



延長石油國際有限公司

YANCHANG PETROLEUM INTERNATIONAL LIMITED

(Incorporated in Bermuda with limited liability)

Stock Code: 00346

## Environmental, Social and Governance Report 2021



**Yanchang Petroleum International Limited**  
**Environmental, Social and Governance Report**

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## 1. Our Report

### 1.1. Overview

This Report provides information on the performance of corporate social responsibilities of Yanchang Petroleum International Limited (the “Company”) (HKEx Stock Code: 00346) and its subsidiaries (hereinafter collectively referred to as the “Group” or “We”) with respect to the environmental, social and governance (“ESG Report” or the “Report”) from 1 January 2021 to 31 December 2021. This Report discloses all relevant information pursuant to the “comply or explain” provisions set out in the Environmental, Social and Governance Reporting Guide (the “ESG Reporting Guide”) issued by the Hong Kong Stock Exchange Limited (the “Stock Exchange”).

### 1.2. Scope of the Report

The Group is in the oil and gas industry, and engages in business activities in both the upstream and downstream sectors. The upstream sector includes activities of exploration, development and exploitation of oil and gas. The downstream sector involves oil and by-products trading and distribution activities. The scope of this Report covers the relevant operational information of the core business of the Group and the core revenues contributed by the subsidiaries:

- Novus Energy Inc. (“Novus”) - A Canada incorporated company operating oil and gas exploration, development and production of petroleum and natural gas;
- Henan Yanchang Petroleum Sales Co., Limited (“Henan Yanchang”) - A China incorporated company that engages in the wholesale, retail, storage and transportation of refined oil, and the relevant by-products and chemical products; and
- Yanchang Petroleum (Zhejiang FTZ) Co Ltd (“Yanchang Zhejiang”) – A China incorporated company that principally engaged in oil and by-product trading and refining<sup>1</sup>

1. Yanchang Zhejiang has been outsourced for all processes involved in oil product processing. Its main operations include monitoring the performance of outsourced contractors and managing oil product trades, and the daily operations of its office have insignificant on the sustainable development of the Group. Therefore, according to the principle of materiality, the quantitative environmental performance indicators in this Report only include the data of Novus and Henan Yanchang.

### 1.3. Reporting Principles

The Group has taken into account the following reporting principles in the preparation of this Report:

- **Materiality** : The Group identifies the material environmental, social and governance (ESG) issues through the results of interviews with management and surveys targeted at internal and external stakeholders, as well as evaluating the impact of various ESG issues on the operations of the Group. Please refer to the section headed “Materiality Assessment” for more information.
- **Quantitative** : This Report would perform an annual performance comparison with suitable quantitative data recorded and estimated by relevant departments of the Group when applicable, and state the information of the standards, methodologies, assumptions and/or calculation references wherever appropriate.
- **Balance**: The source of information and cases within this Report were mainly derived from the Group’s internal statistical data, relevant documents and communication documents in 2021. The Group undertakes that there are no false statements or misleading representations in the Report, and makes the fair disclosures on critical aspects of our performance, in terms of the progress made and continuing challenges that we are dealing with.
- **Consistency**: This Report is written in accordance with the ESG Reporting Guide, in order to ensure consistency with its contents. In the event of inconsistency, including any changes in reporting scopes and/or methods of computation for key performance indicators (“KPIs”), the Group will explain in this Report.

#### 1.4. Feedback Mechanism

Your views and suggestions give impetus to our continuous improvement. We hope you can provide us with your valuable comments in the following ways.

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## 2. ESG Statement of the Board

The board of directors (the “Board”) is pleased to release the ESG Report 2021, with an aim to present the Group’s institutional development and performance in respect of fulfilling environmental and social responsibilities for 2021, so as to address stakeholders’ concerns and expectations regarding the Group’s sustainable development management and information disclosure.

### Sustainability Strategy

Constantly striving for excellence, contributing to the economy, and achieving sustainable corporate development are the unrelenting quests of the Company. The Board of the Group takes full responsibility for sustainable development and leads the team to fulfill the social responsibility for corporate development, environmental protection, and ecological balance. The Group’s sustainability strategy is built upon four priority pillars, namely Business, Environment, Employee, and Community. This reinforces our commitment to creating value for our stakeholders and ensures our commitment to be delivered systematically.

Our Sustainable Development Goals :		
Business	Ethics and Governance	Conduct business with integrity and in compliance with all applicable laws and regulations to achieve a high standard of corporate governance and emphasise a quality Board, sound internal control, transparency and accountability to all stakeholders.
Environment	Environmental Management	Monitor various environmental parameters regularly to minimize related environmental impacts.
	Climate Change Strategy	Review the Group’s approach to climate change and formulate a sustainable development plan to identify and respond to relevant entities and transformational risks and opportunities.
Employee	Caring for Employee	Provide adequate support to employees and strengthen good relations with employees.
	Cultivating Talents	Foster a continuous learning environment and encourage employees to develop and advance their careers in the company.
	Embracing Diversity	Respect the labor and human rights of all our employees, with clearly defined human resources management policies, and promote an inclusive culture throughout the company.
	Working Safely	Promote a healthy and safe work environment. Achieve zero fatal accidents in the workplace.
Community	Community Investment	Cooperate with local charities to support the vulnerable groups and those in need.



	Responsible Procurement	Suppliers/contractors are required to comply with all aspects of the Group's environmental standards, including work processes, products or services, child labor, fundamental human rights, working conditions, compensation, occupational health and safety, and business ethics. The Group will only work with suppliers and business partners who adhere to our requirements.
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## ESG Governance

### Governance Structure

The Board assumes the leadership and supervisory role of the Group. The Board reviews and manages ESG-related issues and risks every year, to ensure those issues are included within the ambit of our strategies and lead the Group to formulate and achieve long-term strategies and goals. The Group has set up an ESG Reporting working group (the “Working Group”) involving staff from the Group's finance department, human resources and administration department, business department, company secretary, etc. The Working Group is responsible for monitoring sustainability performance and targets, reviewing opinions from stakeholders, collecting data and information regarding the ESG, in order to prepare the annual ESG Report. Being confirmed by the management, this Report has been received, discussed and approved by the Board.

The Group believes that a high level of sustainability governance is an important foundation for the long-term development of our global business. Led by the chairman and the Board, the Board oversees the execution of the Company's sustainability strategy as part of the oversight of business strategy and risk management. In order to continue to enhance the sustainable development of the Company, the Board established the Working Group in 2021 to further improve the ESG governance structure, and integrate ESG management into all aspects of corporate operation and management under the top-down approach, so as to take all possible opportunities to improve the Company's ongoing performance.

Composed of key members of senior management of head office and the business divisions of the Group, the Working Group focuses on proactively addressing sustainability issues and policies and driving strategic initiatives across the Group. With a strengthened sustainability governance structure, the Working Group joins with relevant departments to enable the Group to operate in compliance with all relevant laws and regulations, manage its risks and opportunities, and achieve long-term sustainable growth.

In addition, the Group has established the risk management and internal control system. The Board reviews the effectiveness of the system through the audit committee of the Company and encompasses major control measures every year, which include but are not limited to controlling finance, operation, compliance and sustainable operation, and engages external independent professionals to assist in identifying and assessing the risks of the Group through internal audit and interviews. The Board believes that the internal control and risk management system is effective and sufficient. The Board is in overall charge of developing the Group's ESG strategies and reports, as well as monitoring and managing ESG-related risks.

### 3. Stakeholder Engagement

The Group fully understands that listening to stakeholders' opinions, responding to and caring for their concerns effectively and sustainably, is the foundation for us to plan for future business development and fulfill our role in facilitating the ongoing development of social responsibility, which enables us to tackle the existing and emerging risks and identify opportunities in where it operates. Therefore, our sustainable development plans focus on facilitating stakeholders' understanding of our targets and collecting their feedback, so that we can formulate better strategies and render appropriate devotion to the business, enhance the sustainable development of the Group. Also, we will share the fruits of our success with our stakeholders in order to achieve an all-win situation and harmonious development.

Our key stakeholders include shareholders, customers, employees, suppliers and contractors, and communities. Over the past years, we have gotten in touch with stakeholders through different channels in order to address the components of long-term success.

The ways we interact with stakeholders are summarized below.

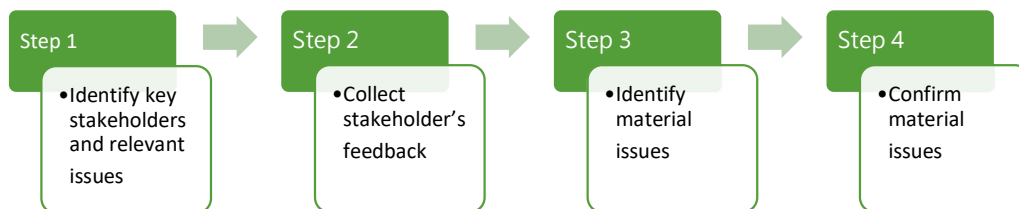
Stakeholders	Communication Approaches
<b>Shareholders</b>	<ul style="list-style-type: none"><li>• Company's website (<a href="http://www.yanchanginternational.com">www.yanchanginternational.com</a>)</li><li>• Annual and interim reports</li><li>• Annual general meeting and other shareholder's meetings</li><li>• Press releases, announcements, financial and other information related to the Company</li></ul>
<b>Employees</b>	<ul style="list-style-type: none"><li>• Orientation training and internal training</li><li>• Recreational activities</li><li>• Announcements, intranet and emails</li><li>• Meetings</li><li>• One-to-one meeting</li></ul>
<b>Clients</b>	<ul style="list-style-type: none"><li>• Company's website (<a href="http://www.yanchanginternational.com">www.yanchanginternational.com</a>)</li><li>• Telephone calls</li><li>• Regular meetings</li></ul>
<b>Suppliers and Vendors</b>	<ul style="list-style-type: none"><li>• Tendering process</li><li>• Regular meetings</li></ul>
<b>Community</b>	<ul style="list-style-type: none"><li>• Participation in community welfare activities</li><li>• Consultations</li></ul>



### Materiality Assessment

We continually strive to enhance how we identify and assess the issues that are most material to our stakeholders and our business. Understanding the concerns of our stakeholders and our global sustainability challenges allows us to align our sustainability strategy and identify areas of focus to enhance our sustainability performance and include the material issues within the ambit of reporting.

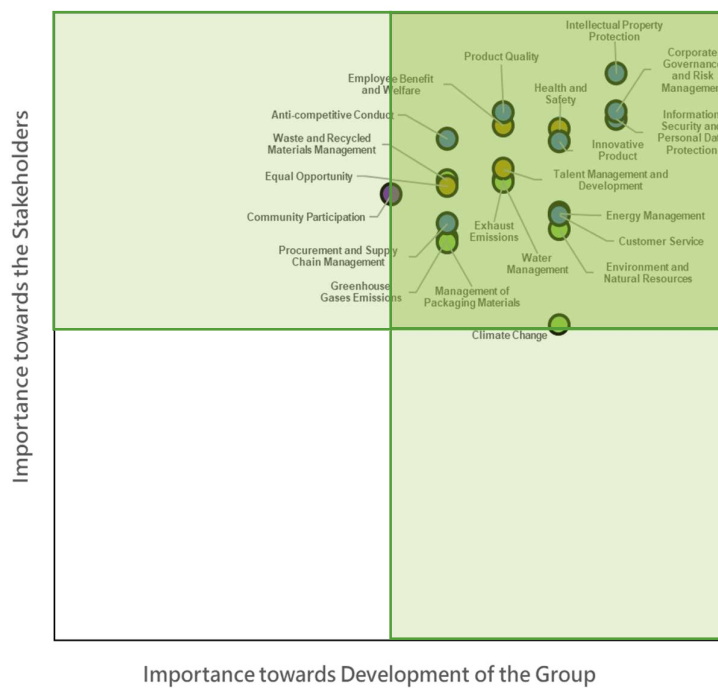
During the year, to better understand stakeholders' understanding and vision in ESG aspects, the Group engaged an external consultant to conduct stakeholder engagement activities and materiality assessments, such as surveys on management, external and internal stakeholders. The list of material issues and evaluation results were submitted to the Company's Directors for confirmation and approval.



### Materiality Matrix

Based on the results of the questionnaire survey, we conducted a materiality analysis to identify material issues. The following graph shows the materiality matrix of the Group, the Group has taken corresponding measures for the materiality issues identified in the analysis, the elaboration of which is set out in the subsequent sections. The Group will continuously strive to establish diversified, transparent, honest and accurate communication channels to provide an important basis for the Group's ESG strategies.

High



Low

Importance towards Development of the Group

High

<b>High Importance Issues</b>	<b>Exhaust Gas Emissions</b> <b>Greenhouse Gases Emissions</b> <b>Waste and Recycled Materials Management</b> <b>Energy Management</b> <b>Water Management</b> <b>Management of Packaging Materials</b> <b>Environment and Natural Resources</b> <b>Employee Benefits and Welfare</b> <b>Equal Opportunities</b>	<b>Health and Safety</b> <b>Talent Management and Development</b> <b>Procurement and Supply Chain Management</b> <b>Product Quality</b> <b>Product Innovation</b> <b>Customer Service</b> <b>Information Security and Personal Data Protection</b> <b>Protection of Intellectual Property Rights</b> <b>Corporate Governance and Risk Management</b> <b>Anti-competitive Practice</b>
<b>Medium Importance Issues</b>	<b>Climate Change</b>	<b>Community Participation</b>

## 4. Environmental Protection

### Management approach and policy

The Group understands that the oil and gas industry could have a potential environmental impact on the local environment. In order to avoid any irreversible damage to the environment, we remain committed to practicing environmental protection and sustainable development, and pay attention to the problem commonly faced by the international community and the global environment, leading to a reduction of the environmental burden. Therefore, we usually review whether our business operations give rise to any waste, draw up plans to increase the added value of resources, and put all those concepts of sustainable development into practice.

The Group strictly complies with all applicable environmental laws and regulations, such as the “Atmospheric Pollution Prevention and Control Law of the People's Republic of China”. There was no prosecution case involving the Group in respect of any environmental law during the reporting period.

### 4.1. Pollution Control

#### Gas emissions

Gas stations are mainly included storage, offloading and refueling during daily operation, these will emit oil vapour as same as the volume of gasoline. The Volatile Organic Compounds (VOCs) that volatilise into the air during refueling, offloading and storage at gas stations are known as "oil and gas" which is one of the major gas emissions derived from the business activities of the Group. Therefore, as a responsible corporation, the Group aims to reduce the emissions of VOCs from refueling of oil by adopting new technologies and equipment. Henan Yanchang, as a member of the Group, has installed a set of oil and gas recovery systems in oil depots and four gas stations respectively so as to further reduce and control gas emissions. Regular maintenance for the equipment is taken place, third-party testing institutions are engaged for testing the system every year to ensure the recovery of gas emissions, in order to meet the satisfaction of the “Prevention and Control of Air Pollution of the People's Republic of China and the “Ministry of Industry and Information Technology's Opinions on Energy Conservation and Emission Reduction in Petrochemical and Chemical Industries”.

Operation of Oil and Gas Recovery System	
Oil and Gas Recovery System at Oil Depot:	The oil and gas recovery system at the oil depot automatically starts in combination with the production outputs, adopts an activated carbon absorption system and recovers oil and gas using oil leaching analysis. Oil and gas are directly recovered to the oil tank after absorption.
Oil and Gas Recovery System at Gas Station:	The oil and gas recovery system at gas stations is the centralized oil and gas recovery system. Oil and gas generated during refueling are compressed and then stored in special storage tanks. The oil and gas collected during offloading are transported by tanker trucks to oil depots, and recovered in the oil and gas recovery system.

The Group's air pollutant emissions are as follows :

Pollutant	Unit	Novus	Henan Yanchang
Nitrogen oxides (NOx)	kg	2.45	38.09
Sulphur oxides (SOx)	kg	-	0.36
Particulate matters (PM)	kg	0.18	3.39
<i>Note :</i> <i>The calculation is based on the Reporting Guidance on Environmental KPIs published by the Stock Exchange</i>			

The Group understands that keeping an eye on resource consumption is important for introducing effective management measures and making the overall environmental performance better. Hence, we positively respond to the requirement of the Stock Exchange on disclosing greenhouse gas emissions, and make our reasonable efforts to maintain comprehensive statistics on the whole volume of greenhouse gas emissions. Novus increases the use of natural gas so as to lower carbon emissions to the satisfaction of local environmental standards, ensuring the conformity with the requirements of the Alberta Energy Regulator (AER) and Saskatchewan Energy Regulator (SER). In addition, Henan Yanchang has recorded the data of ethanol fuel to analyze carbon emissions. In the future, the Group will extend the scope of calculation of carbon emissions as far as possible to reflect its carbon footprint more comprehensively and impartially.

In addition, the Group has adopted and implemented a series of management measures that aims to reduce carbon emission:

- We provide video and teleconference systems and encourage employees to use them, so as to reduce greenhouse gas emissions from business trips and related transportation;
- Formulated the regional procurement policy, and local suppliers shall be selected with priority, to reduce energy consumption and greenhouse gas emissions resulting from additional transportation; and
- Environmental-friendly equipment is preferred, such as the use of air-conditioning equipment with variable frequency drives and refrigerants which can reduce the damage to the ozone layer, and the replacement of electromagnetic stoves for gas stoves.

Set forth below are the Group's greenhouse gas emissions:

Type of Greenhouse Gas Emissions	Unit	Novus	Henan Yanchang
Total greenhouse gas emissions	tonnes of carbon dioxide equivalent	226.52	2,472.65
Direct emissions (Scope 1)	tonnes of carbon dioxide equivalent	75.37	1,920.93
Energy indirect emissions (Scope 2)	tonnes of carbon dioxide equivalent	151.15	551.72
<i>Notes :</i> <i>The calculations were based on the Reporting Guidance on Environmental KPIs issued by the Stock Exchange, 2006 IPCC Guidelines for National Greenhouse Gas Inventories, IPCC Fifth Assessment Report and the China's Regional Power Grids Baseline Emission Factors for Emission Reduction Projects in 2019 ;</i> <i>Scope 1 includes emissions from stationary combustion of diesel, and direct emission from the mobile combustion of diesel; and</i> <i>Scope 2 includes the energy indirect emission from the acquired electricity.</i>			

### Waste management

The Group emphasizes waste management. We require our subsidiaries, Novus, Henan Yanchang and Yanchang Zhejiang to strictly comply with local laws and regulations, and the Group's way of treatment and disposal of waste. The Group adopts "4R" as our waste management policy.

In addition, Henan Yanchang abided by the law requirements such as "Policies and Regulations on Environmental Management of Solid Waste", the "Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes", and the "Environmental Safety Protection and Management System", it has drawn up the "Health, Safety and Environmental Inspection Management" as well as has formulated the Hazardous Waste Management System in accordance with the "List of National Hazardous Wastes" to govern the disposal process of hazardous and non-hazardous wastes.

The Group's "4R" waste management strategy is set out below:

Reduce	Reduction of waste from the source is to be achieved depending on a careful balance of practical needs and avoiding stocking up excessive and unnecessary items.
Reuse	Reduce the use of disposable products, and choose recyclable products if possible.
Recycle	Collect waste materials and deliver the separated materials to recyclers for treatment.
Replace	Environmental-friendly products are preferred to replace the used products.

The following is the total amount of waste produced during the reporting period:

	<b>Novus</b>	<b>Henan Yanchang</b>
Hazardous waste <sup>1</sup>	Not applicable	1.24 tonnes
Non-hazardous waste <sup>2</sup>	750 tonnes	Insignificant amount
<sup>1</sup> The hazardous wastes generated by Novus are all disposed of by contractors, so there is no relevant record. <sup>2</sup> Henan Yanchang only generates a small amount of non-hazardous waste, so there is no recording system.		

### Reduce wastewater discharge

The Group endeavours to act responsibly to handle wastewater discharge, and it is fundamental for us to comply with the prevailing emission requirement. All wastewater is recovered and reused as much as possible in order to reduce wastewater discharge and save water consumption. During the reporting period, Novus wastewater induced by drilling and production process, was disposed of subject to all provincial laws and applicable guidelines, such as Saskatchewan Energy Regular water disposal guidelines. Besides, Henan Yanchang carried out the relevant wastewater discharge treatment in accordance with the internal formulated “Control procedures of the Environmental Safety Protection Management System”.

## **4.2. Making Good Use of Resources**

The Group continues to double our efforts to ensure prudent use of resources by implementing strict resources management policies, to manage energy savings, water consumption and raw material usage, to increase resource efficiency and reduce waste. We advocate the use of energy-saving, efficient and environmental-friendly construction equipment, machinery and tools and office appliances recommended by the state and the industry, and continuously update the latest environmental news to optimise the existing services, so as to reduce environmental pollution.

In the past, the Group implemented several targeted actions for energy-saving. We also regularly check the condition of equipment in order to prevent energy wastage from engine aging. For the protection of precious water resources, we actively promote the concept of water-saving to employees and strengthen the maintenance, inspection and management of water equipment to achieve the purpose of saving water. We also constantly evaluate and consider all opportunities to optimise the use of resources.

	Novus	Henan Yanchang
Energy-saving measures	<ul style="list-style-type: none"><li>• Use its natural gas to fuel well sites where available.</li><li>• Equip machines with timer, and use motor instead of the natural gas engine.</li><li>• Optimise on-site use of power by setting the timer and carrying out cost analysis to assess results.</li><li>• Replace lights with LED luminaries</li></ul>	<ul style="list-style-type: none"><li>• Select LED lighting.</li><li>• Maintain the air-conditioning room temperature at 25°C.</li><li>• Shut down the machines during non-business hours.</li></ul>
Water-saving measures	<ul style="list-style-type: none"><li>• Re-use the reclaimed water in the oil field production site to achieve zero water consumption.</li><li>• Water-saving signages were posted around the office to remind staff of taking action at a personal level to save energy</li></ul>	<ul style="list-style-type: none"><li>• Post labels to remind employees and visitors to conserve water usage</li><li>• Collect rainwater for irrigation.</li><li>• Regularly monitor and replace the equipment promptly to prevent leakage.</li></ul>



	and resources.	<ul style="list-style-type: none"> <li>• Conduct regular internal inspections to monitor the effectiveness and target of the saving measures.</li> </ul>
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During the reporting period, the total energy consumption of the Group is set out below:

<b>Energy types</b>	<b>Unit</b>	<b>Novus</b>	<b>Henan Yanchang</b>
Total energy consumption	kWh	1,610,301.19	8,117,162.55
Total energy consumption intensity	kWh/Production output ('000 units)	267.17	1,981.63
Direct energy consumption	kWh	350,709.19	7,474,659.59
Direct energy consumption intensity	kWh/Production output ('000 units)	58.19	1,824.78
Which include:			
Fuel consumption	kWh	23,069.36	221,362.60
Fuel consumption intensity	kWh/Production output ('000 units)	3.83	54.04
Gas consumption	kWh	144,608.66	Not applicable
Gas consumption intensity	kWh/Production output ('000 units)	23.99	Not applicable
Green energy consumption	kWh	183,031.17	7,253,296.99
Green energy consumption intensity	kWh/Production output ('000 units)	30.37	1,770.74
Indirect energy consumption	kWh	1,259,592.00	642,502.96
Indirect energy consumption intensity	kWh/Production output ('000 units)	208.99	156.85
Which include:			
Electricity consumption	kWh	1,259,592.00	642,502.96
Electricity consumption intensity	kWh/Production output ('000 units)	208.99	156.85
Notes: The conversion of the energy data unit to kWh is based on the lower heating value; Direct energy consumption includes fuel consumption (diesel and gasoline consumption), gas consumption (natural gas) and green energy (ethanol and methanol consumption). Indirect energy consumption refers to electricity consumption.			

During the reporting period, the total water consumption of the Group is set out below:

	<b>Total Consumption</b>	
<b>Resource</b>	<b>Novus</b>	<b>Henan Yanchang and Yanchang Zhejiang</b>
Water consumption	Not applicable <sup>1</sup>	11,811.00 m <sup>3</sup>
<sup>1</sup> Water used by Novus is handled by contractors, so there is no relevant record.		

### 4.3. Green Operations

#### Advocating green operation

Climate change is a major challenge facing the world today. The Company, as a socially responsible organization, is well prepared to meet this challenge. We have formulated green office policies and green business management measures to lessen the impact on the environment and natural resources.

Measures	Measure details
Green office	<ul style="list-style-type: none"><li>• Adopt a paperless office by utilizing digitalized documents.</li><li>• Maintain the room temperature at 25°C.</li><li>• Seasonally adjusting outdoor lighting system controls.</li><li>• Turning off unused equipment or machinery.</li><li>• Where possible, use energy-saving lamps like LED.</li></ul>
Promoting environmental protection in the supply chain	<ul style="list-style-type: none"><li>• All the provisions of environmental protection are included in the contract signed with the supplier, and the supplier shall comply with environmental protection laws and regulations as well as the standards of the Group.</li><li>• Encourage sub-contractors to comply with environmental protection measures through posters and emails.</li></ul>
Providing environmental protection training	<ul style="list-style-type: none"><li>• Provide environmental protection training for newly joined staff so that they can understand the requirements and standards of the industry as well as the Group on environmental protection.</li><li>• Remind the environmental protection of the Group at daily meetings to ensure all measures are effectively implemented.</li></ul>
Green procurement	<ul style="list-style-type: none"><li>• Subject to the requirements of the Group :<ul style="list-style-type: none"><li>✧ Give priority to green product suppliers.</li><li>✧ Give priority to the procurement of goods and services supplied by local suppliers.</li></ul></li></ul>

#### Environmental impact assessment policy

Novus conducts environmental impact assessments before the drilling activities so as to avoid, reduce and mitigate the impacts on the surrounding environment. After a well is abandoned in accordance with the applicable laws and regulations, the site will be restored to its natural state in conformity with relevant laws and regulations. In addition, Novus also adheres to all the regulatory policies related to endangered species.

#### 4.4. Fighting Climate Change

The global risk report of the World Economic Forum 2016 states that, climate change is one of the major risks for enterprises in recent years. Therefore, we regularly assess and review climate change risks, and plan for future financial risks that may arise and make arrangements accordingly.

Type of Risk	Description of the Risk	Risk Response Measures
Policies and laws	Climate change related regulatory requirements in operations, products and services have been tightening, leading to increasing operating costs, including costs of compliance and product development costs.	Each of the Group's places of business has implemented a number of energy-saving and emission-reduction measures, as well as fully complying with all environmental-related laws and regulations. During the year, the Group sets targets for waste reduction, electricity and water conservation, which expects to do more than what the regulations require to mitigate the regulatory risks.
Market Risk	Customers are increasingly concerned about climate change, so they will give priority to green products, however, the Group should provide green products to meet customer needs.	The Group continues to identify operational risks due to climate change in the normal course of business, and also analyzes the potential impact, such as water supplies, increasing cost of raw materials, unstable transportation and any uncertainties due to the instability of climate, and devotes resources to control the risks.
Technology Risk	The climate change trend causes technological challenges	We seek opportunities brought by climate change, to achieve the goal of sustainable business development by introducing a new model of energy development and new energy-saving equipment, and preventing highly pollution from production.
Reputational Risk	Climate change should be dealt with more effectively, such as adopting carbon reduction policies and reducing the rate of temperature rise, so that the goodwill given by the market is high.	In line with the requirement specified in the ESG Reporting Guide issued by the Stock Exchange, we enhance the disclosure of the Group's ESG performance, in order to provide stakeholders with a full understanding of the Group's sustainable development strategy, governance structure, policies and measures.

## 5. Caring for People

### Management approach and policy

The success of our business depends on the untiring efforts and dedicated service of all employees. The Group understands that the recruitment, retention and cultivation of talents can help maintaining its market competitiveness. We have formulated a series of employment policies to ensure that employees are treated fairly and reasonably. The Group strictly complies with applicable employment-related legislation where the Company and its subsidiaries operate, including the “Labour Law of the People’s Republic of China, the Labour Contract Law of the People’s Republic of China” and the “Social Insurance Law of the People’s Republic of China” in China, as well as the labour legislation, such as the “Canada Labour Code”, “Canadian Labour Standards Regulations”, and the employment standards of its operating location in Canada, such as the “Alberta Employment Standards”, to create a safe, reliable and comfortable working environment with harmony and inclusiveness, under the common values of mutual understanding and respect, for the benefit of our employees and customers. We create an atmosphere of harmony and integration for our employees, to help them build and advance in their careers. The human resources department reviews the internal policy regularly in order to comply with the local laws and industry practices.

Employee profile of three subsidiaries in the year under review:

Types	Novus	Henan Yanchang	Yanchang Zhejiang
<b>By gender</b>			
Male	9	99	25
Female	8	58	14
<b>By employment type</b>			
Full-time	17	157	39
<b>By Age group</b>			
Age 18-30	0	64	12
Age 31-45	10	74	21
Age 45-60	6	19	6
Age 60 or above	1	0	0
<b>By Region</b>			
Mainland China	0	157	37
Hong Kong	0	0	2
Other regions	17	0	0

Overview of the employee turnover rate of the three subsidiaries in the year under review:

Types	Novus	Henan Yanchang	Yanchang Zhejiang
<b>By gender</b>			
Male	0.00%	0.93%	0.67%
Female	1.04%	1.15%	2.98%
<b>By employment type</b>			
Age 18-30	0.00%	0.91%	2.08%
Age 31-45	0.83%	1.01%	1.59%
Age 45-60	0.00%	1.32%	0.00%
Age 60 or above	0.00%	0.00%	0.00%
<b>By Region</b>			
Mainland China	0.00%	1.01%	1.35%
Hong Kong	0.00%	0.00%	0.00%
Other regions	0.49%	0.00%	0.00%
Note :			
- The calculation was based on the Reporting Guide for Social Key Performance Indicators issued by the Stock Exchange			

## 5.1. Equal Employment

### Equal opportunity and diversity

To promote the value of harmony, we must get to the root, that is, the provision of systematic protection of staff's rights and interests by standardizing and fostering our hiring system. We uphold the recruitment principle of "Possessing both integrity and talent, and giving priority to integrity" and hire the suitable person for the job on the basis of merit and in accordance with the principle of open and fair competition. The recruitment and selection procedures of the Group must strictly comply with the relevant local regulations. Employees will not be prejudiced due to their age, gender, sexual orientation, race, disability, marital status, pregnancy status, religion, political camp and referees. Instead, employees will be recruited according to their knowledge, capability, morality and job-related skills, to ensure equal employment opportunities.



### Recruitment and retention of talents

In the principles of equitable, openness, competition and meritocracy, the Group carries our recruitment in strict accordance with the relevant laws and regulations, policies, and procedures. We have a set of management policies for promotion and transfer of employees. The promotion or transfer of an employee is based on business needs, and an appraisal is weighted on the performance of the employee. The appraisal result will be reviewed by the human resources department and approved by the general manager. The career progression of an employee is determined by the performance and qualification of the individual. We encourage employee development and give priority to internal selection over hiring talents under the same conditions.

### Remuneration and Welfare

We enter into employment contracts with employees in accordance with local regulations that specify the rights and obligations between the employer and employee, aiming at developing a stable and sustainable employment relationship. We protect employees' legal rights and interests, and provide medical insurance, ensuring minimum wage and maximum working hours and paid leave, sick leave, work-related injury leave and maternity leave in accordance with statutory requirements. In addition, we will determine a salary adjustment for all employees, based on considerations that include the outcome of the regular performance review of individuals, and prevailing pay trends in the relevant market segment. Besides, Novus provides its employees with transport subsidies, flexible working hours (only for employees with a specific function), and holidays and family leave pursuant to relevant laws.

### Protection of Rights and Interests

We have established specific measures for dismissal and compensation. Where an employee seriously misbehaves in the course of work and is expected to be prejudicial to the interests of the Group, the Company may terminate the employment contract with the employee based on the condition and make the due compensation required by the relevant law.

### Caring for Employees

The Group understands that cohesiveness among employees is an important driving force for enterprise development, and employees play a key role who can join hands to fight for a common goal. Therefore, we remain committed to creating the "Delighted Company", and organizing a variety of recreational activities to assist employees in easing pressure at work and promoting good employee relations, enhancing the bonding of employees and strengthening their sense of belonging. For example, Novus holds the birthday party for employees every month; Henan Yanchang provides recreation rooms, farms and gardens within the company's area for employees' enjoyment.

## 5.2. Occupational Health and Safety

### Management approach and policy

The Group believes that occupational health and safety are important, so we strive to create the most suitable working environment for our employees. We develop and uphold the concept of “safety first” to achieve the goal of zero work accidents. Various measures are taken to prevent occupational diseases and industrial casualties. Also, a developed management system for occupational health and safety has been in place, that functions with regular inspections and evaluations, to reduce and monitor the potential hidden risks to occupational safety and health, and meet relevant regulatory requirements.

The Group strictly abides by all applicable occupational health and safety-related laws and regulations, such as the “Law of the People's Republic of China on the Prevention and Treatment of Occupational Diseases”. No violation of relevant occupational health and safety laws and regulations were found during the reporting period. At the same time, there were no work-related fatalities and lost days during the reporting period.

### Occupational health and safety policy

In order to implement relevant laws, regulations and policy standards related to occupational disease prevention and control, and to strengthen the management of occupational disease prevention and control, the Group has instructed its subsidiaries to establish and implement occupational health and safety management systems, and develop comprehensive safety management measures for preventing oil leakage and emergency plans.

Novus has specifically prepared “Drilling, Completions and Field Operator Handbooks, to provide guidelines and policies to govern a safety working environment. The health and safety affairs have been arranged to designated staff responsible for reviewing and updating the manuals and procedures on a quarterly and an annual basis respectively. Henan Yanchang has developed the “Occupational Disease Prevention Management System”, to assess the risks of occupational disease hazards in the workplace regularly, and take relevant prevention measures. Besides, “Major Hazard Sources Management Regulation” and “Double Prevention Mechanism (including Risk Management System and Risk Assessment System)” has been established, in order to identify major risks in Henan Yanchang.

### Safety training

As a responsible employer, we provide employees with adequate training on occupational health and safety and appropriate protective equipment. All new employees should complete a series of pre-service safety training courses, which covers the learning basic knowledge about occupational health, occupational health management regulations and operating process, the correct use of protective equipment, and emergency rescue measures, with a view to enhancing employees’ awareness of safety and enabling them to identify the high-risk area in the workplace and work out solutions to lower work-related risks, prevent accidents in the course of the operation and reduce occupational hazards.

#### Incident response plan

Given the nature of the business, we prohibit employees from smoking, drinking or making phone calls in the workplace, especially in the gas station. We regularly carry out safety checks and emergency drills. For example, in terms of potential risks due to emergencies like fire and power failure, the Group has set up a set of stringent measures and practices fire drills from time to time. All onsite workers are required to be aware of the emergency procedures, such as the use of personal protective equipment and rescue facilities.

#### Response to COVID-19

Since the outbreak of COVID-19, the Group has implemented various of preventive measures, involving procurement of protective gear, flexible working arrangements, providing employees with masks and hand sanitizers, conducting crowd control measures and arranging health declarations and so on, to ensure the health and safety of employees from different places. We also encourage all employees to follow the regulatory requirements stipulated by the government and avoid unnecessary contact. At the same time, we continue to keep an eye on and update the COVID-19 situation, and perform the appropriate actions in accordance with local regulations or requests of the Government.

#### Employee communication

The Group welcomes and values employees' opinions. Employees may voice their opinions on the company's management system and approach related to safety matters through the opinion collection box and company emails. We will also send employees messages about occupational safety and health on an irregular basis to heighten their concern for safety matters.

### **5.3. Training and Development**

#### Management approach and policy

Continuous learning and development of our employees are constructive to enhancing the value of our team and the professionalism of our employees, and will in turn improve the productivity of the Group. Therefore, we support life-long learning and nurture a continuous learning culture.

The Group constantly enhances its training system, enriches the training programs in a progressive manner, and introduces a comprehensive career development and training program to improve employees' knowledge of operation and safety standards, so as to improve employees' job-related skills and unleash their potential, as well as provide promotion opportunities and foster employee loyalty, thereby further facilitate foundations for the sustainable development of the Group.

The Group requires each of the department heads of Novus, Henan Yanchang and Zhejiang Yanchang to assess the functional needs of the employees so as to recommend and arrange appropriate training courses for them, in conjunction with the development strategies of the Group. Also, employees can apply for the relevant training courses, at the company's expenses, in accordance with the skills required for their job nature.

During the reporting period, the percentage of trained employees in the Group and the average number of training hours per employee are as follows:

The percentage of employees trained (%)			
Types	Novus	Henan Yanchang	Yanchang Zhejiang
<b>By gender</b>			
Male	52.94%	62.58%	64.10%
Female	47.06%	37.42%	35.90%
<b>By employment type</b>			
Senior Management	35.29%	3.23%	17.95%
Middle Management	35.29%	10.32%	25.64%
General Staff	29.41%	86.45%	56.41%
Note :			
- The calculation was based on the Reporting Guide for Social Key Performance Indicators issued by the Stock Exchange			

Average training hours of employees in each category ( hour )			
Types	Novus	Henan Yanchang	Yanchang Zhejiang
<b>By gender</b>			
Male	15.33	14.24	1.00
Female	12.13	12.41	1.00
<b>By employment type</b>			
Senior Management	13.33	38.00	1.00
Middle Management	19.50	46.25	1.00
General Staff	7.60	8.82	1.00
Note :			
- The calculation was based on the Reporting Guide for Social Key Performance Indicators issued by the Stock Exchange			

### Training System

Novus' main operation is crude oil and gas production, the company pays great attention to the knowledge and ability of front-line staff in terms of technology and safety. Therefore, Novus implements a Buddy-Mentor scheme under which a senior employee is appointed as the mentor for each front-line employees to provide guidance for them and share the experience with them, so as to ensure that they are all informed of proper mechanical operation procedures and familiar with the operation process, to achieve the goal of effective and safety production. Novus always encourages its employees to develop their job-related skills, and sponsors them to take external training courses if needed.

Henan Yanchang establishes Thursday as the "Study Day" on which internal study is carried out through classroom lectures and video learning with internal employees serving as training lecturers, so as to improve employees' skills for their work positions. As for management training on occupational safety and health, external professional lecturers will be engaged to provide training for employees.

## **5.4. Protection of Rights and Interests**

### Management approach and policy

The Group conducts staff recruitment and management in strict accordance with local laws such as the "Labour Law of the People's Republic of China", the "Prohibition of Using Child Labour" and the "Employment of Children Regulations" (Cap. 57B) as well as the relevant labour rule. It is forbidden to employ any child labour and any form of forced labor. We also set out the principles and policies regarding issues including remuneration, benefits, employment and dismissal, promotion, occupational safety and health, prevention of child labour and forced labour, and anti-discrimination in our staff handbook. We issue the staff handbook to all our employees so that they can clearly understand these principles and policies.

Prior to the employment of any applicant, the Group will thoroughly check all kinds of documents and files and take effective measures to verify his/her age to ensure that the applicant reaches the legal age for employment. The employment contract of the Group complies with the requirements of local laws and regulations, which specifies the rights and responsibilities of both parties, protects employees' due rights and interests, prohibits any form of forced labor, guarantees that all employees work on a voluntary basis, and forbids the use of any servile or contractual labor, corporal punishment, imprisonment or threat of violence.

The Group strictly abides by the relevant laws and regulations on the prevention of child labor or forced labor, such as the "Labor Law of the People's Republic of China", and there was no case of violation during the Year.

## 6. Operational Commitment

### 6.1. Supply Chain Management

#### Management approach and policy

The Group aims to provide fuel products and services of the most supreme standard and the support of reliable suppliers is the key to achieving that. The Group is dedicated to building a mutually beneficial and win-win partnership with suppliers, so as to contribute to the sustainable development of the industry and society. To promote closer relations and cooperation with suppliers, the Group has set up flexible procurement standards to assess the details of suppliers and contractors according to tendering and quotation procedures, to ensure that they meet the internal requirements of the Group. We also inform our business partners about our principles and expectations, and establish an effective mechanism to ensure that the parties act in strict compliance with laws and regulations.

The number of major suppliers of the Group classified by different regions is as follows :

Region	Number of suppliers
China	190
Canada	562
Other regions	1

#### Appointing suppliers

The Group enters into an entrustment contract with suppliers based on elements such as their product type, assurance capability of the quality management system, ability to comply with legal requirements, agreed-upon responsibilities and operating procedures. Each of our subsidiaries may have different criteria for various kinds of suppliers.

	Selection criteria of suppliers
Novus	<ul style="list-style-type: none"><li>Engages authorised contractors with license and properly insured according to government databases to conduct drilling and oil production, and requires the contractors and suppliers to comply with its environmental and safety policy in the production of oil and gas.</li><li>Adopt the equal, fair and open tendering process on procurement, and obtain at least three quotations for the price, quality and commitment comparison.</li></ul>
Henan Yanchang	<ul style="list-style-type: none"><li>Requests suppliers and contractors to obtain corporate social responsibility awards or certificates which covers products and service quality, environmental management and conscientious employer in the business of refined oil trading.</li></ul>



### Supervisory controls

Our subsidiaries will put forward environmental and quality management requirements to suppliers, and regularly monitor how the suppliers manage to fulfill the requirements. The Group will require suppliers who exposed to related risks to improve their existing mechanisms and performance, and suspend the cooperation with unqualified suppliers, so as to ensure the quality, environment and safety of the supply chain are in line with the Group's policy. Under supply chain supervision, Novus regularly carries out quality assurance to the extent that all materials used by suppliers satisfy Canadian Standards Association levels. Henan Yanchang adopts a highly transparent accountability mechanism for quality assurance that it carries out regularly inspection, periodically site-visits or seminars with suppliers to verify whether its requirements have been complied or not. Furthermore, each of the subsidiaries requires relevant employees to regularly assess suppliers' performance and conduct site surveys, and will suspend suppliers who do not conform to the requirements.

## **6.2. Information Security and Product Safety**

### Management approach and policy

The Group has always regarded the quality of products as the key to business success. Therefore, we strive to provide customers with high-quality, healthy and safe products and services in accordance with applicable local and international laws. Sound safety and quality management system is in place which helps us to prevent major accidents and supply quality products and services to meet customer requirements. In the course of operations, the Group strictly abides by national laws and regulations and industry quality standards to protect the basic rights and interests of customers.

During the reporting period, the Group did not have any reported cases of a product recall for safety or quality reasons and received no complaints.

### Product Safety

In order to ensure that our products meet industry and national safety standards, we conduct product testing with specific and effective methods to make sure that our products meet quality and technical requirements and correct any serious defects in a timely manner. We only deliver products meeting quality and technical requirements to customers. To ensure that the products sold by the Group to meet the requirements of customers, the subsidiaries adopt the following product safety maintenance measures:

	Product safety maintenance measures
Novus	<ul style="list-style-type: none"><li>• Petroleum products must be tested for quality and safety.</li><li>• Pursuant to the requirements of oil and gas distributors, the approved third-party certified institution would be engaged to conduct the analysis based on quality every year.</li></ul>
Henan Yanchang	<ul style="list-style-type: none"><li>• Using the established sample quality testing procedures, oil samples are sent to a laboratory for analysis according to national standards.</li><li>• Suppliers of equipment related to the production, transport and storage of petroleum products must have relevant product qualification certificates.</li><li>• Before putting the equipment into use, Henan Yanchang will arrange for relevant departments to perform acceptance test thereof, and require employees to conduct the routine inspection and regular maintenance of related equipment.</li></ul>

### After-sales service

Customer satisfaction is always the key to success. The Group strives to improve the performance of the business in all respects. We are always committed to providing customers better than they expect, so that we facilitate communicating with our customers and collecting their valuable feedback, getting to know their needs so as to improve our products and services. Novus and Henan Yanchang have set up a feedback mechanism for customers to express their opinions through a variety of channels. The concerned department will follow up on the complaint and reply the follow-up results to the complainant.

### Customer data privacy protection

The Group would be mindful of the need to safeguard information security and confidentiality. We will preserve documents containing confidential information properly. All employees shall be required to abide by any policies and local regulations in relation to personal data in order to protect customer data. During the reporting period, we did not receive any complaints against any breaches of privacy policies or loss of customer data.

The data protection measures are formulated according to the different business segments of subsidiaries.

	Product safety maintenance measures
Novus	<ul style="list-style-type: none"><li>• Personal data collected and possessed will be protected properly.</li><li>• No staff is allowed to disclose any confidential or proprietary information to third-party, to prevent data leakage.</li></ul>
Henan Yanchang	<ul style="list-style-type: none"><li>• Henan Yanchang will not use customer data for promotional purposes without customer's consent.</li></ul>

### Fair Trading

The Group encourages the use of good promotion practices. Advertisements should not contain descriptions, claims or illustrations that depart from the truth. We will develop our sales and promotional documents in accordance with relevant laws and codes of practice to make sure that our promotional materials and advertisements are truthful, unbiased and sensible, without any misleading elements, so as to protect the interests of customers.

#### Intellectual property and copyright protection policy

We always attach great importance to intellectual property rights and the protection of these rights. To provide a fair competition environment, the Group has fully followed the standards and practices of the industry. The company has established sound rules and regulations on intellectual property protection. We also organize education and training on intellectual property for employees to raise their awareness of intellectual property protection and establish the concepts of innovation, integrity and intellectual property protection.

### **6.3. Corporate Governance**

#### Management approach and policy

The Group has always been operating its businesses with integrity and ethics. We require all staff to adhere to professional and ethical standards, and set standards for staff behaviour. We do not tolerate any form of corruption, including bribery and extortion, fraud, and money laundering. As such, the Group has established an effective internal monitoring and management system to ensure that employees act with integrity, impartiality and honesty.

During the reporting period, no prosecutions were brought against its subsidiaries or any of their employee, in relation to corruption.

#### Culture of integrity

To take forward a corporate culture of integrity and anti-corruption, we established a clear standard of conduct to guide our employees and partners, which provides rules and guidelines for dealing with gifts, treats, transactions, and financial management. The subsidiaries have in place internal anti-corruption policies, including the Code of Business Conduct and Ethics of Novus and the “Management Policies for Executive Business Expenses” of Henan Yanchang that employees are required to comply. We have also formulated fair, open, and impartial procedures for product or service procurement and tendering to inhibit any potential corruption. In addition, the Group engages independent auditors to conduct audits of the Group's financial statements, to ensure that such financial statements give a true and fair view and to strengthen internal financial controls, in order to protect the interests of the shareholders of the Company.

### Whistle-blowing policy

In order to avoid corruption and fraud, the Company has established a whistle-blowing policy to encourage employees and other stakeholders to report any suspected improper or illegal behaviour anonymously by post, email and telephone. The Company will investigate and deal with the case after receiving malfeasance-related reporting. Investigations are conducted confidentially and there will be no retaliation against employees. The identity of the whistleblower and any concerns raised or suspicious cases will be treated confidentially and every effort will be made to ensure confidentiality throughout the process.

The investigation is conducted by the chief executive officer (the “CEO”) (if the CEO is involved, the case will be referred to the chairman) or any person designated by the directors of the Company, and the one who filed a complaint will be informed of the outcome of the investigation. Any person could file a complaint directly with the directors of the Company. Where there is evidence of criminal activity, solicitation and acceptance of benefits, or violation of legal and regulatory requirements, those responsible for internal investigations may have a statutory obligation to notify the relevant public or regulatory authorities, wherever applicable. The CEO should summarise complaints received and report any material cases to the audit committee of the Company in due course.

### Anti-corruption policy

To take forward a corporate culture of integrity and anti-corruption, we established a clear standard of conduct to guide our employees and partners, which provides rules and guidelines for dealing with gifts, treats, transactions, and financial management. The Group has formulated internal anti-corruption policies that employees are required to comply with all policies and practices. It has also formulated fair, open and impartial procedures for product or service procurement and tendering to inhibit any potential corruption.

The Company regularly promotes anti-corruption for the entire Group. The Group would collect anti-corruption promotion materials and the latest relevant anti-corruption information, such as recent major corruption incidents in various industries and the handling measures. The materials and information will be distributed to employees for self-learning in order to create a good anti-corruption environment within the Group. During the year, the anti-corruption training provided by the Group to directors and employees covered topics such as the prevention bribery policy, conflict of interest declaration policy, prevention of extortion policy, prevention of money laundering policy, prevention of fraud policy, to enhance their awareness of business ethics.

## 7. Giving back to the society

The Group believes that we are not only responsible for direct contribution to the society and economy, but optimise our operation and charity projects, to produce an overall positive impact on society. The Group actively takes part in various educational and cultural activities, and also welcomes cooperation with community groups that match the Group's corporate responsibility concept. We aim to respond to the social needs in culture, education and other aspects by supporting non-profit organizations through donation and sponsorship. Besides, Novus has been supporting the local community, especially the development of local culture and sports. Novus has already sponsored the local hockey teams for years. Albeit the recent suspension due to the COVID-19 pandemic, Novus is expected to continue to sponsor after resumption. Henan Yanchang is committed to improving the employability of the local workforce, and gives priority to employing local workers to fulfill corporate social responsibility.



## 8. Hong Kong Stock Exchange Environmental, Social and Governance Reporting Guide Index

A	Environmental	Chapter
<b>ASPECT A.1</b>	Emissions	4.1. POLLUTION CONTROL
<b>KPI A.1.1</b>	The types of emissions and respective emissions data.	No significant gas emissions in all offices
<b>KPI A.1.2</b>	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).	4.1. POLLUTION CONTROL
<b>KPI A.1.3</b>	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	4.1. POLLUTION CONTROL Novus does not generate significant hazardous waste
<b>KPI A.1.4</b>	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	4.1. POLLUTION CONTROL
<b>KPI A.1.5</b>	Description of emission target(s) set and steps taken to achieve them.	4.1. POLLUTION CONTROL
<b>KPI A.1.6</b>	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	4.1. POLLUTION CONTROL
<b>ASPECT A.2</b>	Use of resources	4.2. MAKING GOOD USE OF RESOURCES
<b>KPI A.2.1</b>	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).	4.2. MAKING GOOD USE OF RESOURCES
<b>KPI A.2.2</b>	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	4.2. MAKING GOOD USE OF RESOURCES
<b>KPI A.2.3</b>	Description of energy use efficiency target(s) set and steps taken to achieve them.	4.2. MAKING GOOD USE OF RESOURCES
<b>KPI A.2.4</b>	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.	No issue in sourcing water that is fit for purpose for the Group
<b>KPI A.2.5</b>	The total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable to the Group
<b>ASPECT A.3</b>	Environment and natural resources	4.3. GREEN OPERATIONS
<b>KPI A.3.1</b>	Description of the significant impacts of activities on the environment and natural resources and the	During the Reporting Period, there was no incident that had a significant

	actions taken to manage them.	impact on the environment and natural resources
<b>ASPECT A.4</b>	Climate change	4.4. FIGHTING CLIMATE CHANGE
<b>KPI A.4.1</b>	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	4.4. FIGHTING CLIMATE CHANGE
<b>B</b>	<b>Social</b>	
<b>ASPECT B.1</b>	Employment	5.1. EQUAL EMPLOYMENT
<b>KPI B.1.1</b>	Total workforce by gender, employment type (e.g. full or part- time), age group and geographical region.	5.1. EQUAL EMPLOYMENT
<b>KPI B.1.2</b>	Employee turnover rate by gender, age group and geographical region.	5.1. EQUAL EMPLOYMENT
<b>ASPECT B.2</b>	Health and safety	5.2. OCCUPATIONAL HEALTH AND SAFETY
<b>KPI B.2.1</b>	The number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	There were no work-related deaths in the past three years inclusive of the Reporting Period
<b>KPI B.2.2</b>	Lost days due to work injury.	During the Reporting Period, there was no lost working day due to work-related injuries
<b>KPI B.2.3</b>	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	5.2. OCCUPATIONAL HEALTH AND SAFETY
<b>ASPECT B.3</b>	Development and training	5.3. TRAINING AND DEVELOPMENT
<b>KPI B.3.1</b>	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	5.3. TRAINING AND DEVELOPMENT
<b>KPI B.3.2</b>	The average training hours completed per employee by gender and employee category.	5.3. TRAINING AND DEVELOPMENT
<b>ASPECT B.4</b>	Labour standards	5.4. PROTECTION OF RIGHTS AND INTERESTS
<b>KPI B.4.1</b>	Description of measures to review employment practices to avoid the child and forced labour.	5.4. PROTECTION OF RIGHTS AND INTERESTS
<b>KPI B.4.2</b>	Description of steps taken to eliminate such practices when discovered.	No violation in the Reporting Period
<b>ASPECT B.5</b>	Supply chain management	6.1. SUPPLY CHAIN MANAGEMENT
<b>KPI B.5.1</b>	The number of suppliers by geographical region.	6.1. SUPPLY CHAIN MANAGEMENT
<b>KPI B.5.2</b>	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and	All of our suppliers were engaged according to the Group's supplier engagement guideline

	monitored.	
<b>KPI B.5.3</b>	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	To be disclosed in the next year's Report
<b>KPI B.5.4</b>	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	To be disclosed in the next year's Report
<b>ASPECT B.6</b>	Product responsibility	6.2. INFORMATION SECURITY AND PRODUCT SAFETY
<b>KPI B.6.1</b>	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	During the Reporting Period, no products were subject to recalls for safety and health reasons
<b>KPI B.6.2</b>	The number of products and service related complaints received and how they are dealt with.	During the Reporting Period, no products were subject to recalls for quality problems
<b>KPI B.6.3</b>	Description of practices relating to observing and protecting intellectual property rights.	6.2. INFORMATION SECURITY AND PRODUCT SAFETY
<b>KPI B.6.4</b>	Description of quality assurance process and recall procedures.	6.2. INFORMATION SECURITY AND PRODUCT SAFETY
<b>KPI B.6.5</b>	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	6.2. INFORMATION SECURITY AND PRODUCT SAFETY
<b>ASPECT B.7</b>	Anti-corruption	6.3. CORPORATE GOVERNANCE
<b>KPI B.7.1</b>	The 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.	No corruption lawsuit in the Reporting Period
<b>KPI B.7.2</b>	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	6.3. CORPORATE GOVERNANCE
<b>KPI B.7.3</b>	Description of anti-corruption training provided to directors and staff.	6.3. CORPORATE GOVERNANCE
<b>ASPECT B.8</b>	Community investment	7. GIVING BACK TO THE SOCIETY
<b>KPI B.8.1</b>	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	7. GIVING BACK TO THE SOCIETY
<b>KPI B.8.2</b>	Resources contributed (e.g. money or time) to the focus area.	7. GIVING BACK TO THE SOCIETY