



新礦資源有限公司 NEWTON RESOURCES LTD

(Incorporated in the Cayman Islands with limited liability)
Stock Code: 1231



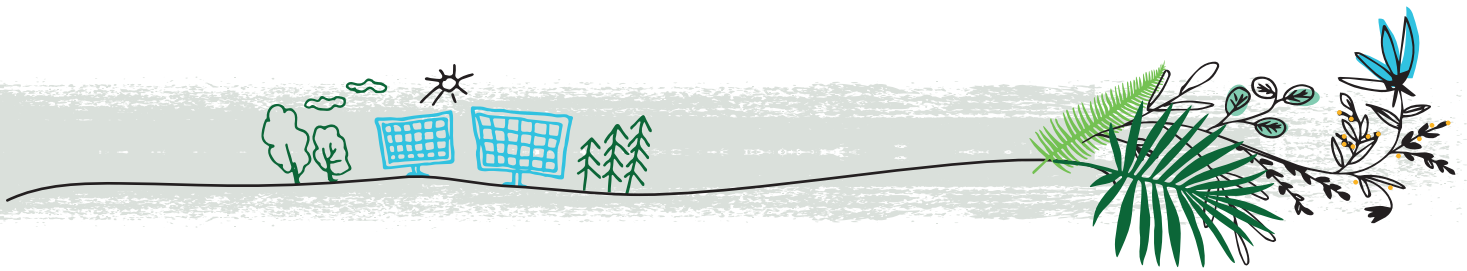
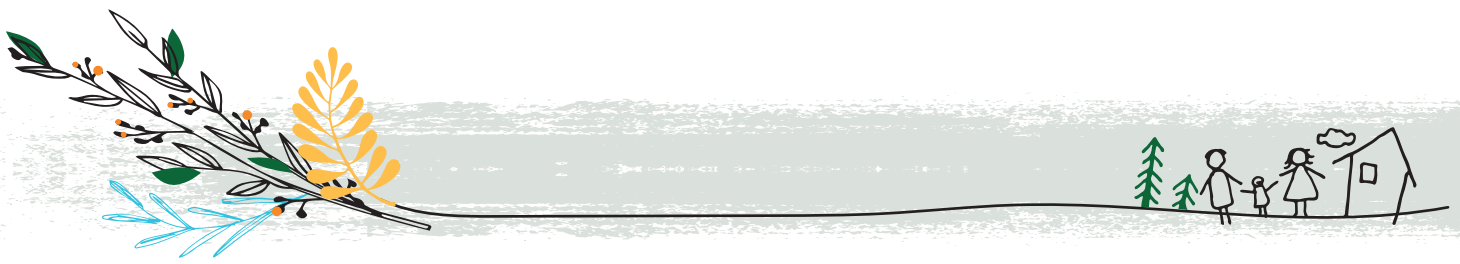


TABLE OF CONTENTS

INTRODUCTION	2
Scope of the Report	2
Reporting Standard	2
Contact and Feedback	3
OUR SUSTAINABILITY APPROACH	3
OUR BOARD STATEMENT	5
STAKEHOLDER ENGAGEMENT	6
MATERIALITY ASSESSMENT	7
SUSTAINABLE OPERATIONS	10
Supply Chain Management	10
Enhancing Customer Satisfaction	13
Business Ethics	14
GROWING WITH EMPLOYEES	15
Employees' Health and Safety	16
Employment Conditions	17
Diversity, Inclusiveness and Labour Rights	18
Training and Development	19
SUPPORTING OUR COMMUNITY	20
PROTECTING OUR ENVIRONMENT	20
DEALING WITH CLIMATE CHANGE	21
ENVIRONMENTAL PERFORMANCE	22
HKEx ESG REPORTING GUIDE INDEX	23



INTRODUCTION

Newton Resources Ltd (hereinafter referred to as the “Company” or “we”) together with its subsidiaries (collectively, the “Group”) serves as a distributor that involves in the sourcing and supply of iron ores and other commodities (the “Resources Business”). Having a belief that a long-lasting relationship with the community is essential for our business sustainability, the Group is pleased to publish our 2021 environmental, social and governance (“ESG”) report (the “Report”) summarising our ESG performance and initiatives.

Scope of the Report

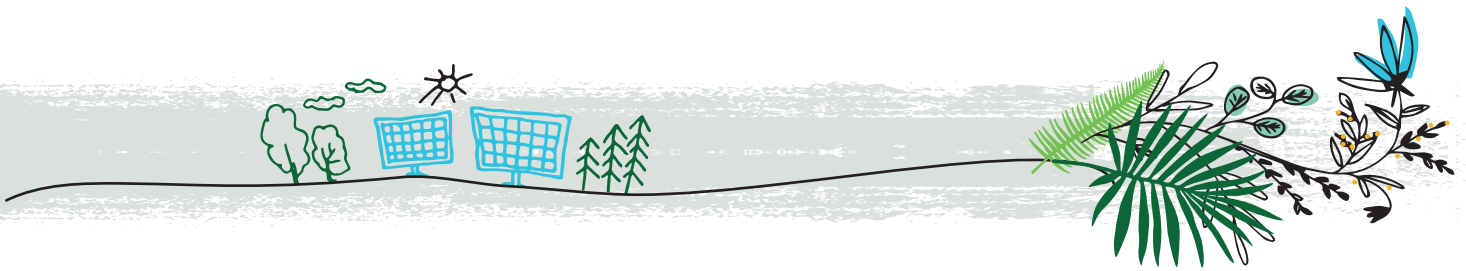
The Report shows the Group’s ESG management approaches and the corresponding performance within our operational boundaries, which mainly include the Resources Business and corporate activities at the offices in Hong Kong for the financial year ended 31 December 2021 (the “Reporting Period” or “2021”). Unless otherwise specified, the scope of the Report remains the same as last year.

Reporting Standard

The Report has been prepared in accordance with the ESG Reporting Guide (“ESG Reporting Guide”) set out in Appendix 27 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (“HKEx”). In preparing the Report, we adopt the reporting principles of materiality, quantitative, balance and consistency, as described below:

Reporting Principles	Description
Materiality	We have identified the material topics by means of internal discussion and engagement with the key stakeholders. The results are summarised in the section headed “Materiality Assessment”.
Quantitative	In accordance with the ESG Reporting Guide, we illustrated our ESG performance with the aid of environmental and social key performance indicators (“KPIs”) using sound methodologies, so that the effectiveness of our ESG policies and management systems can be evaluated and validated.
Balance	We have calculated and presented the relevant data and information required by the environmental and social KPIs with reference to the ESG Reporting Guide. Sound methodologies were adopted as illustrated in the respective sections of the Report. We have included data comparisons over years to provide an objective presentation of our ESG performance from time to time.
Consistency	The same methodologies, standard and reporting scope have been adopted for the Report, as compared to the previous year.

The Report has been reviewed and approved by the board of directors (the “Board”) of the Company.



INTRODUCTION *(Continued)*

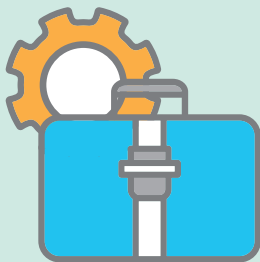
Contact and Feedback

The Group strives to build a longstanding relationship with the key stakeholders and the community. We formulate our ESG strategies for the best interest of our stakeholders; therefore, we value your feedback on this Report and our sustainability performance. If you have any comments or suggestions, please feel free to send your written enquiries or feedback to the Group through email to esg@newton-resources.com or contact us at (852) 2521-8168.

OUR SUSTAINABILITY APPROACH

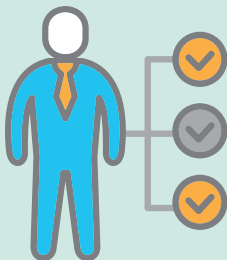
Our sustainability framework is set based on the Group’s philosophy of “Creating Shared Values”. It aligns with the ten principles of the United Nations Global Compact and aims at upholding business ethics, promoting social progress and fostering the well-being of our stakeholders, including but not limited to our customers, employees and the community.

Business Operations



- To create long-term value for our stakeholders through a focused strategy
- To observe high standards of corporate governance and ensure the effectiveness of our risk management and internal control system
- To maintain high standards of ethics and integrity, and comply with all relevant laws and regulations in our business transactions and operations
- To deliver services and products that are safe and reliable, and do so in an environmentally responsible manner
- To encourage our suppliers and business partners to align with our sustainability standards and expectation to corporate sustainability to create a more sustainable supply chain

Human Capital



- To provide a safe and caring working environment for our employees and strive to prevent work-related accidents, injuries and illnesses
- To promote equal opportunities and ensure that all employees are treated with dignity and respect regardless of age, gender, ethnicity and other forms of diversity
- To provide competitive, fair and equitable remuneration, and invest in professional development and training programmes to help our employees unleash their potential
- To promote a healthy work-life balance and create an inclusive, family-friendly workplace so as to improve employee satisfaction and productivity



OUR SUSTAINABILITY APPROACH *(Continued)*

Value Chain



- To prioritise collaborations with suppliers and business partners who can demonstrate their commitments to align with our sustainability principles
- To develop supplier engagement and monitoring procedures so as to manage environmental and social risks throughout our value chain
- To invest in technologies and innovative solutions to foster communication, safeguard customer privacy protection and protect customer health and safety so as to enhance customer experience

Community Investment

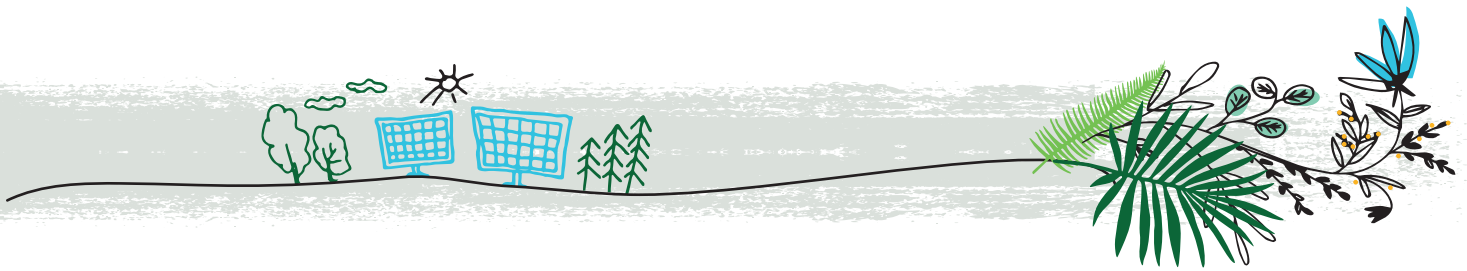


- Strive to enhance the quality of life of our stakeholders and create value for communities where we operate by leveraging our strengths and resources, and go beyond conventional corporate social responsibility framework
- To encourage and empower our employees to contribute to society by participating in volunteering work
- To raise employees' awareness on environmental and social issues

Environment



- To comply with all relevant environmental laws and regulations, and strive to act beyond the legal requirements where possible and practicable
- To take every reasonable and practical measure to conserve resources and minimise waste in our operations
- Strive to manage the Group's direct and indirect impacts on environment
- To contribute to reducing our greenhouse gas ("GHG") emissions by investing in clean and energy-efficient technologies and by reducing our energy consumption
- To promote awareness, motivation and participation in environmentally-friendly initiatives among our employees as well as stakeholders in our supply chain



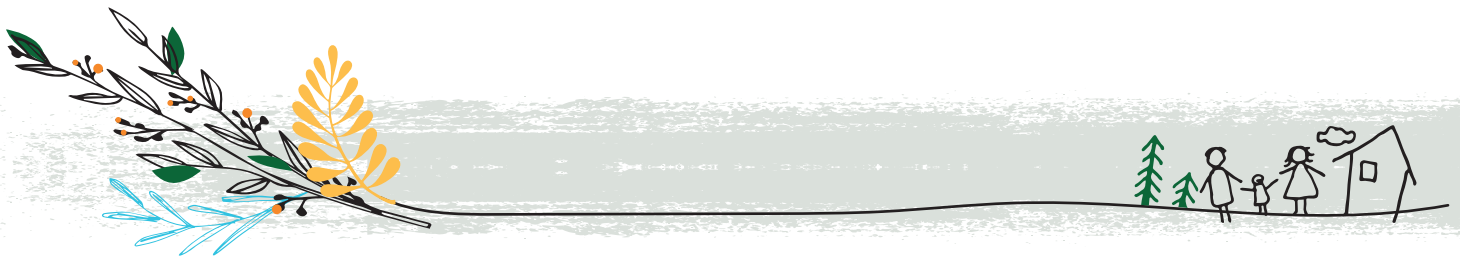
OUR BOARD STATEMENT

To ensure that sound and effective ESG governance and risk management procedures are in place, we adopt a 3-tier governance structure to effectively manage ESG issues of the Group, which comprises the Board, senior management and operation units. The Board is ultimately responsible for overseeing the ESG governance, and developing ESG strategies and policies. Led by the Board, the senior management instructs and coordinates various operation units of the Group on all ESG policies and practices. Employees in each operation unit are responsible for the implementations of ESG policies and practices in the daily operations of the Group.

In addition, the Group has commissioned an independent consultant to perform an ESG risk assessment with our Board members and a materiality assessment to identify material ESG issues and has collected opinions from various stakeholder groups.

The Group emphasises enhancing our resilience towards ESG-related risks as part of our sustainability framework. To better facilitate the identification, evaluation and management of ESG risks and opportunities, the Board with the assistance of an independent consultant is informed of the Group's ESG-related risks from time to time and proactively incorporate ESG considerations into the Group's business strategies. The outcomes of ESG risk assessment are reviewed by the Group regularly to identify areas for improvement. Below are some identified risks as well as our responses:

ESG risks	Potential impacts	Our responses
Widespread disease risk	Widespread disease, such as the Coronavirus disease 2019 ("COVID-19") pandemic, is one of the major public health challenges in recent years confronting the Group with operational and supply chain challenges.	The Group has implemented a protocol on mitigation of the impact of COVID-19 pandemic on our operations. Furthermore, we continue to explore opportunities for diversifying our sourcing of commodity supply to avoid any significant prolonged disruption in our supply chain during the COVID-19 pandemic.
Procurement risk	Engaging suppliers which underperform in environmental and social aspects may undermine the Group's ability to manage the environmental and social risks along the supply chain.	The Group has included environmental and social considerations as part of our supplier selection criteria. We will also explore ways to further enhance our responsible sourcing practices.

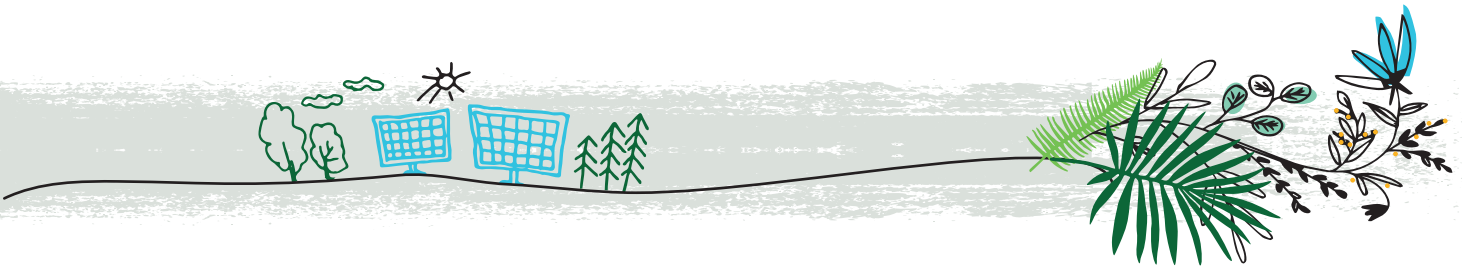


STAKEHOLDER ENGAGEMENT

In order to understand our stakeholders' views and expectations on the Group's ESG issues, and on the associated environmental and social impacts on our business, we maintain close communication with them. By gathering stakeholders' opinions and understanding their concerns, the Group can adjust our management policies and approaches on ESG management and formulate our strategy to address the ESG issues so as to continuously make improvement on our ESG performance.

After identifying the key stakeholder groups who may have a significant impact on our business, and those who can be significantly affected by our operations, we maintain effective communication with them through various channels, as shown in the table below:

Stakeholder groups	Communication channels
Investors and shareholders	<ul style="list-style-type: none"> • Company website • Designated investor relations hotline and email • Company's announcements • Annual general meeting • Annual and interim reports, ESG reports
Customers	<ul style="list-style-type: none"> • Virtual meetings and on-site visits • Periodic follow up by account officers • Customers' feedback collection
Suppliers and business partners	<ul style="list-style-type: none"> • Virtual meetings and on-site visits • Procurement meetings • Regular contacts by procurement officers • Suppliers' feedback collection • Industry seminars
Employees	<ul style="list-style-type: none"> • Training and orientation • Email and notice board • Performance appraisal • Staff events
Government relations	<ul style="list-style-type: none"> • Forums, conferences and workshops • Information submission
Community, media and the public	<ul style="list-style-type: none"> • Corporate website • Company's announcements • Community activities • Charity donations



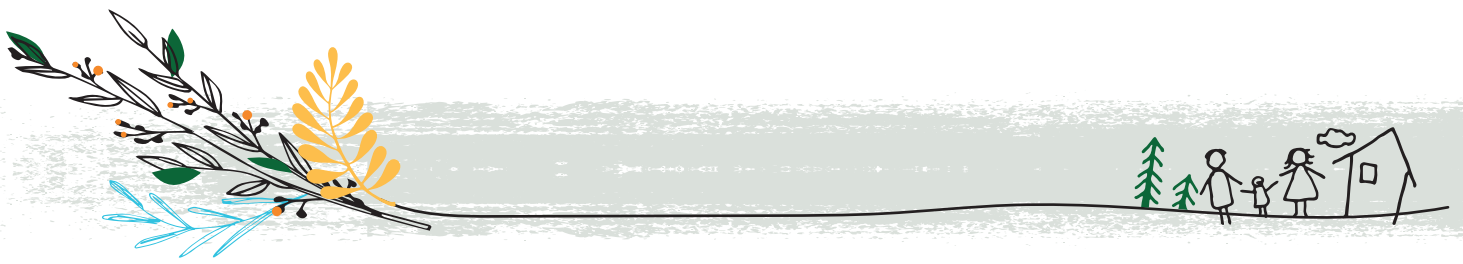
MATERIALITY ASSESSMENT

To facilitate the identification and understanding of the material ESG issues that matter the most to the Group and the stakeholders, an independent consultant had been commissioned to perform a materiality assessment by conducting an online survey, which collected opinions from various stakeholder groups of the Group. Based on the stakeholders' views and opinions, we set the framework for the Report and developed our ESG management strategies, so as to address our stakeholders' concerns on ESG issues.

Our key stakeholder groups responded to our questionnaire and we identified 15 most significant ESG-related topics based on their opinions. These topics are prioritised and shown in the materiality matrix on page 8. The topics which fell in the upper right corner of the matrix were determined as the topics that matter the most to the Group's business operations and our stakeholders as far as they are concerned.

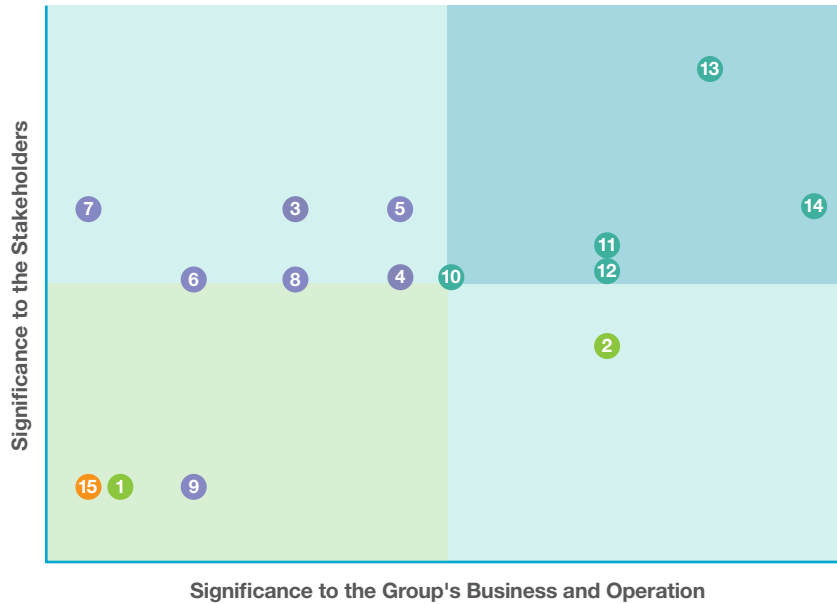


Identification	Engagement	Analysis and Evaluation	Validation
To create and categorise a list of potential ESG topics and identify key stakeholder groups.	To invite internal and external stakeholders to complete an online survey.	To evaluate and prioritise the most material ESG topics.	The results are validated by the Group to determine the priority of the ESG topics for ESG report disclosure and future improvement.

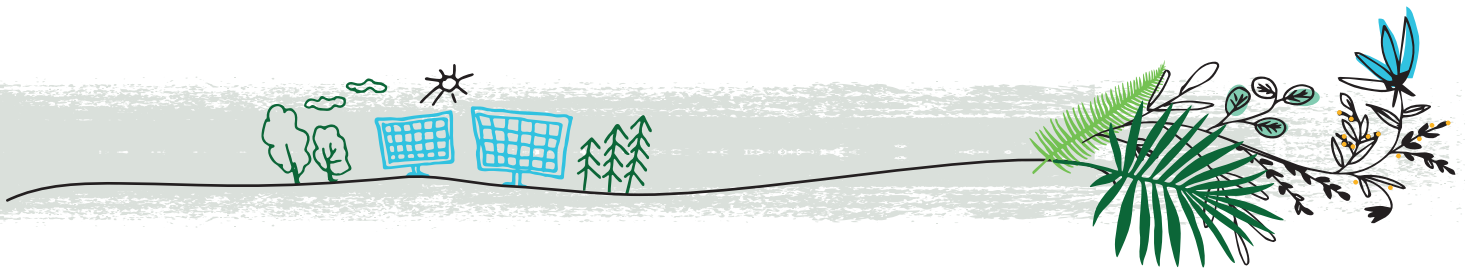


MATERIALITY ASSESSMENT *(Continued)*

Materiality Matrix



Environment	Social	
	Employment	Operation
1. Climate change	3. Labour rights	10. Product and service quality and complaint handling
2. Environmental compliance	4. Labour-management relations	11. Customer satisfaction
	5. Employee retention	12. Responsible supply chain management
	6. Diversity and equal opportunity	13. Business ethics
	7. Non-discrimination	14. Socio-economic compliance
	8. Occupational health and safety	
	9. Employee training and development	
		Community
		15. Community investment



MATERIALITY ASSESSMENT *(Continued)*

Materiality assessment is an important part of our stakeholder engagement, which allows us to understand the most significant ESG topics to the Group and our stakeholders, so that we can formulate our business and sustainability strategies to focus on the most important ESG issues identified. More importantly, we can respond to the stakeholders' expectations and concerns, as summarised below:

Key concerns

Key concerns from stakeholders	Our responses	Section
Responsible supply chain management	The Group has implemented a series of measures and policies to manage our supply chain and ensure our compatibility with operational sustainability.	SUSTAINABLE OPERATIONS – Supply Chain Management
Customer satisfaction	We are committed to enhancing customer satisfaction by ensuring that the quality of our products and services meet customer expectations. We have also been maintaining close communication with customers to understand their needs, expectations and feedbacks.	SUSTAINABLE OPERATIONS – Enhancing Customer Satisfaction
Business ethics	The Group strictly observes ethical standards at all times throughout the entire business operation, and has set out an internal policy on anti-corruption and confidentiality to protect the interest of stakeholders. A whistleblowing channel is in place for employees to report any suspected behaviours of misconduct.	SUSTAINABLE OPERATIONS – Business Ethics
Socio-economic compliance	The Group has no issue in complying with any applicable laws and regulations pertaining to employee rights, health and safety, as well as diversity and inclusiveness during the Reporting Period.	All relevant sections
Environmental compliance	The Group has no issue in complying with any applicable environmental laws and regulations during the Reporting Period.	PROTECTING OUR ENVIRONMENT



SUSTAINABLE OPERATIONS

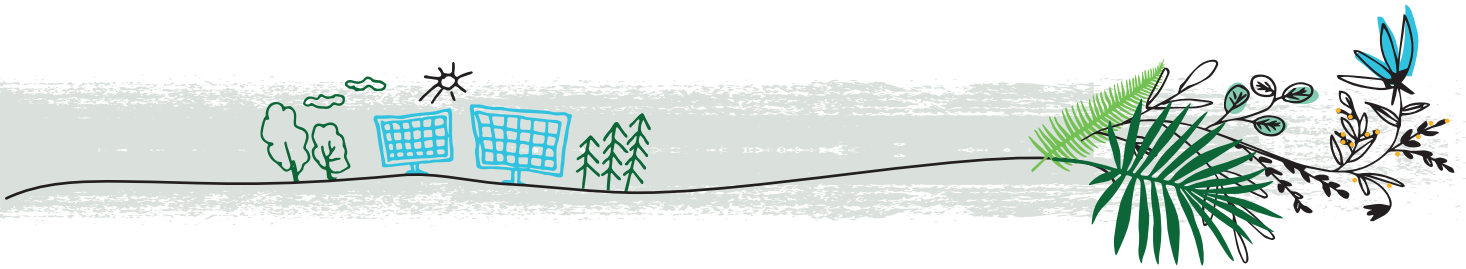
We are committed to ensuring our value chain fulfils the expectations of our stakeholders and the community. This includes enhancing the fairness and effectiveness of our supply chain management, as well as ensuring the adaptation of sustainable procurement. To achieve this, a sound supplier selection system has been put in place, which takes into account a series of environmental, social and business considerations.

Supply Chain Management

Supply chain management is an integral part of the Resources Business for ensuring our sustainable operations. Our comprehensive and unbiased supply chain management system enables us to source quality products at the commensurate prices and understand the level of environmental and social impacts and viability of our suppliers, so as to create a more sustainable and reliable supply chain. Other than iron ore suppliers of our Resources Business, our suppliers also include vessel owners and shipping agents, professional firms, consulting firms and providers of services and office supplies. During the Reporting Period, we collaborated with, among others, four suppliers and one supplier with the mines located in Australia and South Africa respectively.

To achieve a sustainable supply chain, the Group has implemented sustainable procurement policy, which incorporates environmental and social considerations in the supplier selection criteria. We aim at reducing carbon footprint and upholding moral ethics associated with the supply chain. In light of this, we take a priority when engaging with suppliers who duly comply with all applicable ESG-related laws and our supplier code of conduct, demonstrate a commitment to sustainable development, and have a sustainable policy in place.

To better manage the environmental and social impacts of our supply chain, our supplier management procedure includes regular review of suppliers' ESG performance. ESG risks associated with our procurements are identified and assessed regularly as further discussed in the section headed "Our Board Statement". Suppliers who pose a higher ESG risk will be encouraged to adopt risk mitigation measures in an appropriate timeframe. We may consider ceasing collaboration with suppliers who fail to demonstrate satisfactory improvement.



SUSTAINABLE OPERATIONS *(Continued)*

Supply Chain Management *(Continued)*

Sustainability Procurement Principles

Green procurement

- ✓ To consider environmental impacts of the full product or service life-cycle
- ✓ To avoid unnecessary purchases, and encourage reuse and recycling
- ✓ To avoid single-use disposable items
- ✓ To prioritise environmentally-friendly products when sourcing in the market
- ✓ To review the vendors' ESG performance (where applicable)

Responsible and ethical sourcing

- ✓ To consider social impacts and costs of the full product or service life-cycle
- ✓ To prioritise products and services which are beneficial to the health and wellness of end-users when sourcing in the market
- ✓ To avoid purchasing products which might pose potential health hazards
- ✓ To explore the feasibility of procurement from suppliers that support the local economy and/or socially vulnerable groups



SUSTAINABLE OPERATIONS *(Continued)*

Supply Chain Management *(Continued)*

We engage closely with our suppliers to ensure they consistently align with our environmental and social standards. They are required to abide by our supplier code of conduct, which underpins the Group's standards in the areas of environment, business ethics, labour relations, health and safety, as well as freedom and rights.

Supplier Code of Conduct

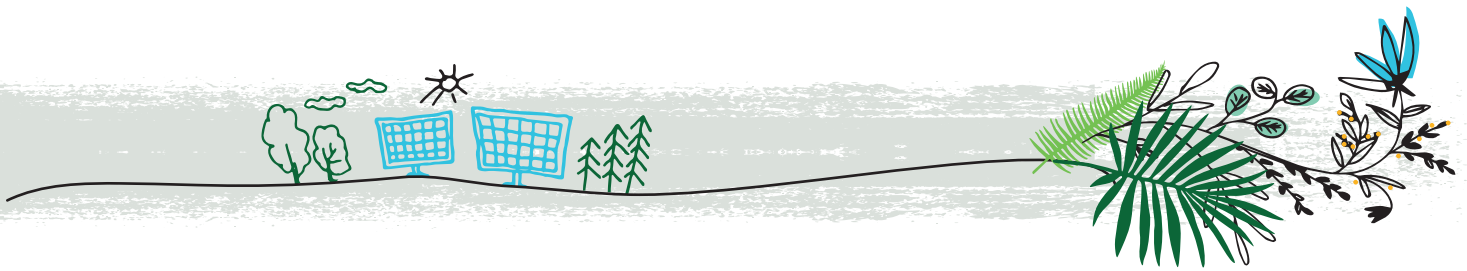
Environmental standards

- ✓ To comply with all applicable environmental codes and practices, laws and regulations in the jurisdictions where the suppliers operate in
- ✓ To hold all necessary environmental permits to conduct their business
- ✓ To implement an effective environmental management system including measurement and reporting of their environmental impacts
- ✓ To take all appropriate and reasonable measures to sustain and protect the environment through proper waste management, pollution control and recycling

Social standards

- ✓ To act honestly, fairly and ethically in every aspect and to all stakeholders and avoid any forms of business misconduct
- ✓ To comply with all applicable labour laws and regulations, implement fair and non-discriminatory employment practices, and refrain from using forced labour
- ✓ To maintain a healthy and safe working environment and comply with applicable occupational safety and health legislation and requirements
- ✓ To respect labour rights and freedoms and avoid any behaviours of discrimination

To ensure we have a reliable supply chain that creates values for our customers, apart from environmental and social standards, our suppliers also have to fulfil other criteria of timeliness, quality and overall performance to ensure that they have the ability to meet our production standard and fulfil our customers' requirements. We perform a background check for each new supplier to assess their credibility and past performance, and evaluate the existing suppliers regularly against the aforementioned criteria.



SUSTAINABLE OPERATIONS *(Continued)*

Enhancing Customer Satisfaction

Having been trusted by our customers for years, we understand the importance of maintaining close communication with customers so as to understand their expectations and needs. We are committed to providing the highest quality products, services and supports for our customers throughout the pre-sale, contract-signing and after-sale stages. During the Reporting Period, we were not aware of any material breach of relevant laws and regulations relating to health and product safety, advertising and labelling in connection to the products and services provided by the Group and method of redress.

Quality Control

To ensure the Group's products meet our quality standards and customer expectations, the quality and specification of our products are warranted by quality certificates issued by reputable mines or suppliers. The composition of iron ores is assessed by robust physical tests and chemical analysis to ensure that they meet internationally recognised standards. We also perform quality inspections on the products before they are discharged to the customers and any irregularities will be followed up by our management promptly. We work closely with our suppliers and customers to settle any quality issue.

Customers can prescribe the chemical compositions and physical specifications of the required iron ores, and only the iron ores that could fulfill the customers' requirements are procured and sold. As the commodity supply normally poses little or no safety and health issues, the Group generally does not have any product recall procedure. As a method of redress, pre-agreed pricing formulae are set out in our contracts with customers and suppliers and would be applied to balance the impact of the quality variation from the prescribed contractual specifications where applicable. During the Reporting Period, the Group did not receive any complaints nor any requests for significant sales returns and no sold or shipped products were subject to recalls for safety and health reasons.

Customer Satisfaction

A systematic procedure is in place to collect feedbacks and complaints from customers, so that their concerns can be effectively addressed and resolved, in order to enhance customer satisfaction. Based on the results, we perform customer satisfaction analysis that helps us determine the strengths and weaknesses of our products and services for future improvement. We also closely communicate with the customers to settle any quality issues they might encounter.

Intellectual Property

To protect the interest of our stakeholders, we are committed to protecting the intellectual property rights of relevant parties. The Group has implemented a set of policy on protecting and properly using copyright works from all relevant parties. During the Reporting Period, the Group was not aware of any non-compliance with applicable laws and regulations relating to intellectual property regarding our products and services.



SUSTAINABLE OPERATIONS *(Continued)*

Business Ethics

The Group strictly observes ethical standards at all times throughout the entire business operation as we understand that mutual trust is the foundation of our relationship with stakeholders. During the Reporting Period, the Group was not aware of any material breach of laws and regulations, including, among others, the Prevention of Bribery Ordinance of Hong Kong (Cap. 201), relating to bribery, extortion, fraud and money laundering, nor any concluded legal cases regarding corrupt practices brought against the Group or our employees.

Anti-corruption

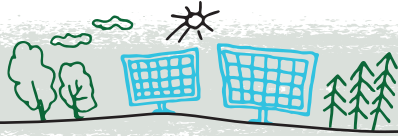
The Group takes a zero-tolerance approach to any behaviours of corrupt and dishonest business practices. Our employee code of conduct has underpinned a set of anti-corruption policy, which sets out the Group's anti-corruption standards and expectations. Any forms of corruption, such as soliciting or accepting any benefits, entertainment or advantages are strictly prohibited. We also require our business partners to align with our business ethic standards to ensure that our business relationship is built upon integrity. During the Reporting Period, we offered directors and employees 33 hours of anti-corruption training on "integrity" provided by Hong Kong Independent Commission Against Corruption.

Whistleblowing and Investigation

The Group has in place a whistleblowing policy and employees are encouraged to report any suspected behaviours of corruption, fraud and misconduct to the Group in writing. All cases will be properly investigated in a meticulous and timely manner. The identity of the whistleblowers and the case content will be kept strictly confidential.

Privacy

We are committed to protecting the privacy of our stakeholders. The Group has set out a confidentiality policy which restricts our employees from disclosing or divulging sensitive information, such as customer and supplier data, and business plans to unauthorised parties without prior consent from the Group. All employees are required under the policy to keep sensitive information confidential and comply with the stringent standards on handling confidential information. During the Reporting Period, we were not aware of any material non-compliance with relevant laws and regulations relating to privacy and confidentiality matters.

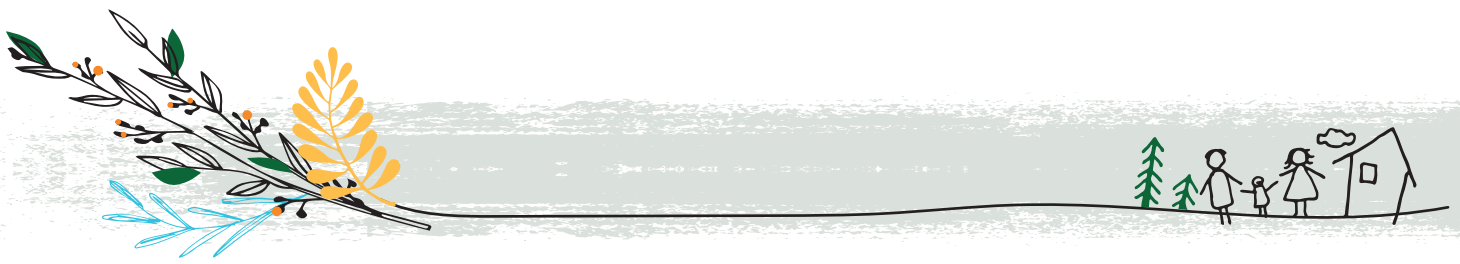


GROWING WITH EMPLOYEES

We provide our employees with a caring, diverse, fair and safe workplace which values their health and well-being. Our employment practice places human rights as a high priority. Apart from complying with relevant local labour laws, our employment practice aligns with the principles of the United Nations Global Compact. At the end of the Reporting Period, the Group employed 27 employees in Hong Kong and Mainland China, with a turnover rate of about 11%. The employment figures of the Group as at the end of the Reporting Period are summarised below:

		2021
Total number of employees		27
By gender (%)	Male	41%
	Female	59%
By age group (%)	Below 30	7%
	30 to 50	63%
	Over 50	30%
By employment type (%)	Full-time	93%
	Part-time	7%
By geographical region (%)	Hong Kong	93%
	Mainland China	7%
Employee turnover rate¹		
Total (%)		11%
By gender (%)	Male	4%
	Female	7%
By age group (%)	Below 30	4%
	30 to 50	7%
By geographical region (%)	Hong Kong	11%

¹ The employee turnover rate was calculated based on the number of employees at the end of the Reporting Period.



GROWING WITH EMPLOYEES *(Continued)*

Employees' Health and Safety

We aim at providing our employees with a safe and healthy working environment, and promoting the concepts of work-life balance and well-being among employees. The Group complies with all applicable health and safety laws and regulations. During the Reporting Period, we were not aware of any material breach of relevant laws and regulations in Hong Kong pertaining to provision of a safe working environment and protection of employees' from occupational hazards, such as Occupational Safety and Health Ordinance (Cap. 509) and Employees' Compensation Ordinance (Cap. 282). There were no work-related injury cases or fatalities occurred as well as lost days due to work injury in the past three years.

To achieve high standards of health and safety at work, the Group has health and safety practices covering various aspects as summarised below:

Health and Safety Practices

Health and safety management

- ✓ To properly and timely report all health and safety incidents to management for follow-ups and remedial actions
- ✓ To conduct in-depth analysis on the reported incidents if applicable
- ✓ To set out contingency planning on outbreak of pandemic and diseases

Employee engagement

- ✓ To closely communicate with the employees on our health and safety guidelines and standards, and provide training accordingly
- ✓ To organise information sharing programmes on improving employees' health and safety practice

Hygienic workplace

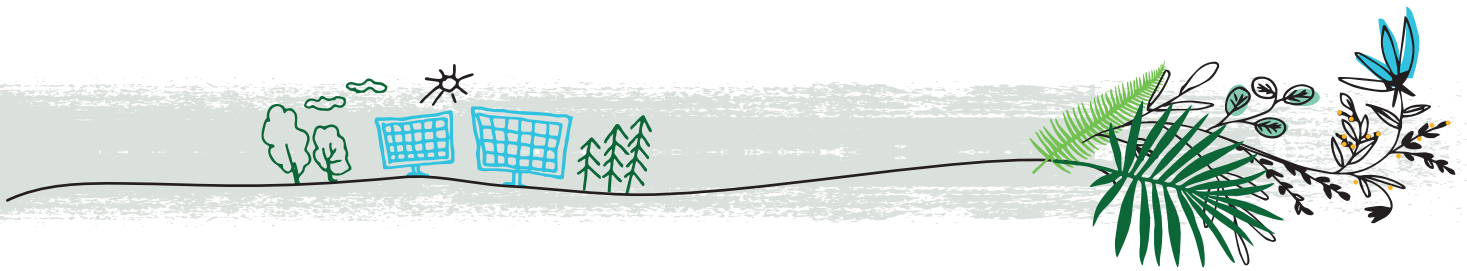
- ✓ To keep our offices clean and tidy, and carry out cleaning of carpet and air-conditioner regularly

Protecting employees' health

- ✓ To provide eligible employees with medical benefits and insurance
- ✓ To offer free influenza vaccination to employees

Health and safety training

- ✓ To arrange training sessions organised by the Occupational Safety and Health Council to employees



GROWING WITH EMPLOYEES *(Continued)*

Employees' Health and Safety *(Continued)*

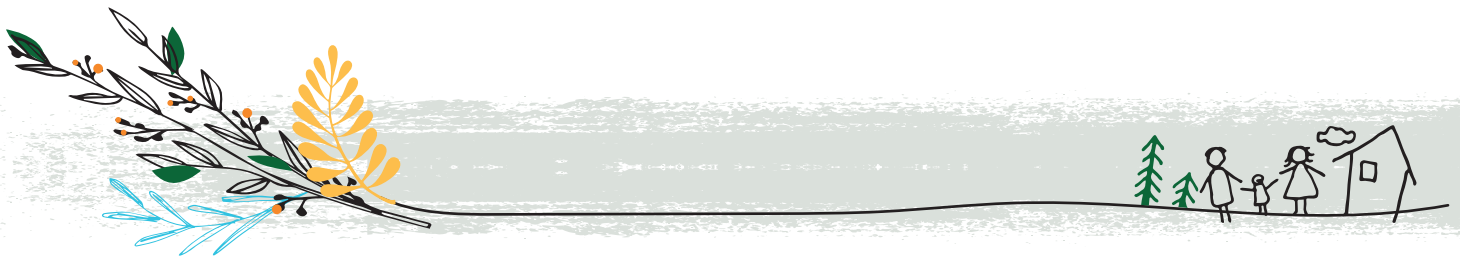
Dealing with the COVID-19 pandemic

During the Reporting Period, the COVID-19 pandemic continued to have an impact on our business, health and life of our employees. We have taken preventive measures to minimise the impact of the COVID-19 pandemic on the health of our employees and their families, stakeholders, as well as our operations. Protecting the health and safety of our employees and minimising potential business disruptions under the COVID-19 pandemic are the main priority of the Group.

To promote COVID-19 vaccination, minimise the risk of infection and enhance public health, we provided holiday incentives to employees who received the vaccination during the Reporting Period. To further minimise the risk of an outbreak at our offices, we have enabled and facilitated employees to work from home, and provided clear guidelines to the employees who have to undertake a self-quarantine.

Employment Conditions

Employees stand at the very heart of our success and are the most valuable assets of the Group. As such, maintaining a close relationship with employees is a top priority for us. To motivate our employees, we provide employees with a dynamic working environment and attractive compensation and benefits which are competitive with the market. During the Reporting Period, the Group was not aware of any material breach of relevant laws and regulations, including among others, the Employment Ordinance (Cap. 57) of Hong Kong, that had a significant impact on the Group relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunities, diversity, anti-discrimination, other benefits and welfare, as well as child and forced labour.



GROWING WITH EMPLOYEES *(Continued)*

Employment Conditions *(Continued)*

Benefits

We recognise employee contribution through attractive and competitive remuneration packages which are structured by reference to the job nature and prevailing market conditions. To further incentivise our employees, we may offer them year-end bonuses and share options with regard to their individual performance and industry practice. We also make contributions to Mandatory Provident Fund according to the local laws and regulations and provide medical and other insurances for our employees for the well-being of the employees and their families.

Work-life balance

Work-life balance is an important aspect of a healthy work environment. Apart from the statutory holidays, employees are also entitled to additional leave entitlements such as marriage leave and birthday leave. We organise a series of social events for our employees, such as Mid-autumn Festival lunch gathering and Christmas party to promote mental well-being and develop team spirit.

Diversity, Inclusiveness and Labour Rights

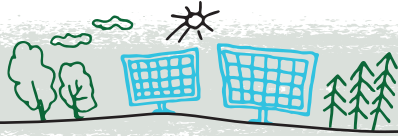
We are committed to building an equitable and supportive workplace which respects equal opportunity, labour rights and fairness. We also make every effort to ensure that our workplace is free from the use of child and forced labour.

Diversity and inclusiveness

The Group complies with all applicable health and safety laws and regulations, including among others, the Sex Discrimination Ordinance (Cap. 480), Disability Discrimination Ordinance (Cap. 487), Family Status Discrimination Ordinance (Cap. 527) and Race Discrimination Ordinance (Cap. 602). We have been actively promoting mutual respect and bear zero tolerance to any behaviours of discrimination, harassment, intimidation or violence on the bases of race, ethnicity, nationality, religious and political beliefs, gender, age, sexual orientation, marital status, family status, disability, medical condition, among others. As an equal opportunity employer which grows with our employees, the Group makes decisions on recruitment and promotion based on meritocracy. Furthermore, we respect the freedom of association and the right of collective bargaining of the employees, and have set out policy to protect such rights.

Child and forced labour

Prevention of child and forced labour is another major issue in protecting labour rights. The Group has established a stringent policy on avoiding all forms of illegal labour including child and forced labour. We act proactively to avoid the use of child or forced labour throughout our operations. Not only do we strictly adhere to our policy of child and forced labour prevention throughout employment and operation processes, we also closely communicate with our suppliers to ensure that they are in line with our standards. During the Reporting Period, the Group was not aware of any identified case regarding child and forced labour, as well as material non-compliance with laws and regulations, including among others, the Employment Ordinance (Cap. 57) of Hong Kong, relating to child and forced labour.



GROWING WITH EMPLOYEES *(Continued)*

Training and Development

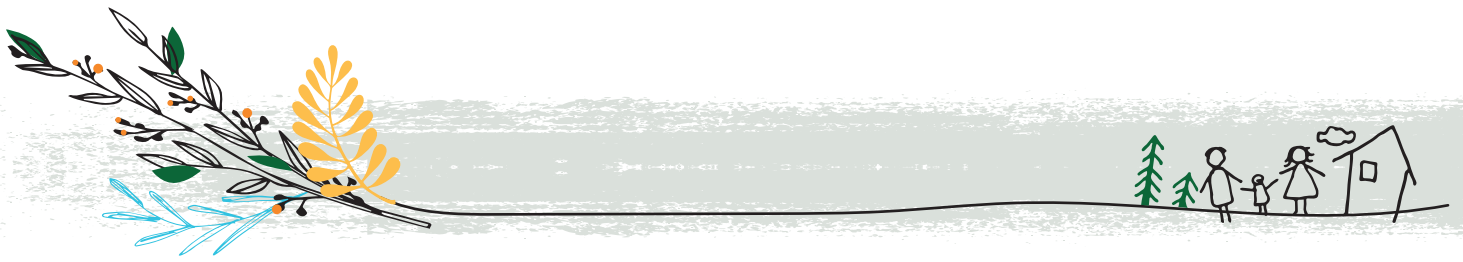
We encourage employees to acquire new skills they need by providing them with the training support that suit them the most. By investing in training and development, we help our employees to excel in their roles and thrive in the future. We provide options for the employees to obtain training in accordance with their job nature and cater to their needs of obtaining certain professional qualifications. Our employees have access to a range of internal and external training activities tailored to their needs. We provide or encourage employees to attend seminars, webinars and training programmes for different professional knowledge. Education subsidies are offered to eligible employees for continuous staff training and development.

The data of our training hours are summarised below:

	2021	
Total number of hours of training received by employees	268	
	Average hours of training per employee	Percentage of employees who received training ²
By gender		
Male	13.4	100%
Female	7.5	100%
By employment category		
Senior Management	28.3	100%
Middle Management	13.9	100%
General Staff	1.9	100%
Overall	9.9	100%

Apart from the training, we also lead our employees towards their career goals through mentoring, which is one of the effective ways we paved for the employees to develop their potentials and expand their experience and expertise. Employees will receive constructive feedbacks from their mentors in their performance-based appraisals. To further incentivise our employees and as part of motivation, we consider promotions and other career advancement options based on the results of the appraisals.

² It is calculated by dividing the employees received training in the specified category by the total number of employees in the specified category at the end of the Reporting Period.



SUPPORTING OUR COMMUNITY

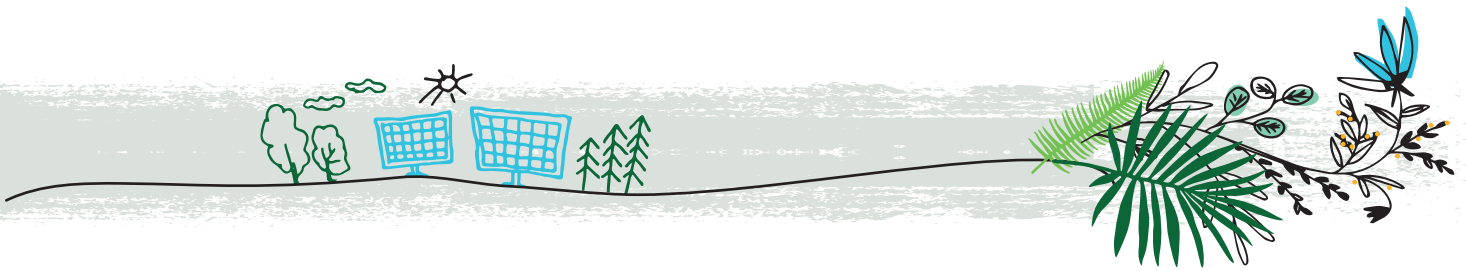
The Group fully supports the community where we operate in, especially the health and well-being of the people of the local society. Every year, we actively participate in various fundraising events organised by local charitable organisations and charity events promoting environmental awareness of the public. During the Reporting Period, we participated in five fundraising and/or charity events, including the Dress Casual Day organised by the Community Chest, GOrun organised by St. James' Settlement and those "Green events" listed out on page 21.

PROTECTING OUR ENVIRONMENT

Although our business activities mainly take place in office which does not induce significant environmental impacts nor generate significant hazardous and non-hazardous waste, we are keen on fulfilling our commitment on conserving natural resources by establishing green office guidelines and participating in green events in order to encourage our employees to develop habits of conserving natural resources and boosting resource efficiency. During the Reporting Period, the Group had no material non-compliance with laws and regulations relating to air and GHG emissions, discharges into water and land, generation of hazardous and non-hazardous waste and use of resources in Hong Kong. There was no issue in sourcing water that is fit for use in the Group's operations in Hong Kong during the Reporting Period.

Green operations

We are committed to reducing our carbon footprint by implementing green operations measures. The Group aims at adopting industry best practices to improve resource efficiency and further reduce our level of emission in our operations. To achieve this, we are exploring the use of clean and renewable energy in our operations where practicable, and encouraging our business partners and supply chain to identify ways to improve energy and water efficiencies in their practices. On the other hand, we are formulating and implementing long-term plans and reduction targets on GHG emissions to reduce our carbon footprint. Looking forward, we aim to maintain the level of GHG emissions, energy consumption, water consumption and waste generation at low levels.



PROTECTING OUR ENVIRONMENT *(Continued)*

Green events

To drive behavioural changes to reduce waste at source, we continue to raise our employees' environmental awareness and competence on environmental protection by participating in relevant events.

Green Low Carbon Day 2021

We participated in 'Green Low Carbon Day 2021' – an event that aims at raising funds for green-related projects and encourages participants to adopt a low-carbon lifestyle, such as riding on public transports instead of personal vehicles.

No Air Con Night

Air conditioner is one of the most energy-consuming electrical appliances. Apart from maintaining an energy efficient room temperature in our day-to-day operations, we participated in the 'No Air Con Night' organised by Green Sense during the Reporting Period. In the event, participating employees switched off the air conditioner for a certain period of time to conserve energy and raise the employees' awareness of environmental issues.

Mooncake Donation

We encouraged employees to donate unwanted mooncakes to local charitable organisations, which does not only avoid unnecessary food waste, but also enables them to share the happiness of the traditional festivity to the people in need.

DEALING WITH CLIMATE CHANGE

As a sustainable enterprise, the Group is committed to contributing our effort in dealing with climate change through our business operations. To get us prepared for the potential impacts that climate change could bring about, we are committed to incorporating climate risks into our enterprise ESG risk management and assessing associated risks and opportunities to enhance our business and operations, and incorporating climate change and extreme weather events into the business continuity plan. For the identified climate impacts and associated opportunities, we will be implementing appropriate measures and procedures to address them accordingly. In order to enhance our adaptive capacity on climate change, we will continue to explore opportunities to diversify the product supply from various suppliers in different jurisdictions and enhance the training on climate change for our employees. We have developed a climate change policy, which will be reviewed by management from time to time, depending on the trend of climate change.



ENVIRONMENTAL PERFORMANCE

As our business activities mainly take place in office, we do not have significant hazardous and non-hazardous waste generation during the Reporting Period. Our environmental data are illustrated in the table below:

Key Environmental Performance Indicators	Unit	2021	2020
GHG Emission			
Direct GHG emission (Scope 1) ³	Tonne of carbon dioxide equivalent ("tCO ₂ e")	5.23	N/A ⁴
Energy indirect GHG emission (Scope 2) ⁵	tCO ₂ e	11.66	10.90
Other indirect GHG emission (Scope 3) ⁶	tCO ₂ e	7.34	27.78
Total	tCO ₂ e	24.23	38.68
Intensity	tCO ₂ e per Full-time employee ("FTE")	0.90	1.38
Resource Consumption			
Electricity	kWh'000	16.42	15.36
	GJ ⁵	59.11	55.29
Intensity	kWh'000 per FTE	0.61	0.55
Paper	Tonne	0.55	0.77
Intensity	Tonne per FTE	0.02	0.03
Water ⁷	m ³	1.00	N/A
Intensity	m ³ per FTE	0.04	N/A

³ Scope 1: Direct GHG emissions generated from the use of unleaded petrol and diesel oil by company vehicles.

⁴ Our business operation in 2020 did not contribute to direct GHG emission that covered the emission from the combustion of stationary and mobile fuels, and the fugitive emissions from the use of refrigerants.

⁵ Scope 2: Energy indirect GHG emissions were caused by the use of purchased electricity. The calculation was based on the published emission factors of Carbon Calculator by The Hongkong Electric Company, Limited.

⁶ Scope 3: Other indirect GHG emissions were caused by business air travels by the Group's employees and methane gas generated in the paper disposal. The calculation had made reference to GHG Conversion Factors for Company Reporting published by the UK Government and the published emission factors of the "How to prepare an ESG Report Appendix 2: Reporting Guidance on Environmental KPIs" published by HKEx.

⁷ The figure in 2021 is based on the water consumption of the office of Newton Resources Ltd only. The figure in 2020 is unavailable as the water supply at the offices was managed by the property management.



HKEx ESG REPORTING GUIDE INDEX

HKEx ESG Reporting Guide General Disclosures & KPIs

Explanation/Reference Section

Aspect A Environmental

A1 Emission

Information on:

PROTECTING OUR ENVIRONMENT

(a) the policies; and

(b) compliance with relevant laws and regulations that have a significant impact on the issuer

relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.

Note:

Air emissions include NO_x, SO_x, and other pollutants regulated under national laws and regulations.

Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride.

Hazardous wastes are those defined by national regulations.

KPI A1.1

The types of emissions and respective emissions data.

ENVIRONMENTAL PERFORMANCE

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).

ENVIRONMENTAL PERFORMANCE

KPI A1.3

Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).

Not applicable – our business activities mainly took place in office, which did not generate significant amount of hazardous waste during the Reporting Period.

KPI A1.4

Total non-hazardous waste produced (in tonnes) and where appropriate, intensity (e.g. per unit of production volume, per facility).

Not applicable – our business activities mainly took place in office, which did not generate significant amount of non-hazardous waste during the Reporting Period.

KPI A1.5

Description of emission target(s) set and steps taken to achieve them.

PROTECTING OUR ENVIRONMENT

KPI A1.6

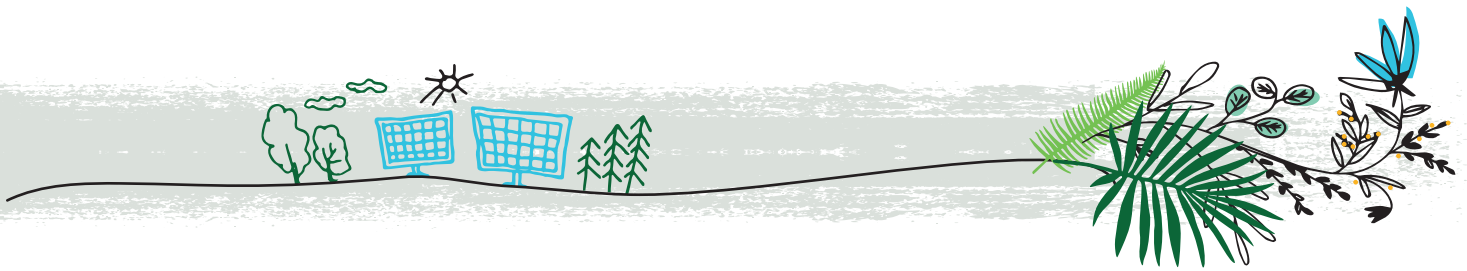
Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.

Not applicable – our business activities mainly took place in office, which did not generate significant amount of hazardous and non-hazardous waste during the Reporting Period.



HKEx ESG REPORTING GUIDE INDEX *(Continued)*

HKEx ESG Reporting Guide General Disclosures & KPIs		Explanation/Reference Section
A2 Use of Resources	<p>Policies on efficient use of resources including energy, water and other raw materials.</p> <p>Note:</p> <p>Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.</p>	PROTECTING OUR ENVIRONMENT
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).	ENVIRONMENTAL PERFORMANCE
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	ENVIRONMENTAL PERFORMANCE
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	PROTECTING OUR ENVIRONMENT
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.	PROTECTING OUR ENVIRONMENT
KPI A2.5	Total packaging material used for finished products (in tonnes), and, if applicable, with reference to per unit produced.	Not applicable – the use of packaging materials is immaterial due to the Group's business nature
A3 The Environment and Natural Resources	Policies on minimising the issuer's significant impacts on the environment and natural resources.	PROTECTING OUR ENVIRONMENT
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	PROTECTING OUR ENVIRONMENT
A4 Climate Change	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	DEALING WITH CLIMATE CHANGE
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.	DEALING WITH CLIMATE CHANGE



HKEx ESG REPORTING GUIDE INDEX *(Continued)*

HKEx ESG Reporting Guide General Disclosures & KPIs		Explanation/Reference Section
Aspect B: Social		
B1 Employment	<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.</p>	GROWING WITH EMPLOYEES – Employment Conditions
KPI B1.1	Total workforce by gender, employment type (for example, full-or part-time), age group and geographical region.	GROWING WITH EMPLOYEES
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	GROWING WITH EMPLOYEES
B2 Health and Safety	<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>relating to providing a safe working environment and protecting employees from occupational hazards.</p>	GROWING WITH EMPLOYEES – Employees' Health and Safety
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	GROWING WITH EMPLOYEES – Employees' Health and Safety
KPI B2.2	Lost days due to work injury.	GROWING WITH EMPLOYEES – Employees' Health and Safety
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	GROWING WITH EMPLOYEES – Employees' Health and Safety



HKEx ESG REPORTING GUIDE INDEX *(Continued)*

HKEx ESG Reporting Guide General Disclosures & KPIs

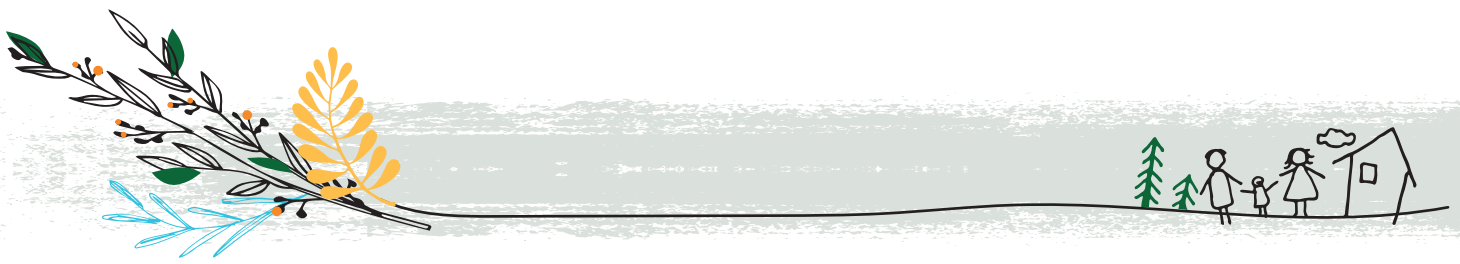
Explanation/Reference Section

B3 Development and Training	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	GROWING WITH EMPLOYEES – Training and Development
	<p>Note:</p> <p>Training refers to vocational training. It may include internal and external courses paid by the employer.</p>	
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	GROWING WITH EMPLOYEES – Training and Development
KPI B3.2	The average training hours completed per employee by gender and employee category.	GROWING WITH EMPLOYEES – Training and Development
B4 Labour Standards	<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>relating to preventing child and forced labour.</p>	GROWING WITH EMPLOYEES – Diversity, Inclusiveness and Labour Rights
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	GROWING WITH EMPLOYEES – Diversity, Inclusiveness and Labour Rights
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Not applicable – no case of child or forced labour was discovered during the Reporting Period



HKEx ESG REPORTING GUIDE INDEX *(Continued)*

HKEx ESG Reporting Guide General Disclosures & KPIs		Explanation/Reference Section
B5 Supply Chain Management	Policies on managing environmental and social risks of the supply chain.	SUSTAINABLE OPERATIONS – Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	SUSTAINABLE OPERATIONS – Supply Chain Management
KPI 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.	SUSTAINABLE OPERATIONS – 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.	SUSTAINABLE OPERATIONS – Supply Chain Management
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	SUSTAINABLE OPERATIONS – Supply Chain Management
B6 Product Responsibility	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	SUSTAINABLE OPERATIONS – Enhancing Customer Satisfaction
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	SUSTAINABLE OPERATIONS – Enhancing Customer Satisfaction
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	SUSTAINABLE OPERATIONS – Enhancing Customer Satisfaction
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	SUSTAINABLE OPERATIONS – Enhancing Customer Satisfaction
KPI B6.4	Description of quality assurance process and recall procedures.	SUSTAINABLE OPERATIONS – Enhancing Customer Satisfaction
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	SUSTAINABLE OPERATIONS – Enhancing Customer Satisfaction



HKEx ESG REPORTING GUIDE INDEX *(Continued)*

HKEx ESG Reporting Guide General Disclosures & KPIs		Explanation/Reference Section
B7 Anti-corruption	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	SUSTAINABLE OPERATIONS – Business Ethics
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.	SUSTAINABLE OPERATIONS – Business Ethics
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	SUSTAINABLE OPERATIONS – Business Ethics
KPI B7.3	Description of anti-corruption training provided to directors and staff.	SUSTAINABLE OPERATIONS – Business Ethics
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.	SUPPORTING OUR COMMUNITY
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	SUPPORTING OUR COMMUNITY
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	SUPPORTING OUR COMMUNITY



新礦資源有限公司
NEWTON RESOURCES LTD

Units 4204-05, 42/F, Dah Sing Financial Centre,
248 Queen's Road East, Wan Chai, Hong Kong

Tel: (852) 2521 8168

Fax: (852) 2521 8117

www.newton-resources.com