綠科科技
Greentech

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

2021

Greentech Technology International Limited
綠科科技國際有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 00195)

TABLE OF CONTENT

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

1. ABOUT THE REPORT

Greentech Technology International Limited and its joint ventures (the "**Group**" or "**we**") are pleased to present our Environmental, Social and Governance Report (the "**ESG Report**"). The report concerns environmental and social impacts, policies and initiatives of the Group to demonstrate our long-term commitment to ensure that our activities, at all levels, are economically, socially and environmentally sustainable. Additional information in relation to the Group's corporate governance and financial performance can be referred to our annual report for the year ended 31 December 2021.

1.1 Scope and Reporting Boundary

The scope of the ESG Report covers the environmental and social performances of the Group's principal operating activities over the period from 1 January 2021 to 31 December 2021 ("**Reporting Period**"). Our principal business includes the mining, production and sales of tin in Australia and active search for investment opportunities in other non-ferrous metal mines with the aim of gradually establishing a business structure based primarily on tin mines and secondarily on other non-ferrous metals.

While we seek to establish a consistent boundary for reporting ESG aspects across the Group's structure, the reporting boundary of the ESG Report is hence established based on the criteria that all operations and entities in which the Group has a controlling interest and which are under our management, in terms of a contractual obligation. As a result, we do not report entities which are outside of the Group's structure, where we do not own the assets and do not directly engage or employ the workforce, and where we do not operate the asset under a contractual obligation. In addition, we do not report entities which were sold or acquired during the Reporting Period.

Part of the content may look back upon the performance of the Group in past years with a view to presenting the report in a more informative and comparable manner. The reporting boundary includes the operation entities in Australia and Hong Kong.

1.2 Reporting Guidelines

The "**Environmental, Social and Governance Reporting Guide**" (the "**ESG Reporting Guide**") which is set out in Appendix 27 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "**HKEX**") serves as the reporting guidelines of this report.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

1.3 Reporting Principles

The reporting principles of this ESG Report are governed by "materiality", "quantitative", "balance" and "consistency".

Materiality	The ESG report covers the material ESG factors that are sufficiently important and material to different stakeholders. In order to determine what issues are relevant and material to our business with respect to sustainability, the Group is aware that the key is to understand what issues that our stakeholders concerned most. The Group's directors and senior management are mainly responsible for identification of key ESG factors on the basis of the feedback from the stakeholders.
Quantitative	Data presented in this report have been examined. Summary tables of performance are shown in relevant sections. Information on the standards, methodologies, assumptions and/or calculation tools, and source of conversion factors used for the reporting of emissions and energy consumption are mainly referred to the ESG Reporting Guide.
Balance	Both positive and negative sides of our performance have been presented in a transparent manner.
Consistency	Methodologies and key performance indicators are used and calculated in a consistent approach. If there are any changes in consistency that may affect a meaningful comparison detail would be disclosed.

In addition, we are committed to maintaining a long-term partnership with our stakeholders and are actively engaged in addressing their concerns with timely follow-up actions. The Group is working to create a sustainable growth for the benefit of all our stakeholders.

1.4 Reporting Framework

With reference to the ESG Reporting Guide and the Group's business operation, the presentation of our ESG Report divides the relevant aspects and KPI, which are considered to be relevant and material to the Group, into four subject areas: Protecting the Environment, Our People, Operating Responsibly and Contributing to our Community.

A complete index in compliance with the ESG Reporting Guide is also available at the end of this report for reference. Except for provisions that the Group considers are inapplicable to its operations, for which explanations have been given on the rightmost column in the said index, this report is compliant with all the "comply or explain" provisions set out in the ESG Reporting Guide.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

1.5 Data Collection

Data in this report are extracted from the Group's internal management system and statistics, and part of the data collected in previous years. Unless otherwise stated, HKD is used in this report as its functional currency.

1.6 Report Availability

In addition to inclusion in the Group's Annual Report, this report is also accessible in electronic version from http://www.green-technology.com.hk.

1.7 Contact

We welcome all sorts of comments and suggestions from our stakeholders with respect to this ESG Report or our sustainability performance. Comments or views can be sent to ir@green-technology.com.hk.

2. ESG POLICY, STRATEGY AND MANAGEMENT

2.1. Our ESG Policy

ESG principles are increasingly being adopted by the mining industry in response to public, investor and commercial pressures for further change and improvement. Such change is not new to the mining industry. Major changes on this agenda date back to the 1980s and include environmental impact concerns, geochemical controls on acid drainage, and the social implications of mining developments. Recent catastrophic dam failures have returned the focus to tailings.

The foundation of the Group's sustainable long-term development lies on sound corporate governance and well-developed operation practices. As such, we, as part of the great community, are committed to dedicating our resources and our best thinking to build a sustainable business fit for the future and to build a better world for all stakeholders in different aspects. The board of directors ("**Board**") make the following statements regarding our ESG policy.

Carbon Footprint Reduction

The Group has long grappled with matters related to the 'green' or sustainability agenda while ESG now brings together all these themes in a comprehensive framework that can help us to navigate and balance the benefits to the planet, people and profit successfully. Against the backdrop of accelerated climate change, we will strive to reduce our carbon footprint and always refresh our long-term goals as technologies advance and cost structure change to further reduce our impact on the planet, while tracking our progress against the global steps.

Health & Well Being

We are determined to set ourselves in a good position to maintain a robust business performance and growth together with our employees, with an objective to uphold an open, fair, just and reasonable human resource policy. The Group is committed to a holistic approach to health and wellness, through a healthy, comfortable and safe working environment that support health and wellness for our employees.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

Strong Governance

A sound ESG management system requires a combined effort of an effective governance structure that comprises the decision-making level and execution level members. Our ESG committee comprising the Board-level committee members represents the Board's further determination and action to strengthen the our ESG management in the long run. The Board has the overall responsibility to define the Group's ESG strategy and approach, manage and asses the Group's ESG performance. The Board and senior management hold accountable for the responsibility of the Group's ESG performance.

Innovation-Driven

We are dedicating our unmatched innovative capacity to accomplish the long-term sustainability, offering a range of innovative and practical applications to help manage energy use in a greener and smarter way. As for our operations, we will continue replacing and enhancing our technical levels and processes to enable our business to deliver improved results, leveraging innovation to facilitate our people in making better decisions. Going forward, we will continue being vigilant and keep strengthening our cyber resilience and enhancing the awareness of cyber security across the Group and our working partners.

Community Engagement

We encourage giving back and strengthening the community through volunteerism and philanthropy. The Group employees contribute their time and talent to a variety of community organizations. In addition, many of our officers provide leadership by serving on non-profit organizations
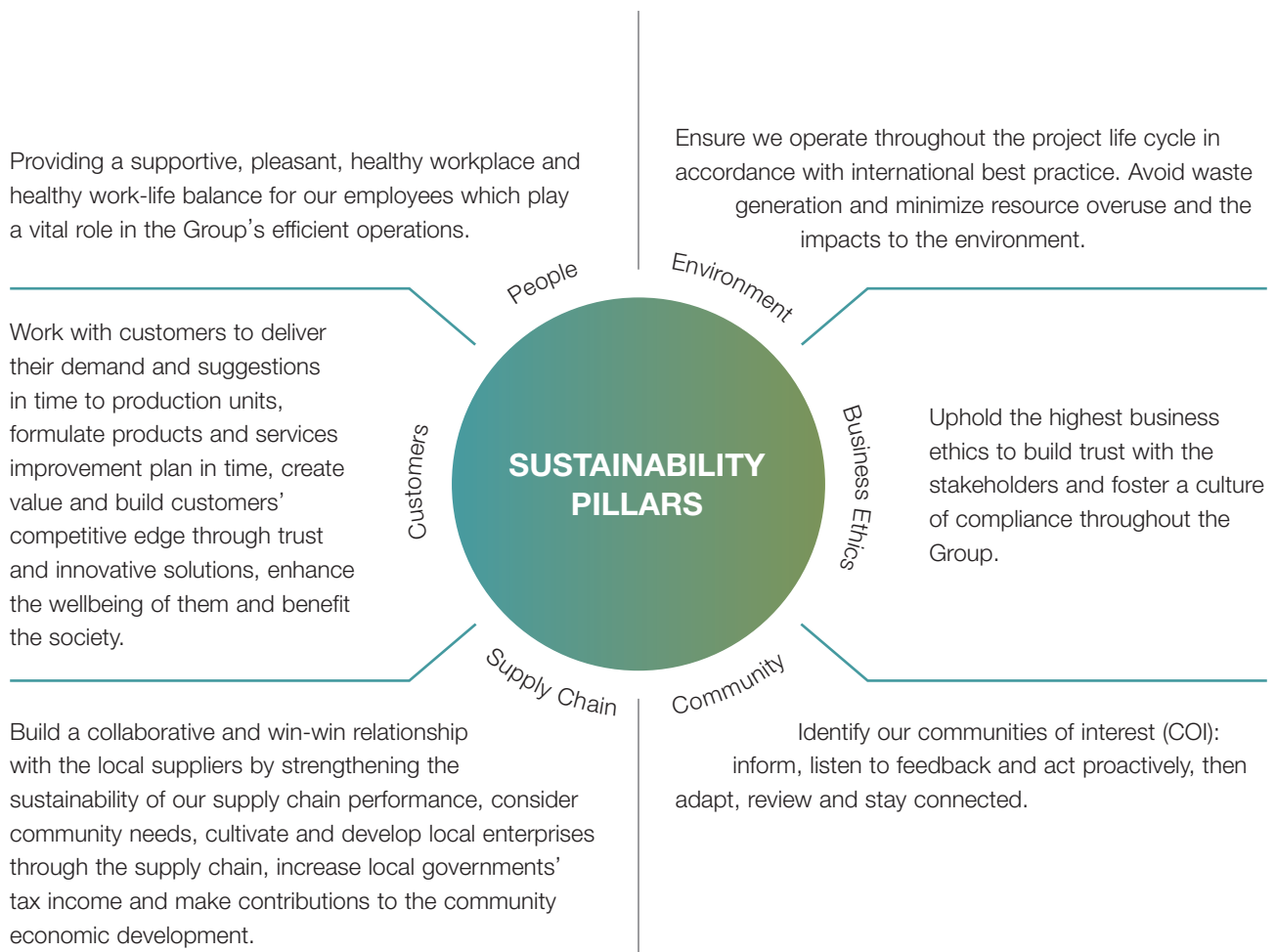
Continuous Learning

The Group values the diversity of experiences and backgrounds, and actively seeks to promote from within. Further, the Group is always seeking to improve and become better constituents to our community, our company, and our shareholders. Opportunity and growth occur when we draw from the strengths of our diverse leadership and background.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

2.2. ESG Strategy and Management

ESG has come to the forefront primarily through investors demanding increased attention on environmental, social and governance-related matters. In short, investors are starting to look beyond financial statements and now want to consider the ethics, competitive advantage and culture of a mining companies. In order to ensure that our ESG strategy is carried out effectively and consistently throughout the Group, we have managed our ESG approach with reference to the six aspects summarized below.

Providing a supportive, pleasant, healthy workplace and healthy work-life balance for our employees which play a vital role in the Group's efficient operations.

Ensure we operate throughout the project life cycle in accordance with international best practice. Avoid waste generation and minimize resource overuse and the impacts to the environment.

Work with customers to deliver their demand and suggestions in time to production units, formulate products and services improvement plan in time, create value and build customers' competitive edge through trust and innovative solutions, enhance the wellbeing of them and benefit the society.

People

Environment

Customers

Business Ethics

SUSTAINABILITY PILLARS

Uphold the highest business ethics to build trust with the stakeholders and foster a culture of compliance throughout the Group.

Supply Chain

Community

Build a collaborative and win-win relationship with the local suppliers by strengthening the sustainability of our supply chain performance, consider community needs, cultivate and develop local enterprises through the supply chain, increase local governments' tax income and make contributions to the community economic development.

Identify our communities of interest (COI): inform, listen to feedback and act proactively, then adapt, review and stay connected.
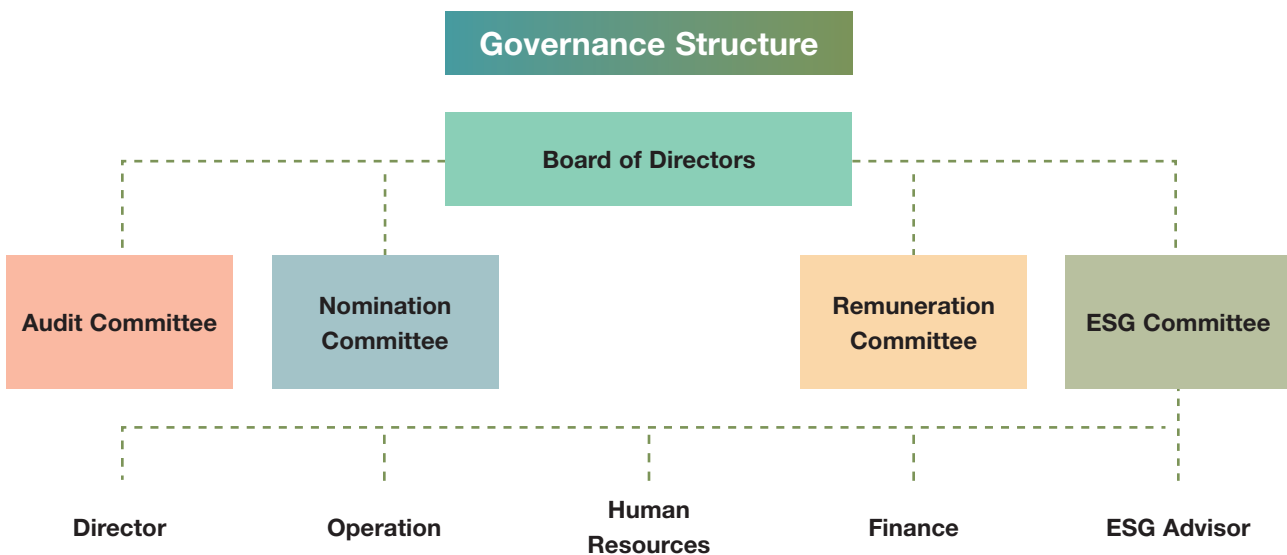
With various factors pushing and pulling the Group to be more engaged in ESG, in order to stay competitive in the market mining, the Group will have to pay more attention to this going forward and ensure that we have a sufficient strategy in place to meet relevant laws, comply with codes, indeed satisfy stakeholders and continuously create greater value for the wider community.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

2.3. ESG Committee

To address the issues of ESG management, the Group has set up the ESG committee in addition to the existing audit, remuneration and nomination committees. The ESG committee consists of a director, three department heads of operation, finance and human resources and an ESG advisor. The ESG committee is delegated to review and monitor the Group's ESG policies and performance regularly, identify risks and opportunities of ESG aspects, ensure the Group's compliance with the relevant legal and regulatory requirements, monitor and respond to emerging ESG issues and make recommendations to the Board to improve the Group's ESG performance.

During the Reporting Period, the ESG committee organized meetings to review the Group's ESG policy including, evaluating the effectiveness of existing ESG initiatives and progress of ESG performance, advising the Board on sustainability strategy and management approach, carbon footprint reduction, professional development for employees and engagement with the community.

Governance Structure

Board of Directors

Audit Committee	Nomination Committee		Remuneration Committee	ESG Committee

Director	Operation	Human Resources	Finance	ESG Advisor

2.4. Stakeholder Engagement

Stakeholder engagement is nowadays an important approach for us to understand the views and suggestions of different stakeholders on the progress of the Group's ESG management as the groundwork for realizing the Group's sustainability planning and social responsibility fulfilment.

In order to achieve so, the Group carried out a stakeholder engagement exercise during the Reporting Period by involving its stakeholders which might affect our decisions, people who may be affected by our decisions or who may influence the implementation of our decisions. The Group has developed an approach which identifies the broad topics that the stakeholder groups are concerned with, and used a materiality matrix to assess the material topics identified by our stakeholders during the engagement process. The stakeholder engagement is followed by the formulation of operating strategies, such that their views and voices could be heard by all business units of the Group and timely responses could be provided. A summary of the stakeholder groups, topics concerned, and communication channels are listed in the following table.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

Table 2-1: Stakeholders and Communication Channels

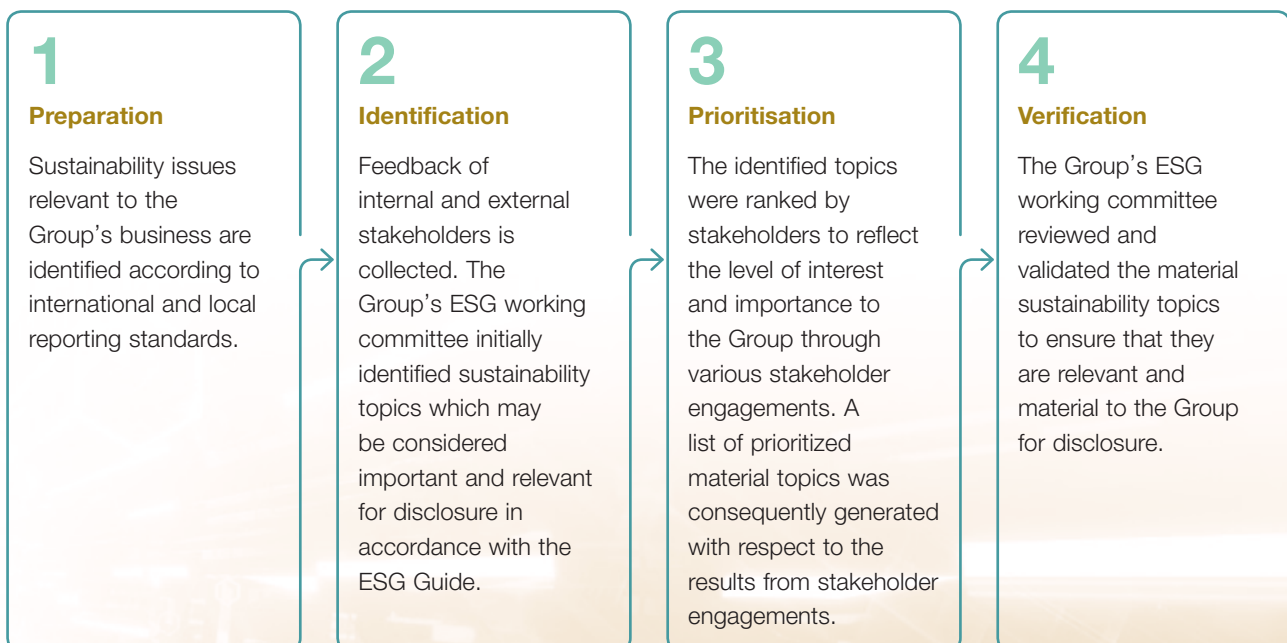| Stakeholders	Key Issues	Communication Channels
Customers	• Customer information and privacy • Development of new system to protect the private data of the customers. • Protection for privacy shall be implemented in strict accordance with the confidentiality provisions of the contract	• Customer service hotline and email
Employees	• Health and safety • Career development • Training and Education • Remunerations and welfare	• Regular management meeting with staff representatives • Vocational training • Occupational health and safety training
Shareholders/Investors	• Corporate governance and risk management • Business and financial performance • Operating performance • Operation in compliance with applicable law and regulations • ESG Governance of the Board	• Annual and interim reports • ESG report • Regular business review meeting • Shareholders' general meeting
Supply Chain	• Quality of products or services • Sustainability in business model • Operation in compliance with applicable law and regulations	• Regular business review meeting • Key supplier audits • Anti-corruption education
Community and Environment	• Local environment protection • Local community activities involvement • Operation in compliance with applicable law and regulations • Vocational development	• Participation in local community activities and volunteering work • Environmental protection cooperation • Localized employment policy

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

Stakeholders	Key Issues	Communication Channels
Government and Regulatory Authorities	• Operation in compliance with laws and regulations • Operating performance • Safety and environmental protection • Community assistance	• Compliance with laws and regulations • Regular communication and reporting • Community projects
Non-Governmental Organiszations	• Human rights protection • Environmental protection • ESG policy	• Regular ESG report disclosure • Corporate media and other official information channels • Reception and communication from time to time

2.5. Materiality Assessment

ESG issues that are pertinent to the Group and its stakeholders are identified through materiality assessment, which is a crucial step in developing the sustainability strategy. An issue is considered 'material' when it may substantially affect our long term commercial and operational viability and the inclusion of sustainability agenda into its business development strategy. Materiality assessment is a four-step process of identification, prioritization, validation and review, summarized as below.

1

Preparation

Sustainability issues relevant to the Group's business are identified according to international and local reporting standards.

2

Identification

Feedback of internal and external stakeholders is collected. The Group's ESG working committee initially identified sustainability topics which may be considered important and relevant for disclosure in accordance with the ESG Guide.

3

Prioritisation

The identified topics were ranked by stakeholders to reflect the level of interest and importance to the Group through various stakeholder engagements. A list of prioritized material topics was consequently generated with respect to the results from stakeholder engagements.

4

Verification

The Group's ESG working committee reviewed and validated the material sustainability topics to ensure that they are relevant and material to the Group for disclosure.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

Based on the stakeholder engagement exercise, business knowledge and management review, we identified the material topics and the stakeholder groups most significantly impacted by the topics summarized in the form of materiality matrix below, in the context of own business and day-to-day operation. The materiality matrix generally demonstrates that all issues raised were important to both primary and secondary stakeholders, albeit to differing degrees of importance to stakeholders and to the Group.

	Medium	High	Very High	
	Climate Change Environmental compliance	**Scientific & Technological Innovation** **Energy Reduction** **Green Gas Emission** **Water Stress** **Supply Chain Management**	**Poisonous Substances and Waste discharge Management** **Occupational Safety and Health** **Quality Control**	Very High
	Green Procurement **Expenditure on Environmental Protection** **Customer Privacy** **Community Engagement**	**Data Security** **Employee's Rights** **Corporate Governance and Compliance** **Community Engagement**	**Career Development** **Employee Communication** **Rights of our employees and indigenous peoples** **Security Practices**	High
	Waste Management & Package	**Anti-Corruption** **Business Ethics** **Whistleblowing mechanism**	**Customer Satisfaction** **Market Presence**	Medium

Importance to Stakeholders

Importance to the Group

Key: ■ Innovation and Technology ■ Our People ■ Environment ■ Being a responsible business

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

2.6. ESG Insights: Our Annual Performance Highlights

8,568,962kg Scope 1 GHG Emission

17,869,666kg Scope 2 GHG Emission

3 Lost Time Injury

Greentech Technology International Limited

Zero Fatalities

138,159,788kWh Total Energy Consumed

43.89 Average Training Hours

2,375,751m³ Water Consumed

2.7. ESG Insights: Commitment to address ESG as "Sustainability"

The mining industry remains one of the world's most emissions-intensive sectors and is responsible for part of the world's greenhouse gas (GHG) emissions. The Group is aware that consumers are gradually becoming more sensitive to those issues which start to influence the purchasing decisions of average consumers. Where once customer would rarely question how a product was made or what it was made of, corporates are now expected to clearly state where products come from and how the ESG policies inform their choice of processes, materials and deployment of human resources. The change of consumer mentality is progressively transforming the purchasing decisions.

To meet reduction targets, we must find reliable, sophisticated ways to accurately measure and report our current emissions, as well as to test, trial and then implement solutions for improvement. We are committed to instilling the consciousness of resources conservation, deeply indoctrinated the low-carbon concept and environmental protection into the work and life of every employee. Although change is always difficult and requires careful management, we firmly believe that our commitment to environmental protection will become a part of our competitiveness, leading the Group to a greater success in the future and fulfil our responsibilities as a member of the community we all live in.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

3 MANAGING ENVIRONMENTAL IMPACTS
3.1 Corporate Environmental Policy

We are committed to upholding high environmental standards to fulfil relevant requirements throughout our operation, and continues to devote human and financial resources for environmental conservation, reduction of carbon footprint and environmental compliance as required under applicable laws and regulations, continuously addressing the complicated environmental issues including:

Greenhouse Gas emissions (GHG): Actual or potential regulations such as carbon taxes, emissions trading schemes, and other direct or indirect costs. The GHG emissions under the Kyoto climate change agreement are carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulfur hexafluoride (SF_6).

Climate Change: The Group recognizes that the accelerated climate change will lead to extreme weather events, such as tropical cyclone, severe rainstorm and thunderstorm which ultimately threaten business operations and result in possible financial loss.

Extreme weather events: Incremental costs or the potential physical impact on assets associated with recurring or infrequent severe weather events.

Water scarcity: Potential costs related to the need for extracting or sourcing large quantities of water, or requiring on-site water treatment, in comparison to other water users of the same water basins or utilities.

Waste, pollution, and toxicity: Potential fines or rising costs associated with prevention and treatment of waste and pollution, including hazardous waste and air pollution.

Land use and biodiversity: Asset retirement obligations, developing natural land or potential operating constraints, or increased costs associated with protecting plant and animal life.

ERP integration: Given the compounding impacts of climate change across the enterprise, there is a growing need to seamlessly integrate emissions data with the Group's operational and financial data such that the Group is capable to make more informed capital project decisions.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

To achieve environmental sustainability, the Group formulated relevant rules and regulations for a sound and effective management of energy consumption, GHG emission, as well as discharge of waste and sewage and other pollutants, highlighted as below.

- Actively promote a culture of environmental sustainability among customers, workforce, and supplier, encouraging their participation in green initiatives;

- Comply with applicable environmental protection laws and regulations;

- Define appropriate goals, objectives and targets on a regular basis for our ESG management approach;

- Continuously improve the ESG management system and maintain rigorous standards; and

- Communicate our environmental performance to stakeholders and seek their involvement wherever applicable.

As one of the world class mining and processing operation in Australia, the Group must meet the challenges of managing this operation in varying climates, physical, biological and human environments. During the Reporting Period, our operation strictly complied with the Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act) and other relevant environmental protection laws and regulations in Australia relating to air and GHG emissions, discharge into water and land, and generation of hazardous and non-hazardous waste. The Group did not violate any environmental protection laws or regulations in the region of its operation, nor was it subject to significant fines, non-monetary penalties and litigation relating to environmental violations.

3.2 Climate Change Mitigation

Our operations, through consumption of various kinds of fossil fuel, inevitably release Nitrogen Oxides (NOx), Sulphur Oxides (SOx), and Carbon Dioxide (CO2) into the air, which are considered to be one of the major sources of global warming. The Group is highly aware that such GHG emission is one of the major sources of global warming. As such, we are committed to reducing our carbon and ecological footprint and adopt practices that are sustainable to the environment and always refresh our long-term goals as technologies advance and cost structure change to further reduce our impact on the planet.

Potential climate-related risks faced by the Group include physical risks such as extreme weather events and rise in sea level, and as policy and regulatory risks, market risks and reputational risks. The below table shows our response in managing various risks brought by the climate change that the Group may be facing.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

Table 3-1: Climate-Related Risks and Opportunities

	Specifics	Adverse Impacts/Benefits	Our Response and Actions
RISKS			
Physical Risks	Increased frequency and severity of extreme weather events, such as typhoons, wildfire, rain and flooding, which may affect us from providing services, and damage our facilities and products	Increased operating and maintenance costs Loss of revenue Increased chance of extreme weather-related injuries which affect employees' health and safety	Monitoring and strengthening environmental risk prevention Implementing natural disasters emergency plan Conducting preventive measures and flexible working arrangement
Policy and Regulatory Risks	Governments around the world enact more stringent laws and regulations in relation to climate change and environmental protection at home and abroad	Increased compliance cost	Regularly monitoring the regulatory trends Monitoring and strengthening environmental risk prevention Ensure we operate throughout the project life cycle in accordance with international best practice
Market and Reputational Risks	Change in customer preferences and behaviours for green products and services	Reduced revenue due to the decrease in demand for current products and services	Ongoing study of application of recycled materials Control and reduction of hazardous materials in our project design framework Strengthening development of green technologies and evaluating them rigorously to identify the optimal solution
OPPORTUNITIES			
Products, Services and New Design	More low-carbon, energy-saving technologies are in need	Introduction of new technology to boost competitiveness	Exploring new environmental technologies Strengthening development of green products and new designs Optimization of energy and resources consumption

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

3.3 Optimizing Energy Saving and Resources Consumption

Our operations, through consumption of various kinds of fossil fuel, inevitably release Nitrogen Oxides (NOx), Sulphur Oxides (SOx), and Carbon Dioxide (CO_2) into the air, which are considered to be one of the major sources of global warming. As such, the Group is committed to reducing our carbon and ecological footprint and adopt practices that are sustainable to the environment and minimize our impact on the environment. The sustainable measures adopted by the Group includes:

Reduce Emission

- Reducing the emissions of nitrogen oxides and sulphur dioxide through the implementation of boiler transformation and desulphurization facilities transformation;

- Dust on roads and at stockpile locations are reduced through water spraying and instalment of additional spraying devices. Engineered dust collection systems are set up to control potential particulate emissions;

- Progressive reclamation is used to effectively reduce potential for windblown dust from tailing storage facilities;

- Use energy-saving equipment and technology. We promote the use of energy-saving measures and technologies such as large-scale mining and selection equipment, LED light source for lighting in production and office areas, advanced high-efficiency energy-saving motors and more variable frequency equipment, and strengthen power factor management;

- Use of alternative less-polluting fuels for the mining operation whenever practical and feasible;

- Exploring operating models with less impact on the environment; and

- Placing "Environmental Protection" reminders on office equipment and workplaces to further enhance employees' environmental awareness.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

Increase Energy Efficiencies

- Continuously improving the fuel efficiency of vehicles, leading to a significant reduction in carbon dioxide emissions, fuel economy, and performance goals;

- Migration to product materials with a longer durability and a low carbon footprint whenever possible;

- The indoor temperature of the workplaces is maintained at around 24-26°C for an optimal level for comfort. To ensure effective operation of the air conditioning system, maintenance plans are implemented, such as regular cleaning of dust filters and fan coils.

- Providing on-off and zoning control of lighting and ventilation system in the workplaces according to the operation schedule;

- Encouraging employees to switch off machines and devices, such as computers and monitors when not in use;

- Encouraging employees to make the best use of modern telecommunication system to avoid unnecessary travel arrangement; and

- Organizing training sessions including case studies to improve awareness of energy efficiency and GHG saving and to engage staff to adopt the energy saving practices together.

Reduce Paper Consumption

The business operation of the Group consumes a significant amount of papers and the Group has adopted a series of initiatives to reduce the level of paper consumption:

- Achievement of paperless office by digitalizing the business operations whenever possible to reduce paper consumption;

- Tend to use electronic approvals instead of paper signatures, make full use of electronic archives and documents, and online communication;

- Selection of working partners which provide paperless operating procedures;

- Paperless board meeting;

- Encourage use of electronic means of communication;

- Use duplex printing and reuse single-side printed papers; and

- Organized events and activities for enhancing employees' motivation to minimize the use of electricity and paper in office

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

The Group believes that the adoption of the above mitigation measures will help change the behaviour of the use of energy in the workplaces and finally achieve the goal of reducing the GHG emission and protecting our environment.

3.4 Exhaust Gas and GHG Emissions

In accordance with the ESG Reporting Guide set out by HKEX, our environmental performance of "Emissions" during the Reporting Period is tabulated below.

Table 3-2: Emissions

	Unit	FY2021	FY2021 Intensity	FY2020	FY2020 Intensity
GHG Emissions		26,438,628	86,684.03	22,519,337	67,222.90
Direct GHG Emissions (Scope 1)	CO_2e (kg)	8,568,962	28,094.96	6,886,571	20,556.90
Indirect GHG Emissions (Scope 2)	CO_2e (kg)	17,869,666	58,589.07	15,632,766	46,665.0
Nitrogen Oxides	g	2,303,968	7,553.99	2,306,163	6884.07
Sulphur Oxides	g	52,004	170.50	41,690	124.45
Particulate Matter	g	220,764	723.82	186,099	555.52

Notes:

GHG emission data is presented in terms of carbon dioxide equivalent and are based on, including but not limited to, "The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standards" issued by the World Resources Institute and the World Business Council for Sustainable Development, "Greenhouse Gas Inventory Guidance Direct Emissions from Mobile Combustion Sources" issued by the United States Environmental Protection Agency, the latest emission factors published by the power plant and "How to prepare an ESG Report? — Appendix II: Reporting Guidance on Environmental KPIs" issued by the HKEX.

During the Reporting Period, there were no non-compliance cases reported in relation to GHG emission within the Group.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

3.5 Waste Management

Waste Management Policy

The Group is committed to aligning our waste management policy and environmental governance with the Australian standard for solid waste and dam safety, recognising that waste is one of the environmental impacts that arises from our operations. We established directed actions linked to the rational use of minerals, the minimization of environmental impacts, the improvement of health and safety conditions, in addition to considering the need for improvement, use of new technologies, reducing consumption and recycling or converting waste materials into useful resources for the community. In view of our mining business, we have adopted different approaches to managing waste rocks and tailings, hazardous and non-hazardous waste.

Waste Rocks and Tailings

A large volume of waste, including tailings, waste rocks and hazardous waste, are generated during the process of ore mining, selection, metallurgy and processing. These materials are managed according to applicable laws and standards at the mine site. The Group adheres to the principles of waste management and is committed to a sound and proper management of waste generated during our operation, highlighted as below, so as to minimize environmental impact.

- Consistent with internationally recognized good practices, to effectively manage the design, construction, operation, monitoring, and decommissioning of tailings dams and dump piles to minimize the risk of catastrophic failures;

- Storage facilities are engineered and designed to minimize risks associated with slope stability, geochemistry, safety and environmental impacts;

- Laws and regulations regarding solid waste are strictly complied with and unusable materials out of the solid waste produced are handed to professional companies for disposal;

- Usable materials in solid waste produced are further recycled and reused; and

- Tailings slag from the processing plant are discharged properly into tailings storage facilities.

Hazardous and Non-hazardous Waste

During our operation, both hazardous and non-hazardous wastes were generated. Our waste management practice is compliant with laws and regulations relating to environmental protection. The Group manages hazardous waste, with proper temporary storage, transfer and safe disposal in strict accordance with the requirements for pollution control on hazardous waste. The Group has also implemented policies to reduce waste generation, aiming at waste management from the source. The Group also endeavors to recycle electronic waste throughout our operation wherever practical, ultimately reducing both the monetary and environmental costs involved in disposal of these electrical parts that would otherwise be scrapped and treated as hazardous waste.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

Non-hazardous waste generated by the Group are predominately domestic waste including stationery, packaging materials, paper form our operations, among which, recyclable wastes will be recycled for reuse. While educating our employees and working partners the significance of sustainable development to enhance their skills and knowledge in sustainable development, we constantly encourage all employees to reduce paper usage by duplex printing, paper recycle and frequent use of electronic information systems for material sharing or internal administrative documents. We encourage the use of reusable product, such as envelopes, and better separation of waste streams for recycling. We maintain 100% recycling of used toner cartridges by collecting and returning all used cartridge to recycling agents. We encourage minimal consumption of paper towels in the workplaces.

Wastewater and Sewage Discharge

Wastewater of our mining operation includes water used for mineral processing, production domestic sewage, sewage from equipment washing and sanitary sewage. The Group has spent remarkable efforts on sewage control and recycle to meet the standards for discharge after treatment. Processing water is largely recycled.

Table 3-3 – Total Waste Discharge

	Unit	FY2021	FY2021 Intensity (per employee)	FY2020	FY2020 Intensity (per employee)
Waste Rocks	tonnes	128,939	422.75	168,090	501.76
Tailings	tonnes	649,112	2,128.24	665,018	1,985.13
Hazardous Waste	tonnes	162	0.53	104	0.31
Non-hazardous Waste (General Waste)	kg	1,720	5.64	2,228	6.65

During the Reporting Period, there were no non-compliance cases reported in relation to discharge into water and land, and generation of waste within the Group.

3.6 Use of Resources

In light of finite earth's resources, the Group considers the conservation of natural resources through low-carbon practices as an indispensable component of our sustainable business. Through actively promoting various cleaner production, we keep on improving resource use efficiency, reducing and avoiding pollutant generation, while lowering our operating cost.

Energy Transition

The mining industry plays a focal role in addressing global warming and supporting the global energy transition. The Group adopts the climate-smart mining practices including the integration of renewable energy to power mining operations.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

Water Consumption

The Group takes a cautious approach to water stewardship, seeking to maximize efficiency and reduce wastes. We strive to engage all employees, clients, suppliers and business partners to develop a habit of conserving water consciously.

Our mining operation can significantly save water for production and domestic use through the efficient management of water resource. Production waste water, domestic waste water and rain water are treated separately to reduce the need for production waste water treatment. Recycled water is used for mining production.

Waving devices are installed at water taps in the workplaces wherever possible. Pantry and washrooms are posted with environmental messages to remind employee the importance and urgency of water conservation. The utility facilities are maintained regularly for service to ensure that water seepage or leaking pipelines are replaced or repaired on a timely basis.

Packaging Material

Given our business nature, the Group does not have manufacturing facilities and consume a significant amount of packaging materials. However, we encourage our suppliers to be engaged in green products design, usage of green materials and reduction of over-packaged package.

Environmental Performance

In accordance with the ESG Reporting Guide set out by HKEX, our environmental performance of "Energy and Resources Use" during the Reporting Period are tabulated below

Table 3-4: Energy and Resources Use

	Unit	FY2021	FY2021 Intensity	FY2020	FY2020 Intensity
Electricity	kWh	107,691,049	353,085.41	104,139,445	310,864.01
Purchased Gas	kg	9,569	31.37	4,767	14.23
Unleaded Petrol	L	4,861	15.94	4,697	14.02
Diesel	L	3,230,042	10,590.30	2,585,151	7,716.87
Paper	kg	3,421	11.22	2,049	6.12
Water	m^3	2,375,751	7,789.35	8,431,600	25,168.96
Total Energy Consumption	kWh	138,159,788	452,982.91	128,533,551	383,682.24

During the Reporting Period, there were no non-compliance cases reported in relation to use of resources within the Group.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

4 OUR PEOPLE

4.1 Employees Wellness Amid the Covid-19-Pandemic

The outbreak of the COVID-19 pandemic in early 2020 has brought exceptional challenges to the world, resulting in unprecedented public health measures across all geographies and massive business disruption at a scale never seen in our lifetime. During the Reporting Period, we adopted stringent anti-epidemic measures and enhanced our workplace hygiene standards in active response to the calls of governments at various levels, in order to combat the spread of COVID-19 together with the community. The Group made targeted arrangements on human resources to minimize the adverse impact of the pandemic with respect to the employee well-being, overall production capacity and product quality. We also have formulated a contingency plan with the participation of the senior management to ensure that precautionary measures are in place as follows:

Table 4-1: Precautionary Measures During the Pandemic Prevention

Comprehensive Pandemic Prevention	✓ To ensure all parts of operations are well-equipped for pandemic prevention ✓ To allocate sufficient supplies and implemented social distancing restrictions in workplaces whenever feasible ✓ To establish and implement guidelines and procedures for controlling visitors, on-boarding of new employees, arranging quarantine for employees who return to the workplace after public holidays, as well as handling suspected cases swiftly and safely ✓ To carry out temperature check in the workplaces ✓ To record contact information and in/out time of every visitor
Flexible Working Hours	✓ To maintain productivity during the pandemic by arranging remote working for employees who were unable to return to the workplace ✓ To reduce physical contact among employees, we allowed staggered working hours and lunch breaks. ✓ To offer online training to reduce the number of gatherings and thus the risk of spread
Employee Support	✓ To keep employees to be informed of the latest anti-pandemic measures ✓ To coordinate and maintain close engagement with employees to address their needs whenever feasible ✓ To ensure employees' rights to welfare and benefits remained protected during the pandemic ✓ To pay employees' salaries according to legal requirement to all including employees unable to return for duty.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

Steady Operation	✓ To mitigate concerns on product quality and timely delivery, early warnings were sent to suppliers requiring them to establish relevant contingency working groups
	✓ To encourage suppliers to actively engage with us regarding any potential quality and delivery issues
	✓ To offer online training to reduce the number of gatherings and thus the risk of infection, while ensuring the training was conducted as scheduled.

There were no non-compliance cases noted in relation to health and safety laws and regulations during the Reporting Period.

4.2 Occupational Health and Safety ("OSH")

The Group is highly aware that employees' safety and health is of paramount importance to our operation and therefore, the Group is determined to attaching great importance to a healthy, comfortable and safe working environment for our employees, which protects them from potential occupational hazards, health and safety risks. The goals of our OSH policy are highlighted as below.

- Pursuit of a healthy, comfortable and safe working environment for our employees;

- Commitment of appropriate resources and leadership to the OSH management system;

- The OSH management system aims at identification, prevention and management of risks and hazards throughout the workplaces as well as follow-up actions for accidents or personal injuries;

- The OSH management system defines appropriate objectives and targets on a regular basis;

- Zero tolerance of accidents and injuries;

- Promotion of a safety culture among employees;

- Communication of our health and safety performance with stakeholders and seek their involvement wherever applicable;

- Regular review of the performance of various OSH measures.so that their effectiveness and reliability can be maintained;

- Compliance with applicable laws and regulations in relation to occupational safety and health.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

To achieve the goals of our OSH policy, the following measures are adopted.

- Formulation of emergency response plans, risk assessment and accident investigation mechanism so as to ensure legal compliance with OSH;

- Organization of fire drills and emergency evacuation simulations to raise the employees' awareness of fire prevention and to equip employees with appropriate knowledge and skills in the event of emergency;

- Assignment of competent and skilled staff to handle works with critical hazards or impacts related to OSH;

- Promotion of safety culture among employees;

- Organization of induction programs and safety training programs to new employees such that they can be familiar with our corporate policies in relation to health and safety matters as quickly as they can;

- Assignment of Registered Safety Officer and Safety Supervisors to regularly perform checks on the work environment and staff facilities and ensure safety precautions are in place;

- Provision of OSH training sessions to employees according to their roles and responsibilities to ensure awareness of job hazards and conformity to safety practices with respect to OSH;

- Provision of vocational training and toolbox meeting to newly joined staff for relevant occupational safety, health registration and emergency planning;

- Provision of job-related training to existing staff-members to strengthen their professional knowledge and skills in daily operations and safety matters;

- Training courses and measures are reviewed and regularly reported to the management by the safety officer;

- Encourage contractors or sub-contractors to assist in the implementation of policies, procedures and practices related to OSH at work wherever practical;

- Prohibition of smoking and abuse of alcohol and drugs in the workplaces;

- Provision of first aid kits and fire extinguishers in workplaces;

- Provision of clean and tidy rest area;

- Provision of adjustable chairs and monitors for eye protection;

- Installation of air purifiers in relatively crowded areas such as conference and meeting rooms; and

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

- Set up posters of proper working postures and lifting method accessible on the intranet and at appropriate locations in offices;

At our mine site, we continuously perform risk assessments to identify, analyse, evaluate and control any potential risks associated with our operation. To mitigate the impacts and to maintain the wellness of our employees who are exposed to various hazards, such as exposure to atmospheric contaminates and radiation, noise, heat stress, ergonomic hazards and mental health hazards, we have implemented the following measures in particular:

- We perform regular safety check of the tailing storage facilities and processing facilities;

- We situate the biological effluent treatment plant in a remote location to isolate potential hazards;

- We install dust suppression and extraction systems, gas detection monitors, and ultraviolet water sanitisers to improve the working environment; and

- We implement underground ventilation facilities for a better air quality and temperature at the workplaces;

- An emergency response plan is in place to address safety issues which is reviewed at least twice annually to ensure it is up-to-date;

- We regularly organize training and assessment programs to support the well-being of our employees;

- OSH audits are conducted on a scheduled basis to review effectiveness of the implementation of the OSH management system;

- We strive to ensure that all contractors align with our OSH standards and OSH management system, providing contractors a corrective action plan within a required timeframe in the event that non-compliance or irregularities are identified for necessary corrective actions. The result of the OSH audits is an important part of our assessment of contract renewal with the contractors.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

During the Reporting Period, the Group compiled with the applicable laws and regulations in relation to safety and health of employees in the regions where we operated, by ensuring that the employees are working in a safe environment in respect of health, hygiene, ventilation, gas safety, building structure and means of escape. The Group did not record any accidents that resulted in death or serious physical injury and identify any material non-compliance with laws and relations relevant to health and safety of employees. Summary of work-related fatalities and injuries are shown in the table below.

Table 4-2: Health and Safety Statistics

Total Number in FY2021	Frequency Rate in FY2021	Frequency Rate in FY2020
Work-Related Fatalities	0	0
Lost Time Injury (LTI)	3	3.2
Restricted Work Injury (RWI)	4	4.3
Medical Treatment Injury (MTI)	3	3.2
Total Recordable Injury Frequency Rate (TRIFR)	N/A	10.8

4.3 Employment

In order to attract and retain our employees, which are our most valuable assets, the Group offers competitive wages, medical insurance, disability and invalidity coverage, maternity leave and other compensation to our employees. The Group decides the remunerations payable to its staff based on their duties, work experience and the prevailing market practices. Apart from basic remuneration, share options may be granted to eligible employees by reference to the performance of the Group and individual employees.

During the Reporting Period, the Group complied with the applicable laws and regulations in relation to employment and labour in regions where we operated. In Hong Kong, we participated in the Mandatory Provident Fund retirement benefit scheme and provided medical insurance for our eligible employees. In Australia, we participated in a state-managed retirement benefit scheme (Superannuation fund) and provided occupational injury insurance and medical insurance in accordance with the local regulations. Transportation and accommodation were provided to employees according to their underground shift schedule.
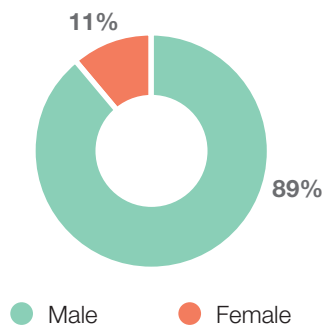
ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

During the Reporting Period, the Group was not aware of any material non-compliance with laws and regulations in respect of human resources. In accordance with the ESG Reporting Guide set out by HKEX, details of the Group's workforce during the Reporting Period are tabulated as well as presented in charts below.
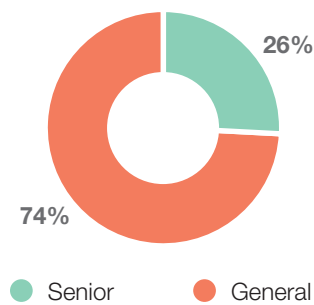
Table 4-3: Our Workforce

	FY2021
Total Number of Full-Time Employees	**305**
Turnover Rate by Gender	
Male	**16.8%**
Female	**24.1%**
Turnover Rate by Age	
Aged under 30 years old	**16%**
Aged between 30 and 50 years old	**19%**
Aged over 50 years old	**16.7%**

Total Workforce by Gender
as of 31 December 2021

11%
89%

● Male ● Female

Total Workforce by Employment Level
as of 31 December 2021

26%
74%

● Senior ● General

Total Workforce by Age Group
as of 31 December 2021

29%
23%
48%

● Aged below 30 years old ● Aged between 30 and 50 years old
● Aged above 50 years old
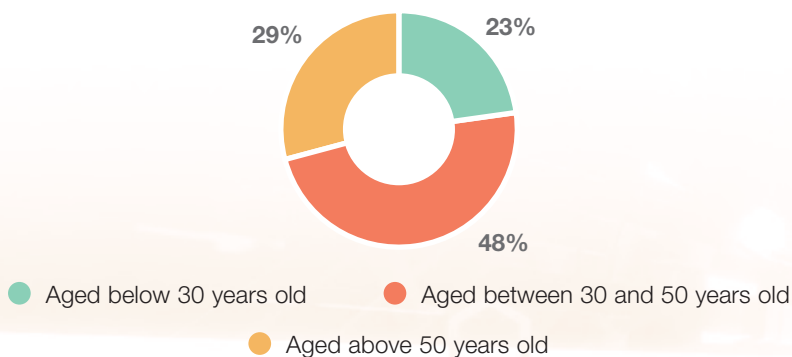
ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

4.4 Recruitment and Promotion

The Group envisages that every employee has unique talents, competencies and the potential to become a driving force for our corporate development and long-term growth. As such, it is of paramount importance for us to proactively manage our talent pipeline and career development for employees. The Group is determined to set itself in a good position to maintain a robust business performance and growth together with our employees, with an objective to uphold an open, fair, just and reasonable human resource policy.

The Group has formulated the recruitment policy with respect to equal opportunities, diversity and anti-discrimination. We encourage differences and individuality in employees, with the philosophy that diversity can bring new ideas, dynamics and challenges to our operations. We discourage all forms of discrimination on gender, age, family status, sexual orientation, disability, race and religion. Our employment policy encourages hiring of talented people with physical or mental disabilities. We are committed to supporting our employees to maintain a family-friendly work environment because we respect their roles and responsibilities in their families. We strive to make sure employees and business partners comply with laws and regulations, follow ethical business practices and respect equal opportunity in employment. We bring in new recruits and equip them with necessary skill sets to develop a long-term rewarding career with us.

During the Reporting Period, we strictly observed the applicable laws and regulations and follow our employment policies relating to recruitment and promotion, compensation and dismissal, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare, by providing competitive remuneration package, including internal promotion opportunities and performance-based bonus, so as to recruit and retain experienced employees.

4.5 Development and Training

The Group envisions that empowering its people through development and training is the cornerstone of our success in the long-run. The Group listens and responds to our people, striving to create an environment of continuous learning, to facilitate development of careers and to provide knowledge and skills for better fulfilment of roles and responsibilities. Our training programmes are designed not only to meet our business vision and to provide skillset required for the operation, but also for the benefit of society as a whole wherever possible.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

During the Reporting Period, the Group organized a total of 13,385 hours of development and training. Each employee at all levels received, on average, 43.89 hours of development and training, including induction training, technical skills training, thematic courses such as anti-corruption, and pre-post training as summarized below.

Table 4-4: Employee Development and Training

	Unit	FY2021
Average hours of training received per employee	hours	**43.89**
Average hours of training per employee by ranking		
Senior Staff	hours	**13.75**
Middle Staff	hours	**86.1**
Junior Staff	hours	**39.56**
Average hours of training per employee by gender		
Male	hours	**44.19**
Female	hours	**41.54**
Percentage of employees trained by employment level		
Senior Staff	%	**50**
Middle Staff	%	**100**
Junior Staff	%	**100**
Percentage of employees trained by gender		
Male	%	**100**
Female	%	**100**

We encourage directors and senior management to take part in professional training sessions and seminars with topics generally including occupational safety, corporate governance, business development and strategy in order for them to develop and refresh their knowledge and skills. We additionally provided the management with a series of thematic courses to strengthen and refresh their knowledge, leadership and management skills, covering various topics stipulated in different ordinances, rules and guidelines. Latest applicable laws, rules and regulations are circulated with employees and directors from time to time.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

Considering that each of the position is of unique professional and technical needs, the Group ensures that every new joiner receives proper orientation training and mentoring in order to help them adapt to the new working environment affirmatively and quickly. Continuous training is committed by the Group in different ways including internal training programs, comprehensive training for specific skill development, and courses for continuous professional development for relevant employees so as to ensure that they possess the appropriate qualities and skill-sets. Implementation of safety training and comprehensive risk assessments are also one of the most important tasks in the Group. During the Reporting Period, we provided Emergency Response Team (ERT) training to the underground mining staff in accordance with our OSH Policy. Details of the development and training programs are summarized as below.

Table 4-5: Development and Training Programs

Orientation Programs	Orientation programs are organized for new joiners by introducing the history and corporate culture of the Group, as well as functions of respective departments, aiming at helping them adapt to the new work environment affirmatively and quickly
Continuous Professional Training	Continuous training is committed in different ways including internal training programs, comprehensive training for specific skill development, and courses for continuous professional development for relevant employees so as to ensure that they possess the appropriate qualities and skill-sets
Thematic Training	Directors and senior management are encouraged to take part in professional thematic training and seminars including occupational safety, corporate governance, business development and strategy. Employees from respective departments are encouraged to take part in thematic courses to strengthen and refresh their knowledge, management skills, including various topics stipulated in different ordinances, rules and guidelines such as the Securities and Futures Ordinance, Personal Data (Privacy) Ordinance, Main Board Listing Rules and Guidelines, compliance, anti-money laundering ("AML") and anti-corruption.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

ERT training provided to underground staff

4.6 Labour Standards

The Group strictly prohibits the employment of any child labour and forced labour in any form, being fully aware that exploitation of child and forced labour violates human rights and international labour conventions. All candidates applying to a position in the Group are required to present their identity documents for inspection and ascertaining their identities, ages and validity of employment status. Recruiters strictly review the entry documents including medical examination certificates, academic certificates and identity cards.

During the Reporting Period, the Group strictly complied with the relevant laws and regulations in relation to labour standards and employment in the regions where we operated. No material non-compliance with the laws and regulations relating to the prevention of child labour or forced labour have been found by the Group during the Reporting Period.

4.7 Harmonious Culture

The Group is strongly convinced that a harmonious corporate culture among the employees and management are always the key drivers to the Group's healthy and prosperous growth. To achieve this, we utilize a variety of channels, including:

- Regular all-staff meetings to update on business performance and the development of key projects;

- Employee engagement to ensure that employees' voices are heard and responded to at both corporate and team levels; and

- Regular and festival gatherings were organised during the Reporting Period to enhance the harmonious sprit of different levels of staff members in recognition of their contributions and dedicated work to the Group.

The Group believes that such a corporate culture and harmonic working environment will naturally achieve a synergistic result to facilitate employee retention and to improve productivity.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

5   OPERATING RESPONSIBLY

In the global mining industry, demand for environmental, ethical compliance and sustainable development are increasingly pressing. In order to achieve our goal to be a responsible corporate in the Asia-Pacific region, we realize that we must operate in a sustainable fashion with a comprehensive ESG management approach. In addition, it is essential to us to encourage all business partners to incorporate those sustainability practices and policies into their operation thoroughly in order to work together in our pursuit of sustainable development.

5.1   Encouraging Innovation

The Group anticipates that innovation and technology strategies shall play a crucial role in our long-term business development. As such, we are determined to set ourselves in a good position to continuously and proactively introduce products, services and processes derived from high-tech oriented research and development, into our operation and business model wherever commercially feasible and appropriate.

5.2   Supply Chain Management

The Group understands that the supply chain management is always one of the key aspects of the Group's operation. Our sustainable supply chain includes adoption of environmentally conscious operations in logistics, environmentally responsible sourcing of raw material, due diligence of material and product procurement, distribution and inventory management.

We developed a vendor and supplier selection mechanism based on potential vendors' compliance with all applicable laws and regulations in relation to the safety, environment, forced labour, child labour and other social aspects. Products and services with environmentally friendly and socially responsible features will be given a higher technical score during our assessment process. To evaluate the performance of the selected suppliers as well as to minimize the environmental and social risks along the supply chain, regular assessments covering the professional qualification, services/products quality, financial status, integrity, and social responsibility will be conducted if deemed necessary. When the evaluation result of a supplier is not satisfactory, the supplier will be removed from the approved list.

Every supplier is required to comply with our code of practice, which prohibits offering of gifts, loans, hospitality, services or favor in an improper manner. In addition, the Group encourages our business partners to adopt the best environmental and social practices and to disseminate the pursuit of sustainability into the core business, through develop energy-saving and consumption-reducing policies. For example, we recommend the suppliers to be engaged with the strategy of sustainable transport and logistics solutions such as using online carbon calculator for route planning in order to reduce carbon footprint throughout their delivery process.

We believe that, through the above review process, we can minimize the potential environmental and social risks associated with the supply chain management. the Reporting Period, the Group has suppliers which are all located in the same geographic region as our operation.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

5.3 Product Responsibility

To be a successful business, we are committed to the highest standards of products and services we deliver, maintaining continuous communication with our clients to ensure that we understand and fulfil their needs and expectations. Furthermore, we keep track of emerging trends and continue to develop and optimize products and services that offer the best experience to our clients.

The Group undertakes the defined quality assurance protocol to ensure products and services constantly meet customer requirements and legal and safety standards for its intended use and for circumstances of reasonably foreseeable misuse. We carry out regular assessment for each product type with respect to the aspects of environmental impact, health impact, safety and hazards associated with the raw materials. We ensure that every product is correctly labelled with sufficient information and directions for use required by legislation and industry codes of practice. We perform continuous and regular assessments of the product quality and review of opportunities for improvements and changes.

During the Reporting Period, our operation complied with relevant laws and regulations wherever appropriate and applicable. We also carried out continuous assessment of the product quality and review of opportunities for improvements and changes. During the Reporting Period, the Group did not identify any material non-compliance of the laws and regulations related to the quality of products and services. There were no cases of product recall nor complaints received against our services due to health and safety issues during the Reporting Period.

Table 5-1: Product Recalls and Complaints

	FY2021
Percentage of complaints received about the products related to health and safety issues	**n/a**
Percentage of sold/shipped products recalled due to safety and health reasons	**n/a**

5.4 Privacy Protection

The Group emphasizes the importance of protecting customers' personal data against unauthorized access, use or loss and we adhere to the Personal Data (Privacy) Ordinance when collecting, processing and using customers' personal data. To safeguard customers' privacy, the Group takes practicable steps to ensure the customers' data are securely stored and the use of data is limited to or related to the original collection purpose. The Group respects privacy rights of its stakeholders with utmost importance.

The Group sets out data privacy requirements in our corporate policies, under which customer and supplier data would be used exclusively for matters relating to the Group's operation only. We strive to ensure all collected data kept is free of unauthorized or accidental access, processing, erasure or other use.

There were no non-compliance cases noted in relation to our data privacy and no material complaints received regarding our services that would have significant impact during the Reporting Period.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

5.5 Anti-Corruption

The Group makes every effort to uphold a high standard of business ethics and prohibition of any forms of bribery and corrupt practices. The Group has developed a series of policies and compiled code-of-conduct with respect to anti-fraud and anti-bribery, which apply to all staff-members. In general, we require our employees to declare any conflict of interest, to avoid any possible such conflict with sub-contractors or suppliers, organizing seminars in relation to anti-corruption and avoidance of conflict of interest for our employees. We also encourage our business-related parties, including suppliers to observe those principles of the policies and to proactively report any suspected misconduct issues to the Group.

During the Reporting Period, the Group observed with related laws and regulations that have a significant impact on the Group relating to bribery, extortion, fraud and money laundering mentioned above, as well as the corporate policy of anti-corruption.

According to the Group's policy, employees may report any concern in relation to accounting controls and audit matters to the Audit Committee which will review each complaint and decide how the investigation should be conducted. No cases of anti-corruption were concluded whereas the Audit Committee identified no complaint from employees during the Reporting Period.

5.6 Whistle-Blowing

In order to encourage our employees to report illegality, irregularity, malpractice, unethical acts or behaviors, inappropriate conducts or actions, which may damage the Group's interests, we established whistle-blowing policy and implement procedures for our employees to report improprieties via a confidential reporting channel to the extent that is made possible to all employees. The policy aims to encourage our employees to report behaviour that is not in line with the principles of ethics and the Group's policy such as events that are non-compliant with the Group's policy, laws, rules, regulations, general practice of financial reporting and internal control.

The Group is committed to addressing the "whistle-blowers" concerns in a fair and reasonable manner and to handling the reports with due care and conducting a comprehensive and independent investigation for each reasonably established report. All "whistle-blowers" who report in good faith are reasonably protected from retaliation or adverse consequence of their employment regardless of whether the allegation is substantiated.

The policy of "Whistle-Blowing" and its procedures, which apply to all levels of the members of the Group, have been documented in the employee handbook and have been circulated among employees for their reference.

5.7 Intellectual Property Rights

The Group is committed to compliance with relevant laws and regulations in relation to intellectual property right ("IP rights") by valuing and protecting its intellectual properties through patent fees and periodic trademark renewals.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

5.8 Customer Satisfaction

Realizing that our customer needs and expectations should be well addressed, the Group pays attention to the level of satisfaction of customers and their feedback. Regular communication channels and feedback systems are in place to gather information on satisfaction and suggestions for improvement from our diverse portfolio of customers. The Group established various complaints and feedback channels, such as telephone hotline, emails and websites, to collect suggestions and advice from customers.

The Group consolidated and comprehensively analysed the customers' feedback in order to identify the issues. Follow-up actions, including internal evaluation and modification of training programs for employees, will be taken to address the issues identified and to continuously improve our service delivered. Feedback will additionally be provided to the customers in a timely manner.

6 CONTRIBUTING TO OUR COMMUNITY

Being benefited from overall social development, the Group adheres to the mission of giving back to our environment and community. Given that our mining operations take place in proximity to other land uses such as agriculture, there is inherent risk of environmental, social and economic impacts on these neighboring interests from the mine operations. As such, we actively strive to making a better society through our active involvement in the communities wherever we run business, helping the local communities and people in needs through voluntary services, donation programs and social enterprise supports.

Our engagement with local and regional communities covers key considerations as below:

• Investment in community affairs and functions;

• Traditional and cultural heritages of communities where we operate; and

• Recognition of the values of indigenous people and ethnic minorities

6.1 Community Development

The Australian Native Title Act requires mining companies to negotiate and enter into Community Development Agreements ("CDAs") with Aboriginal communities that have a legal interest in the land as native title holders. As well as being a legal requirement, CDAs have proved an effective route for mining companies to obtain the goodwill of host communities – the "social licence to operate" – by involving local decision-makers and giving them responsibility for how any financial rewards will be used. The Group has been strictly compiled with this requirement and has been actively collaborating with the local community with respect to the local development. During the Reporting Period, we provided financial sponsorship totaling AUD $16,850 to the local community such as Zeehan Catholic Church, West Coast Heritage Centre, Rosebery District High School and Mountain Vista Golf Club, as part of our effort for the community development.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

6.2 Involvement with the Local Community

Our employees are especially proactive in organizing regular community outreach activities to engage with and support the local communities where we operate. By employing local workforce and initiating the internship programs for university students, our investment in Australia contributed to the local labor market. We endeavor to partner with local non-profit organizations to take part in a variety of charitable activities and actions such as health education and action, poverty action, children, elderly, underprivileged groups, animal welfare, environmental protection and community order.

During the Reporting Period, we supported a number of school and community events such as the event of "Walk of Life" and "Strahan Christmas", as part of our engagement with the local community. In addition, we made financial sponsorship to Zeehan Community Christmas Party, ZPS Breakfast Club, Rosebery District High School, Strahan Picnic Committee during the Reporting Period. We consider this is a good fit to our operation in the region and continue our sponsorship with the local community throughout the period.

Our involvement with the local community event during the Reporting Period

6.3 Continuous Support for Education and Local Culture

The Group recognizes the importance of respecting cultural aspects and education of communities. We encourage our operating companies to actively support education and recognition of local cultural values.

Going forward, the Group will continue to foster the culture of active participation in community services, encouraging our staff members to be actively engaged in voluntary services and join hands together to disseminate the spirit of services in the community where we all depend on.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

7 HKEX ESG GUIDE CONTENT INDEX

Aspects, General Disclosures and KPIs	Description	Relevant sections in the ESG Report	Remarks
Aspect A1: Emissions			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste	Managing Environmental Impacts	
KPI A1.1	Types of emissions and respective emissions data	Managing Environmental Impacts	
KPI A1.2	Greenhouse gas emissions in total and, where appropriate, intensity	Managing Environmental Impacts	
KPI A1.3	Total hazardous waste produced and, where appropriate, intensity	Managing Environmental Impacts	
KPI A1.4	Total non-hazardous waste produced and intensity	Managing Environmental Impacts	
KPI A1.5	Description of measures to mitigate emissions and results achieved	Managing Environmental Impacts	
KPI A1.6	Description of how hazardous and non-hazardous waste are handled, reduction initiatives and results achieved	Managing Environmental Impacts	

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

Aspects, General Disclosures and KPIs	Description	Relevant sections in the ESG Report	Remarks
Aspect A2: Use of Resources			
General Disclosure	Policies on efficient use of resources including energy, water and other raw materials	Managing Environmental Impacts	
KPI A2.1	Direct and/or indirect energy consumption by type in total and intensity	Managing Environmental Impacts	
KPI A2.2	Water consumption in total and intensity	Managing Environmental Impacts	
KPI A2.3	Description of energy use efficiency initiatives and results achieved	Managing Environmental Impacts	
KPI A2.4	Description of whether there is any issue in sourcing water, water efficiency initiatives and results achieved	Managing Environmental Impacts	Defined to be irrelevant to the Group's operation
KPI A2.5	Total packaging material used for finished products, and if applicable, with reference to per unit produced	n/a	Defined to be irrelevant to the Group's operation
Aspect A3: The Environment and Natural Resources			
General Disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources	Managing Environmental Impacts	
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and actions taken to manage them	Managing Environmental Impacts	

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

Aspects, General Disclosures and KPIs	Description	Relevant sections in the ESG Report	Remarks
Aspect B1: Employment			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare	Our People	
KPI B1.1	Total workforce by gender, employment type, age group and geographical region	Our People	
KPI B1.2	Employee turnover rate by gender, age group and geographical region	Our People	
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	Our People	
KPI B2.1	Number and rate of work-related fatalities	Our People	
KPI B2.2	Lost days due to work injury	Our People	
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	Our People	

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

Aspects, General Disclosures and KPIs	Description	Relevant sections in the ESG Report	Remarks
Aspect B3: Development and Training			
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities	Our People	
KPI B3.1	The percentage of employees trained by gender and employee category	Our People	
KPI B3.2	The average training hours completed per employee by gender and employee category	Our People	
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	Our People	
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour	Our People	
KPI B4.2	Description of steps taken to eliminate child and forced labour practices when discovered	n/a	No such incidents were reported during the Reporting Period.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

Aspects, General Disclosures and KPIs	Description	Relevant sections in the ESG Report	Remarks
Aspect B5: Supply Chain Management			
General Disclosure	Policies on managing environmental and social risks of the supply chain	Operating Responsibly	
KPI B5.1	Number of suppliers by geographical region	Operating Responsibly	
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	Operating Responsibly	
Aspect B6: Product Responsibility			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress	Operating Responsibly	
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	Operating Responsibly	Not applicable to the Group's core operation
KPI B6.2	Number of products and service related complaints received and how they are dealt with	Operating Responsibly	No products and services related complaints received during the Reporting Period.
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights	Operating Responsibly	

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

Aspects, General Disclosures and KPIs	Description	Relevant sections in the ESG Report	Remarks
KPI B6.4	Description of quality assurance process and recall procedures	Operating Responsibly	No product recall during the Reporting Period
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	Operating Responsibly	
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	Operating Responsibly	
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	Operating Responsibly	No concluded legal cases regarding corrupt practices during the Reporting Period.
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	Operating Responsibly	

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

Aspects, General Disclosures and KPIs	Description	Relevant sections in the ESG Report	Remarks
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 takes into consideration communities' interests	Contributing to our Community	
KPI B8.1	Focus areas of contribution	Contributing to our Community	
KPI B8.2	Resources contributed to the focus areas	Contributing to our Community	