



ESG

2021 Environmental, Social and Governance Report



Vixtel

VIXTEL TECHNOLOGIES HOLDINGS LIMITED
飛思達科技控股有限公司

Stock code : 1782



ESG

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ABOUT THIS REPORT

Vixtel Technologies Holdings Limited (“Vixtel” or the “Company”) and the subsidiaries (hereafter “We”, “our” or the “Group”) spared all our effort in achieving sustainability in the business operation. Corporate social responsibility (“CSR”) continues to be part of our strategic business plan to create values for our stakeholders. We demonstrate our commitment and achievement in this report with qualitative and quantitative analysis of our environmental, social and governance (“ESG”) performance.

Reporting Standard

This is our sixth ESG report (“Report”), which has been prepared in accordance with the ESG Reporting Guide under Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“HKEx”).

Scope of Report

The scope of this ESG Report includes our entire operation in our headquarter in Beijing, our branches in Guangzhou, Shanghai, Hefei, Chongqing, Zhengzhou and Tianjin of the People’s Republic of China (“PRC” or “China”). This ESG Report summarises the ESG performance of the Group during the period from 1 January 2021 to 31 December 2021 (the “Reporting Period” or “2021”). Unless otherwise specified, the scope remains unchanged as last year.

Reporting Principles

We have followed the following reporting principles when preparing our Report.

Materiality

Stakeholder engagement and materiality assessment were performed to determine the material ESG issues and focus of this Report. The material topics were identified and discussed in the later section of this Report.

Quantitative

All disclosed information, environmental and social key performance indicators (“KPIs”) were examined and calculated according to HKEx ESG Reporting Guide. Standardized methodologies are adopted, where the assumption and calculation principles are illustrated in the relevant sections.

Balance

The board of directors (the “Board”) has acknowledged its responsibility to oversee the Company’s sustainable development and review the truthfulness, accuracy and completeness of this Report. This Report has been prepared carefully with a fair view and presented in a transparent manner.

Consistency

Unless otherwise specified, this Report has prepared using the same data collection and calculation methodologies when compared to the previous year to allow a fair comparison of our performance over time.

Contact and Feedback

We look for continuously improvement and your feedback and suggestion are much appreciated. Please feel free to contact us via email at info@vixtel.com.

The Group is a leading company in the application performance management (“APM”) industry of China, which focuses on providing APM products and services solutions to telecommunications operators and large corporations. The major business that the Group participated in are: (1) integrated APM system solutions; (2) software development services; (3) technical services; and (4) sales of embedded hardware and standard APM software.

Corporate Vision, Mission and Values

We are remain committed to our values of giving high-end products, solutions, and services to reach the standards of the customers, fulfilling our corporate vision of becoming the leading APM performance expert of the world. In addition, in order to exert positive influences on our employees, we optimize the working environment and explore employees’ full potential by offering career development and training opportunities. Therefore, we can grow with the employees and maximise our values for all stakeholders.



OUR ESG POLICY

Vixtel has integrated CSR into its business model to better manage our environmental and social performance, aiming to be socially responsible to our stakeholders and community. A CSR policy has been established to guide corporate decision-making and develop appropriate strategies to oversee ESG issues in our daily operations. Our CSR policy focuses on five categories, including environmental, health and safety management, employee caring, product responsibility, business integrity, and supply chain management, in response to our stakeholders' expectations and key ESG topics of the Group.

**Environmental, health
and safety management**

**Resources conservation
Pollution reduction
Keeping a safe and harmonious workplace**

Employee caring

**Freedom and human rights protection
Staff benefits and remuneration
Staff training and development**

Product responsibility

**Keeping high quality of products and services
Customer satisfaction**

Business integrity

**Anti-corruption and anti-bribery
Confidential information protection**

**Supply chain
management**

**Supplier selection and performance assessment
Legal compliance**

OUR ESG GOVERNANCE STRUCTURE

The priority of environmental and social issues is consistently high on our business agenda. An effective ESG governance structure can provide a clear direction of the Group' operations. Through a robust ESG strategic planning, leadership and decision process, we can allow an effective communication chain and allocation of duties. We consider the values of ESG beyond compliance or tick-the-box practices. By adopting the top-down management approach, we can manage our ESG issues in a systemically way.

ESG Structure	Staff Involved	Responsibilities
The Board	The Board oversees ESG work.	<ol style="list-style-type: none"> 1. Supervises works carried out by ESG Committees. 2. Approves and confirms the publication of the ESG report. 3. Organizes discussions on ESG-related topics. 4. Provide direction and approves the targets and goals of the Group.
ESG Leading Committee	Led by the general manger and supported by the head of related business functions.	<ol style="list-style-type: none"> 1. Discusses ESG-related topics. 2. Identifies ESG-related risks (including climate risks). 3. Formulates ESG strategies. 4. Reviews the performance of the ESG works. 5. Review the targets and metrics to keep track on the Company's performance.
ESG Management Sub-committee	Composed of supervisors from different departments.	<ol style="list-style-type: none"> 1. Proposes and determines specific action plans based on overall ESG strategies and directions. 2. Arranges manpower for the ESG works implementation. 3. Monitors progress and implementation of ESG works and related risks. 4. Reports the work implementation status to the ESG Leading Committee.
ESG Implementation Sub-committee	Functional departments from the Company and dedicated working groups in our regional companies and subsidiaries	<ol style="list-style-type: none"> 1. Collects, organizes, and submits data and information. 2. Implements work plans, ESG initiatives and mitigates ESG-related risks. 3. Provides timely feedback on the work situations.

Due to the scale of Vixtel’s operations and the desire to pursue new business ventures, the Group may be exposed to various risks that have to be managed effectively. Our ESG Leading Committee take lead to identify the ESG risks (including climate risks). As governed by our Risks and Opportunities Management Procedure, a standardized risk control system is in place to increase our risk prevention capabilities while identifying new business opportunities. We integrate information on internal and external risks that can impact our business operations every year, such as strategic risks, financial risks, legal risks and operational risks. Suitable risk control measures are formulated through mitigation, avoidance, acceptance, and dispersion based on our risk appetite by using our risk evaluation system to evaluate the probability and severity of identified hazards. This could help to maintain the normal operation of the quality, environment, occupational health, and safety management system.

Based on the severity, urgency, and impacts of risks, the Group prioritizes risk management and control measures. Our risk profile is updated constantly to the top management by our risk management task force. We also oversee and review the effectiveness of our risk management strategies on a regular basis, with the final goal of minimizing our risks.

The following are some of the major ESG risks that are material for the Group:

Risks and Impacts	Our Response
<p><u>Climate Physical Risk (Acute and Chronic)</u></p>	
<p>Increasing severity and frequency of extreme weather events including typhoons and floods may bring significant impact on our properties and assets, leading to operational disruptions and impact to production rates.</p>	<p>The Group has already developed a typhoon contingency guideline in the code of conduct and conduct annual drills to make sure our employees are familiar with the response procedures.</p>
<p>Chronic phenomena like rising temperatures may reduce functional stability of our hardware and increase operational cost such as air-conditioning during our business operation.</p>	<p>We adhere to our ESG strategy and are committed to reducing our carbon emission and impact on the climate by setting targets and goals.</p>
<p><u>Widespread Diseases Risk</u></p>	
<p>The recent novel coronavirus (“COVID-19) pandemic are highly contagious and may severely affect the health and safety of workforce. Any outbreak of the diseases may also lower the productivity and affect our business operation.</p>	<p>The Group has set up a work resumption plan swiftly when there was the outbreak of COVID-19 in China to control the transmission of the pandemic. The implementation of precautionary measures and monitoring are led by the specific pandemic control task force which consists of the management team. Comprehensive pandemic prevention measures are established to minimize the spreading of widespread diseases.</p>
<p><u>Retention and Human Resources Risk</u></p>	
<p>In the new era of technology development, it is important to retain skilful and experienced workforce to implement our development projects and remain our competitiveness in the market. The highly calibrated workforce is the key to continuously improving our product and service quality. We may face a negative impact of the existing service performance and prospects of the future growth if we fail it.</p>	<p>We maintain a good relationship and dialogue with our employees by establishing a complaint mechanism and fair performance appraisal system. Through the adoption of equality and diversity principles in the employment matters, we believe to provide a fair ground for all employees to grow with the Group and to reward their contribution. We also provide adequate training opportunities for our employees to advance and develop necessary skills.</p>

Vixtel identifies key stakeholders such as investors and shareholders, customers, suppliers, employees, certification authorities, industrial associations, government authorities, and communities and maintains efficient communication with them in order to understand clearly their requirements, expectations, and concerns in relation to our business operations. We understand the process allows us to develop appropriate strategic goals and measures for CSR implementation.



We conduct an analysis of the key stakeholders' concerns and mapped out counteractive measures, which are monitored and evaluated at the end of the year for the identification of areas for improvement.

The table demonstrates the key concerns of our stakeholders and how we progress to meet their expectation and improve our sustainability performance.

Stakeholders' needs and expectations	Counteractive measures	Performance evaluation
Customers		
<ul style="list-style-type: none"> • Services and products that reach the agreed requirements; • After-sales services with timely response and highly satisfactory rate; and • Products that are affordable and of high quality. 	<ol style="list-style-type: none"> 1. Ensure the quality of services and products by implementing and maintaining a quality management system; 2. Keep track on the customer experience and strengthen after-sale services to resolve customer feedback promptly; 3. Determine the needs of customers or end users comprehensively; 4. Strengthen the capabilities of products and services in preventing potential risks or threats, and enhance awareness on the quality risks; and 5. Improve work efficient and lower the cost to provide products that are safe, of high-quality, and cost effective to customers. 	<p>The Group:</p> <ol style="list-style-type: none"> 1. Implemented comprehensive management system; 2. Performed risk awareness training within the Group; 3. Identified customer or end users' needs; 4. Delivered goods in strict accordance with contract orders; 5. Provided prompt after-sales service; and 6. Conducted customer satisfaction surveys.

Stakeholders' needs and expectations	Counteractive measures	Performance evaluation
Suppliers	<ol style="list-style-type: none"> 1. Encourage the suppliers to have improvements on their performance and share resources with them; and 2. Set up a long-term, mutually beneficial and stable relationship with external suppliers. 	<p>The Group:</p> <ol style="list-style-type: none"> 1. Conducted due diligence to check on legal compliance of our suppliers; 2. Established a list of qualified suppliers and built up a long-term, stable, and mutually beneficial relationship with them; and 3. Encouraged our suppliers to strengthen performance through the establishment of management systems.

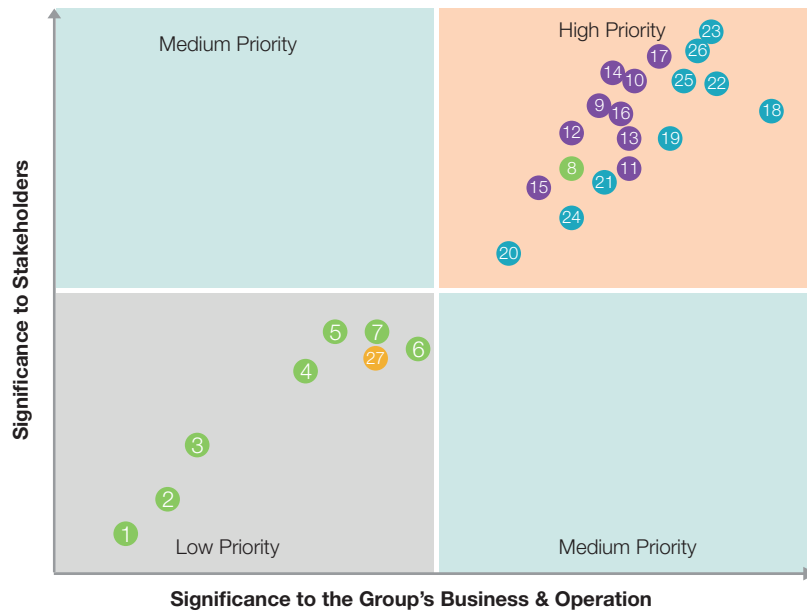
Stakeholders' needs and expectations	Counteractive measures	Performance evaluation
Employees		
<ul style="list-style-type: none"> • Salary and welfare can grow steadily; • A safe working place; and • Improved individual capabilities. 	<ol style="list-style-type: none"> 1. Enhance skill-training of the employees, and set up an excellent incentive and promotion mechanism; 2. Develop a healthy working atmosphere and culture, pay attention to safety management, strengthen the sense of belonging of the employee and protection of their legitimate rights and interests; and 3. Set up a learning-friendly culture that promotes knowledge growth of workers and improves the talent development system. 	<p>The Group:</p> <ol style="list-style-type: none"> 1. Established positive corporate culture, given of proper skills training to the employees; and 2. Improved promotion systems, and ensured employees' legal rights and interests were protected.
Industrial and certification authorities		
<ul style="list-style-type: none"> • Take part in the industrial associations' activities and provide suggestions to them; • Be the industry leader of technology and management; and • Operations are effective, comprehensive, and compliant. 	<ol style="list-style-type: none"> 1. Keep the leading edge in technology; 2. Work with the association to develop industry standards, hold discussions and exchanges regularly; and 3. Perform internal and external audit, and management evaluation. 	<p>The Group:</p> <ol style="list-style-type: none"> 1. Boosted the investment in technological research and development; 2. Kept abreast with leading technologies in the industry; 3. Organized regular industry discussions and exchange meetings; and 4. Conducted internal and external audit for various certifications at planned time.

Stakeholders' needs and expectations	Counteractive measures	Performance evaluation
Government authority		
<ul style="list-style-type: none"> • Fulfill social responsibilities and comply laws and regulations; and • Increase job opportunities and contribution to the economy. 	<ol style="list-style-type: none"> 1. Identify and stringently comply with the appropriate laws and regulations, as well as industry norms, standards, and other requirements; and 2. Accelerate the exploration of new market in the local community, and also increase sales and taxation. 	<p>The Group:</p> <ol style="list-style-type: none"> 1. Identified relevant laws including the product quality law, law of metrology, and contract law; and 2. Identified industry standards of the products and strictly followed the standards throughout the Group.
Community		
<ul style="list-style-type: none"> • Invest in public welfare, community construction, environmental protection, and social welfare actively. 	<ol style="list-style-type: none"> 1. Fulfill social responsibilities and obligations actively. 	<p>The Group:</p> <ol style="list-style-type: none"> 1. Participated in social welfare activities and protects the environment actively.

MATERIALITY ASSESSMENT

We engaged an independent consultant to conduct a materiality assessment exercise through an online questionnaire in 2021 to identify the Group’s material ESG issues. The process enables us to formulate suitable ESG management strategies and guide the direction of reporting disclosure. Our internal and external stakeholders, which included the Board, employees, customers, suppliers, investors and shareholders, were invited to rate the twenty-seven ESG topics based on the respective importance to the Group’s business operation and to the stakeholders.

We prioritized the ESG topics shown in the materiality matrix below according to the results regarding the materiality of each of the ESG issues raised by the stakeholders. The ESG issues in the upper right corner are the one that matters the most to the Group and should be focused on.



Environment		Social	
Employment		Operation	
1. Air emission	9. Labour rights	18. Customer satisfaction	
2. Greenhouse gas emission	10. Labour-management relations	19. Product and service quality and complaints handling	
3. Climate change	11. Employee retention	20. Customer health and safety	
4. Energy efficiency	12. Diversity and equal opportunity	21. Marketing and product and service labelling compliance	
5. Water and effluents	13. Non-discrimination	22. Intellectual property	
6. Use of materials	14. Occupational health and safety	23. Customer privacy and data protection	
7. Waste management	15. Employee training	24. Responsible supply chain management	
8. Environmental compliance	16. Employee development	25. Business ethics	
	17. Prevention of child labour and forced labour	26. Socio-economic compliance	
		Community	
		27. Community investment	

With the result of the materiality analysis, it sets the focus of the sustainability reporting and navigates us to the right direction of CSR management that satisfies our stakeholders’ needs. In addition, we understand more comprehensively of business risks and opportunities for better business strategic planning and allocation of resources to the essential ESG issues.

We understand that the quality of products and services is highly dependent on our suppliers and we spare all our effort to ensure that they fulfill our corporate requirements.

To evaluate the business competency of new and existing suppliers, the Group has developed a standardized supplier management system. During the Reporting Period, we have reached goals – more than 90% on the procurement on-time completion rate, 100% product delivery acceptance rate and completed all supplier evaluation reviews. We have two suppliers located in China in the Reporting Period.

<p>Suppliers selection process</p>	<p>A thorough evaluation method can support the selection of new suppliers. Our teams conduct on-site inspections, small-batch trials, single or multiple services quality evaluation, and products sample examination, where necessary to understand the suppliers' business capabilities in terms of their quality management, technological standards and supply capacity.</p>
<p>Performance evaluation of existing suppliers</p>	<p>Performance of the existing suppliers is monitored and assessed at least once a year to ensure that the products and services can meet our requirements. A quality standard evaluation is undertaken during the procurement bidding process to select high-quality products or services. Our project department is responsible to evaluate if appropriate control measures are implemented for controlling the quality effectively. Other criteria including credibility, prices, delivery time, and after-sale services are also assessed. The evaluation outcomes are recorded and we only choose the suppliers who can pass the evaluation process. Suppliers who fail to reach our standards may lead to the discontinuance of our business partnership. To allow fair competition, at least 3 quotations will also be obtained from the suppliers for comparison.</p>
<p>Suppliers' code of conduct (CoC)</p>	<p>Our Supplier's CoC offers guidelines and regulations for labour practices, human rights, environmental, health, and safety management, and legal compliance for suppliers to oversee their operations. We target to increase our suppliers' awareness on the importance of sustainable development and improve the overall ESG performance of our supply chain by using the CoC.</p>
<p>Anti-bribery and anti-corruption</p>	<p>Our suppliers must sign a commitment to make a pledge on the anti-bribery and anti-corruption business practices.</p>
<p>ESG risk identifications</p>	<p>We have environmental and safety controls on suppliers by checking the implementation of the environment, occupational health, and safety process regularly. We review the subcontractor's environmental factors, risk identification process and their control measures. We identify and communicate with the contractors about environmental factors and risks arising from different situations, then evaluate and control the corresponding environmental and occupational health and safety risks.</p>

We fully aware that our employees are the most valuable assets that marks our success. Adhering to our people-oriented management principles, the Group makes every effort to assist our employees in advancing their careers, improving their working environment and protecting their rights. We seek to provide our employees with a caring, rewarding, and supportive workplace so that they can grow with the Group.

Employment Standard

We offer competitive salary, statutory holiday, annual leave, sick leave, maternity leave, paternity leave, marriage leave, compassionate leave, lactation leave, overtime work compensation, and social insurance coverage (i.e., pension insurance, medical insurance, unemployment insurance, maternity insurance, work-related injury insurance, and housing funds) etc., to our full-time employees. These policies are written in the employee handbook, and they are explained clearly to all new staff during the induction training. Our employment practices fully comply with the Labour Law of the PRC and the Labour Contract Law of the PRC.

We endeavour to preserve our employees' rights by establishing a complaint mechanism. Any unfair behaviours can be reported to Human Resource Department or Administrative Department such as the rejection of leave application without appropriate reasons. All the policies are clearly stipulated in Human Resource Management Procedure with suitable employee education and training provided to carry out these policies. As clearly stipulated in our employee handbook, employees who frequently violate the Company's rules and regulations will face disciplinary action, including dismissal.

We have built a performance appraisal system to measure each employee's working performance to motivate and reward them fairly. Employees who perform well are rewarded for their contributions through wage adjustments, discretionary bonus announcements, and promotions.

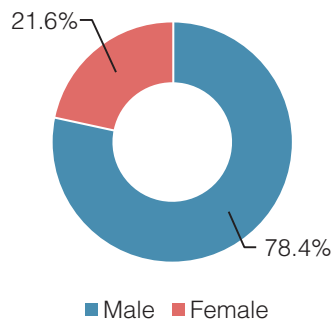
Diversity and Inclusion

All employees should be treated equally and fairly, and be free from any forms of discriminative treatment. Discriminations and passive confrontation are eliminated by providing training to employees to create a harmonious, stable, non-discriminatory, and non-confrontational working environment. All recruitment processes must go through a comprehensive interview screening and background check, which are approved by the Human Resources Department, the department interview panel, and the director. Merely job-related factors, such as individual work performance, experience, and qualifications, are considered in employment affairs, such as recruitment, transferal, promotion and dismissal. Other factors irrelevant to the job performance, including their gender, age, race, disability, pregnancy, sexual orientation, or other factors unrelated to job tasks are not assessed. We believe that our employees can only attain their full potential under a non-discriminative environment. It does not only increase the morale of our employees, but also diversify the employee base that brings talents with different skill sets, experience, knowledge and perspectives.

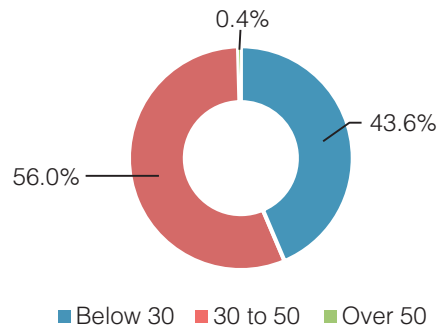
We had 250 employees who worked for full-time in China and the distribution of employees at the end of the Reporting Period is shown in the following table.

		2021
Total number of employees (Number)		250
By gender (Number/%)		
	Male	196 (78.4%)
	Female	54 (21.6%)
By age group (Number/%)		
	Below 30	109 (43.6%)
	30 to 50	140 (56.0%)
	Over 50	1 (0.4%)
By geographical region (Number/%)		
	China	250 (100%)
By employment type (Number/%)		
	Senior Management	3 (1.2%)
	Middle Management	10 (4.0%)
	General Staff	237 (94.8%)

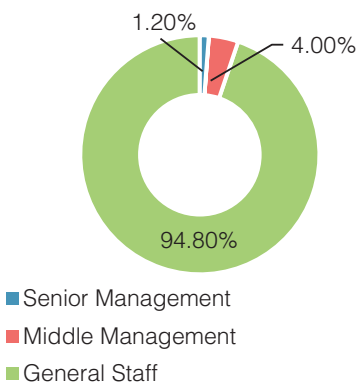
Total Workforce by Gender in 2021



Total Workforce by Age Group in 2021



Total Workforce by Employment Type in 2021



The Group respects human rights and prevent infringement of others' rights. We adhere to laws and regulations prohibiting child labour and forced labour, such as the Labour Law of the PRC, Labour Contract Law of the PRC, and Law of the PRC on Protection of Minors and Regulations on Prohibiting Use of Child Labour (State Council Order No. 364). Our CSR policy outlines different methods to protect human rights, including prohibiting the children employment, forced labour, and bonded labour in our workplace. Our employee will not be forced to sign a labour contract with the Group before commencement of work, and all employees have the right to quit their current positions voluntarily with written notice within the prescribed notice period. To achieve work-life balance, we also adopt five working days and suitable working hours.

We have managed employees' recruitment process by formulating job requirements that are consistent with the Company's overall strategy, conducting background investigations during the recruitment process, and conducting personnel ability assessments regularly.

There were 83 employees who left our Group voluntarily during the Reporting Period and the overall turnover rate is 33.2%.

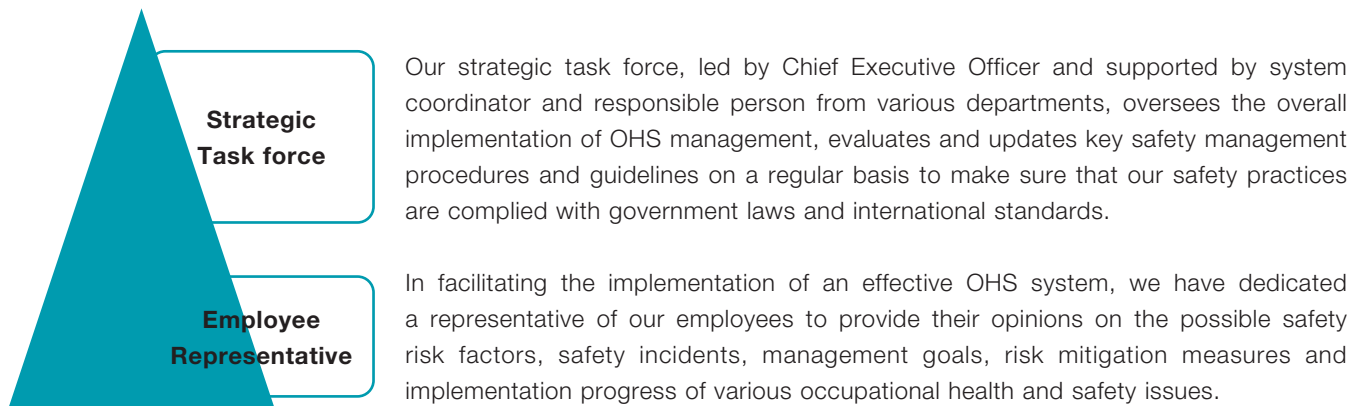
2021	
	Percentage
Turnover Rate ¹	33.2%
By gender	
Male	34.2%
Female	29.6%
By age group	
Below 30	45.0%
30-50	24.3%
Over 50	0%
By geographical region	
China	33.2%

¹ The turnover rate is calculated based on the number of employees who left during the Reporting Period and the number of employees as of 31 December 2021.

Healthy and Safe Workplace

We place a high value on providing a safe workplace for the employees. Our occupational health and safety (OHS) strategy aims at four pillars.

Our Safety Management



Risk Precaution

We have implemented an OHS management system which is certified with ISO 45001:2018 standard. We also set up OHS policies that outline all employees' preventive and control measures, particularly when the work activities link to high-risk factors such as involving toxic and hazardous chemicals handling. Our General Management Department conducts OHS risk assessments periodically for potential OHS hazards identification and recommends proper safety control and mitigation measures, for example providing protective gear and first-aid kits. In addition, regular maintenance of fire safety and electric equipment, suitable housekeeping, workplace office security, safety training, health education, and female employees' protection will also be performed.

We also emphasize the ability and knowledge of our employees in executing the requirements of our management systems. Through appropriate selection criteria during the recruitment process including their educational background, skills and work experience, we can ensure all employees are capable of implementing the safety management process. Additional training will be provided to our employees if deemed essential during performance assessment process.

Emergency Preparedness

Our management commits to reducing the impact on the health of employees and preventing workplace injuries by developing a series of management policies. The OHS Operation Control Procedures and related safety management regulations are strictly implemented to strengthen safety awareness among the employees. Other measures are also taken to reduce or eliminate the OHS hazards, such as regular inspection and using materials or equipment that are less hazardous.

Although we endeavour to eliminate potential safety hazards, accidents may still occur. The Group has prepared emergency protocols for better planning of various emergency scenarios that may arise in our workplace, for example the occupational injury response plan and the fire response plan. Furthermore, we have organized OHS training aimed at specific groups of staff, such as ISO standard training for top management, occupational safety training for employees responsible for OHS tasks, and emergency response training for all staff, to increase their OHS awareness. These training are provided to constantly refresh their knowledge when facing an emergency evacuation situation.

During the Reporting Period, the Group followed the laws and regulations governing workplace health and safety which included the Work Safety Law of the PRC, the Law of the PRC on the Prevention and Control of Occupational Diseases, the Special Equipment Safety Law of the PRC, and the Emergency Response Law of the PRC. The Group has not identified any cases of non-compliance with regard to OHS, work-related fatalities or lost days due to work industry from 2019 to 2021. We have also achieved our target of a 100% OHS training rate for critical positions and zero major safety accidents.

Fighting COVID-19

During the hardship of COVID-19, we are capable of maintaining smooth business operations while protecting our employee's health by paying close attention to detail and adopting a safety-first approach. The Group has set up a work resumption plan swiftly about the comprehensive measures of COVID-19 to control the transmission of the pandemic. We have organized a specific pandemic control task force, headed by top management, to facilitate the pandemic control measures' formulation, communication, education, and documentation. A number of pandemic prevention measures have been continued carrying out under the supervision of the task force, based on the idea of pre-emptive detection, reporting, isolation, and curing. Preventive measures included, but are not limited to, frequent cleaning of workplace facilities, body temperature measurement, social distancing, and posting reminders of preventive measure instructions. We also distributed adequate preventative kits including face masks and hand sanitizers to our employees.

Work-life Balance

The Group promotes work-life balance in the workplace because we understand that our employees' physical and mental well-being are essential to the Group's productivity and are also important to their personal growth. Although we had to reduce the frequency of employee activities due to the pandemic, we managed to provide periodic group events for our staff under safe conditions, such as employees' birthday celebrations to unwind from work and improve team bonds. We also conducted medical check-ups for our staff to protect their health and raise healthcare awareness.



Staff Training and Development

One of our corporate goals is to create values for our employees. Vixtel spends a significant amount of resources on employee training and development to keep the employees updated in an ever-changing business climate while also sustaining the Group's long-term growth and competitive advantage in the industry.

We have implemented a training management system to develop training programs for our employees according to their needs. To measure the effectiveness of the training, a training plan is formulated, and an evaluation form is filled out. In order to improve their expertise, managerial competence, and interpersonal skills, we provide a wide range of on-the-job training for employees at various career levels, including product/service and business knowledge, project management skills, latest regulatory and compliance requirements, and quality, safety, environmental, and information security management. To ensure that the training is of high quality, only professional and experienced personnel will deliver the training. Employees who have external training opportunities are also eligible for subsidies to support and facilitate their professional growth.

During the Reporting Period, most of the training was carried out online. Also, we have reached the goal of personnel training coverage at a rate of 100% by strictly following the Human Resources Management Program.



2021	Percentage of employees trained ²	Average Training Hours
Training	86.0%	10.84
By gender		
Male	88.8%	11.19
Female	75.9%	9.57
By employee category		
Senior Management	100%	12.6
Middle Management	100%	12.6
General Staff	85.2%	10.74

² Percentage of employees who received training is calculated by dividing the number of trained employees of each category by total employees of that category.

OUR PRODUCT RESPONSIBILITY

The corporate vision of the Group is to create values for our clients, which is proven by our ongoing commitment to providing high-quality products, reliable services, and innovative technological solutions. We place a high emphasis on data privacy and intellectual property protection to ensure our consumers can have a better and safe user experience.

Ensuring our Quality Products and Services

We provide all-rounded information technologies and solutions to our customers as a leading player in the APM market, such as APM Vista SaaS Platform and Net Vista Platform, which are custom-built to meet our customers' demands and deliver high-quality application performance analysis. Our research and development (R&D) investments allow us to keep running in the forthcoming developments in the industry. We are actively pushing the products and services to cater the new era of 5G network and development.

The product's quality is maintained by the product quality management team. We continue to maintain a quality management system that is certified with the ISO 9001:2015 and ISO/IEC 20000-1:2011 international certifications in order to maintain the high-quality level of our products and services. Our strategic task force has an important role in maximizing the quality standard and services. The quality management system is maintained by our strategic task force. It also outlines suitable leadership, quality management goals, identifies potential risks, prescribes preventive, counteractive, protective measures, and monitors the quality management process. Furthermore, we have established policies for dealing with sub-standard products and services to maintain product quality. Our products have been awarded the China Compulsory Certification, demonstrating our commitment to maintaining high-quality standards. In monitoring our quality goals, we also established quality targets, which were achieved in the Reporting Period.

<5%

System Failure Rate

100%

Testing coverage rate for testing cases

100%

Pass rate of the project in one test

There were no products sold or shipped subject to recalls for safety and health reasons. The Group complied with the relevant laws and regulations relating to the products of the Group, including the Product Quality Law of the PRC.

Keeping Quality of Products and Services with R&D

Our Technology Department and R&D Department are involved in the quality assurance process to ensure the quality of the product and the work distribution of product assurance. These two departments are also responsible for software development, process control, facilities maintenance, product performance testing, and monitoring.

Advertisement & Marketing

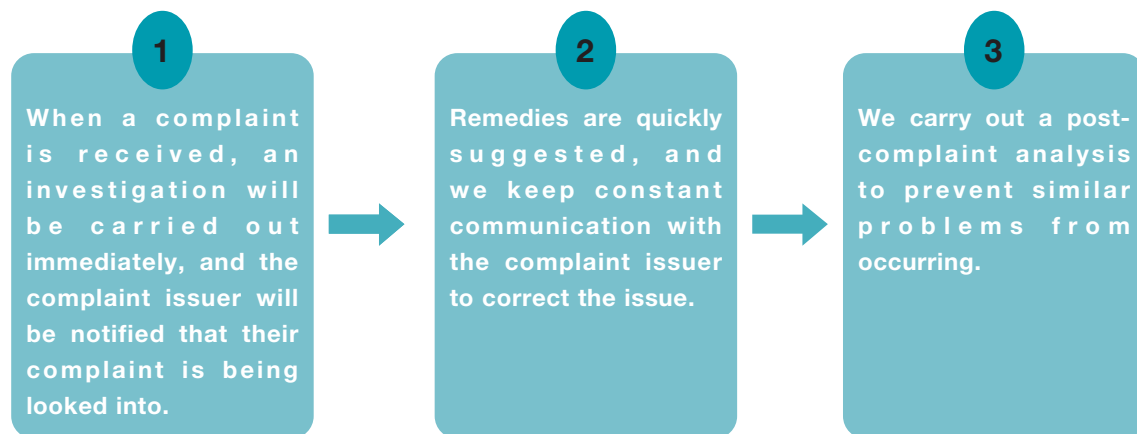
We developed External Promotion Management Procedures to manage the Group's advertising and promotion. The General Management Department takes care of the Group's brand image and boosts its reputation by coordinating the system and maintaining high transparency of the disclosure of the Group information. The Marketing Department ensures the product can match with the advertised description. When dealing with our customers, we make sure that unconfirmed news and inaccurate pictures and videos will not be used.

During the Reporting Period, we strictly followed the relevant rules and regulations about advertisement and labelling of the products and services offered, including the Advertising Law of the PRC and the Trademark Law of the PRC.



Understanding Our Customers' Needs

Continuously improving our service quality and increasing client satisfaction are our core motto in conducting our business. By organizing frequent promotional activities, face-to-face meetings, and electronic communication, we maintain a friendly and helpful attitude to our customers during our pre-sale, contract-signing, and after-sales of our products or services. We record the questions and complaints raised by the customers and set a time limit for handling the matters. We also communicate with the customers regularly to ensure that the problems are handled effectively. Different communication channels are established to facilitate the understanding of our customers' opinions and requirements, including telephone survey, customer discussions, market share analysis, customer praise, warranty claims and dealer report analysis, etc. The Customer Complaint Handling Procedure is formulated with the following procedures. During the Reporting Period, we did not receive any complaints regarding our products and service.



In monitoring the customers' needs, we established a Products and Services Demand Control Procedure to standardise the ways to identify, analyse, and reach the demands of our customers. Our Marketing and Sales Department is dedicated to execute the procedures and handles any clients' specific needs, including but not limited to user training, on-site installation, bug fixing, and potential needs, including legal compliance and industry standards.

We also conduct a customer satisfaction survey regularly and invite our customers to rate our product performance, customer service, price, and delivery schedule. After gathering their opinions, we prepare a customer satisfaction analysis report for identifying the strength and areas of improvement of our products and services, giving us the direction to improve.

The Group has achieved our goals:

> 95%

Customer satisfaction rate

100%

Rate of problems that are solved
on time met

Protecting Data Privacy and Security

High stability of our software and application is one of our competitive advantages. In preventing any data and information security problems that may put our business at risk, it is extremely important for us to maintain the system integrity. We have implemented an Information Security and Information Technology Service Management System certified with ISO/IEC 27001:2013 international standard, allowing us to standardise data privacy procedures like data encryption, access permissions and password settings. We effectively manage our data assets, personnel security, and possible information security problems with the help of the system. In addition, we develop an information security management team. The team is responsible for setting yearly management goals, assessing possible information security risks, responding to unexpected network security incidents, and providing information security training to enhance employee understanding of data privacy and security.

Furthermore, we set different policies to protect client data and confidential information from loss, misuse, and unintended disclosure. We will not disclose our clients' information without their permission. Our Customer Privacy Policy illustrates our commitment in data privacy protection for our employees to follow, which explains clearly the purpose of the collection, usage, disclosure and/or transfer of customer data, to safeguard the data privacy.

During the Reporting Period, the Group also followed the Cybersecurity Law of China's regulations on network operation security and network information security.

Protection of Intellectual Property

We have followed laws and regulations in relations to intellectual property rights, including the Implementing Rules of the Trademark Law of the PRC, and the Patent Law of the PRC and the Implementation Rules of Patent Law of the PRC, etc., as we place a high value on intellectual property protection. We understand that protecting intellectual property can help stimulating innovative and forward-thinking creations, which are important assets of the Group. We have set up an Intellectual Property Management Guideline that covers policies for various intellectual property issues such as copyrights, patents, technical and trade information that should not be disclosed, and trademarks. Our Administration Department is in charge of establishing various intellectual property policies, assigning responsibilities and duties of the intellectual property management, inspecting, monitoring, and directing intellectual property activities.

In addition, our employees, customers, and suppliers have to sign the Intellectual Property and Confidentiality Agreement, which outlines the related terms and circumstances of intellectual property ownership and protection. It ensures that they will respect and preserve IP rights. Furthermore, we will reward the employees who make a significant contribution to the protection of intellectual property rights by salary adjustments, discretionary bonus announcements, and even promotions in order to encourage them to protect intellectual property. Employees and suppliers who violate relevant laws and regulations about intellectual property rights may face disciplinary actions as well as the termination of the business partnership.

During the Reporting Period, the Group was unaware of any non-compliance with applicable laws and regulations relating to privacy and intellectual property of our products and services.

The Group follows a law compliance and integrity concept during the operation. We have strictly followed different anti-corruption laws and regulations, including the Anti-unfair Competition Law of the PRC, the Anti-money Laundering Law of the PRC, the Anti-corruption and Anti-bribery Management System, and our CSR policies, etc. These laws and regulations stipulates clear standards of conducts and behaviors for all staff to follow when undertaking their business activities. All forms of corruption, extortion, bribery, fraud and money laundering are forbidden in our business operations. To eliminate corruption and bribery in the workplace, we have set different measures, which are listed below. We also organised a training to our directors during the Reporting Period that last for 1 hour to keep abreast with the latest regulations and ways in preventing the corruption practices.

All staff	Top management and key staff	Our service provides, contractors, and suppliers
They cannot accept and give advantages to our customers or business partners.	They must sign an integrity declaration to declare they will not involve in corrupted actions.	To ensure they can meet our ethical standards, they have to sign the Anti-corruption and Anti-bribery Agreement.

To allow our employees and other business partners to report any suspected misconduct cases relating to conflict of interest or other unethical matters, the Group has established a whistle-blowing system. Upon received any reported case(s), the designated team will conduct a comprehensive internal investigation using the information reported and conduct appropriate remedial actions based on the findings. To guarantee that whistle-blowers are protected from unfair treatment, we will maintain the highest confidentiality of the identity of the whistle-blowers and the reported information. Disciplinary actions will be taken to employees who violate our CSR policy and/or their integrity declarations. Suppliers who break our probity agreements may also result in the termination of their business relationship. If the case is considered serious, it will be reported to the relevant law enforcement departments to handle.

During the Reporting Period, the Group was unaware of any material non-compliance with applicable laws and regulations relating to bribery, fraud, extortion, and money laundering.

COMMUNITY INVESTMENT

We are committed to simulating infrastructure development and social growth in the community, as well as consistently improving the local social conditions and welfare of the poor through community activities and donations, as guided by our “Corporate Community Involvement Policy”.

During the Reporting Period, we are the excellent partner of the rural revitalization of China Mobile Jiangsu Company by donating RMB10,000 to the Rural Revitalization and Development Service Center of Taipingchuan Township, Tangyuan County. The money was used by Taipingchuan Township to conduct a corn processing project to reduce poverty in the region.



In response to the surge in environmental issues, for instance climate change and pollution problems, Vixtel consistently dedicates to make the most effort to minimise its impact on the environment. Despite the fact that the operations are mainly in office, the Group continues to run green office initiatives in daily operation with the aim to lower emissions and utilise resources sustainably.

Vixtel has established an ISO14001 accredited environmental management system (EMS) in the Beijing headquarters since 2015 to systematically manage the identified significant environmental aspects and risks by exerting proper controls and mitigation measures. A range of policies and procedures are also formulated to appropriately identify and manage the environmental risks and mitigate significant environmental impacts and catastrophic events. In 2021, the Group has set up the “Quality Environment Occupational Health and Safety Management Manual”, which outlines the measures on environmental protection, energy saving and consumption reduction, and ensures the controls are abide by laws and regulations. Annually, the General Management Department identifies the environmental factors within the offices and project sites, establishes controls on key environmental factors and evaluates the sufficiency of the controls. Within the Environmental Factors Identification and Evaluation Form prepared, the risks of different environmental factors are weighted by giving scores on five aspects, including affected area, frequency of occurrence, recovery time, predictability and social awareness.

During the Reporting Period, the Group was not aware of any breaches of relevant laws and regulations relating to the gas emission and the generation of hazardous waste and non-hazardous waste discharged into water and land. Vixtel complies with the applicable national environmental laws and regulations such as The Environmental Protection Law of the PRC.

Our Environmental Management

Due to the business nature, daily activities are mainly operated within offices and the emissions and waste from operation are limited.

Accredited EMS	Standardises the procedures to identify key environmental risks and measures to control emission and consumption of the Group.
Annual Environmental Objectives and Management Summary	The General Management Department sets up environmental objectives each year and evaluate each department’s performance on attaining the objectives.
Company Vehicle Management Policy	Provide guidance to employees on using company vehicles in environmentally responsible manner. For example, employees are required to switch off idling engines when the vehicles are stationary and conduct daily vehicle maintenance before use to ensure that the vehicle is running in good condition to avoid excessive gas emission. Superior vehicle fuels with low sulphur content are also selected for all vehicles to lower air pollutant emission.
Energy Use Policy	Cultivates the employee habits on energy saving and guides the measures in energy reduction practices.
Green Office Management Procedures	Minimize the generation of office waste by establishing detailed guidelines and actions to reduce any unnecessary consumption.

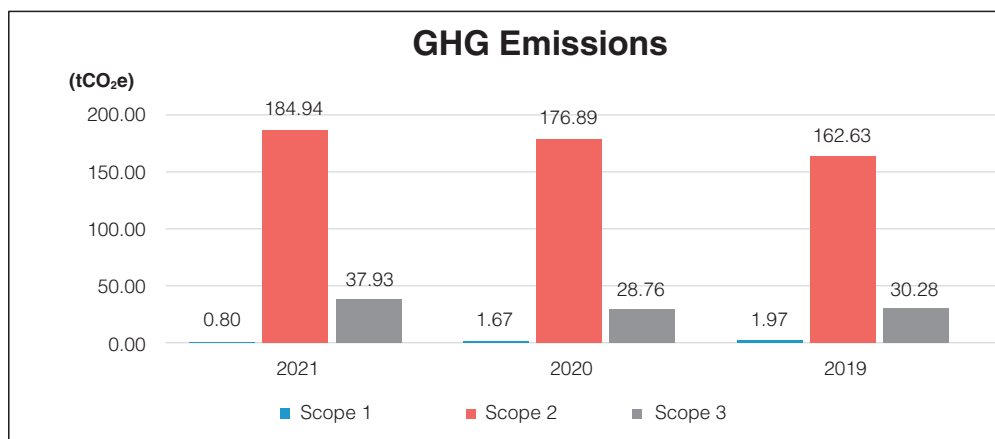
To manage our emission, we have established the following targets in 2021. We will keep monitoring our progress and implement appropriate measures to achieve our targets.

Aspect	Target
Environmental Management	<ul style="list-style-type: none"> Every year, we ensure zero environmental-related pollution, complaint or prosecution
Greenhouse Gases (“GHG”) Emissions	<ul style="list-style-type: none"> By 2025, reduce GHG Emissions intensity by 20% as compared with the baseline in 2019 Achieve net zero GHG Emissions by 2050
Energy	<ul style="list-style-type: none"> By 2025, reduce the energy consumption intensity by 10% as compared with the baseline in 2019
Waste	<ul style="list-style-type: none"> Every year, we ensure all hazardous waste are disposed of according to the laws and regulations Build up recycling system in the office of all branches by 2024 and encourage recycling of all computers, monitors, hard disks and other accessories, and printer toner cartridges
Water	<ul style="list-style-type: none"> By 2025, reduce water consumption intensity by 10% as compared with the baseline in 2019

Carbon Emission and Climate Resilience

Through the environmental factors identification and evaluation, it is recognized that the GHG emissions are mainly generated by vehicle fuel combustion and the electricity used in the office. Despite the low intensity in emission, the Group persists to reduce these as much as possible through company vehicles management and resource conservation.

We track our carbon footprint for setting the target and upcoming plans to reduce the carbon emission. During the Reporting Period, the electricity consumption has been increased due to the increased operation time of the hardware and air condition for testing purposes.



We acknowledge that China has been pledged to decrease the carbon footprint. Being part of the society, we strive to maintain a more eco-friendly environment and business practices. The Group is committed to reducing the carbon emission in order to eliminate the impact on the climate. To have better understanding of the climate risks that we may face, we have assessed and evaluated the climate physical and transitional risks.

Climate Risk	Impact	Measures
Physical risk:	Extreme weather may cause damages to property facilities. For example, floods may occur in a more frequent manner for coastal regions, which may lead to larger expenses on the maintenance of physical assets and recovery of the manufacturing operation	<ul style="list-style-type: none"> • Conduct regular training on climate-related emergency such as flooding for building capability and knowledge of response measures of our employees • Monitor our carbon emission profile and set targets and plans to reduce the emission
Transitional risk:	More stringent policy disclosure requirements and growing concerns from business partners and investors on climate change	<ul style="list-style-type: none"> • Frequently monitor the latest regulatory disclosure requirements and review the existing strategy to align with the Policy

Responsible Resources Consumption

In office operations, Vixtel minimises waste generation by establishing the green office system. These guidelines can increase the awareness of employees to preserve the resource use in the Group. We regularly review the control on waste management and conduct sample testing the implementation progress to ensure all departments has appropriately fulfilled their roles in waste sorting and recycling of hazardous and non-hazardous wastes. In addition, multiple disposal bins have also been installed for the employees to conveniently sort their daily waste.

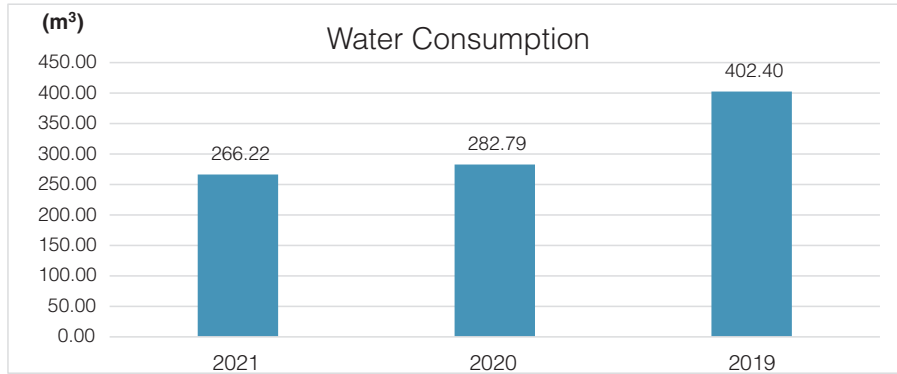
Vixtel endeavours to reduce its consumption on resources from business operation. The Energy Use Policy outline the control measures to guide and educate employees on efficient and sustainable use of resources. It is identified that the major types of resources consumed by the Group are the vehicle fuel (gasoline) used by the company vehicles, electricity, water and paper for daily office operation. Some key measures to control the energy use in our operations are highlighted below.

Energy

- Adopt electronic appliances with higher energy efficiency and energy efficiency certified equipment
- Control and maintain the room temperature of our offices at an energy-efficient level (24-26 degrees Celsius)
- Adopt natural lighting and natural ventilation whenever possible
- Attach signage to remind employees of switching off idle lights and office equipment
- Replace the old equipment with new high energy efficient models to reduce the electricity consumption
- Encourage our employees to use public transportation instead of the use of private vehicles



For water and other resources, we have the green office system in place to encourage the employee in resource conservation. The water consumption has been decreased gradually over the year. During the Reporting Period, the water consumption was 266.22 m³ of an intensity of 1.93 m³ per full-time employees.



The green office system establishes the following guidelines for our employees to follow, including some key measures disclosed below:

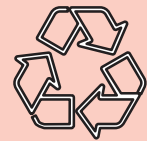
Water

- Opt for water saving devices and faucets in our workplace
- Conduct regular water pipe maintenance to prevent water leakage
- Encourage the usage of phosphorus-free detergents and degradable cleaning products
- Attach signage to remind our employees to switch off the faucet tightly after finished washing and avoid rinsing the containers under the running water to reduce the water wastage



Other Materials

- Adopt the electronic application for internal communication and documents circulation to promote paperless office
- Adopt double-sided printing and re-use the single-sided paper
- Utilise the reusable products (e.g. rechargeable battery, refillable stationeries) instead of single use products



Our Environmental Performance

The environmental KPIs data during the Reporting Period are shown in the table below.

	Unit ^(Note 1)	Vixel Technologies Holdings Limited		
		2021	2020	2019
Types of Resources Used				
Direct Energy ^(Note 2)				
– Gasoline	Litre (“L”)	335 ^(Note 3)	700.00	825.00
	Giga Joule (“GJ”)	10.98	22.95	27.05
Intensity	GJ per full-time employee	0.08	0.10	0.15
Indirect Energy				
– Electricity ^(Note 4)	GJ	724.55	673.42	619.26
Intensity	GJ per full-time employee	5.25	3.01	3.33
Water				
	m ³	266.22	282.79	402.40
Intensity	m ³ per full-time employee	1.93	1.26	2.16
Paper				
	Tonne	0.22	0.20	0.18
Packaging Materials ^(Note 5)				
– Carton box	Tonne	0.23	0.23	–
Non-hazardous Waste				
Non-hazardous waste ^(Note 6)				
	Tonne	0.8	0.93	–
Intensity	Tonne per full-time employee	0.01	0.004	–
Hazardous waste				
– Light tubes	Pieces (“pc”)	–	–	23
– Waste batteries, electronic parts and accessories	pc	35	40	195
– Waste cartridges	pc	40	44	19
Intensity	pc per full-time employee	0.54	0.38	1.27
GHG Emissions				
Total Emission ^(Note 7)				
	Tonne of carbon dioxide equivalent (“tCO ₂ e”)	223.67	207.32	194.88
Direct Emission (Scope 1) ^(Note 8)	tCO ₂ e”	0.8	1.67	1.97
Indirect Emission (Scope 2) ^(Note 9)	tCO ₂ e	184.94	176.89	162.63
Other Indirect Emission (Scope 3) ^(Note 10)	tCO ₂ e	37.93	28.76	30.28
Intensity ^(Note 11)	tCO ₂ e per full-time employee	1.39	0.80	0.88

- Note 1: The intensity unit is based on the full-time employees of the Group within the reporting scope.
- Note 2: The conversion factors from volumetric units of gasoline consumption to energy units are in reference to GDP Technical note: Conversion of fuel data to MWh.
- Note 3: The reduction of gasoline consumption is due to decreased in business visits and use of mobile vehicle.
- Note 4: The unit adopted is updated to GJ for comparable result.
- Note 5: The packaging materials used in our business operations are procured by our suppliers. Data in 2018 and 2019 is not available.
- Note 6: Non-hazardous waste is consigned to the building management company for handling. Data in 2018 and 2019 is not available and major waste composition is domestic waste.
- Note 7: Our operation mainly takes place in our offices, and our carbon emission is the majority type of emission generated. All wastewater discharge is managed by the building management company. The air emission of the Group's vehicle is limited; thus, is non-material to our operation.
- Note 8: The direct emission (Scope 1) covers the emission from the mobile sources combustion. The calculation is based on the published emission factors from 2006 IPCC Guidelines for National Greenhouse Gas Inventories and the guidance worksheets of World Resources Institute's GHG Protocol Tool for Mobile Combustion.
- Note 9: The indirect emission (Scope 2) covers the emission from the purchased electricity from Power Company. The calculation is based on the emission factors from 2019 Emission Factors for purchased electricity within Mainland China, published by Climate Change Info-Net.
- Note 10: The other indirect emission (Scope 3) covers the emission from the business travel of employees only.
- Note 11: The GHG intensity is the sum of Scope 1 emissions and Scope 2 emissions, divided by the total number of full-time employees in the Reporting Period.

HKEx ESG Reporting Guide General Disclosures & KPIs

Explanation/Reference Section

Aspect A: Environment

Aspect	Description	Explanation/Reference Section
A1 Emission	<p>Information on:</p> <ul style="list-style-type: none"> – the policies; and – compliance with relevant laws and regulations that have a significant impact on the issuer <p>relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous wastes.</p>	Environmental Protection/Our Environmental Management
KPI A1.1	The types of emissions and respective emissions data.	<p>Environmental Protection/Our Environmental Performance</p> <p>The Group's operation does not have significant air emission due to its business nature.</p>
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Carbon Emission and Climate Resilience/Our Environmental Performance
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	<p>Our Environmental Performance</p> <p>The Group's operation does not involve significant amount of hazardous waste due to its business nature.</p>
KPI A1.4	Total non-hazardous waste produced (in tonnes) and where appropriate, intensity (e.g. per unit of production volume, per facility).	Our Environmental Performance
KPI A1.5	Description of measures to mitigate emissions and results achieved.	Environmental Protection/Carbon Emission and Climate Resilience
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	Responsible Resources Consumption
A2 Use of Resource	Policies on efficient use of resources including energy, water and other raw materials.	Responsible Resources Consumption, Our Environmental Performance

HKEx ESG Reporting Guide General Disclosures & KPIs		Explanation/Reference Section
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Our Environmental Performance
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Our Environmental Performance
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Environmental Protection, Our Environmental Performance
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Environmental Protection
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Our Environmental Performance
A3 The Environment and Natural Resources	Policies on minimising the issuer's significant impact on the environment and natural resources.	Responsible Resources Consumption, Our Environmental Management
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Responsible Resources Consumption
A4 Climate Change	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Carbon Emission and Climate Resilience, Our Environmental Management
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Carbon Emission and Climate Resilience

HKEx ESG Reporting Guide General Disclosures & KPIs

Explanation/Reference Section

Aspect B Social

B1 Employment

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.

Care for the Employee, Employment Standard, Diversity and Inclusion, Staff Training and Development

KPI B1.1

Total workforce by gender, employment type (for example, full – or part-time), age group and geographical region.

Care for the Employee, Diversity and Inclusion

KPI B1.2

Employee turnover rate by gender, age group and geographical region.

Care for the Employee, Diversity and Inclusion

B2 Health and Safety

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.

Healthy and Safe Workplace

KPI B2.1

Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.

Healthy and Safe Workplace, Diversity and Inclusion

KPI B2.2

Lost days due to work injury.

Healthy and Safe Workplace, Diversity and Inclusion

KPI B2.3

Description of occupational health and safety measures adopted, how they are implemented and monitored.

Healthy and Safe Workplace

HKEx ESG Reporting Guide General Disclosures & KPIs		Explanation/Reference Section
B3 Development and Training	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Staff Training and Development
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Staff Training and Development
KPI B3.2	The average training hours completed per employee by gender and employee category	Staff Training and Development
B4 Labour Standard	Information on: <ul style="list-style-type: none"> – the policies; and – compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Employment Standard
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Employment Standard
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Employment Standard
B5 Supply Chain Management	Policies on managing environmental and social risks of supply chain.	Ensuring our Quality Products and Services
KPI B5.1	Number of suppliers by geographical region.	Supply Chain Management
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.	Supply Chain Management
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply Chain Management

HKEx ESG Reporting Guide General Disclosures & KPIs		Explanation/Reference Section
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply Chain Management
B6 Product Responsibility	<p>Information on:</p> <ul style="list-style-type: none"> – the policies; and – compliance with relevant laws and regulations that have a significant impact on the issuer <p>relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.</p>	Our Product Responsibility, Ensuring our Quality, Products and Services, Advertisement & Marketing, Protecting Data Privacy and Security
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Ensuring our Quality Products and Services
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Understanding Our Customers' Needs
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Protection of Intellectual Property
KPI B6.4	Description of quality assurance process and recall procedures.	Ensuring our Quality Products and Services/Keeping Quality of Products and Services with R&D
KPI B6.5	Description of consumer data protection and privacy policies and how they are implemented and monitored.	Protecting Data Privacy and Security
B7 Anti-corruption	<p>Information on:</p> <ul style="list-style-type: none"> – the policies; and – compliance with relevant laws and regulations that have a significant impact on the issuer <p>relating to bribery, extortion, fraud and money laundering.</p>	Anti-corruption and Anti-bribery

HKEx ESG Reporting Guide General Disclosures & KPIs		Explanation/Reference Section
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases.	Anti-corruption and Anti-bribery
KPI B7.2	Description of preventive measures and whistle-blowing procedures and how they are implemented and monitored.	Anti-corruption and Anti-bribery
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Anti-corruption and Anti-bribery
B8 Community Investment	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Community Investment
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community Investment
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Community Investment