

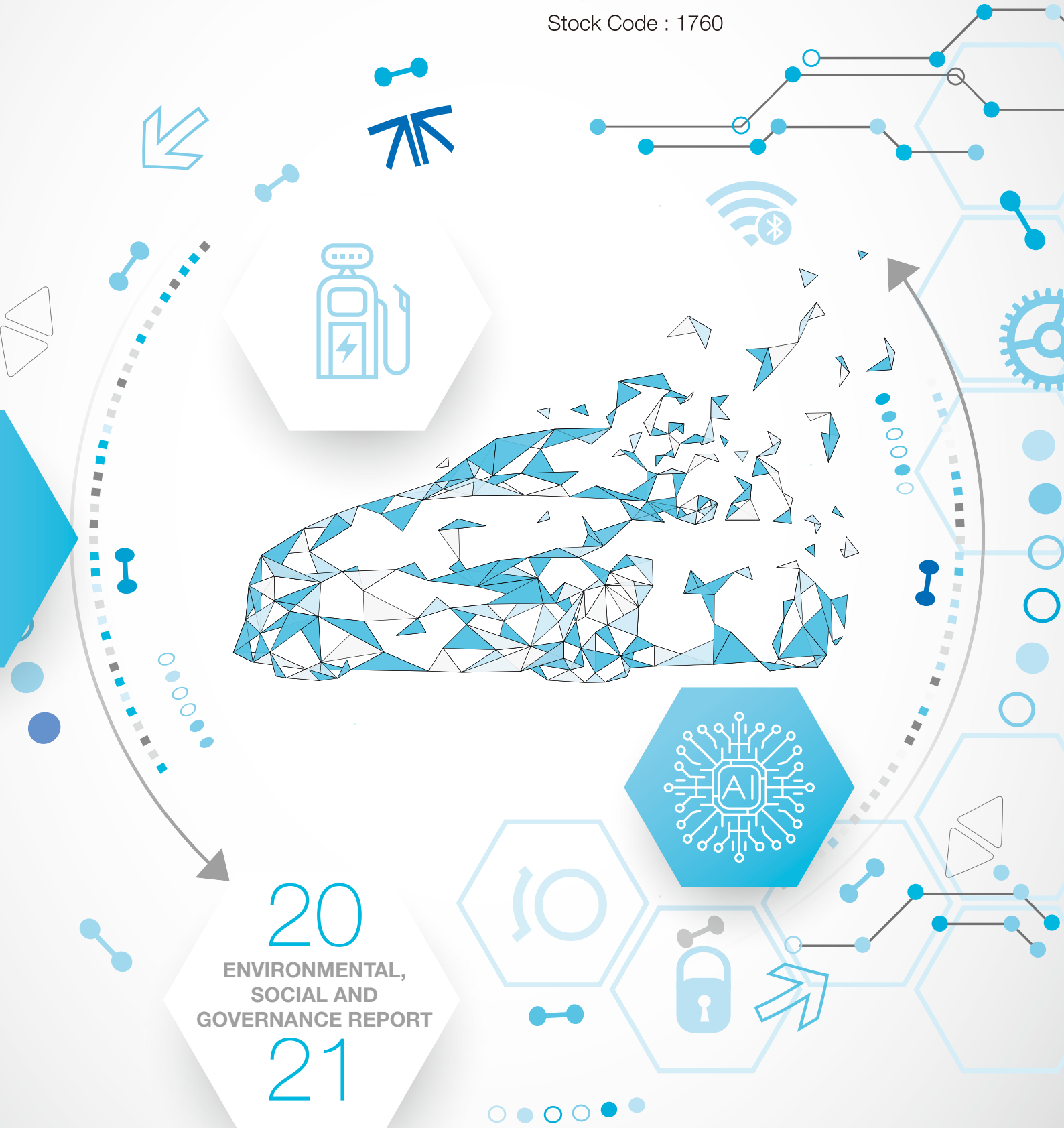


INTRON TECHNOLOGY  
HOLDINGS LIMITED

英恒科技控股有限公司

(incorporated in the Cayman Islands with limited liability)

Stock Code : 1760



20  
ENVIRONMENTAL,  
SOCIAL AND  
GOVERNANCE REPORT  
21

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# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2021

## 1 ABOUT THIS REPORT

Intron Technology Holdings Limited (hereinafter referred to as “Company”) and its subsidiaries (“Intron Technology”, “Group”, “we” or “us”) are pleased to publish our Environmental, Social and Governance (“ESG”) Report (“ESG Report” or “Report”), to summarize the Group’s works, practices and initiatives in relation to environmental and social aspects, so that stakeholders can better understand the Group’s progress in sustainable development issues.

### 1.1 Reporting Standard

This Report is prepared in accordance with the Environmental, Social and Governance Reporting Guide (“Guide”) as set out in Appendix 27 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (“Stock Exchange”), the covered scope and content of which are in compliance with the “Comply or Explain” disclosure obligations and prepared based on four reporting principles, namely: materiality, quantitative, balance and consistency. Readers can review the final chapter of the ESG Report – “Appendix 2: Index to the ESG Reporting Guide of Stock Exchange” for quick referencing.

**Materiality:** The Group has conducted a materiality assessment in 2020, with additional assessment done for 2021. The assessment was determined based on the level of importance affecting our business and the expectations of our stakeholders. The management, ESG Working Group and the board (“Board”) of directors (“Directors”) have confirmed the applicability of the materiality assessment this Year.

**Quantitative:** The Report contains standards, methods, assumptions and/or calculation tools used, and source of conversion factors used for the emission/energy consumption (where applicable), all of which are explained in the definition of the Report.

**Balance:** The Report provides an unbiased picture of the Company’s performance. The Report avoids selections, omissions, or presentation formats that may inappropriately influence a decision or judgment by the report reader.

**Consistency:** The Report uses consistent statistical method with the previous year for disclosing the data. Changes (if any) are clearly explained in the Report.

### 1.2 Reporting Scope

Unless otherwise specified, this Report focuses on the performance of the core business directly controlled by the Group during the period from 1 January 2021 to 31 December 2021 (“Reporting Period” or “Year”). The environmental key performance indicators (“KPIs”) cover the offices in Shanghai, Guangzhou, Beijing, and Hong Kong. The chosen 4 out of 15 offices (i.e. Shanghai, Beijing, Guangzhou and Hong Kong) are the major operating bases of the Group’s businesses. The scope of social KPIs covers the entire Group.

### 1.3 Reporting Language

This Report is published in two languages, including Traditional Chinese and English versions. In case of discrepancies between them, the English version shall prevail.

### 1.4 Approval and Confirmation

This Report has already been reviewed and approved by the Board on 18 May 2022.

### 1.5 Report Availability

This Report is published in electronic format on the Company's website ([www.intron-tech.com](http://www.intron-tech.com)) as well as the HKEx news of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)).

### 1.6 Contact Us

We attach great importance to your views or suggestions on this Report. Please contact us via email ([ir@intron-tech.com](mailto:ir@intron-tech.com)).

## 2 ABOUT THE GROUP

Since its establishment, Intron Technology has always been devoted to providing solutions for automotive body control, safety and powertrain as well as technology development businesses, serving customers under the notion of "Elite Perpetual" (「匯聚精英·共創永恆」).

In 2021, the outbreak of COVID-19 still had a lingering impact on the global economy. The effective control measures adopted by the government of the People's Republic of China ("PRC") contributed to the continual steady recovery of the Chinese economy, which facilitated the implementation of consumption policy measures and strongly supported the recovery of the automotive market. Although the shortage of semiconductors and rising raw materials cost still exerted a certain impact on the automotive market, we leveraged the long-term partnership with its business partners to proactively manage inventory supply ahead of the market trend, our strong research and development ("R&D") capabilities and long-standing solid market position. The Group achieved outstanding results during the Year.

With the change in lifestyle and habits of the public, the Group believes that the adoption of New Energy Vehicle, safer and greener solution for automobile solutions, together with big data and cloud services future development trend, in the long run, will continue to bring stable income for the Group.



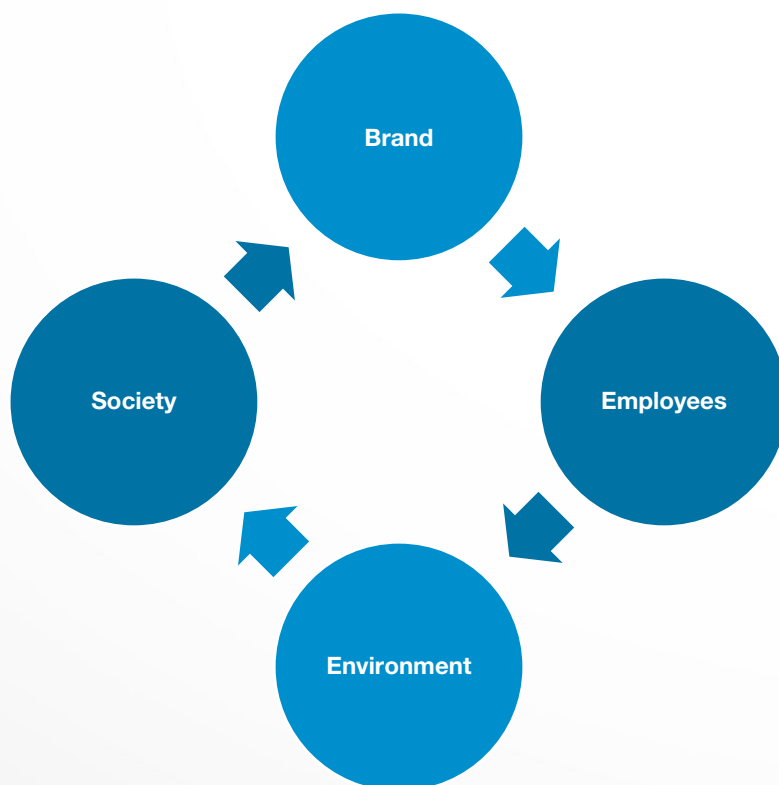
### Goals and Directions

Looking ahead, the Group believes that the electrification and intelligent development of automotive vehicles, the growing popularity of Advanced Driver-assistance Systems, and the investment in data centers and cloud servers driven by technological advancements will create significant development opportunities across the Group's business segments. With years of industry and operational experience, a market leadership position, and significant investment in R&D to strengthen its technological advantages, the Group is confident in its ability to achieve long-term sustainable growth and generate satisfactory returns for the Company's shareholders ("Shareholders").

Additionally, we use the platform published in this Report to disclose our non-financial performance to increase transparency. We probe the risks facing us in environmental and social aspects and implement the measures and policies for mitigating our operational risks through industry analysis.

## 3 SUSTAINABLE DEVELOPMENT STRATEGY

Intron Technology regards corporate social responsibility as an integral part of its business. During the Reporting Period, while seeking business growth, we proactively assumed our corporate environmental and social responsibilities by making steady progress towards sustainable development. To contribute to the environment, the Group is actively developing business in new energy, energy efficiency, and emissions reduction. In terms of social responsibility, we establish close collaboration and strategic partnerships with our employees, suppliers, and customers to lead the development and increase the competitiveness in the industry with ongoing innovation service models.



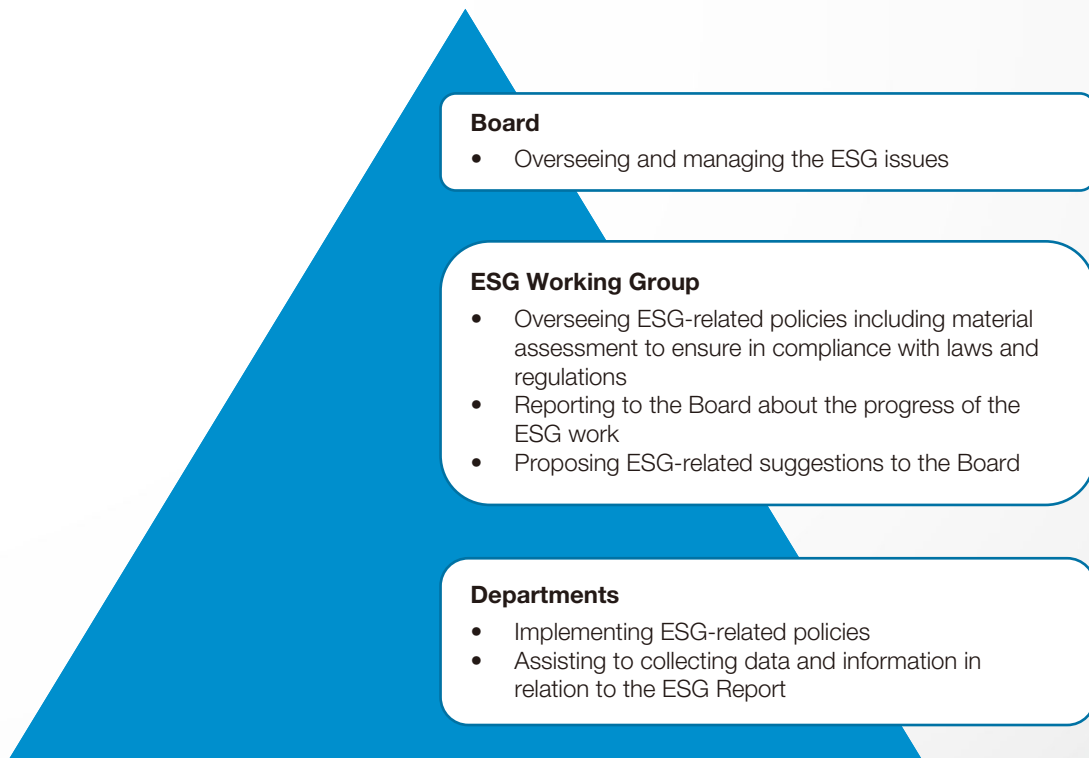
Sustainable Development Strategy of Intron Technology

### 3.1 Board Statement

To strengthen our sustainability management, we have established an ESG management structure. The Board is fully responsible for the Group's ESG governance and sustainable development, as well as responsible for monitoring the Group's material issues and performance and regularly assessing ESG-related risks and opportunities. With authorization from the Board, the ESG Working Group determines the Group's ESG management methodologies, strategies, priorities, and objectives by conducting a materiality assessment and evaluating the concerns of various stakeholders. In the future, we will review our performance against relevant targets to enhance our sustainability works.

### 3.2 ESG Management

The Group understands that effective and sustainable management advances the Group's business development. In 2020, we established an ESG Working Group to help the Board monitor the Group's ESG performance. The ESG Working Group is delegated by the Board. Its members are composed of certain Board member and senior management to oversee and manage ESG related issues and to provide regular recommendations to the Board. The various ESG related operating divisions are executing the ESG related issues. The Group's ESG management structure and responsibilities are as follows:



**ESG Management Structure**



### 3.3 Stakeholder Engagement

The Group deeply understands that stakeholders' opinions can help improve the business operation and raise the performance of future business development. Hence, we conduct close communication with stakeholders through various channels to better understand their expectations and demands of stakeholders.

During the Reporting Period, the Group identified stakeholders related to the Group's operation, including the customers, employees, shareholders/investors, suppliers, business partners/industry peers, mass media, regulatory authorities, and community/non-governmental organization. Relevant communication channels are as follows:

| Stakeholders                  | Communication Channels  |
|-------------------------------|---|
| <b>Customers</b>              | <ul style="list-style-type: none"> <li>• Corporate website</li> <li>• Site visits</li> <li>• Customer support and service</li> <li>• Visits by customer relationship managers</li> <li>• Communication from daily operations</li> <li>• Phone calls and email</li> </ul>  |
| <b>Employees</b>              | <ul style="list-style-type: none"> <li>• Surveys to collect employees' views</li> <li>• Work performance appraisal</li> <li>• Group discussions</li> <li>• Conference meetings</li> <li>• Discussion on work performance review</li> <li>• Review on business operations</li> <li>• Seminars/workshops</li> <li>• Publications (e.g. staff newsletters)</li> <li>• Staff meeting for communication</li> </ul> |
| <b>Shareholders/Investors</b> | <ul style="list-style-type: none"> <li>• Annual general meetings and other meetings</li> <li>• Interim reports and annual reports</li> <li>• Corporate communications (e.g. letters to Shareholders, circulars and notices of meetings)</li> <li>• Results announcements</li> <li>• Company visits</li> <li>• Investor meeting</li> </ul>   |
| <b>Suppliers</b>              | <ul style="list-style-type: none"> <li>• Supplier management procedures</li> <li>• Meetings</li> <li>• Suppliers/contractors appraisal system</li> <li>• Site visits</li> </ul>   |

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**Stakeholders****Communication Channels****Business partners/  
Industry peers**

- Meetings
- Visits
- Talks/Discussion Forum
- Reports

**Mass Media**

- Press releases
- Interviews of senior management
- Results announcements

**Regulatory authorities**

- Compliance reports

**Community/Non-  
Governmental organization**

- Volunteering and community activities
- Donation

**3.4 Materiality Assessment**

The Group has assessed materiality assessment regarding to the Guide from Stock Exchange and the materiality map from Sustainability Accounting Standards Board (SASB) after taking into account its business operations and the concerns of multiple stakeholders. The material assessment results are shown below:

**Issues of high importance****Issues of moderate importance****Issues of general importance**

- Economic performance

- Health and safety of products services

- Promotion and product/ service labelling

- Market competitiveness

- Anti-fraud and anti-corruption

- Prevention of child labour and forced labour

- Compliance with laws and regulations

- Whistle-blowing mechanism

- Water consumption and efficiency

- Responsible procurement

- Complaint handing and responding mechanism

- Community investment and involvement

- Quality control

- Protection of intellectual property rights





| Issues of high importance  | Issues of moderate importance   | Issues of general importance |
|--|---|------------------------------|
| <ul style="list-style-type: none"> <li>• Technology development and application</li> </ul> | <ul style="list-style-type: none"> <li>• Employee diversity, non-discrimination, and equal opportunity</li> </ul> |                              |
| <ul style="list-style-type: none"> <li>• Protection of customers' privacy</li> </ul>       | <ul style="list-style-type: none"> <li>• Training and development of employees</li> </ul>                         |                              |
| <ul style="list-style-type: none"> <li>• Employment rights</li> </ul>                      | <ul style="list-style-type: none"> <li>• Qualifications and professional conduct of employees</li> </ul>          |                              |
| <ul style="list-style-type: none"> <li>• Labour relations</li> </ul>                       | <ul style="list-style-type: none"> <li>• Use of materials</li> </ul>  |                              |
| <ul style="list-style-type: none"> <li>• Occupational health and safety</li> </ul>         | <ul style="list-style-type: none"> <li>• Environmental awareness of employees</li> </ul>                          |                              |
| <ul style="list-style-type: none"> <li>• Energy consumption and efficiency</li> </ul>      | <ul style="list-style-type: none"> <li>• Attention to community</li> </ul>  |                              |

## 4 COMPLIANCE OPERATION

The vision of the Group is “To become the greatest service platform for Automotive Electronics Industry”. During the Year, the Group was actively involved in industry-related events and formed strategic partnerships with peers to develop new technologies and explore business prospects. Meanwhile, we work to safeguard our assets, maintain compliance, ensure the quality of our services, and manage our suppliers.

### 4.1 Protection of Intellectual Property Rights

Motivated by technical advancement and committed to mastering core technologies, the Group is actively involved in product research and development. We strictly adhere to intellectual property laws and regulations, such as the Patent law of the PRC and the Copyright Law of the PRC, to ensure that our patents and trademark rights are not violated, thereby securing the Group's competitive edge and reputation.

The Group strengthens intellectual property information and improves intelligent property management efficiency and quality. We conduct systematic records of all registered patents and prolong their validity as appropriate. We provide incentives to employees when patents are formally registered, thus greatly stimulating employees' innovation and work enthusiasm. We have established ownership of intellectual property rights by signing agreements in cooperation projects. Additionally, we perform extensive market research to ensure that we do not infringe upon the intellectual property rights of others, and we will take all necessary legal procedures to resolve infringement claims.

The Group obtained 171 patents and added 56 additional registered patents during the Reporting Period.

## 4.2 Information Security

The Group acknowledges the importance of information security and strictly abides by the Privacy Law of the PRC, the Implementation Measures of the Privacy Law of the PRC, and the Cyber Security Law of the PRC to ensure the complete protection of consumers' personal information.

We are devoted to safeguarding consumer data and privacy by enhancing network security. We have established the "Rules for Administration of IT Information Security" (《IT信息安全管理規範》) and the "Rules for Administration of IT System Operation and Maintenance" (《IT系統運維管理規範》) to govern information use. We protect hardware by installing firewalls on computers to prevent virus attacks. Additionally, the IT department centralizes the management of employees' access permissions to the system based on their jobs and requirements to avoid excessive access to information. We encrypt confidential or sensitive data and conduct frequent inspections to mitigate the danger of information leaking.

We gather and use client information following applicable laws and regulations. Our employees responsible for handling customer data attend regular training related to privacy to raise their awareness and adequately use the information.

In terms of business information disclosure, we regulate the content of advertisements and strictly adhere to the Advertising Law of the PRC. By conducting strict reviews on advertisements, we ensure the completeness, truthfulness, and accuracy of information conveyed to the public via advertisements and avoid any misrepresentation, false statement, or infringement in the content.

## 4.3 Anti-corruption

The Group upholds the basic principles of integrity and honesty, resolutely prevents corrupt acts, and strives to create a fair, impartial, simple, and transparent workplace and cooperative environment, with zero tolerance for any acts of bribery, extortion, or fraud, or money laundering in our operations. We strictly adhere to the Anti-Unfair Competition Law of the PRC, the Law of the PRC on Anti-Money Laundering, the Criminal Law of the PRC, and the Supervision Law of the PRC. During the Reporting Period, we are not aware of any material non-compliance with any laws and regulations that significantly impact the issuer relating to bribery, extortion, fraud, and money laundering and the Group was not aware of any concluded legal cases regarding corruption brought against the Group or its employees.



We have established the “Fraud Policy Statement” (《反舞弊政策》) and the “Employee Handbook” (《員工手冊》) to prevent, identify and handle defalcation, misappropriation, and other irregularities. All workers must avoid conflicts of interest, including accepting personal benefits for personal gain, abusing the Company’s resources for personal gain, or assisting others in gaining profit. We perform thorough investigations and appropriately manage any suspected situation, and employees must bear the repercussions of breaking the code of conduct. During the Reporting Period, the Group organized training related to anti-corruption topic for its Directors and employees so as to strengthen employees’ ideological education on integrity and their awareness of self-discipline.

Additionally, the “Whistleblower Policy and Procedures” (《舉報程序》) has been established to govern the handling of accounting and auditing-related complaints. We encourage employees to report corruption to us through email. The identity of the reporting persons will be kept confidential. The audit committee will be assigned to accept the reported cases and investigate situation follow-up, closure, assessment, and archiving to achieve the closed-loop management of the information reported. The audit committee may conduct investigations in-house or contract with third parties to assist with investigations and result in analysis. All violation cases will be reasonably punished. The Group is committed to ensuring nobody suffers detrimental treatment from refusing to participate in bribery or corruption.

#### 4.4 Service Quality

The Group maintains a customer-centric mindset and continuously improves the quality of our products and services to enhance customers satisfaction. Protecting customers’ rights and interests throughout the sales process is critical to our operations, and we adhere to the Law of the PRC on Protection of Consumer Rights and Interests.

The Group attaches great importance to customer satisfaction. We provide customers access to share their suggestions, feedbacks and provide inquiries and complaint (if any) for understanding their satisfaction and help formulate corrective measurements. In order to enable customers to enjoy high-quality services, the Group has established a team of experienced sales to act as an important bridge of communication between the Group and its customers. Any complaints received are reported to the experienced sales team on a regular basis such that the Group can discuss how improvements can be made.

The Group maintains an open policy for Service Quality improvement through regular discussion and suggestion feedback. During the Reporting Period, the Group received no major complaints about its products or services. We are committed to achieving zero complaints and gaining consumer recognition for our products and services.

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#### 4.5 Quality Assurance

Before introducing products or services, we undergo rigorous and extensive testing and validation. Additionally, the quality control staff conducts frequent and random quality assurance checks. Intron Technology establishes internal policies and procedures for handling recalls.

##### Capability Level 3 certificate of ASPICE V3.1

During the Reporting Period, Intron Technology was awarded the Capability Level 3 certificate of ASPICE V3.1, the latest automotive software process improvement and capability verification standard. It is the highest ASPICE rating thus far given to a mainland automotive industry player and the highest level for entry to the automotive supply chain comprising international and mainland mainstream OEMs and Tier 1 system vendors. Therefore, it is a benchmark for effectively assessing the delivery capability and reliability of software products of a supplier.



#### 4.6 Supply Chain Management

The Group has established a rigorous process for selecting suppliers, which includes the “Control Procedures of Supplier Management” (《供應商管理控制程序》) and the “Control Procedures of Procurement” (《採購控制程序》), in order to standardize and unify the assessment procedures, standards, and requirements for potential suppliers of materials procurement, as well as to continuously explore potential suppliers, ensuring that purchase materials achieve the Group’s standard and ensure a smooth production process.



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To guarantee our suppliers and subcontractors continue to produce high-quality products and services, suppliers are required to submit supporting documents in accordance with the “Supplier Information Submission Matrix” (《供應商資料提交矩陣表》) as stated in the procedures. The procurement department regularly investigates quality, services, technologies and costs, and rates suppliers based on the monthly or annual scores. If the products are below standard, or the services, pricing, or lead time offered by suppliers are not satisfactory, we will further follow up and monitor and request suppliers to make a rectification plan on time. The review’s outcome may be one of the elements impacting future partnership opportunities.

Over the years, the Group has spared no effort in the sustainable development of our supply chain. In procurement, we prioritize suppliers who provide environmentally friendly products and services. Under the premise of meeting the production demands, we consider products with a low environmental impact, such as those geographically close to us, to minimize the carbon footprint associated with transportation, with energy efficiency labels, less packaging materials, or even recyclable products. In terms of social responsibility, we consider whether it provides a legal, safe and equal working environment, whether the employees’ welfare system is reasonable, and whether there are unethical business practices.

During the Reporting Period, the Group relies on suppliers to provide parts and components, Electronic Manufacturing Services, structural components, and tools. The Group collaborated with 422 (Domestic: 413; Foreign: 9) major suppliers.

## 5 EMPLOYEE CARE

Employees are the Group’s valuable assets, and the Group places a premium on the rights, interests, and welfare of our employees. The Group is committed to hiring and retaining talents by offering our employees rewarding career opportunities, optimum promotion plans, competitive compensation, and a harmonious working environment to build up a professional team for continuous business growth and value creation for the Group.

We strictly comply with the relevant employment laws and regulations, including the Labour Law of the PRC, the Labor Contract Law of the PRC, the Law of the PRC on the Protection of Minors, the Provisions on the Prohibition of Using Child Labour of the PRC and the Employment Ordinance of Hong Kong for operations in PRC and Hong Kong. Besides, the Group formulated internal policies, including the “Staff Handbook” (《員工手冊》), “Administrative Regulations on Employee Recruitment” (《員工招聘錄用管理規定》), “Administrative Regulations of Turnover Employees” (《員工離職管理規定》), and “Management Regulations on Employee Appraisals” (《員工考核管理規定》), to regulate employment and labor practices and to ensure that employees are provided with legal and reasonable remuneration, benefits and are treated fairly. The policies cover all stages of employment, including recruitment, working hours, equal opportunity, appraisals, promotion, and compensation benefits.

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

During the Reporting Period, the data relating to the Group's workforce are as follows:

| <b>Details of workforce</b>  | <b>Unit</b>   | <b>2021</b> |
|--|---------------|-------------|
| Total employees  | No. of people | 1,084       |
| <b>By gender</b>   |               |             |
| Male employees   | No. of people | 737         |
| Female employees   | No. of people | 347         |
| <b>By employment type</b>  |               |             |
| Contracted employees*  | No. of people | 32          |
| Junior employees   | No. of people | 912         |
| Intermediate management employees                                      | No. of people | 110         |
| Senior management employees  | No. of people | 30          |
| <b>By age group</b>  |               |             |
| Under 30   | No. of people | 255         |
| 30-50  | No. of people | 790         |
| Above 50   | No. of people | 39          |
| <b>By geographical location</b>  |               |             |
| Employees from Mainland China  | No. of people | 1,058       |
| Employees from other locations (including Hong Kong, Macau and Taiwan) | No. of people | 26          |

\* Contracted employees: Employees who sign a part-time employment contract or trainee contract with the Group



## 5.1 Employment Principles

As an employer that offers equal opportunity, the Group has always adhered to the principles of diversity, openness, and inclusion in recruitment. The selection criteria are solely based on the qualifications, experience, talents and suitability of the position. Our recruiting, training, career development, remuneration, promotion, termination, and other employment-related policies do not discriminate on the basis of gender, age, marital status, religion, race, national origin, or disability without tolerating harassment.

The Group prohibits any recruitment and employment of child labour and any form of forced labour, and strictly complies with the laws and regulations that prohibit child and forced labour. We require the employees to provide valid identification documents before taking up their duties to prove the legal age requirement for employment. When a candidate is employed, a labour contract will be signed by both parties after consultation. The contract includes the terms and conditions that protect both parties' interests. We place a premium on employee work-life balance, which we achieve through fair contractual work hours, a five-day workweek, and vacation benefits. If any child labour and forced labour are found, the Group would immediately terminate the employment relationships with the person concerned.

During the Reporting Period, the Group was not aware of any violation of the laws and regulations relating to a child or forced labour prevention that significantly impacted the Group's operation.

## 5.2 Employee Rights

In order to retain top talents and enhance employees' work performance, the Group has implemented a series of internal procedures for the allocation and grading of remuneration, as well as employee performance, to provide them with competitive compensation. Additionally, we conduct an open, fair, and equitable annual performance review process for all employees. The appraisal results will be used to determine compensation, training, and promotion, to enhance our employees' work initiative.

Additionally, we emphasize the provision of fair and equal career advancement opportunities, the selection of competent supervisors, and the standardization of supervisor selection, appointment, and dismissal in accordance with the "Administrative Regulations on Selection and Promotion of Supervisors" (《主管選拔、晉升管理規定》). If there is any vacancy, internal recruitment and promotion will take precedence over external recruitment, depending on the selection criteria, employee performance, and contributions.

The Group strictly monitors the promotion, resignation, retention and transfer, and turnover rates of employees. Upon the receipt of employees' resignation notice, the human resources department will arrange an exit interview with the employees to understand their reasons for resignation and suggestions for the Group, which will act as a reference for the continual improvement of the Group. Additionally, we formulated the "Administrative Regulations of Turnover Employees" (《員工離職管理規定》), which set out exit procedures and handover plans to avoid any losses to the Group or conflicts caused by failing in transition of the departing staff.

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During the Reporting Period, the employee turnover rates are set out as below:

| <b>Employee turnover rate*</b>  | <b>2021</b> |
|---|-------------|
| Total turnover rate   | 14.1%       |
| <b>By gender</b>  |             |
| Male employees  | 9.9%        |
| Female employees  | 4.1%        |
| <b>By age group</b>   |             |
| Below 30  | 4.2%        |
| 30-50   | 9.6%        |
| Above 50  | 0.3%        |
| <b>By geographical location</b>   |             |
| Employees from Mainland China   | 13.8%       |
| Employees from other locations (including Hong Kong, Macau, and Taiwan) | 0.3%        |

\* Calculation method: the number of employees lost divided by the number of employees at the end of the Year x 100% (part-time employees/trainees and employees who left during probation period are not included)

### 5.3 Benefits and Welfare

The Group offers a variety of benefits, including statutory public holidays, paid annual leave, maternity leave, sick leave, casual leave, marriage leave and compassionate leave under the labour legislation. Additional leave entitlements and benefits of the Five Social Insurances and One Housing Fund (i.e. pension insurance, medical insurance, unemployment insurance, work-related injury insurance, maternity insurance, and housing fund) are also included.

In addition, we offer long service awards for employees with five, ten and fifteen years of service, stock options, a share-based incentive plan and discretionary bonus in return for our employee's continuous contribution to the Group.





#### 5.4 Training and Development

The Group believes that training employees can enhance their skills and facilitate team communication and cooperation, which increases productivity and cultivates employees' sense of belonging to the Company by allowing each employee to explore their potential and creativity to achieve common growth of employees and the Group, to create maximum value out of the Group's human resources.

In response to the COVID-19 pandemic, the Group organized small-scale internal and external training during the Reporting Period. New employees are mentored by a senior or experienced employee who will help them quickly adapt to their new work environment. Additionally, the Group encourages relevant employees to participate in external training activities and provides training subsidies to applicable employees for authorized courses. We maintain regular communication with employees through appraisals and discussions, which help the Group understand the employees' work performance and expectations towards their career path. This helps optimize the course content of the training and improve employee performance.

During the Reporting Period, all employees were trained. The following table summarizes the average training hours completed:

| Average training hours per employee | Unit | 2021 |
|-------------------------------------|------|------|
| <b>By gender</b>                    |      |      |
| Male employee                       | hour | 88.0 |
| Female employee                     | hour | 60.0 |
| <b>By employee category</b>         |      |      |
| Contracted employee                 | hour | 25.0 |
| Junior employee                     | hour | 88.0 |
| Intermediate management employee    | hour | 40.0 |
| Senior management employee          | hour | 24.0 |

## 5.5 Health and Safety

The Group places a high priority on securing the health and safety of all its employees. The Group is committed to protecting them from work-related accidents or injuries. It pledges full compliance with the Law of the PRC on the Prevention and Treatment of Occupational Diseases and the Occupational Safety and Health Ordinance of Hong Kong.

As part of the R&D industry, safe production and health of employees are crucial to the Group's operation. The Group has implemented the following occupational safety management measures of the R&D centers to create a safe and healthy work environment, which include:

- Regular revision of the safety of the working environment, system, machines, and equipment by the management
- Identification of potential hazards and initiation of timely improvements to various departments for implementation
- Provision of sufficient equipment for employees
- Establishment of sound system for safety alert and accident reporting
- Provision of safety education and targeted training on safety regulations and emergency measures for employees to enhance their self-protection awareness
- Strict prohibition of smoking in the workplace

In response to COVID-19, the Group has devoted significant resources to epidemic prevention and anti-epidemic activity and has actively supported local government policies on epidemic prevention. The Group has developed a series of recommendations for epidemic prevention and control to ensure that business activities continue to operate smoothly while simultaneously protecting employees' health, which include:

- Implementation of the work-from-home arrangement to reduce the crossflow of the population
- Conduction of regular disinfection within the office area to maintain a hygienic working atmosphere
- Provision of masks to employees to ensure they are adequately protected
- Before entering the building, strict implementation of personal hygiene measures, including body temperature screening and wearing masks to minimize the outbreak risks



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2021

During the Reporting Period, the Group has not violated any law or regulation relating to health and safety. During the past three years (including the Reporting Period), there is no work-related fatal accident in the Group. During the Reporting Period, no lost day is compromised due to work injury.

Apart from physical health, the Group also places importance on employees' mental health. We organized employee activities to maintain the mental health of our employees with their active involvement and participation as follows:



## 6 ENVIRONMENTAL PROTECTION

As an activist for environmental protection, Intron Technology, while helping society cut down energy consumption by producing green products, also focuses on reducing our direct impact on the environment. The Group ensures that our operations will observe and comply with the applicable national laws and regulations regarding environmental protection, including but not limited to the Environmental Protection Law of the PRC, the Prevention and Control of Water Pollution of the PRC, the Prevention and Control of Environmental Pollution by Solid Waste of the PRC and the Energy Conservation Law of the PRC. During the Reporting Period, the Group did not note any material non-compliance with laws and regulations relating to air and greenhouse gas emissions, discharge into water and land, and the generation and disposal of hazardous and non-hazardous waste.

### 6.1 Energy Saving

Electricity is the major environmental consumption for Intron Technology. We efficiently monitored the use of energy of the Group through statistics on the annual consumption of electricity. The electricity consumption details of the reporting boundaries are stated below:

|   | Unit               | 2019      | 2020        | 2021        |
|---|--------------------|-----------|-------------|-------------|
| Total electricity consumption   | kWh                | 741,532.0 | 1,033,868.8 | 1,995,677.9 |
| Electricity consumption intensity<br>(per square meter of floor area) | kWh/m <sup>2</sup> | 69.3      | 55.8        | 98.9        |

During the Reporting Period, the electricity consumption within the reporting boundaries was 1,995,677.9 kWh, and the per square meter of floor area was 98.9 kWh. It experienced an increase of 77% electricity consumption per square meter of floor area compared with last financial year mainly due to the expansion of office area and employees, as well as the increased in R&D, testing and validation activities during the year.



Moreover, we take the following measures to reduce energy consumption in our office area:

- Adopting energy-efficient equipment with an energy efficiency label
- Dividing the lighting system with zones and installing separate switches to reduce lighting consumption
- Turning off lighting and setting in standby or sleep mode for air-conditioning and other electronic equipment when not in use
- Cleaning appliances regularly to maintain them operating as efficiently as possible and enhance energy efficiency
- Setting the minimum temperature of the air conditioning system to 25.5°C

In this Year, we will review and optimize the energy-saving measures based on this Year to maintain or gradually reduce the energy consumption as disclosed in the Report.

## 6.2 Reduction of Waste

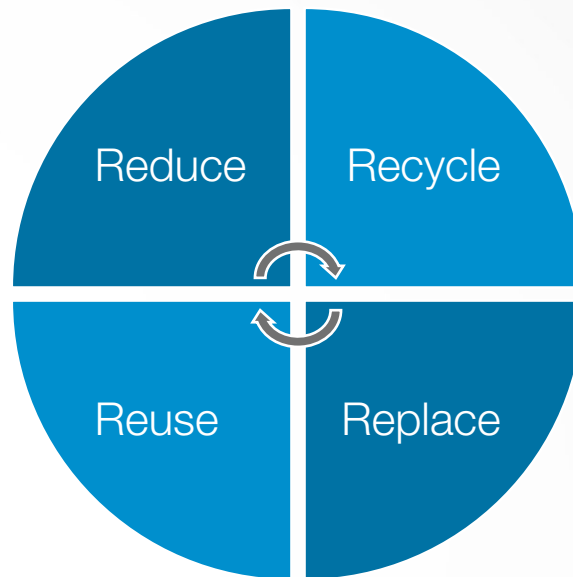
The Group deeply understands the pressure on landfills placed by the waste. As such, the philosophy under which we manage waste is to reduce waste and encourage reuse and recycling.

The Group appropriately separates hazardous and non-hazardous waste for disposal. Hazardous waste, such as batteries, toner, and ink cartridges, are entirely transferred to licensed recycling companies for safe disposal. The management office of the building centrally manages non-hazardous waste. To reduce waste, we encourage employees to reuse stationeries such as envelopes, pens, and folders while minimizing the use of disposable and non-recyclable products. Meanwhile, employees are encouraged to use garbage classification to extend the service life of materials. We also regularly assess material usage to avoid unnecessary inventory.

During the Reporting Period, the Group generated 14.6 tonnes of non-hazardous garbage at an intensity of 0.02 tonnes per employee. We generated 5 batteries (hazardous waste), which were recycled for further treatment by a recycling company.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2021

During the course of our business operation, we cannot avoid consuming papers for printing design proposal reports, reference documents and other documents required for files storage on a daily basis. We promoted the 4R principles, i.e. reduce, reuse, recycle and replace to minimize paper consumption.



- Printing the necessary documents only
- Setting double-sided printing and ink-saving mode as default
- Using electronic communication technologies to reduce paper consumption
- Setting up paper recycle boxes near printers
- Using wastepaper to jot notes
- Setting internal recycling targets to build up the conservation behavior of employees

During the Reporting Period, the Group consumed 3,436.6 kg<sup>1</sup> of paper in total, with the intensity of 4.6 kg of paper per employee. It experienced an increase of 10% paper consumption per capita compared to last financial year because of businesses growth.

In this Year, we will review and optimize the waste reduction measures based on this Year to maintain or gradually reduce the waste generation as disclosed in the Report.

<sup>1</sup> This Year, the unit (kg) applied in calculation of paper consumption is different with 2020 (ream) because of the improvement of calculation methodology to make more accurate presentation. In 2020: 1,860.0 reams of paper in total, with the intensity of 1.8 reams of paper per employee is equal to 2,750.9 kg of paper in total, with the intensity of 4.14 kg of paper per employee.



### 6.3 Water Conservation

The water used by the Group comes from the municipal water supply, and there is no problem in sourcing water. Although the management office of the building manages the reporting boundaries, we are nevertheless working to reduce water use to the extent feasible. Our water conservation measures include:

- Installing faucets and sanitary ware supplies containing water-saving labels and double flush toilets in washrooms
- Contacting the management office of the building to arrange maintenance work as soon as possible if a leaking faucet is found
- Posting water-saving reminders in washrooms and pantries to increase employee's awareness
- Cooperating with the management office of the building in the regular inspection and maintenance

The water consumption details of the reporting boundaries are stated below:

|   | Unit                  | 2019    | 2020    | 2021    |
|---|-----------------------|---------|---------|---------|
| Total water consumption   | tonnes                | 2,828.0 | 3,547.3 | 5,437.0 |
| Water consumption intensity<br>(per square meter of floor area) | tonnes/m <sup>2</sup> | 0.3     | 0.2     | 0.3     |

During the Reporting Period, the Group consumed 5,437.0 tonnes of water, with an intensity of 0.3 tonnes per floor area. It experienced an increase of 35% water consumption per square meter of floor area as compared with last financial year because the number of employees increased and was frequently used for cleaning during the pandemic.

In this Year, we will review and optimize the water-saving measures based on this Year to maintain or gradually reduce the water consumption as disclosed in the Report.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2021

## 6.4 Reduction of Emissions

The emissions of the Group include greenhouse gas (“GHG”) and the Group’s vehicles, which are provided to facilitate employees’ travel (exhaust gas other than the GHG). In order to reduce the generation of emissions, we adopted the measures mentioned under the section headed “Energy Saving” and the following measures to monitor the fleet:

- Recording the fuel consumption and travel distance for monitoring and disclosure
- Regularly examining and maintaining vehicles to ensure the proper functioning of vehicles and control their exhaust gas emissions
- Avoiding engine idling
- Optimizing driving routes in advance to avoid detours that increase fuel consumption
- Encouraging employees to take public transportation

During the Reporting Period, we continued to conduct the investigation into GHG within the Reporting boundaries in accordance with the Greenhouse Gas protocol developed by the World Resources Institute and the World Business Council for Sustainable Development and the ISO 14064-1 of the International Organization for Standardization. The summary of GHG emissions is as follows:

|  | Unit  | 2019  | 2020  | 2021    |
|--|---|-------|-------|---------|
| <b>GHG emissions<sup>^</sup></b>                           |   |       |       |         |
| Direct GHG emissions (Scope 1)                             | tonnes of CO <sub>2</sub><br>equivalent (CO <sub>2</sub> e) | 25.9  | 31.8  | 62.9    |
| Indirect GHG emissions (Scope 2)                           | tonnes of CO <sub>2</sub> e                                 | 585.8 | 631.4 | 1,218.2 |
| Total GHG emissions (Scope 1 and 2)                        | tonnes of CO <sub>2</sub> e                                 | 611.7 | 663.2 | 1,281.0 |
| GHG emission intensity<br>(per square meter of floor area) | tonnes of CO <sub>2</sub> e/m <sup>2</sup>                  | 0.1   | 0.03  | 0.06    |

<sup>^</sup> There may be a slight discrepancy between the sum of individual items and total as shown in the table owing to rounding.

Scope 1: Direct GHG emissions from sources that are owned and controlled by the Group.

Scope 2: GHG emissions indirect result from the electricity, heating and cooling or steam acquired by the Group.

During the Reporting Period, the Group produced 1,281.0 tonnes of CO<sub>2</sub>e in total, and the intensity was 0.06 tonnes of CO<sub>2</sub>e per floor area. It experienced an increase of GHG emissions per square meter of floor area as compared with last financial year because the increase in number of employees and higher R&D, testing and validation activities during the year.





## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2021

In this Year, we will review and optimize the GHG reduction measures based on this Year to maintain or gradually reduce the GHG emissions as disclosed in the Report.

With increased business scale and employees, the Group has a corresponding demand for vehicles usage, thus increasing the number of vehicles this Year.

The type of emissions and data generated by our vehicles are as below:

|                                    | Unit | 2019 | 2020 | 2021  |
|------------------------------------|------|------|------|-------|
| Nitrogen oxides (NO <sub>x</sub> ) | kg   | 52.8 | 64.7 | 145.3 |
| Sulfur oxide (SO <sub>x</sub> )    | kg   | 0.1  | 0.2  | 0.3   |
| Particulate matter (PM)            | kg   | 5.1  | 6.2  | 13.9  |

## 6.5 Climate Change

The Group understands that climate change is closely related to our business development. As a result, the Group continuously monitors the impact of climate change on the Group through consulting professional consultants and referring to relevant international studies. This Year, we assessed and identified the transition and physical risks related to climate change.

### Transition risks:

We understand that more strict laws and regulations on climate change will be implemented, such as the transition to lower-carbon technology, and stakeholders will put forward increasing demands for the enterprises on climate change. Failure to adhere to laws and regulations or meet stakeholders' expectations may jeopardize our reputation, lose customers, and even lose our competitive edge. In response, we will monitor updates on environmental policies regarding climate change to avoid unnecessary increments in cost and expense due to violations of environmental policies in relation to climate change.

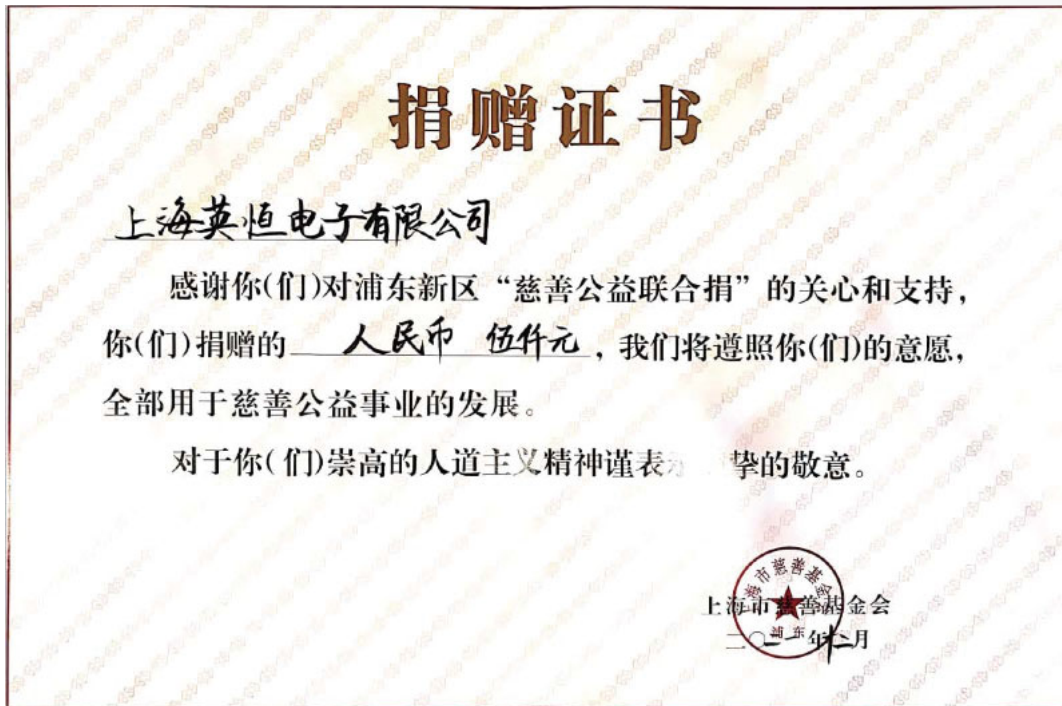
### Physical risks:

The Group may face the impacts brought by the increased severity of extreme weather events (e.g. hurricanes, heavy rainfall and flooding) and chronic events (e.g. sea-level rise and heatwave). This is likely to threaten the Group's operation and influence its financial performance. To be more specific, more frequent natural catastrophes cause damage to facilities, resulting in increased maintenance costs, or projects must be delayed, resulting in decreased production capacity, and so on. These factors affect the Group's stability both directly and indirectly. In this regard, we will formulate disaster measures, including providing escape drills training to employees, adopting special work arrangements when necessary and applying highly efficient equipment.

## 7 COMMUNITY INVESTMENT

The Group is aware of the importance of making positive contributions to the community and treats the community interests as one of its social responsibilities. In addition to focusing on the Group's business development, we have also been actively caring for people with needs and have eagerly participated in different charity events, as well as sponsoring such events to spread warmth and care to the community.

During the Reporting Period, the Group focused on assisting in poverty alleviation. We made donations (including capital and epidemic prevention supplies) to support the regional charity development. Our employees had also engaged in volunteering activities.



Lujiazui Charity Donation



## APPENDIX 1: SUSTAINABILITY DATA STATEMENT

| Indicators  | Unit                                       | 2021        |
|---|--|-------------|
| <b>Environmental Performance<sup>2</sup></b>                |  |             |
| <b>Air emissions<sup>3</sup></b>                            |  |             |
| Nitrogen oxides (NO <sub>x</sub> )                          | kg   | 145.3       |
| Sulfur oxides (SO <sub>x</sub> )                            | kg   | 0.3         |
| Particulate matter (PM)                                     | kg   | 13.9        |
| <b>GHG emissions<sup>4</sup></b>                            |  |             |
| Direct GHG emissions (Scope 1)                              | tonnes of CO <sub>2</sub> e                | 62.9        |
| Indirect GHG emissions (Scope 2)                            | tonnes of CO <sub>2</sub> e                | 1,218.2     |
| Total GHG emissions (Scope 1 and 2)                         | tonnes of CO <sub>2</sub> e                | 1,281.0     |
| GHG emissions intensity (per floor area)                    | tonnes of CO <sub>2</sub> e/m <sup>2</sup> | 0.06        |
| <b>Fuel consumption</b>                                     |  |             |
| Fuel consumption of vehicles (gasoline)                     | tonnes                                     | 17.2        |
| <b>Energy consumption</b>                                   |  |             |
| Total electricity consumption                               | kWh  | 1,995,677.9 |
| Total electricity consumption intensity (per floor area)    | kWh/m <sup>2</sup>                         | 98.9        |
| <b>Water consumption</b>                                    |  |             |
| Total water consumption                                     | tonnes                                     | 5,437.0     |
| Total water consumption intensity (per floor area)          | tonnes/m <sup>2</sup>                      | 0.3         |
| <b>Waste generation</b>                                     |  |             |
| Disposed non-hazardous waste                                | tonnes                                     | 14.6        |
| Disposed hazardous waste (Batteries)                        | items                                      | 5.0         |
| Total disposed non-hazardous waste intensity (per employee) | tonnes/employee                            | 0.02        |
| Paper consumption   | kg   | 3,436.6     |
| Paper consumption intensity (per employee)                  | kg/employee                                | 4.6         |

<sup>2</sup> The boundary of environmental KPIs include the offices located in Shanghai, Guangzhou, Beijing, and Hong Kong.

<sup>3</sup> The type of emissions and respective emissions data are calculated from vehicles. We refer to "How to Prepare an ESG Report – Appendix II: Reporting Guidance on Environmental KPIs" from the Stock Exchange to calculate the Group's air pollutant emissions.

<sup>4</sup> There may be a slight discrepancy between the sum of individual items and total as shown in the table owing to rounding.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2021

| Indicators  | Unit          | 2021  |
|---|---------------|-------|
| <b>Social Performance<sup>5</sup></b>                                     |               |       |
| <b>Total workforce</b>  |               |       |
| Total employees   | No. of people | 1,084 |
| <b>By gender</b>  |               |       |
| Male employees  | No. of people | 737   |
| Female employees  | No. of people | 347   |
| <b>By employment type</b>   |               |       |
| Contracted employees <sup>6</sup>   | No. of people | 32    |
| Junior employees  | No. of people | 912   |
| Intermediate management employees   | No. of people | 110   |
| Senior management employees   | No. of people | 30    |
| <b>By age group</b>   |               |       |
| Under 30  | No. of people | 255   |
| 30-50   | No. of people | 790   |
| Above 50  | No. of people | 39    |
| <b>By geographical location</b>   |               |       |
| Employees from Mainland China   | No. of people | 1,058 |
| Employees from other locations<br>(including Hong Kong, Macau and Taiwan) | No. of people | 26    |
| <b>Employee turnover rate<sup>7</sup></b>                                 |               |       |
| Total turnover rate   | %             | 14.1  |
| <b>By gender</b>  |               |       |
| Male employees  | %             | 9.9   |
| Female employees  | %             | 4.1   |
| <b>By age group</b>   |               |       |
| Under 30  | %             | 4.2   |
| 30-50   | %             | 9.6   |
| Above 50  | %             | 0.3   |

<sup>5</sup> The boundary of collecting social KPIs cover the Group.

<sup>6</sup> Contracted employees: Employees who sign a part-time employee contract or trainee contract with the Group.

<sup>7</sup> Calculation method: the number of employees lost divided by the number of employees at the end of the Year × 100% (part time employees/trainees and employees who left during probation period are not included).



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2021

| Indicators  | Unit | 2021 |
|---|------|------|
| <b>By geographical location</b>   |      |      |
| Employees from Mainland China   | %    | 13.8 |
| Employees from other locations<br>(including Hong Kong, Macau and Taiwan) | %    | 0.3  |
| <b>Development and training</b>   |      |      |
| <b>Percentage of employees trained<sup>8</sup></b>                        |      |      |
| <b>By gender</b>  |      |      |
| Male employees  | %    | 100  |
| Female employees  | %    | 100  |
| <b>By employee category</b>   |      |      |
| Contracted employees  | %    | 100  |
| Junior employees  | %    | 100  |
| Intermediate management employees   | %    | 100  |
| Senior management employees   | %    | 100  |
| <b>The average training hours completed per employee<sup>9</sup></b>      |      |      |
| <b>By gender</b>  |      |      |
| Male employee   | hour | 88.0 |
| Female employee   | hour | 60.0 |
| <b>By employee category</b>   |      |      |
| Contracted employee   | hour | 25.0 |
| Junior employee   | hour | 88.0 |
| Intermediate management employee  | hour | 40.0 |
| Senior management employee  | hour | 24.0 |

<sup>8</sup> Calculation method: the number of employees in the specified category, who took part in training divided by the number of employees in the specified category × 100%.

<sup>9</sup> Calculation method: the total number of training hours for employees in the specified category divided by the number of employees in the specified category.

## APPENDIX 2: INDEX TO THE ESG REPORTING GUIDE OF STOCK EXCHANGE

| Indicator               | Related Chapter   |
|-------------------------|---|
| <b>A. Environmental</b> |   |
| A1 Emissions            | 6 ENVIRONMENTAL PROTECTION  |
| General Disclosure      | Information on the policies and 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                |
| A1.1                    | The types of emissions and respective emissions data. Appendix 1: Sustainability Data Statement   |
| A1.2                    | Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 6 ENVIRONMENTAL PROTECTION – 6.4 Reduction of Emissions Appendix 1: Sustainability Data Statement |
| A1.3                    | Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 6 ENVIRONMENTAL PROTECTION – 6.2 Reduction of Waste Appendix 1: Sustainability Data Statement  |
| A1.4                    | Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 6 ENVIRONMENTAL PROTECTION – 6.2 Reduction of Waste Appendix 1: Sustainability Data Statement  |
| A1.5                    | Description of emissions target(s) set and steps taken to achieve them. 6 ENVIRONMENTAL PROTECTION – 6.4 Reduction of Emissions   |
| A1.6                    | Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them. 6 ENVIRONMENTAL PROTECTION – 6.2 Reduction of Waste  |



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2021

| Indicator                                |                    |  | Related Chapter   |
|--|--------------------|--|---|
| A2 Use of Resources                      | General Disclosure | Policies on the efficient use of resources, including energy, water and other raw materials.   | 6 ENVIRONMENTAL PROTECTION –<br>6.1 Energy Saving<br>6.3 Water Conservation                         |
|  | A2.1               | Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility). | 6 ENVIRONMENTAL PROTECTION –<br>6.1 Energy Saving<br>Appendix 1: Sustainability Data Statement      |
|  | A2.2               | Water consumption in total and intensity (e.g. per unit of production volume, per facility).   | 6 ENVIRONMENTAL PROTECTION –<br>6.3 Water Conservation<br>Appendix 1: Sustainability Data Statement |
|  | A2.3               | Description of energy use efficiency target(s) set and steps taken to achieve them.  | 6 ENVIRONMENTAL PROTECTION –<br>6.1 Energy Saving   |
|  | A2.4               | Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.                       | 6 ENVIRONMENTAL PROTECTION –<br>6.3 Water Conservation  |
|  | A2.5               | Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.   | Not applicable to Intron Technology as we do not involve packaging materials                        |
| A3 The Environment and Natural Resources | General Disclosure | Policies on minimizing the issuer's significant impact on the environment and natural resources.   | 6 ENVIRONMENTAL PROTECTION  |
|  | A3.1               | Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.  | 6 ENVIRONMENTAL PROTECTION  |
| A4 Climate Change                        | General Disclosure | Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.                               | 6 ENVIRONMENTAL PROTECTION –<br>6.5 Climate Change  |
|  | A4.1               | Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.                   | 6 ENVIRONMENTAL PROTECTION –<br>6.5 Climate Change  |

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2021

| Indicator                   |                    | Related Chapter   |   |
|-----------------------------|--------------------|---|---|
| <b>B. Social</b>            |                    |   |   |
| B1 Employment               | General Disclosure | Information on the policies and 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. | 5 EMPLOYEE CARE –<br>5.1 Employment Principles<br>5.2 Employee Rights<br>5.3 Benefits and Welfare |
|                             | B1.1               | Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.  | 5 EMPLOYEE CARE<br>Appendix 1: Sustainability Data Statement                                      |
|                             | B1.2               | Employee turnover rate by gender, age group and geographical region.  | 5 EMPLOYEE CARE –<br>5.2 Employee Rights<br>Appendix 1: Sustainability Data Statement             |
| B2 Health and Safety        | General Disclosure | Information on the policies and 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.   | 5 EMPLOYEE CARE –<br>5.5 Health and Safety  |
|                             | B2.1               | Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.   | 5 EMPLOYEE CARE –<br>5.5 Health and Safety  |
|                             | B2.2               | Lost days due to work injury.   | 5 EMPLOYEE CARE –<br>5.5 Health and Safety  |
|                             | B2.3               | Description of occupational health and safety measures adopted, and how they are implemented and monitored.   | 5 EMPLOYEE CARE –<br>5.5 Health and Safety  |
| B3 Development and Training | General Disclosure | Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.   | 5 EMPLOYEE CARE –<br>5.4 Training and Development   |
|                             | B3.1               | The percentage of employees trained by gender and employee category (e.g. senior management, middle management).  | 5 EMPLOYEE CARE –<br>5.4 Training and Development<br>Appendix 1: Sustainability Data Statement    |
|                             | B3.2               | The average training hours completed per employee by gender and employee category.  | 5 EMPLOYEE CARE –<br>5.4 Training and Development<br>Appendix 1: Sustainability Data Statement    |





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| Indicator                  |                    |  | Related Chapter   |
|----------------------------|--------------------|--|---|
| B4 Labour Standards        | General Disclosure | Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.   | 5 EMPLOYEE CARE –<br>5.1 Employment Principles  |
|                            | B4.1               | Description of measures to review employment practices to avoid child and forced labour.   | 5 EMPLOYEE CARE –<br>5.1 Employment Principles  |
|                            | B4.2               | Description of steps taken to eliminate such practices when discovered.  | 5 EMPLOYEE CARE –<br>5.1 Employment Principles  |
| B5 Supply Chain Management | General Disclosure | Policies on managing environmental and social risks of the supply chain.   | 4 COMPLIANCE OPERATION –<br>4.6 Supply Chain Management   |
|                            | B5.1               | Number of suppliers by geographical region.  | 4 COMPLIANCE OPERATION –<br>4.6 Supply Chain Management   |
|                            | B5.2               | Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.  | 4 COMPLIANCE OPERATION –<br>4.6 Supply Chain Management   |
|                            | B5.3               | Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.   | 4 COMPLIANCE OPERATION –<br>4.6 Supply Chain Management   |
|                            | B5.4               | Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.  | 4 COMPLIANCE OPERATION –<br>4.6 Supply Chain Management   |
| B6 Product Responsibility  | General Disclosure | Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress. | 4 COMPLIANCE OPERATION  |
|                            | B6.1               | Percentage of total products sold or shipped subject to recalls for safety and health reasons.   | Not applicable as the Group is not engaged in sales of product  |
|                            | B6.2               | Number of products and service related complaints received and how they are dealt with.  | 4 COMPLIANCE OPERATION –<br>4.4 Service Quality   |
|                            | B6.3               | Description of practices relating to observing and protecting intellectual property rights.  | 4 COMPLIANCE OPERATION –<br>4.1 Protection of Intellectual Property Rights                                |
|                            | B6.4               | Description of quality assurance process and recall procedures.  | 4 COMPLIANCE OPERATION –<br>4.4 Service Quality<br>Business of the Group do not involve products recalls. |
|                            | B6.5               | Description of consumer data protection and privacy policies, and how they are implemented and monitored.  | 4 COMPLIANCE OPERATION –<br>4.2 Information Security  |

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2021

| Indicator               |                    |  | Related Chapter                              |
|-------------------------|--------------------|--|--|
| B7 Anti-corruption      | General Disclosure | Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. | 4 COMPLIANCE OPERATION – 4.3 Anti-corruption |
|                         | 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.                     | 4 COMPLIANCE OPERATION – 4.3 Anti-corruption |
|                         | B7.2               | Description of preventive measures and whistleblowing procedures, and how they are implemented and monitored.  | 4 COMPLIANCE OPERATION – 4.3 Anti-corruption |
|                         | B7.3               | Description of anti-corruption training provided to directors and staff.   | 4 COMPLIANCE OPERATION – 4.3 Anti-corruption |
| B8 Community Investment | General Disclosure | Policies on community engagement to understand the needs of communities where the issuer operates and to ensure its activities take into consideration the communities' interests.     | 7 COMMUNITY INVESTMENT                       |
|                         | B8.1               | Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).  | 7 COMMUNITY INVESTMENT                       |
|                         | B8.2               | Resources contributed (e.g. money or time) to the focus area.  | 7 COMMUNITY INVESTMENT                       |

