: none"> • Environment and Resources — Resources Efficiency • Water
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	<ul style="list-style-type: none"> • Environment and Resources — Resources Efficiency
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh) and intensity (e.g. per unit of production volume, per facility).	<ul style="list-style-type: none"> • KPIs Summary Table
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	<ul style="list-style-type: none"> • KPIs Summary Table
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	<ul style="list-style-type: none"> • Environment and Resources — Resources Efficiency • Electricity
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	<ul style="list-style-type: none"> • Environment and Resources — Resources Efficiency • Water
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	<ul style="list-style-type: none"> • Environment and Resources — Resources Efficiency • Materials

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Aspects, General Disclosures and KPIs	Description	Relevant Chapter or Explanation
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	<ul style="list-style-type: none"> Environment and Resources <ul style="list-style-type: none"> — Emissions and Waste Management Environment and Resources <ul style="list-style-type: none"> — Resources Efficiency
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	<ul style="list-style-type: none"> Environment and Resources <ul style="list-style-type: none"> — Emissions and Waste Management Environment and Resources <ul style="list-style-type: none"> — Resources Efficiency
Aspect A4: Climate Change		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	<ul style="list-style-type: none"> Environment and Resources <ul style="list-style-type: none"> — Climate-Related Risk Identification
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	<ul style="list-style-type: none"> Environment and Resources <ul style="list-style-type: none"> — Climate-Related Risk Identification
B. Social		
Employment and Labour Practices		
Aspect B1: Employment		
General Disclosure	Information on: <ul style="list-style-type: none"> (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. 	<ul style="list-style-type: none"> People and Community <ul style="list-style-type: none"> — Employee Benefit and Welfare Laws and Regulations Table
KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	KPIs Summary Table
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	KPIs Summary Table
Aspect B2: Health and Safety		
General Disclosure	Information on: <ul style="list-style-type: none"> (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. 	<ul style="list-style-type: none"> People and Community <ul style="list-style-type: none"> — Workplace Improvement — Health and Safety Laws and Regulations Table
KPI B2.1	Number and rate of work-related fatalities.	KPIs Summary Table
KPI B2.2	Lost days due to work injury.	KPIs Summary Table
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	<ul style="list-style-type: none"> People and Community <ul style="list-style-type: none"> — Workplace Improvement — Health and Safety

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Aspects, General Disclosures and KPIs	Description	Relevant Chapter or Explanation
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	<ul style="list-style-type: none"> • People and Community <ul style="list-style-type: none"> — Employee Benefit and Welfare — Training
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	N/A
KPI B3.2	The average training hours completed per employee by gender and employee category	N/A
Aspect B4: Labour Standards		
General Disclosure	Information on: <ul style="list-style-type: none"> (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. 	<ul style="list-style-type: none"> • Operation and Business <ul style="list-style-type: none"> — Business Ethics — Anti-Child and Forced Labor • Laws and Regulations Table
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	<ul style="list-style-type: none"> • Operation and Business <ul style="list-style-type: none"> — Business Ethics — Anti-Child and Forced Labor
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	<ul style="list-style-type: none"> • Operation and Business <ul style="list-style-type: none"> — Business Ethics — Anti-Child and Forced Labor
Operating Practices		
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	<ul style="list-style-type: none"> • Operation and Business <ul style="list-style-type: none"> — Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	<ul style="list-style-type: none"> • KPIs Summary Table
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.	<ul style="list-style-type: none"> • Operation and Business <ul style="list-style-type: none"> — Supply Chain Management
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	N/A
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	N/A

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Aspects, General Disclosures and KPIs	Description	Relevant Chapter or Explanation
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.	<ul style="list-style-type: none"> Operation and Business <ul style="list-style-type: none"> — Product Quality Operation and Business <ul style="list-style-type: none"> — Responsible Marketing Laws and Regulations Table
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	<ul style="list-style-type: none"> Operation and Business <ul style="list-style-type: none"> — Product Quality
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	<ul style="list-style-type: none"> Operation and Business <ul style="list-style-type: none"> — Customer Service Satisfaction KPIs Summary Table
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	<ul style="list-style-type: none"> Operation and Business <ul style="list-style-type: none"> — Responsible Marketing
KPI B6.4	Description of quality assurance process and recall procedures.	<ul style="list-style-type: none"> Operation and Business <ul style="list-style-type: none"> — Product Quality
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	<ul style="list-style-type: none"> Operation and Business <ul style="list-style-type: none"> — Business Ethics — Privacy and 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.	<ul style="list-style-type: none"> Operation and Business <ul style="list-style-type: none"> — Business Ethics — Anti-Corruption and Anti-Money Laundering
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.	<ul style="list-style-type: none"> Operation and Business <ul style="list-style-type: none"> — Business Ethics — Anti-Corruption and Anti-Money Laundering
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	<ul style="list-style-type: none"> Operation and Business <ul style="list-style-type: none"> — Business Ethics — Anti-Corruption and Anti-Money Laundering
KPI B7.3	Description of anti-corruption training provided to directors and staff.	N/A
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.	<ul style="list-style-type: none"> People and Community <ul style="list-style-type: none"> — Community Engagement
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	N/A
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	N/A

