

Changhong Jiahua Holdings Limited

長虹佳華控股有限公司

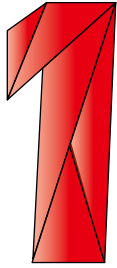
(Incorporated in Bermuda with limited liability)

(Stock Code: 3991)

ESG Report 2021

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ABOUT THIS REPORT

BASIS OF PREPARATION

This Environmental, Social and Governance ("ESG") report is prepared in accordance with "Environmental, Social and Governance Reporting Guide" as set out in Appendix 27 to the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange and has complied with "comply or explain" provision and reporting principles in the Listing Rules.

RELEASE CYCLE

This report is issued on a yearly basis and, unless otherwise stated, covers the reporting period from 1 January 2021 to 31 December 2021.

PUBLICATION

This report is published on the Stock Exchange's website and the Company's website.

REPORTING SCOPE

This report covers Changhong Jiahua Holdings Limited (the "Company") and its subsidiaries (the "Group").

ABOUT THIS REPORT

ESG REPORTING PRINCIPLES

Materiality: Comply on the materiality principles of Stock Exchange, this report discloses the deliberations of the board and the ESG working group on ESG matters, the communication with stakeholders, the process of identifying materiality issues and the matrix of materiality issues.

Quantitative: The sources of the statistical criteria, calculation methods, assumptions and/or calculation tools and conversion factors for the quantitative KPIs are described in this report.

Balance: This report presents the group's performance during the reporting period without bias, avoiding choices, omissions or presentation formats that may unduly influence readers' decisions or judgments.

Consistency: The statistical methods used to disclose the data in this report remain consistent.

CONTACT INFORMATION

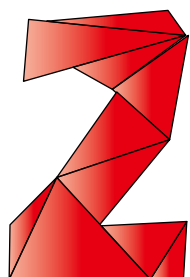
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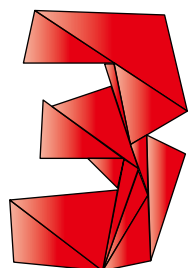
ESG STATEMENT OF THE BORAD

The Group is committed to continuously improving its ESG governance as a long-term objective. The Group has developed a framework that integrates environmental, social and governance into its day-to-day operations. The Group has established the ESG Working Group composed of senior managers of the Group to ensure that its ESG governance strategies are communicated and implemented.

The Board formulates the Group's ESG strategy and is responsible for the risks associated with ESG. To enhance the Group's ESG governance, the Working Group assists the Board in regularly discussing and assessing the group's ESG governance risks, performance and strategies. In 2021, the Board considered material issues and reporting strategies and approved the publication of this report.

The Working Group is committed to organizing and implementing the ESG strategy and guidelines formulated by the Board of Directors, supervising and managing ESG-related risks and the effectiveness of internal control measures, taking charge of ESG-related issues in daily management and compiling annual ESG reports, etc.

In the future, the Group will strive to expand sustainable development business, promote new growth with new drivers, maintain long-term stable cooperation with partners, and develop together with stakeholders. At the same time, the Group will strengthen communication with stakeholders, continue to improve the ESG management system, further improve the ESG governance level of the Group, and continue to create more value for shareholders and stakeholders.



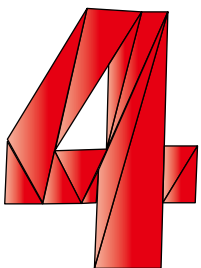
ABOUT US AND APPROACH TO ESG

The Company is a company listed in Hong Kong (stock code: 3991) and its controlling shareholder is a state-owned enterprise, oriented in a new-type ICT comprehensive service provider. The Group is an ICT professional solution service provider, a cloud comprehensive service provider of cloud-data integration and ICT product distributor that can integrate and optimize domestic and foreign resources as well as a professional intelligent terminal product manufacturer and service provider, committed to providing better big data and cloud computing comprehensive services for partners.

To be a good partner to help improvement and support success as its business philosophy, the Group provides highly efficient, comprehensive and professional services for partners in domestic and foreign ICT enterprises and local channel partners and customers by virtue of professional marketing services and solutions, independent intellectual property proprietary equipment and diversified products to help partners and customers grow and succeed, and continue to create value for shareholders.

In the professional ICT solution service and product distribution field, we are ICT comprehensive service provider with innovative concept and fast growth speed in the industry, ranking at the forefront among ICT comprehensive service providers. We provide partners with professional solutions and ICT products with applied technologies and high cost-performance, integrating international technologies and product resources while relying on our technologies, resource integration capacity and service ability. We are gradually promoting our marketing experience to products in other fields. We are committed to becoming China's leading enterprise cloud computing comprehensive service provider and the general agent with a ranking at the forefront among the manufacturers' partners.

In the field of intelligent manufacturing, we are professional provider of integrated terminal solutions for product development, manufacturing, and operation and maintenance delivery, focusing on technologies, products and applications in the field of Internet of Things and artificial intelligence, and providing a variety of one-stop IoT access intelligent terminal products and services for partners and customers.



APPROACH TO ESG

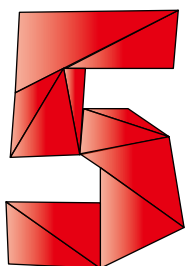
The Group focuses on the sustainable development of coordination among the business, the society and the environment. In pursuit of economic efficiency and business development, we consciously incorporate social responsibility into our business strategy for an honest and compliant operation, and actively fulfills our social responsibilities and obligations, to achieve the healthy and harmonious developments between the Group and our staff, the Group and the society and the Company and the environment, and continue to create value for the Shareholders.

CORPORATE MISSION

In view of the new layout that emerged in the PRC ICT industry under the new era, the Group will become a listed company with sound profitability focusing on ICT business as its core and the most remarkable ICT comprehensive service provider with an objective of establishing a new benchmark for the PRC ICT industry, hence maintaining its sustainable long-term development and creating maximum returns for the Shareholders.

CORPORATE VISION

- To become a remarkable ICT comprehensive service provider under the new era
- To become a remarkable listed company bringing satisfactory returns to the Shareholders
- To become a paradise for the career development of professional managers



CORPORATE CULTURE

- Targets and results oriented: with clearly defined strategic targets, use the targets to be achieved to plan, figure out the strategies, measures and road maps in accomplishing them and then move forward step by step. Achieve targets through scientific and systemic ways of thinking and focus on results accountability.
- Simple and direct communication: efficiency is the principle to follow and achieve targets through focused and efficient communications. Be straight to the point, have clear subjects during communication, be targets and results oriented and focus on facts but not individuals.
- Seek for truth, seek for diversity, and explore other kinds of possibility: apply rules that are discovered during exploration process, seek for and apply diversity in rules. Establish new thinking model for Chinese ICT comprehensive service enterprises, boldly explore new directions and endeavor to achieve corporate improvement and industry perfection.

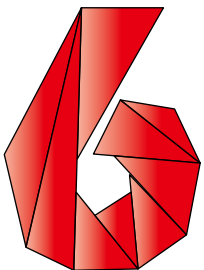
CORE BUSINESS PHILOSOPHY

Be a good partner to help improvement and support success: Making efforts to provide long-term and sustained support for manufacturers, helping them explore new markets with professional marketing services; coordinating various resources to help our agents develop; achieving success with our partners.



DEVELOPMENT STRATEGY

Based on our existing business, we achieve business upgrade and value promotion through system restructuring and service value added and become a comprehensive service provider for professional ICT enterprise distribution and specialized field based on technologies of big data, cloud computing, and artificial intelligence, etc., forging our core competitive edge and achieving the strategic upgrade of our business.

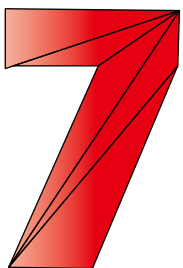


2021 OPERATING PERFORMANCE

In 2021, the economic development of world's major economies was gradually returning to the right track. However, the economic recovery process has been hindered due to the continuous recurrence of the COVID-19 pandemic. The global inflation level has remained high, and the global supply chain has encountered difficulties. In the face of a complex and severe international environment and the domestic outbreak, China has scientifically coordinated epidemic prevention and control and economic and social development, and the national economy has continued to recover and develop, achieving a good start to the "14th Five-Year Plan".

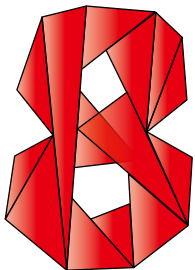
In response to multiple challenges such as recurrence of epidemics, industry changes and shortage of supply chain, in 2021, the Group strived to explore and innovate, so as to promote the sustainable and healthy development of the industry and achieve stable performance. At the same time, with the business strategy of "deeply ploughing demands, empowering with intelligence and jointing good partners", the Group gradually improved the planning of mainstream cloud resources, established in-depth cooperation with leading manufacturers, and explored new opportunities and models in newly developed areas such as cloud computing, virtual reality, data intelligence, the Internet of Things and digital energy. The Group constantly deployed new environments to actively promote the strategic transformation to an ICT comprehensive service provider.

In 2021, the Group recorded an income of about HK\$44,558.17 million, up by 10.34% over the same period of the previous fiscal year; gross margin in 2021 was 2.96%, up by about 0.29 percentage point from the same period of the previous fiscal year, mainly due to the change in sales contribution of the product line. The profit attributable to shareholders in 2021 was approximately HK\$413.25 million, up by about 19.64% over the same period of the previous fiscal year and the basic earnings per share was HK\$16.08 cents, up by HK\$2.64 cents from HK\$13.44 cents in the same period of the previous fiscal year.



2021 CORPORATE HONOR

- Market Pioneer Award(NUTANIX)
- First prize of "Wang Xuan Journalism Science and Technology Award" (China Federation of Journalists and Technicians)
- Outstanding Brand Image Award (CFS 10th Finance Summit)
- 2021 Top 10 Digital Ecology 500 Value-added Distributors (B.P business partners)
- 2021 Digital Ecology Distribution Leader Award (B.P business partners)
- 2021 Digital Ecology Digital Service Leader Award (B.P business partners)
- ZEISS Excellent Partner (ZEISS)
- Outstanding Partner Award (HUAWEI)
- 2021 China Digital Ecological Growth Award (B.P Business Partner)
- Top 50 E-commerce Enterprises in Sichuan Province in 2020 (Sichuan E-commerce Association)
- Top 10 Leading Enterprises of Digital Trade in E-commerce industry in 2020 (Organizing Committee of World Digital Trade Conference, E-commerce Professional Committee of China Electronic Chamber of Commerce)
- Excellent Pipeline supplier (Shandong Shengyang Power Source)
- New Talent Cooperation Award (Shandong Shengyang Power Source)
- Annual Excellent Partner Award (Vertiv Technology)
- Service Cooperation Standard Award (Vertiv Technology)
- 2020 Outstanding Contribution Award for General Agent (Schneider Electric)
- 2020 Best General Dealer Award (according to the picture)
- Enterprises with outstanding tax contributions to the construction of "Four Strong Areas" in 2020 (CPC Mianyang Fucheng District Committee and Mianyang Fucheng District People's Government)
- 2020 Outstanding Contribution Award for Economic Work (CPC Mianyang Science and Technology City Science and Education Entrepreneurship Park Working Committee, Mianyang Science and Technology City Science and Education Entrepreneurship Park Management Committee)
- 2020 Business Excellence Award (Sichuan Changhong)

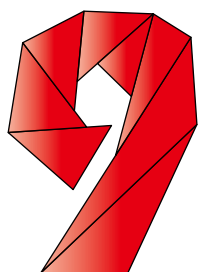


STAKEHOLDERS ENGAGEMENT

The interest and opinions of stakeholders on our business activities are of great significance to the Group's sustainable development. The Group attaches great importance to communication with various stakeholders and establishes effective communication with stakeholders through various platforms and communication methods.

COMMUNICATION WITH STAKEHOLDERS

Stakeholders	Expectations	Communication methods	Measures
Investors /Shareholders	<ul style="list-style-type: none"> • Return on investment • Information disclosure 	<ul style="list-style-type: none"> • Shareholders' Meeting • Periodic reports, announcement • Company website 	<ul style="list-style-type: none"> • Continued to enhance the Group's profitability • Released regular reports and announcements as required
Partners /Suppliers	<ul style="list-style-type: none"> • Candid cooperation • Fair and just 	<ul style="list-style-type: none"> • Regular meetings • Agreements • Field visit 	<ul style="list-style-type: none"> • Fulfilled cooperation agreements • Established long-term stable relationship with core partners
Customer	<ul style="list-style-type: none"> • Relationship stability • Service support 	<ul style="list-style-type: none"> • Product supply • Agreements • Customer services • Company website 	<ul style="list-style-type: none"> • Signed annual cooperation agreements with the customers • Provided a wealth of products • Provided technical, training and other services
Employee	<ul style="list-style-type: none"> • Compensation and benefits • Working environment • Career development 	<ul style="list-style-type: none"> • Labour Contract • Employee training • Employee internal communication • Employee performance evaluation 	<ul style="list-style-type: none"> • Improved compensation benefits and performance system • Provided a clean and comfortable working environment • Planned staff promotion path • Provided rich training courses
Community	<ul style="list-style-type: none"> • Harmonious community • Public welfare activities 	<ul style="list-style-type: none"> • Company website • WeChat account 	<ul style="list-style-type: none"> • Built a harmonious community • Conducted public welfare activities



MATERIALITY ASSESSMENT

The Group conducts stakeholder communication and importance assessment through telephone, questionnaire, etc., to enable stakeholders to understand their environmental, social and governance vision, to further determine the disclosure focus of the ESG report and respond to the expectations and requirements of stakeholders. We took into account internal and external views to define sustainability issues that are relevant to our business and stakeholders.

Sorted by Materiality

Issues

High materiality issues

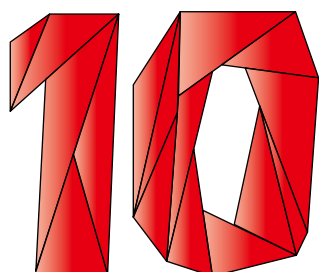
Compliance Operations
Anti-corruption
Enterprise Risk Management
Procurement and Supply Chain Management
Customer Service Management
Customer Privacy Protection
Information Security
Product/Service Quality Management
Compliance to Labour Legislation
Staff Training and Development
Staff Health and Safety

Moderate materiality issues

Responsible Marketing and Publicity
Employee Participation, Diversity and Inclusion

General materiality issues

Energy Management
Greenhouse Gas Emission
Waste Disposal
Exhaust Emission Reduction
Water Resource Management
Use of Natural Resources
Addressing Climate Change
Community Philanthropy



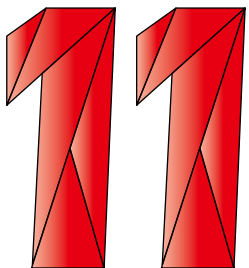
GOVERNANCE

CORPORATE GOVERNANCE

In order to achieve corporate mission of the Group, we have established good corporate governance practices based on the principles of integrity, transparency, openness and efficiency, and implemented and improved various policies, internal controls procedures and other management framework. We will continue to learn and understand the development of corporate governance practices with reference to the world's leading institutions, relevant regulations by the regulatory bodies and the expectation of the investors. We will also review and enhance the corporate governance procedures and practices from time to time so as to ensure the long-term sustainable development of the Group.

COMPLIANCE MANAGEMENT

The Group is subject to various laws and regulations set by the PRC national, provincial and municipal governments relevant to our business operation, including The Company Law of the Peoples Republic of China (《中華人民共和國公司法》), Civil Code of the People's Republic of China (《中華人民共和國民法典》) and Labour Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》). Compliance procedures are in place to ensure adherence to the applicable laws, rules and regulations. The Group has complied with the relevant laws and regulations that have significant impact on the operations of ours. Further, any changes in applicable laws, rules and regulations are brought to the attention of relevant employees and relevant operation units from time to time.

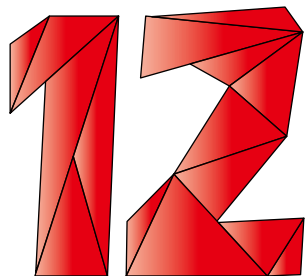


INTERNAL RISK CONTROL

The Group established the Internal Control Specification and Operational Risk Management Manual in accordance with the relevant regulatory requirements and the internal control framework required by the Ministry of Finance to clarify the management rules, systems, critical control points, and corresponding controls of the key control links. The process ensures that the Group's business management is legally compliant, corporate assets are secure, financial information and related information are accurate and reliable, aiming to improve operation efficiency and promote company's strategic planning. In 2021, the Group carried out risk identification and assessment, identified major risk identification standards, established risk identification lists, and prevented and effectively identified and controlled various risks arising from the operation process through routine and special internal control inspections. In 2021, no corruption proceedings have been brought against the Group or its employees, and no corruption proceedings have been closed or are still pending.

ANTI-CORRUPTION

The Group strictly abides by national and regional laws and regulations such as the Criminal Law of the People's Republic of China (《中華人民共和國刑法》), Anti-Unfair Competition Law of the People's Republic of China (《反不正當競爭法》), and formulated a number of rules and systems including Honest Management System (《廉潔管理制度》) and Code of Supervision on Staff Independence (《員工獨立性監管守則》) to regulate our employees' behavior in economic activities, maintain the objectivity, impartiality and synergy of the Group's business activities, avoid business operation risks and prevent all kinds of conflicts of interest, prevent misconduct such as bribery, extortion, fraud and money laundering, secure the Group's reputation as well as interests of the Group and customers, and build a sound ordered market. In 2021, there were no litigation cases regarding corrupt practices brought against the Group or its employees, and there were no concluded or ongoing litigation cases regarding corrupt practices. In 2021, the Group carried out specialized anti-corruption management training for all staff including directors and issued specialized anti-corruption magazines from time to time to continuously improve the anti-corruption awareness of the management and staff.



ENVIRONMENTAL PROTECTION

The Group is committed to supporting environmental sustainability. We strictly abide by national and regional environmental laws and regulations such as Environmental protection law of the People's Republic of China (《中華人民共和國環境保護法》) and Pollution Prevention and Atmospheric Pollution Prevention Control Law of the People's Republic of China (《中華人民共和國大氣污染防治法》), and implement strict environmental protection policies, to ensure the fulfillment of environmental responsibility. We have obtained ISO14001 Environmental Management System certification.

Because the Group mainly operates our business in the office, we affected the environment primarily through the use of water, electricity, car fuel for office and minority of packaging materials, as well as carbon emissions from the business trips of our staff, and had no significant impact on the environment and natural resources.

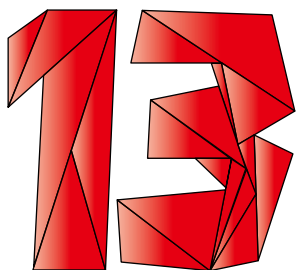
EMISSIONS

The Group's business operations do not involve hazardous waste, large amounts of waste gas or non-hazardous waste. In 2021, the Group did not have non-compliance issues related to environmental issues.

AIR POLLUTION EMISSION

The Group's air pollutants mainly originate from automobiles. The Group controls the number of cars and mileage and tries to use the online video conference system or teleconference to reduce business trips, energy consumption and emission of carbon dioxide.

In 2021, the Group's air pollutant emissions included 494 grams of nitrogen oxides, 50 grams of sulfur oxides, and 36 grams of particulate matter. Nitrogen oxide and particulate matter emissions were decrease of 4.61% compared with that of last year.



GREENHOUSE GASES EMISSION

The Group's emissions of greenhouse gases are mainly derived from the use of electricity and fuel use of company vehicle, and indirect greenhouse gas emissions from few paper waste. The Group has set target to reduce the average energy consumption of electricity in office area (MWh / m²) , and fuel consumption (fuel consumption per employee) , using FY2021 as the baseline year. The Group manages its carbon emissions by reducing energy consumption.

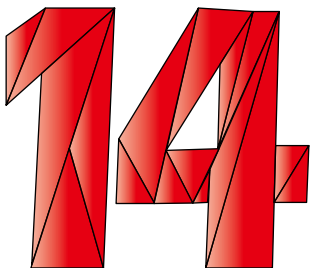
- Try to avoid travel during peak congestion, plan routes in advance to improve traffic efficiency, reduce vehicle fuel use to vehicle exhaust emissions; reduce fuel consumption and indirect greenhouse gas emissions by maintaining vehicle's performance regularly.
- Save electricity, advocate to turn off lighting when leaving; use separate switches to control air conditioning temperature and service time to reduce indirect greenhouse gas emissions.

1. Emission from the use of electricity

The Group leased offices in 25 cities including Mainland China and Hong Kong. In 2021, the electricity consumption is 1,030 million watt-hour, involved 1,061 tons (2020: 907 tons) of carbon emissions. In 2021, the Group's per capita electricity consumption involved 0.81 tons of carbon emissions. Due to the expansion of the group's business scale and the increase of personnel, the consumption increased slightly compared with 2020. (Sources of carbon emission conversion factors involved in electricity use are the "China's Regional Grid Infrastructure Emission Factors for 2015" promulgated by the Department of Climate Change, National Development and Reform Commission).

2. Emission from the use of fuel

The Group owns a few vehicles for travel and reception of the executives. In 2021, the fuel usage involved carbon emissions of 7.7 tons (2020: 7.4 tons). In 2021, the Group's the per capita fuel consumption involved 0.0059 tons of carbon emissions, the same as last year. (The source of carbon emission conversion factors involved in fuel use is the "2006 IPCC (Intergovernmental Panel on Climate Change) National Greenhouse Gas List Guidelines Catalogue", Vehicle Emission Capabilities: 2.2631Kg/L).

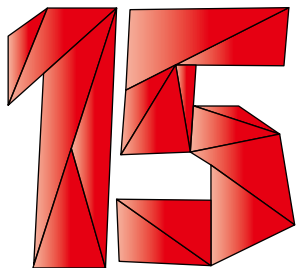


HAZARDOUS WASTE AND NON-HAZARDOUS WASTE

The Group's business operations do not involve hazardous waste or large amounts of non-hazardous waste as defined by the national laws and regulations. The non-hazardous waste generated by the Group mainly includes paper and a small amount of electronic products. The Group promotes paperless office software and secondary use of printing papers, produces portable notebooks, sends holiday e-cards and prints by swiping cards to reduce paper consumption. Very little paper is actually discarded. Strictly implementing garbage classification, for scrapped electronic products, they are recycled by units that have environmental recycling qualifications, while waste batteries and other hazardous wastes are required to be put into hazardous dustbins to avoid causing environmental pollution. The Group advocates employees to practice the concept of environmental protection, pay attention to the classification of waste consumed in daily life, and arrange specialized personnel to deal with waste to maintain environmental hygiene. In 2021, the Group disposed of 147 discarded electronic products including three waste batteries.

WASTEWATER

The Group's business operations do not involve wastewater discharge.



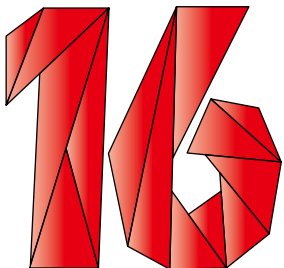
USE OF RESOURCES

The Group actively implements the concept of environmental protection and conservation, and formulates policies and measures for the management of environmental protection, including: 1) the Group enhances the awareness of energy saving and consumption conservation of its staff through posters and promotional videos; 2) increases the use of the renewable energy, solar hot water; and 3) installs more energy-saving lighting equipment and intelligent electricity-saving system for air conditioners in offices, which can automatically adjust the turning on and off time and the temperature settings of air-conditioners according to weather conditions

1. Use of fuel

The Group owns a small number of vehicles for executive travel and reception. In 2021, the fuel usage was 3,403 liters which is 4.1 percent than 3,270 liters in 2020, this was mainly due to reduced energy efficiency of vehicle power train systems. In 2021, the Group's per capita fuel consumption of was 2.60 liters.

- The Group takes measures to reduce vehicle fuel use and thereby reduce vehicle emissions:
- Traveling either at off-peak hours or on less crowded roadways;
- Make full use of mobile internet for route planning and navigation in advance, adopt the optimal route, and avoid wasting trips to reduce fuel consumption;
- Maintain the vehicle regularly to maintain its performance and avoid increasing fuel consumption.



2. Use of water

The Group uses water originated from office usage. In some of regions, the water supply service in the office is provided by the building management. In this case, water consumption data is not available. The water supply to the offices in Beijing, Nanjing, Fuzhou, Xi'an and Shenyang was managed by the Group itself. In 2021, the water consumption in these areas consumed 4,350 tons, and the consumption tended to decrease, which was 2.9% lower than that of 4,482 tons in 2020. In 2021, the Group's per capita water consumption was 3.33 tons, which was 6.4% lower than that in 2020.

The Group's business does not involve production, and water use is mainly water for offices. During FY2021, the Group has set a target of reducing the water consumption intensity (cubic meters per employee) over the next 3 years, using FY2021 as the baseline year. Specific water-saving measures are as follows:

- Release environmental protection and saving slogans in the company forum to enhance environmental awareness;
- Use induction water switches to control water flow;
- Strengthen the maintenance of water equipment and improve the efficiency of equipment operation to avoid equipment failure waste of water resources.

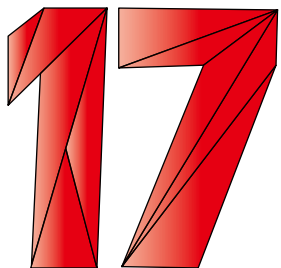
There was no issue in sourcing water that is fit for purpose in the Group's operations.

3. Use of paper

The use of paper by the Group mainly originates from office consumption. The Group's paper usage was 1.05 million (2020: 1.04 million) in 2021, which was an increase of 0.9% compared with that of last year. Mainly due to the increase in related business scale in 2021, the number of business contracts, bidding documents and other documents that need to be printed increased. The Group continues to implement e-contracting to reduce paper usage.

The Group has set a target to reduce the total non-hazardous wastes intensity (tonnes per employee) over the next 3 years, using FY2021 as the baseline year. For achieving the set target, the Group has implemented the following measures:

- Make full use of electronic online information systems and reduce the use of paper;
- Simplify type setting if is necessary to use paper;
- Recycle packaging boxes.



4. Use of packaging materials

Issues relevant to the use of packaging materials are not applicable to the Group due to the Group's business nature since 2020.

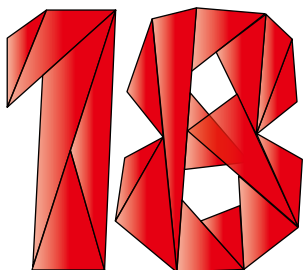
5. The energy management

In 2022, the Group will continue to implement energy saving management measures, advocate the use of energy-saving, efficient and environmentally office equipment, and reduce the average energy consumption of electricity in office area (MWh / m²) compared to the same period last year, using FY2021 as the baseline year. Specific measures are as follows:

- Conserve electricity, promote the use of natural light without affecting work, and turn off lighting when leaving work or leaving.
- Use separate switch control in office and conference room, including centralized control of air conditioning temperature and service time;
- Set up full-time property management staff responsible for pipeline inspection and maintenance, reduce waste;
- In terms of fuel consumption, strengthen vehicle management and advocate green and low-carbon travel;
- Increase the use of modern intelligent communication equipment in business cooperation, reduce unnecessary business trips of employees, so as to reduce the use of vehicles and planes.

THE ENVIRONMENT AND NATURAL RESOURCES

The Group's business operations have no significant impact on the natural environment and natural resources. We always adhere to strictly implement monitoring and control measures related to water saving, power saving, energy saving and emission reduction, and minimize the impact on the natural environment and natural resources.



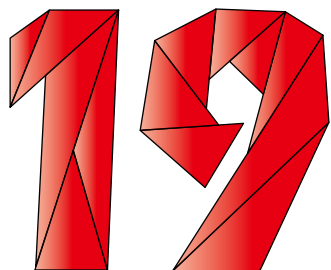
CLIMATE CHANGE

The Group continues to pay attention to the possible impact of climate change on its operations, identifying and assessing the risks associated with climate change. Extreme weather, such as typhoons and snowstorms, may bring risks such as facility damage and employee injury, which may lead to operation and turnover efficiency or expose the Group to risks related to default. In order to minimize potential risks, the Group purchases insurance for storage and transportation and/or requires the Group's servicer who providing storage and transportation service to purchase insurance to protect risks that may be caused by extreme weather. In addition, the Group advocates green travel for employees, low-carbon way of energy saving and emission reduction, and improve the utilization efficiency of operation resources such as office supplies. The Group continues to pay attention to changes in climate-related policies and regulations, and timely alerts management of changes affecting business operations to ensure effectiveness.

SOCIAL

RELATIONSHIP WITH CUSTOMERS, SUPPLIERS, EMPLOYEES AND OTHER STAKEHOLDERS

We believe that maintaining a good relationship with its business partners, customers, suppliers, employees and other stakeholders is important to the Group's business performance and development. Accordingly, the management of the Group has kept good communication, exchanged ideas and shared business updates with the stakeholders when appropriate. The Group also creates a framework for motivating staff and maintaining close relationship with staff. During the year ended 31 December 2021, there were no material and significant disputes between the Group and its customers, suppliers, employees and other stakeholders.

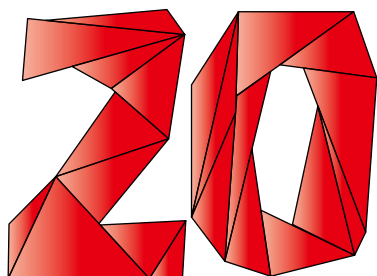


EMPLOYMENT

By focusing on the implementation of value creation and targeting at transparent performance and systematic management, the Group implements the scientific and fair performance management approach to secure the separation and implementation of its overall strategic goals at every segment, while maximizing the innovation and development of personal potential and talents to guide the constant growth of its staff.

Based on the annual business plan, we formulate the corresponding human resource planning plan. Depending on business progress and employment needs, it recruits talents through various internal and external channels to form diversified businesses team with different genders, ages, education backgrounds, knowledge and skills, and work experience. As at 31 December 2021, the Group employed a total of 1,309 (2020: 1,259) employees. The number of full time employees of the Group classified by different categories is as follows:

	employees	percentage (%)
By gender		
Male	799	61.13
Female	508	38.87
By age groups		
Under the age of 30	355	27.16
30-40	641	49.04
40-50	278	21.27
Aged over 50	33	2.53
By geographical region		
China (including Hong Kong)	1,298	99.31
Indonesia	9	0.69

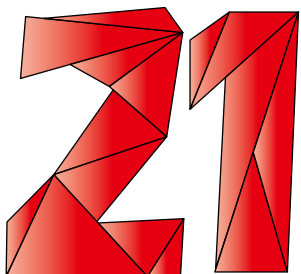


In 2021, the Group's overall employee turnover rate is about 35.83%. By gender, age group and regional classification of employee turnover in the following table:

	number of demission	turnover rate (%)
By gender		
Male	334	42.28
Female	123	25.33
By age groups		
Under the age of 30	213	60.86
30-40	186	29.29
40-50	57	21.76
Aged over 50	1	3.5
By geographical region		
China (including Hong Kong)	456	35.9
Indonesia	1	22.22

The Group adheres to the principle of equal opportunity in recruitment and promotion, opposes discrimination based on factors such as religion, nationality, gender and age, and strictly implements same pay for same work. For those resigned employees who are capable and willing to re-join, the Group will also re-employ them with an open and enthusiastic attitude.

Applicants who meet the job recruitment requirements and have passed background investigations are formally employed and enter into formal labour contracts. The Group's working hours are in accordance with the working hours system that the national law stipulates that the daily working hours do not exceed 8 hours, and the average working time per week does not exceed 40 hours. At the same time, the employees enjoy statutory paid vacations and annual vacations. When there is a situation in which it is necessary to release the employee's labour relationship, the Group terminates the labour contract in accordance with the Labour Contract Law and related regulations, and strictly complies with the requirements of laws and regulations.

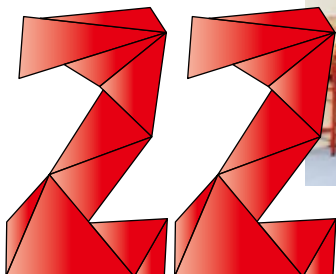


Through systematic training, we enable new employees to quickly and comprehensively understand the company profile. Through the mentor system, we help new employees integrate into the company faster and better. Through the establishment of the staff service platform in the enterprise community network, the policies, regulations and rules closely related to the daily staff are publicized to facilitate the staff to inquire and understand. Through the implementation of EAP (Employee Assistance Program), we interact with employees in a timely manner and answer their questions and doubts.

We determine employee compensation based on the employee's length of service, job function and performance with reference to the salary level of the same industry in the market, so that employees can obtain market-competitive salary while embodying the value of the job. The Group has developed a complete performance management approach, and conducts staff position adjustment and promotion based on the results of employee performance assessment.

In order to motivate staff to achieve the strategic business objectives efficiently, stimulate their working passion and create positive working atmosphere, we conduct the selection and appraisal activities of "excellent staff" and "collaboration star" every year, with an aim of giving public recognition to those outstanding staff in the sales, technology, sales support, platform service and cross-functional collaboration.

At the beginning of every year, we hold large annual carnival show, which undertaken by employees from show planning to its performance, providing a platform for staff to exhibit their capabilities and talents. In 2021, due to the pandemic, our Carnival was broadcast online. All the employees watched the annual carnival through the live broadcast in the brightly decorated office areas and interacted with the mobile APP. In order to prevent the spread of the pandemic and reduce attendance at the gathering, we changed the monthly birthday party into the currently popular form of drawing mystery boxes, so that the birthday gifts of employees were full of mystery and surprise. We have carried out Women's Day activities for more than 10 consecutive years to care for female employees. We hold the staff sports meeting every year to call on all staff to keep fit and create a positive, healthy and lively company atmosphere.

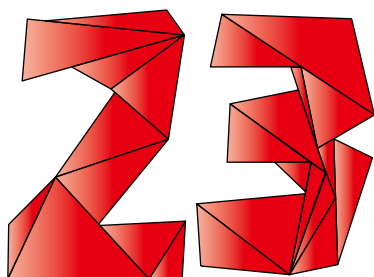


HEALTH AND SAFETY

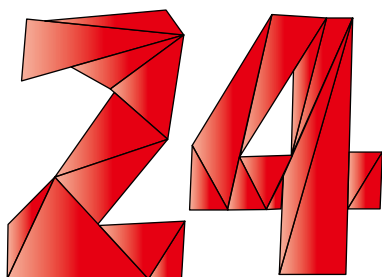
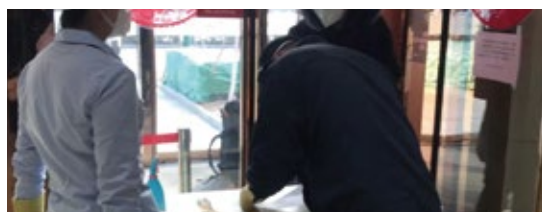
The Group complies with the Occupational Disease Prevention Act (《職業病防治法》) and Working Injury Insurance Regulations (《工傷保險條例》) in China and strives to build a healthy, safe, comfortable and tidy office environment by conducting office environment assessment activities in various branches, so that every employee feels as pleasant as possible. We installed air purification fresh air equipment and regularly detect and manage air quality in the office area. Professional drinking water treatment solutions are adopted to ensure the quality of drinking water, green plants are regularly replaced. The Group has obtained ISO45001 Occupational Health and Safety Management System Certification.

We are people-oriented, and strive to provide caring welfare and care for employees. In addition to statutory benefits, we set up a number of special benefits, including free annual physical examination with improved standards, meal, transportation and communication subsidies, special subsidy funds for severe illness, travel accident insurance for staff, safety insurance for staff in the infected area, public first-aid kits, condolence funds for marriage and childbirth of staff. In 2021, we paid more attention to the practicality and cost-effectiveness of employees' welfare products fitting for life. The team building activities of branches are also rich and colorful, enhancing the team cohesion among the regional departments. In addition, the Group did not record any work related fatalities or lost working days due to work-related injuries in the past three years.

We put great emphasis on safety and environmental management, follows the "Precise prevention and control, Implement safety responsibility" working guideline and adopts a number of measures including measuring body temperature, swiping card for access and exit, visitor registration, safety patrolling, video surveillance, changing the access card password regularly and other measures to safeguard the Group's normal operation order. We regularly conduct fire knowledge publicity and fire drills and posts security warning tips, in order to enhance the safety and environmental awareness of employees.



During the outbreak of the COVID-19 epidemic in 2021, the Group actively took response measures and formulated emergency plan and publicity measures. According to national policy requirements, we timely adjusted employee travel restrictions and screened the physical condition of the employees, and required the employees who came back from travel or may have contact with the confirmed patients to conduct 14 or 7 days of medical monitoring and isolation depending on different situations, encourage employees to get vaccinated, so as to ensure the life safety and physical health of employees. Meanwhile, we purchased a large number of pandemic prevention materials such as masks, alcohol, no-clean hand sanitizer and ultraviolet light disinfection lamps. Specially-assigned personnel distributed masks to employees, measured their temperature and disinfected the office area every day. We provided care services to employees during community confinement periods. The group provided microwave ovens and refrigerators for local branches to facilitate employees for self-catering and reduce eating out.



DEVELOPMENT AND TRAINING

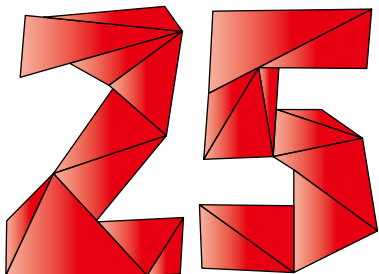
We strive to provide employees with a good environment for growth, a fair assessment mechanism and an open transfer opportunity to achieve a win-win situation for employee development and company development.

In 2021, the Group strengthened the construction of staff learning and development system, including annual routine projects including after-sales engineer transformation training, fresh graduates training plan, middle-level training plan and business training and other training projects. Meanwhile, in order to promote digital transformation and improve the comprehensive ability of management personnel, arrange a series of digital transformation and management of gas station projects to improve employees' digital skills and management ability. In addition, we will continue to carry out annual course plans, good lecturers, new staff mentors and new staff training.

In 2021, the Group strengthened the management of talent training, supervised all departments to carry out talent plans to better realize the construction of talent echelon and systematically carry out talent training work. At the beginning of the year, all departments completed the inventory of talents and make annual training plans according to the core, cadre and general employees. All departments carried out 12 courses on management, 534 on job performance improvement and 201 on general affairs in total.

In 2021, the group's internal trainer and mentor team developed steadily and all the role personnel had a clear understanding of their responsibilities. There were 36 in-service internal trainers, and a total of 111 lectures were held which is 70 more than in the same period last year, and with 3,000 employees participating which is 50% higher than that in 2020. There were 170 mentors in total which is 56 more than last year and more than 97% of the new employees got effective help from mentors at the early stage of their employment.

In 2021, the group carried out effective empowering training, emphasizing both quantity and quality. The group has organized 742 training sessions which is 20.65% higher than that in 2020, and 12,678 person-times of employees have participated in internal training, including product, technology, marketing, finance, risk prevention and control, compliance and new employee skills.



In 2021, the Group's staff training rate was 100%. The average training time of male and female employees was 7.1 hours respectively which is 14.52% higher than in 2020, that of senior management and middle management was 5 hours respectively, and that of common employees was 7 hours. The number of trainees for middle and senior management was 2,535, which is about 20%, while that for general staff was 10,143, which is about 80%. In 2022, the group will continue to strengthen staff training and plan to organize 600 training programs of various kinds.

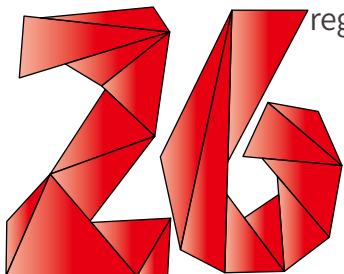
We also organize our staff to actively participate in the "BBC" (Broadcasting, Brand, Culture) program, which vigorously promotes the building of corporate culture, brand communication and knowledge sharing.



LABOUR STANDARD

The Group is in compliance with the Labour Contract Law (《勞動合同法》) of China, Employment Ordinance (Chapter 57 of the Laws of Hong Kong) and the relevant laws and regulations, pursuant to which employees are entitled to social insurance, housing provident fund, paid annual leave and other statutory benefits, and female employees are entitled to prenatal examination, maternity and nursing leave. Respecting human rights, the Group complies with the Prohibition of Child Labour Regulations (《禁止使用童工規定》), and prohibits child labour and other forced labour. After recruiting employees, we will collect supporting documents to check the age and prevent false information and misleading during the background check. In addition, the Group will sign labour contracts with employees in compliance with the Labour Contract Law (《勞動合同法》), specifying all details to protect their rights and interests, and so that also avoid forced labour.

The Group will take immediate corrective action in case of any violation of laws and regulations in relation to employment such as employment of child labor or forced labor. In 2021, the Group has not found any serious violation of laws and regulations in relation to the employment of child labor or forced labor.

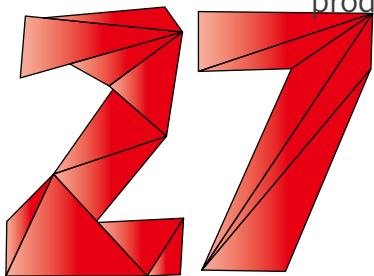


UPSTREAM AND DOWNSTREAM COLLABORATION AND OPERATION MANAGEMENT

As the PRC agent of numerous international ICT suppliers, the Group conducts extensive cooperation with suppliers to provide professional products and solutions to channel partners. We have formulated a supplier access audit system to evaluate suppliers' qualifications, financial status, product quality, production and supply, service capacity, business licenses, etc.

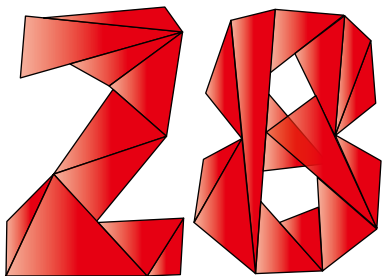
Through formulating a series of procurement policies including procurement principles, procurement methods and procurement monitoring mechanism, we achieve a centralized and unified comprehensive planning of procurement. We expect suppliers to consider the environmental, social, health and safety and governance in their operations.

The Group issued "Environmental, Occupational Health and Safety Notice" to some supplier, and added relevant contents of environmental, health and safety requirements into the terms of our cooperation contract with the supplier. The Group's suppliers cover 31 provinces and autonomous regions in China (including Hong Kong, Macau and Taiwan) and overseas, including 374 suppliers in North China, 46 suppliers in Northeast China, 429 suppliers in East China, 166 suppliers in South China, 102 suppliers in central China and 120 suppliers in Southwest China. There are 80 suppliers in Northwest region and 19 overseas suppliers. As a comprehensive ICT service provider, the Group cooperates with many industry leading upstream suppliers. The group has established a supplier management system, reviewed the qualifications of upstream suppliers, and optimized the resources of upstream suppliers through performance appraisal. In FY 2021, all the group's suppliers were included in the supplier management System audit. The Group evaluates its supply capacity and quality management level through supplier access procedures. The supplier shall provide the relevant quality system certification certificate or the authorized agent documents of the relevant manufacturer, so that the Group can select appropriate suppliers to support its operation and reduce potential risks. We visit key suppliers on the spot, inspect their warehouses and production operations, evaluate their safety, environmental protection and operation capacity in the operation process. Under the same conditions, we tend to choose the same strong but less packaged products suppliers. In addition, the products of the Group belong to electronic products and are durable.

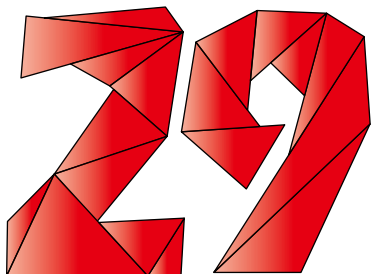


For enterprise level segment, based on agent products, we set up application-level platforms relying on our own technologies, resource integration and service capability. We organically integrate products into multiple technologies and industry solutions, and provide multiple value-added services including technical support, consulting, training and qualification certification. We are committed to becoming a well-known big data, cloud computing comprehensive service provider in China. We possess a cloud computing experience and training center, collaborate with many internationally well-known manufacturers to provide one-stop services including solutions containing data solutions, virtualization solutions and disaster backup solutions, market consultation and technical support for cooperative channel partners to promote closer cooperation between manufacturers and integrators. The Group allocates dedicated account managers for different projects, who are responsible for the communication and feedback of user problems, and provides one-to-one service support, technical consultation, fault analysis and remote diagnosis through the group's call centre hotline.

For consumer level segment, by virtue of professional marketing ability, we help manufacturers push their products to the market rapidly. We deeply grasp market and customer demands, build channel systems covering the whole country and possess tens of thousands of core agents. By keeping stable and long-term cooperation with product suppliers and core agents, we fully ensure benefits for all parties in the supply chain, form a sound distribution system and provide good service assurances by relying on perfect after-sales service and advanced and speedy logistics operations. We organically combine agent products through portfolio marketing modes, meet users' demands at different levels. We build and optimize the B2B new distribution e-commerce platform, Jiahua Duola, to match online transactions between regional distributors and terminal distributors and build new regional distribution ecology of openness, cooperation and win-win across the country.



Since 2008, we have been holding "Jiahua Good Business Partners" Return Banquet annually. At the Return Banquet, we sum up last year's operation, release the strategy for the next year, and provide a communication platform for the upstream and downstream partners. The Return Banquet also aims to make plans for future development with partners. So far, the Return Banquet has been held for 14 consecutive years, in recent years, in response to the national epidemic prevention and control policies of COVID-19, we have adopted new technologies and new form to upgrade the appreciation meeting to the cloud appreciation meeting, which has achieved excellent results and is inimitable In the industry. Since it launching, the "Jiahua Good Business Partners" Return Banquet has served manufacturers more than 15,000 person times which is 36.36% higher than that in 2020, and agent partners nearly 47,000 person times respectively, while 331 manufacturers' leaders sending blessings through videos to the Group and on-site partners, becoming one of the famous brand activities of the Group and well received by partners. The Group endeavors to play a role of ICT ecosystem connector, to create a good industrial ecology with partners and continuously achieve common growth.



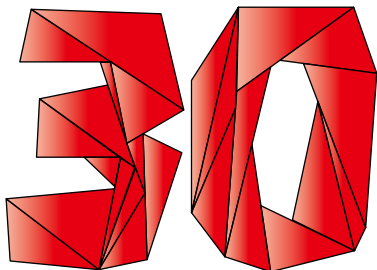
Proper management of supply chain is essential to a socially responsible company. In the future, the Group will gradually enhance the observation and identification of environmental and social risks of suppliers.

To combat the outbreak of COVID-19, the Group actively exerted its role as a connector, combining the strengths of manufacturers and agents, and based on our strong platform operation and management advantages, to ensure our business normally running and provide timely services. Facing urgent needs, all parties inside and outside the Group cooperated with each other to quickly communicate and respond, and concentrated their efforts to assist partners to meet the customers' needs from anti-Epidemic frontline. During the epidemic period, we conducted a series of live-broadcast training with the theme of "New Infrastructure and New Driving Forces" together with manufacturers to explore the development direction of ICT in the face of the evolution of the global pandemic and economic challenges, and to help new infrastructure to fight the pandemic from multiple dimensions and scenarios.



The Group always adheres to the concept of being a good partner to help grow and support success, and always pays attention to the actual situation of channel partners.

As a corporate citizen with a high sense of responsibility, the Group will continue to fulfill its own responsibilities, help its partners, and provide warmth to the infected area.



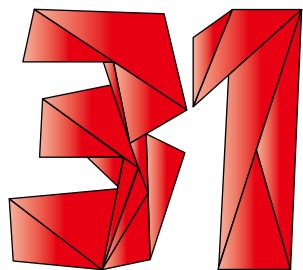
QUALITY ASSURANCE

The quality of products and services determines the survival and reputation of the enterprise. To strengthen quality management, the Group has established and continuously improved the quality management system to ensure that the Group's products and services meet customer needs. We have passed ISO9000, ISO20000 (Information Technology Service Management Standard), Level 2 of ITSS (Information Technology Service Operation and Maintenance Service Capability Maturity Level), ITSS cloud computing service capability standard compliance certificate (Level 2) and our own brand products have passed CCC (China National Compulsory Product Certification Certificate) and China Energy Saving Product Certification, etc.

As an ICT integrated service provider, the Group sales products for distribution by the proxy pattern, and the Group will review supplier's product qualification. In 2021, there was no recall due to safety and health reasons and no complaints in relation to products and services. If any problem is found during the product acceptance and inspection by customer, the Group will actively coordinate with the supplier, and request to return or replace the product according to the laws and regulations and the contract with the supplier. In addition, terms regarding quality and return and exchange would be stipulated in the purchase agreements signed by the Group with the suppliers to ensure the quality of products and services.

INFORMATION SECURITY

Information security is one of the basic guarantees for the sustainable development of enterprises. The Group strictly abides by national and regional laws and regulations such as the Cybersecurity Law of the People's Republic of China (《中華人民共和國網絡安全法》). The Group attaches great importance to information security management and establish the Information Security Management Manual(《信息安全管理手冊》) through adoption of risk assessment and risk management, physical media management, permission compliance management, system development and operations management, data backup and safety management, personnel management and check on duty management standard, to ensure the physical security, operation security, information assets security and personnel security of the information system and to guarantee the integrity, availability, confidentiality and controllability of the Group's information. We have passed ISO27001 (Information Security Management System Standard).

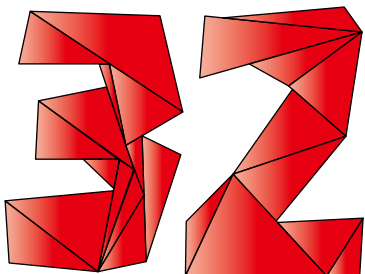


RESPONSIBLE MARKETING AND PROMOTION

The Group has formulated the Regulations on the Administration of Public Media Communication(《公共媒體傳播管理規定》), the Administrative Measures for External Information Release(《對外信息發佈管理辦法》), the Regulations on the Administration of We Media(《自媒體管理規定》), the Regulations on the Administration of Domain Name and Website(《域名及網站管理規定》) and the Executive Manual of Market Activities(《市場活動執行手冊》), and strictly abides by national and regional laws and regulations such as Advertising Law of the People's Republic of China(《中華人民共和國廣告法》) and the Law of the People's Republic of China on the Protection of Consumer Rights and Interests(《中華人民共和國消費者權益保護法》) ensuring that the content of communication conforms to the relevant national laws and regulations, adhere to the authenticity of the published content and strictly eliminate false publicity, exaggeration and misleading and other undesirable content, to build a high-quality enterprise brand and establish a good corporate image.

CUSTOMER PRIVACY

The Group strictly abides by national and regional laws and regulations such as Personal Information Protection Law of the People's Republic of China(《中華人民共和國個人信息保護法》), and has formulated the Confidentiality Management Regulations(《保密管理規定》). The designated information personnel are responsible for receiving, transmitting, using, copying, excerpting, storing, and destroying customer data, and necessary safety measures are taken. Each employee signed a confidentiality agreement with the Group to ensure that employees strictly abide by confidentiality requirements.



RESPECT INTELLECTUAL PROPERTY

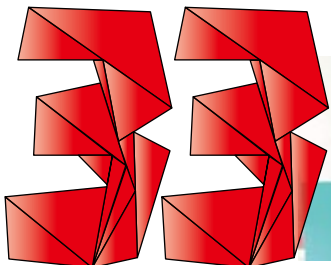
The Group attaches great importance to the protection and management of intellectual property rights, strictly abides by national and regional laws and regulations such as Copyright Law of the People's Republic of China (《中華人民共和國著作權法》), Trademark Law of the People's Republic of China (《中華人民共和國商標法》), Patent Law of the People's Republic of China (《中華人民共和國專利法》) and formulated the Intellectual Property Management System (《知識產權管理制度》). The Group pays attention to the exploration and protection of intellectual property rights in the process of business development and respects the legitimate rights and interests of others, such as intellectual property rights, and does not allow infringement of external intellectual property rights.

COMMUNITY

Responding to the pledge of the government to employ disabled persons, the Group kick-started the disabled recruitment project officially in 2016 and gave preference to offering employment opportunities to disabled persons nearby the community and one disabled person was successfully recruited. In 2021, we set up disabled special positions in the multiple departments and accept disabled persons who are eligible to join us, thus achieving recruitment of disabled persons, a total of 8 disabled people were employed.

We have always remembered our social mission and responsibility in our development, planning and launching a series of public welfare activities, and actively participating in public welfare undertakings to make positive contributions, In 2021, we provided books and bookcases redeemable to the China Charities Aid Foundation For Children through green activities such as walking and exercising, and provided "rainbow bookcases" for the students of Bapu Town Junior High School in Meigu County, Liangshan Prefecture, Sichuan Province, to help them better understand the world. We cooperated with police station in Fengtai Science and Technology Park to carry out anti-fraud publicity, which reached more than 1,000 people through an online broadcast and several text and video publicity.

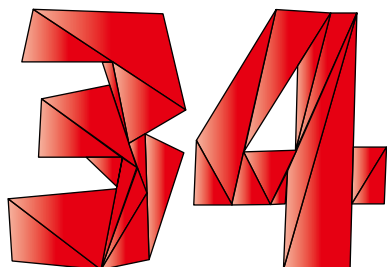
Since 2015, we have organized "Yue Bu" for all employees to encourage more walking and less driving. This activity has been held for 7 consecutive years. This year, nearly 1,168 employees have actively participated.



OUTLOOK

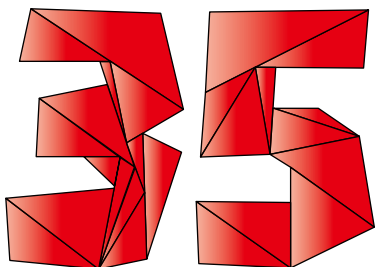
Looking forward to 2022, the impact of the global epidemic will continue, the international situation will become more complex and severe, the global economic recovery will face a huge challenge, and the external uncertainty of China's economic development will increase. In 2022, China will face the triple pressure of shrinking demand, supply shock, and weakening expectations. It will further strengthen the support of macroeconomic policy, base itself on the new development stage, accelerate the construction of new development patterns, and strive to keep the economy operating within a reasonable range and promote high-quality development. With the rapid development of digital technology, the digital economy has flourished and has been deeply integrated into all aspects of economic and social development and has become a key driver for stimulating economic growth, alleviating downward pressure on the economy and driving economic recovery. China's "14th Five-Year Plan for Digital Economy Development" establishes development goals by 2025, China's digital economy will enter a period of comprehensive expansion, and the added value of the core industries of the digital economy will account for 10% of GDP. In 2022, the Group will follow the development trend of the digital economy and take "new cognition, new kinetic energy, and smart partner" as its business policy. In the era of rapid development of digital intelligence, the Group will continue to learn new knowledge, master new technologies, and generate new kinetic energy with new cognition. , focus and deepen in key areas of future digital industries such as cloud, network, data, intelligence, virtual reality, etc., unswervingly develop new driving forces, build new capabilities, create unique value, and empower good partners to seize new opportunities and develop new opportunities together, join hands to win new growth and new success in the future, and make greater contributions to shareholders.

新认知 新动能 智慧好伙伴



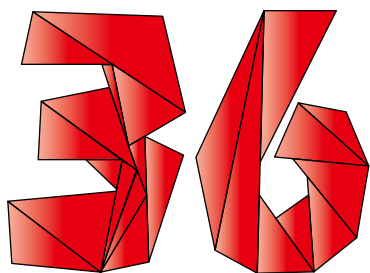
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Subject Areas, Aspects, General Disclosures and KPIs		Chapter /Statement	Page No.
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KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Greenhouse gases emissions	14
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Hazardous waste and non-hazardous waste	15
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Hazardous waste and non-hazardous waste	15
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	Emissions	13
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Aspect A2: Use of Resources			
General Disclosure	Policies on the efficient use of resources including energy, water and other raw materials.	Use of resources	16
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).	Emission from the use of electricity, Use of fuel	14
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Use of water	17
KPI A2.3	Description of energy use efficiency initiatives and results achieved.	Use of resources	16
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.	Use of water	17
KPI A2.5	Total packaging material used for finished products (in tons) and, if applicable, with reference to per unit produced.	Use of packaging materials	18
Aspect A3: The Environment and Natural Resources			
General Disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources.	The environment and natural resources	18
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	The environment and natural resources	18



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Aspect A4:

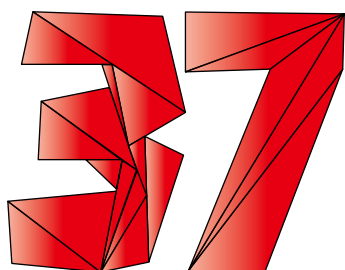
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Climate Change	19
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Climate Change	19

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 remuneration and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Employment	20
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Employment	20
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Employment	21



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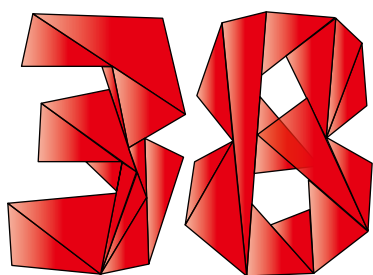
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Aspect B2: Health and Safety

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.	Health and safety	23
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Health and safety	23
KPI B2.2	Lost days due to work injury.	Health and safety	23
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Health and safety	23, 24

Aspect B3: Development and Training

General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Development and training	25, 26
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management, etc).	Development and training	25, 26
KPI B3.2	The average training hours completed per employee by gender and employee category.	Development and training	25, 26



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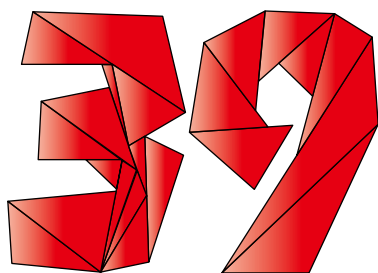
Aspect B4: Labour Standards

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.	Labour standard	26
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Labour standard	26
KPI B4.2	Description of steps taken to eliminate such non-compliance practices when discovered.	Labour standard	26

Operating Practices

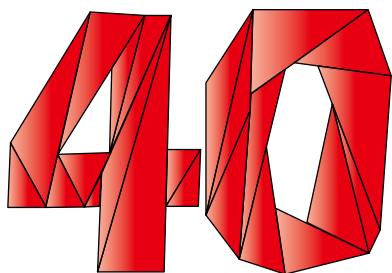
Aspect B5: Supply Chain Management

General Disclosure	Policies on managing environmental and social risks of the supply chain.	Upstream and downstream collaboration and operation management	27
KPI B5.1	Number of suppliers by geographical region.	Upstream and downstream collaboration and operation management	27
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.	Upstream and downstream collaboration and operation management	27
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Upstream and downstream collaboration and operation management	27



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KPI B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Upstream and downstream collaboration and operation management	27
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, labeling and privacy matters relating to products and services provided and methods of redress.	Quality assurance Responsible marketing and promotion	31, 32
KPI B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Quality assurance	31
KPI B6.2 Number of products and service related complaints received and how they are dealt with.	Quality assurance	31
KPI B6.3 Description of practices relating to observing and protecting intellectual property rights.	Respect intellectual property	33
KPI B6.4 Description of quality assurance process and recall procedures of products.	Quality assurance	31
KPI B6.5 Description of consumer data protection and privacy policies, how they are implemented and monitored.	Information security	31



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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.	Anti-corruption	12
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.	Anti-corruption	12
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Anti-corruption	12
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Anti-corruption	12

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	33
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community	33
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Community	33

