



Computime

COMPUTIME GROUP LIMITED

金寶通集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 320)



ENVIRONMENTAL, SOCIAL
AND GOVERNANCE REPORT
2021/2022

* For identification purposes only

ABOUT COMPUTIME

Computime is a technology and manufacturing company that advances and enables smart and sustainable living for everyone.

We focus on artificial intelligence (“AI”) and machine learning (“ML”) that promote connected homes and buildings, evolving robotic automation technologies, and innovating renewable energy and water saving technologies.

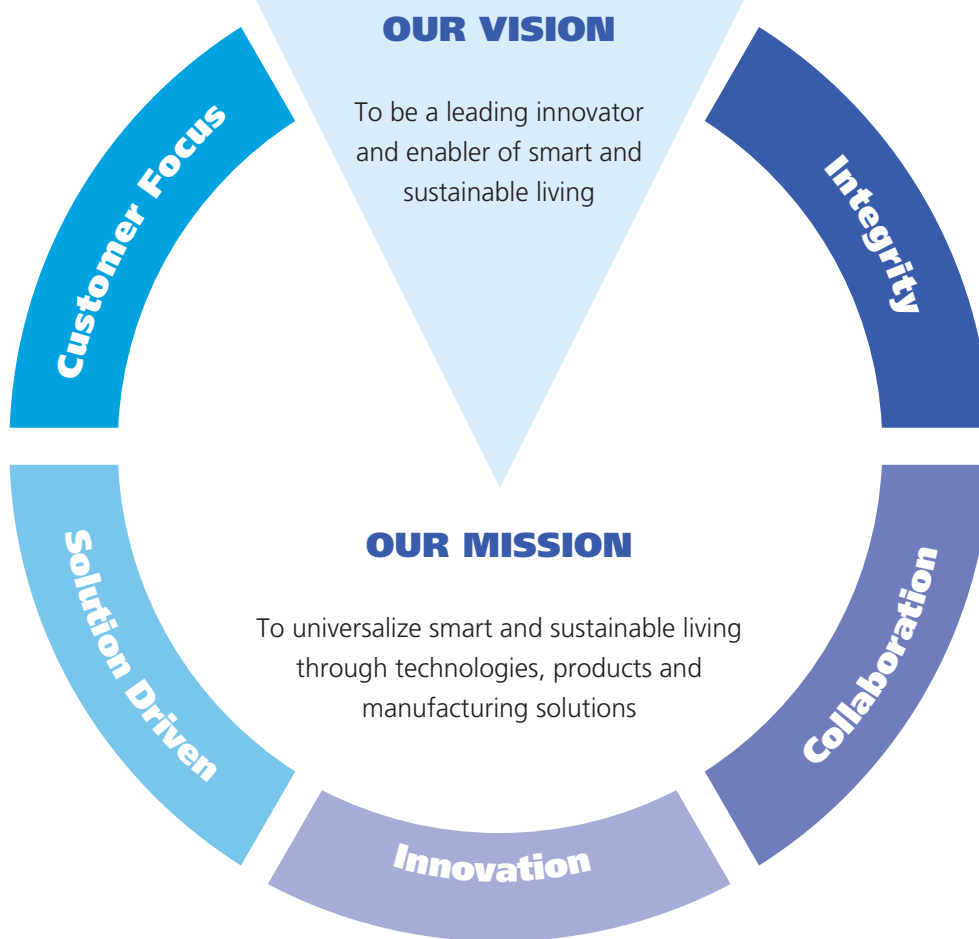


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ABOUT THE REPORT

This Environmental, Social and Governance (“ESG”) Report (the “Report”) is published by Computime Group Limited (“Computime”, the “Company”, “we”, “us”, or “our”), disclosing its management approach and performance in environmental and social aspects of the Company and its subsidiaries (collectively the “Group”). The Report, which is published in both Chinese and English, is an integral part of our annual reporting and should be read in conjunction with our FY2022 Annual Report, in particular the Management Discussion and Analysis section and Corporate Governance Report contained therein. If there is any discrepancy between the two versions, the English version shall prevail.



A Snapshot of FY2022
Annual Report.

Application of Reporting Guidelines and Principles

This Report has been prepared in accordance with the core option of the Global Reporting Initiative’s (“GRI”) Sustainability Reporting Standards and is in compliance with ESG Reporting Guide set out in Appendix 27 to the Rules governing the Listing of Securities (“Listing Rules”) on The Stock Exchange of Hong Kong Limited (“HKEx” or the “Stock Exchange”) and the actual situation of Computime. The Company’s sustainability initiatives, where applicable, align with the Sustainable Development Goals (“SDGs”) and the 10 principles of the United Nations Global Compact.

In the process of preparation of this Report, we have adhered to the reporting principles of Materiality, Quantitative, Balance and Consistency, as below:

Materiality:	The interests of stakeholders and broader economic, social or environmental topics raised by stakeholders have been taken into account in defining material topics.
Quantitative:	The Report indicates which data have been estimated, and the underlying assumptions and techniques used for the estimation, or where that information can be found.
Balance:	The information in this Report is presented in a format that allows users to see positive and negative trends in performance on a year-to-year basis.
Consistency:	The Report and its information can be compared on a year-to-year basis. Any significant variation between reporting periods can be identified and explained.

ABOUT THE REPORT (CONTINUED)

Reporting Boundary and Period

Unless otherwise stated, the social data in the Report covers the entire Group. The environmental data in the Report covers the business operations of the Group located in Hong Kong, Shenzhen in China, Malaysia and overseas offices in United Kingdom (“UK”), European countries including Germany, Denmark and Romania, Ohio and Illinois in the United States of America (“US”)^{1, 2}. In determining our environmental data reporting boundary, operating offices and production facilities with fixed assets exceeding HKD250,000.

The reporting period is for the year ended 31 March 2022 (the “Year” or “FY2022”). There have been no significant changes in the Group’s major business framework and no significant restatements of data were made during the Year.

Board Approval

This Report has been reviewed and confirmed by the management team and was approved by the Board of Directors (the “Board”) on 30 June 2022.

Feedback

The information and data collection are contributed by various corporate functions and subsidiaries across the Group. We have established a mechanism for summarizing data and information, conducting regular reviews on the data and information. Nevertheless, we recognize the potential shortcomings of our reporting process and strive to enhance our work on disclosure. Your comments and idea are appreciated and will help us to improve our work and performance continuously. You may contact us at:

Address: 6/F, Building 20E, Phase 3, Hong Kong Science Park, 20 Science Park East Avenue, Shatin, New Territories, Hong Kong

Tel: (852) 2260 0300

Fax: (852) 2790 3996

Email: ir@comptime.com

¹ The brand of Braeburn Systems LLC (“Braeburn”) located in Illinois in the US became a 90% owned subsidiary of the Group starting on 01/01/2022, the post acquisition carried into FY2023 and quantitative environmental and social metrics disclosure will be undergoing from FY2023 report. Major business operations of Braeburn in the US cover sales office and warehouse operations.

² Due to variations in legal requirements across regions where the Group operates, certain quantitative indicators have not yet been used for reporting ESG performance of some of our subsidiaries. The Company will continue to ensure that these indicators are included in a single set of unified and standardised statistics in our future ESG reports.

MESSAGE FROM CHAIRMAN AND CEO

Dear Stakeholders,

A large part of the world is gradually returning to pre-COVID normalcy and most economies have started growing again. In the midst of this, we are presenting our fifth stand-alone annual ESG Report for FY2022.

The COVID-19 outbreak has resulted in unprecedented lockdowns which lead to the suspension of business activities and prompted businesses to rethink and re-analyse their operating models. At Computime, we have reaffirmed our commitment to sustainable and resilient business practices through environmental protection, social responsibility, and corporate governance. We strive to formulate and follow a program with clearly defined goals, commitments, and actions that can deliver long-term sustainable value for our customers, shareholders, employees, and communities across our global footprint. Sustainable, ethical, and community-oriented development is aligned with the principles of the United Nations Global Compact which calls for business awareness and support in achieving the SDGs.

In FY2022, we have started assessing climate-related risks and opportunities that follow the recommendations of the Task Force on Climate-Related Financial Disclosures ("TCFD"). This alignment is an important step in achieving higher transparency on how we determine policies and initiatives to address climate change. Accelerating our supply chain decarbonisation is one important factor in decreasing our long-term environmental impact as well as in increasing profitability. We have participated in various well-recognised external performance evaluations, such as EcoVadis sustainability assessment to communicate our commitment to ESG with our suppliers and clients.

Facilitating smart and sustainable living is Computime's core mission. Our technologies and products are designed to protect the environment, save energy and improve quality of life. We are increasingly integrating sustainability strategies to enable growth and streamline our daily operations. As our reach expands geographically, we are constantly developing new and more innovative smart solutions that enhance the use of renewable energy and water-saving technologies, robotic automation, artificial intelligence, and machine learning. We are also striving for a circular manufacturing operation by prioritising more resource-efficient technologies and products when scaling up our business across the globe.

We are also strongly committed to protecting the health and safety of our employees, particularly during the COVID-19 pandemic. We are proud of having continuous efforts and actions to fight COVID-19. This includes providing insurance coverage for vaccine side effects which have encouraged more employees to opt for vaccination. Vaccination leave has also been granted to employees who received COVID-19 vaccination for recuperation. Furthermore, flexible work-from-home arrangements were made during the quarantine period to the extent possible, to fulfil our responsibilities as corporate citizens and help break the chain of transmission of COVID-19.

MESSAGE FROM CHAIRMAN AND CEO (CONTINUED)

Our company culture statement is: “We aspire to be an industry leader in which our people take pride in their work and are rewarded for their contribution and team collaboration. As an innovator and pioneer, we drive sustainable growth, agility, and continuous learning to positively shape the future.” Establishing and nurturing this company culture is important for employee engagement. We continue to make consistent efforts for the retention of our people by providing more responsive benefits such as better maternity and family benefits, flexible work schedules, and learning and development opportunities such as our NexGen talent management program. We believe policies that benefit our employees and the community generate goodwill as well as profits for the Company.

Looking ahead, we are eager to see our ESG-related actions remain aligned with our goal of being a leading innovator and enabler of smart and sustainable living. On behalf of the Board, I would like to express my gratitude to all our stakeholders for their unwavering dedication during this challenging year. In the coming year, I am confident that we will continue to play a leading role in shaping a more sustainable future for our industry and our communities. Thank you for supporting us on our journey.

By Order of the Board

AUYANG Pak Hong Bernard

Chairman, Chief Executive Officer and Executive Director

Hong Kong, 30 June 2022

SUSTAINABILITY AT COMPUTIME

At Computime, we focus our efforts to help achieve global sustainability goals given our unique industry experience, priorities, and targeted ESG initiatives.



Computime contributes to the achievement of all SDGs both directly and indirectly through the business activities across the globe.

About Computime

Computime is a technology and manufacturing company. The Group operates three main businesses: Computime Control Solutions, SALUS Controls and Computime Brands, providing Original Equipment Manufacturer (“OEM”) and Original Design Manufacturer (“ODM”) services across a few key market segments which include Appliance Controls, Heat, Ventilation and Air Conditioning (“HVAC”), Home Controls, Industrial Controls and Medical and Wellness products. A specialist on the Internet of Things (“IoT”) technologies, wireless connectivity and sensor technologies, the Group operates research and development (“R&D”), engineering, sales and manufacturing centres in 15 locations worldwide including Hong Kong, China, Malaysia, US, UK, Denmark, Germany, and Romania.

ESG Governance

We have established preventive, monitoring and controlling measures to ensure compliance with relevant business operation laws and regulations. During the reporting period, the Group complied with all code provisions and, where appropriate, adopted the best-recommended practices as set out in the Corporate Governance Code (“CG Code”), except code provision C.2.1 set out in Appendix 14 of the Listing Rules provided that the roles of chairman and chief executive.

SUSTAINABILITY AT COMPUTIME (CONTINUED)

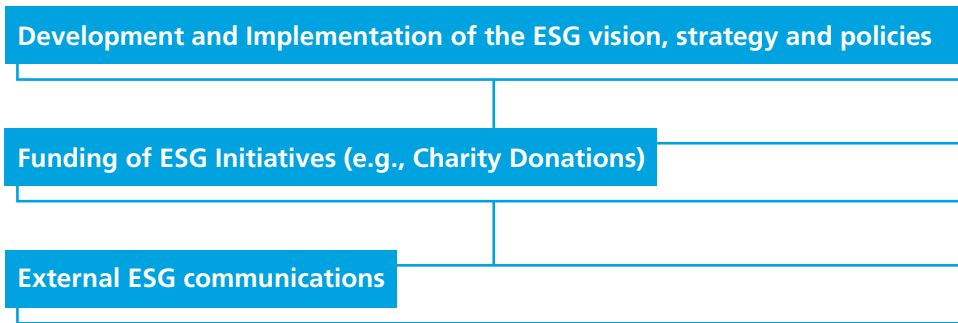
Under code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. The Group does not at present separate the roles of chairman and chief executive and Mr. AUYANG Pak Hong Bernard (“Bernard AUYANG”) is the Chairman and Chief Executive Officer (“CEO”) of the Group. Mr. Bernard AUYANG has extensive experience in the electronics industry and is responsible for the overall corporate strategies, planning and business management of the Group. The Board believes that vesting the roles of Chairman and CEO in the same individual is beneficial to the business prospects and consistent leadership of the Group. The balance of power and authorities is ensured by the operation of the Board and the senior management, which is comprised of experienced and high calibre individuals.

The Board has established four Board Committees, namely the Executive Committee, the Audit Committee, the Nomination Committee and the Remuneration Committee with defined terms of reference to maintain and uphold high standards of corporate governance by adopting ESG governance and risk management approach to be in line with international and local corporate governance best practices for achieving sustainable governance.

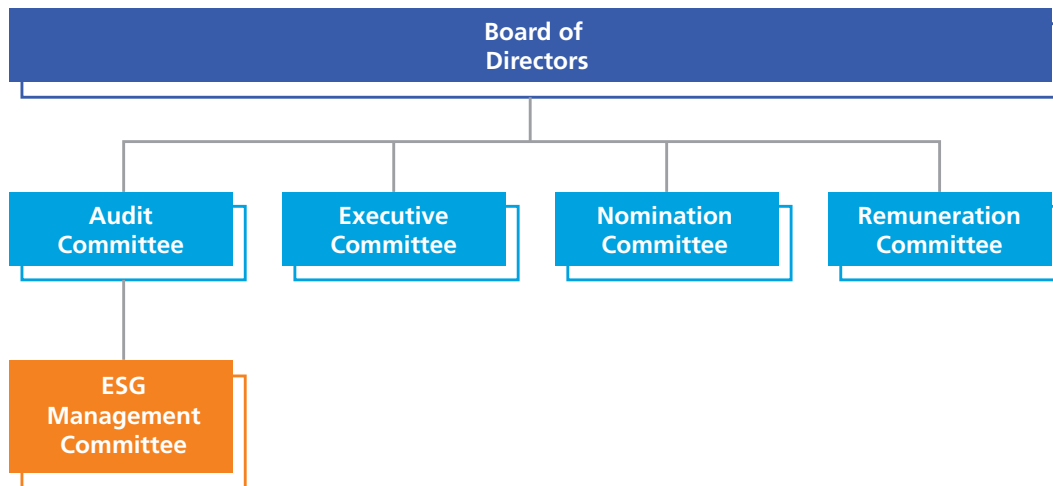
Executive Committee	<ul style="list-style-type: none"> • Assist the Board in discussing and making decisions on issues/matters relating to the Group’s day-to-day management and operations • Monitor the execution of the Company’s strategic plans and operations of all business units of the Group • Review and update the challenges of major business activities and project investment of the Group, determine the setting of management targets, examine major investments and to monitor trading and management performance and its supervision
Audit Committee	<ul style="list-style-type: none"> • Review the financial information and reports of the Group and consider any significant or unusual items raised by the financial officers of the Group or external auditor before submission to the Board • Review the relationship with and the terms of appointment of the external auditor and making the relevant recommendation to the Board • Review the Company’s financial reporting system, internal control system and risk management system
Nomination Committee	<ul style="list-style-type: none"> • Review and give recommendation on the composition of the Board, formulate relevant procedures for nomination and appointment of directors of the Company (“Directors”) • Identify qualified individuals to become members of the Board • Monitor the appointment and succession planning of Directors, and assess the independence of the independent non-executive directors of the Company • Review the Board Diversity Policy and recommend revisions to the Board
Remuneration Committee	<ul style="list-style-type: none"> • Make recommendations to the Board on the Company’s remuneration policy and structure for directors and senior management and the establishment of a formal and transparent procedure for developing such remuneration policy and structure to ensure that no Director or any of his/her associates will participate in deciding his/her own remuneration • Make recommendations on the remuneration packages of executive directors and senior management of the Group • Review and approve performance-based remuneration by reference to corporate goals and objectives

SUSTAINABILITY AT COMPUTIME (CONTINUED)

We have implemented governance changes that demonstrate our commitment to ESG since the end of the FY2022. An ESG Management Committee, a sub-committee of the Audit Committee, was established to assist the Board in providing direction on and overseeing the development and implementation of the ESG initiatives of the Group including the following directions:



With the governance support and bi-annual progress debriefs from the ESG Management Committee, the Board, comprising of Chairman and CEO of the Company and senior management of the Group functions, is responsible for oversight of our ESG strategy and ESG risk management, including climate-related risks.



SUSTAINABILITY AT COMPUTIME (CONTINUED)

Responsible key corporate functions, including Engineering, Procurement, Operations, Human Resources & Administration and Legal and Corporate Affairs in Finance, etc., and designated supporting teams across the Group are involved to support and implement ESG-related initiatives of Computime being assigned.



Supported by the ESG Management Committee, the Board is responsible for validating the process of identifying material ESG topics and the corresponding risks, as well as reviewing the improvement progress on ESG-related targets.

SUSTAINABILITY AT COMPUTIME (CONTINUED)

Our Sustainability Strategy

Computime is a technology and manufacturing company that enables and advances smart and sustainable living for everyone. As a global organisation that conducts businesses in a socially responsible and ethical manner, our technologies and products save energy and improve quality of life. Our sustainability strategy is centred around three core pillars which encompass the areas that the Group has determined as strategic priorities within the environment, social and governance dimensions. These commitments and their supporting actions represent the issues where Computime can create the most significant impacts.

Environmental Pillar:

Waste & Pollution	Resource Conservation	Greenhouse Gas ("GHG") Emission	Climate Change
<ul style="list-style-type: none"> • Ensure the used plastic packaging is fully reusable, recyclable or compostable • Minimise & recycle packaging materials & waste and wooden pallet waste • Reduce single use plastic throughout the company • 5R: refuse, reduce, reuse, repurpose, recycle 	<ul style="list-style-type: none"> • Efficient use of water & ensure product regulatory compliance and stewardship • Establish energy management system for energy saving • Explore circular manufacturing potential • Circular Economy in manufacturing 	<ul style="list-style-type: none"> • Establish climate resilience policies across the supply chain towards the goals of carbon neutrality • Partnership with suppliers committed to sustainable and carbon reduction practices • Installation of solar panels for factories and appropriate facilities 	<ul style="list-style-type: none"> • Promote company culture of climate conscious behaviour and accountability • Innovate sustainable product development and invest in Green tech development • Maintain ISO14001 certification standard

SUSTAINABILITY AT COMPUTIME (CONTINUED)

Social Pillar:

Local Community	Training & Education	Health & Safety	Employee Relations/Diversity
<ul style="list-style-type: none"> Define community program focus Promote employee volunteerism Donation, sponsorship and scholarship 	<ul style="list-style-type: none"> Promote and deliver company culture MT/NexGen programs Versatile global e-learning platforms 	<ul style="list-style-type: none"> Safe working condition Employee health programs (COVID & flu vaccine) Employee wellness programs facilities 	<ul style="list-style-type: none"> Employee engagement programs (Portal, Newsletter, Townhall meeting) Diversity & inclusion (D&I) in workplace and Women in STEM

Governance Pillar:

Compliance	Business Ethics	Board Diversity	Investor Relations
<ul style="list-style-type: none"> Observe the rule of law in countries we operate in Transparency in tax and accounting practices in different jurisdictions Ensure evidence-based ethical and social compliance to improve supply chain resiliency 	<ul style="list-style-type: none"> Zero tolerance of corruption and bribery non-compliance Enhancement of Code of Conduct and Whistleblowing Policy Maintain honest and transparent accounting practices, compliance, transformational corporate governance and risk management Risk and Crisis Management 	<ul style="list-style-type: none"> Establish Board diversity goal and timeline Ensure Board independence and composition Review and approve executive remuneration 	<ul style="list-style-type: none"> Investor-centric communication to promote our ESG propositions and our ways of being a leading innovator and enabler of smart sustainable living

In FY2022, we have established multiple-year roadmap in a short-, medium- and long-term timeline to the ambitious goals by the target of 2030 in order to better integrate the Group's sustainability strategy into our businesses. Within this roadmap, we mainly focus on our commitments and targets which steer our activities and enable our stakeholders to measure and hold us accountable for our performance. Computime is simultaneously undergoing our own renovation: to be the leading industry frontrunner and enabler for our products and services of smart sustainable living in the global market.

SUSTAINABILITY AT COMPUTIME (CONTINUED)

Sustainability Performance Highlights

Economic

Revenue Growth by

16.4%

Diversity

Male to female workforce ratio **63.6 : 100**

>34% of employees aged below 30

Environment

Set out reduction targets for electricity consumption, GHG emissions, water consumption and general waste, to cover the period up to 2025

23.5% Reduction in GHG emissions

Energy intensity **8.28** (MWh/HKD '000,000 revenue) **↓14.4%**

Emission intensity **4.67** (tCO₂e per HKD '000,000 revenue) **↓34.3%**

Water intensity **65.75** (m³ per HKD '000,000 revenue) **↓37.7%**

Hazardous waste intensity **25.18** (kg per HKD '000,000 revenue) **↑9.2%**

Non-hazardous waste intensity **91.57** (kg per HKD '000,000 revenue) **↑24.11%**

SUSTAINABILITY AT COMPUTIME (CONTINUED)

Occupational Safety and Health

0 work-related fatality over the past 6 years

159 lost days due to work injuries ↓ **by 60%**

Health and Well-being

1 day of paid leave for each dose of COVID-19 vaccination received

Training and Development

Average training hours per employee

>17

Data Security and Privacy Protection

730 BitSight Data Security Rating, up from 690

Operations

36 own patents

14 in the stage of application

100% Conflict Mineral free

Cooperate with over **1,000** suppliers worldwide

Customer Satisfaction

70% customer compliments (from the Top 20 Customer Feedbacks)

Community Donation

HKD384,000

SUSTAINABILITY AT COMPUTIME (CONTINUED)

Stakeholder Engagement

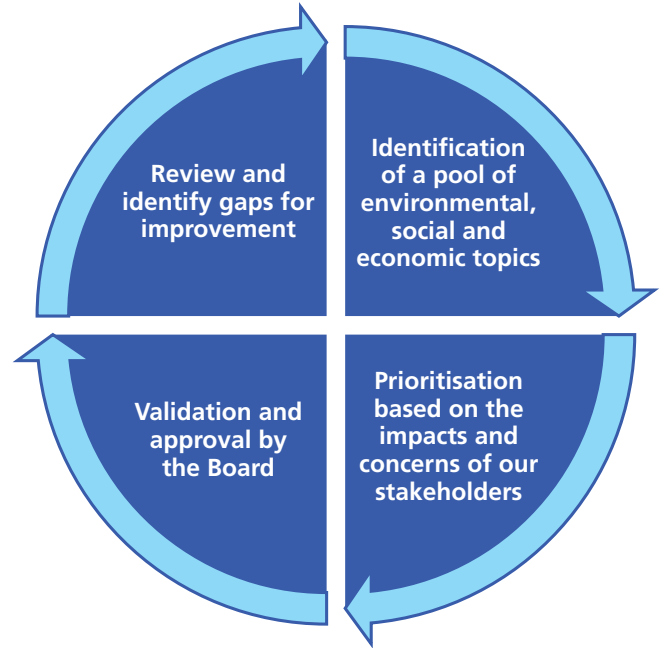
The Group conducts a materiality assessment on a bi-annual basis. Through various communications channels, including annual reports, annual general meeting, surveys, etc., we engage with our stakeholders including employees, customers, investors, non-government organisations (“NGOs”), suppliers and subcontractors to understand how our operations have a substantive influence on their decision-making process.

Stakeholder group	Topics concerned	Communication channels
Customers	<ul style="list-style-type: none"> • Customer service and satisfaction • Innovation management • Computime’s advantages in the industry • Product quality control • Product eco-friendly innovation • Data Security and Privacy Protection • Business ethics 	<ul style="list-style-type: none"> • Customer satisfaction surveys • Quality assessment meetings • Products training workshops • Customer services hotline and email
Employees	<ul style="list-style-type: none"> • Employee benefits • Talent management • Training and education • Occupational safety and health • Career development 	<ul style="list-style-type: none"> • Employee communication meetings • Employee satisfaction surveys • All-employee email announcements • Internal newsletter or magazine
Investors	<ul style="list-style-type: none"> • Computime’s advantages in the industry • Future growth potential • Continuous improvement of profitability • Corporate strategy • R&D goals and progress • Business ethics • Compliance with laws and regulations 	<ul style="list-style-type: none"> • Annual general meeting • Annual report • Interim report • ESG report • Communication via phone calls and emails • Company website
Suppliers	<ul style="list-style-type: none"> • Quality, price, delivery, service • Supplier chain management • Business ethics • Data Security and Privacy Protection • Compliance with laws and regulations • Business ethics 	<ul style="list-style-type: none"> • Ratings and on-site review • Audits for suppliers • Supplier surveys • Business review meetings
Community	<ul style="list-style-type: none"> • Waste control and pollution prevention • Environmental protection • Employee health and safety • Compliance with laws and regulations 	<ul style="list-style-type: none"> • On-site visits • Regular meetings • Corporate website
Government	<ul style="list-style-type: none"> • Compliance with laws and regulations • Business ethics 	<ul style="list-style-type: none"> • Annual Report • Corporate website
Environmental NGOs	<ul style="list-style-type: none"> • Environmental compliance • GHG emissions • Effluent and waste 	<ul style="list-style-type: none"> • ESG Report • Corporate website

SUSTAINABILITY AT COMPUTIME (CONTINUED)

Materiality Assessment

Our materiality assessment involves a four-step process of identification, prioritisation, validation and review of material topics. Following thorough research and peer analysis, a pool of sustainability issues related to environmental, social and economic aspects is identified, with respect to the HKEx ESG Reporting Guide and the GRI Sustainability Reporting Standards. Four new topics, namely, reducing carbon emissions, chemical safety and management, product lifecycle and comply with product advertising and labeling requirements were included and two topics, namely, controlling working hours of workers, embracing diversity at workspace, making the list a total of 34³ potential material topics.



During the prioritisation phase, we conducted online surveys and telephone interviews to elicit views of Company’s stakeholders, identifying the concerns and interests of the stakeholders regarding our list of potential material topics and determining the most significant risks and opportunities of the Company. The findings of the materiality assessment have been plotted in a materiality matrix, based on importance of issues to both internal and external stakeholders, and against their impact to the environment, society and economy.



³ In FY2022, we have reviewed and updated 32 sustainability topics mentioned in the FY2021 ESG report. We added two topics each in Environmental and Social aspects and removed two topics in Social aspects, resulting a total 34 sustainability topics were used for materiality assessment.

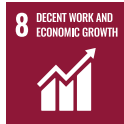
SUSTAINABILITY AT COMPUTIME (CONTINUED)

Topics	Material	Less Material
Environmental	1. Compliance with environmental laws and regulations	2. Addressing climate change 3. Reducing carbon emissions 4. Avoiding air pollution 5. Avoiding water pollution 6. Saving raw materials 7. Saving water 8. Reducing waste 9. Providing environmental-friendly products 10. Reducing packaging 11. Saving energy 12. Using renewable energy 13. Managing environmental risks in supply chain
Social	16. Prohibition of child and forced labour 17. Occupational safety and health 29. Ensuring product and services quality 30. Ensuring customers' health and safety	14. Talent management 15. Community engagement 18. Chemical safety and management 19. Training and development 20. Employee communication 21. Fair opportunities and remuneration for employees 22. Managing social risks in supply chain 31. Sufficient resources in product innovation 32. Avoiding use of conflict minerals 33. Comply with product advertising and labeling requirements 34. Product lifecycle
Governance	23. Compliance with local laws and regulations 25. Anti-corruption 26. Data Security and Privacy Protection 27. Respect for intellectual property	24. Market development with impartial and appropriate factual information 28. Whistleblowing policy and system

The list of material topics remains unchanged from last year. The results of the materiality assessment were presented to the Board and were validated and approved. Our efforts in all material areas are addressed within this Report. All identified material topics have an impact both within the Group and along its value chain as shown in the below table.

SUSTAINABILITY AT COMPUTIME (CONTINUED)

Computime is committed to peace and prosperity for people and the planet, as expressed in the 17 United Nations (“UN”) SDGs. We devote particular effort in supporting five SDGs, which constitute the foundation of the change we seek to make: 8) Decent work and economic growth, 9) Industry, Innovation and Infrastructure, 12) Sustainable consumption, 13) Climate action and 16) Peace, justice and strong institutions. During the Year, Computime’s ESG initiatives align with one or more specific UN SDGs as shown below:




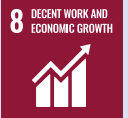
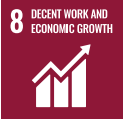


	Topics	Impacts				
		Customers	Employees	Investors	Suppliers	Community
1	Compliance with environmental laws and regulations			✓	✓	✓
16	Prohibition of child and forced labour		✓		✓	
17	Occupational safety and health		✓		✓	✓
23	Compliance with local laws and regulations	✓	✓	✓	✓	✓
25	Anti-corruption		✓		✓	
26	Data Security and Privacy Protection	✓	✓	✓	✓	
27	Respect for intellectual property		✓		✓	
29	Ensuring products and services quality	✓			✓	
30	Ensuring customers’ health and safety	✓			✓	



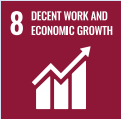

SUSTAINABILITY AT COMPUTIME (CONTINUED)

Supporting the United Nations Sustainable Development Goals

Computime supports and responds to the UN SDGs through enhancing our environmental performance, achieving operational excellence, creating enjoyable workplace and contributing to society. Our contributions to SDGs are presented in corresponding chapters in this Report.

Material Topics	Responding to Stakeholders: Actions/Achievements in FY2022	Corresponding Chapters
Compliance with environmental laws and regulations  	<ul style="list-style-type: none"> Reused 44,765m³ of reclaimed water Reviewed and updated the Register of Legal and Other Requirements according to the ISO 14001 Standards Continued to improve the Volatile Organic Compounds (“VOCs”) online detection system by adding additional detecting equipment with national standards 	Enhancing our Environmental Performance
Prohibition of child and forced labour 	<ul style="list-style-type: none"> Strictly verified identity documents of candidates during recruitment process Conducted monthly inspection in factories to check if child labour was being used. Set up remedial measures for child employment Prohibited child labour for all suppliers and subcontractors 	Talent Management
Occupational health and safety 	<ul style="list-style-type: none"> Distributed Computime’s Environmental, Health and Safety (“EHS”) Newsletter and conducted online training to improve employees’ safety awareness Conducted fire drill to raise safety awareness Provided vaccine side effect insurance for employees to ensure their life safety and to encourage COVID-19 vaccinating 	Occupational Health and Safety
Compliance with local laws and regulations 	<ul style="list-style-type: none"> Complied with relevant laws and regulations related to employment practice and operation Assessed suppliers’ social and environmental performance regarding labour, environment, corporate management and health and safety 	Achieving Operational Excellence, Creating Decent Workplace

SUSTAINABILITY AT COMPUTIME (CONTINUED)

Material Topics	Responding to Stakeholders: Actions/Achievements in FY2022	Corresponding Chapters
Anti-corruption 	<ul style="list-style-type: none"> • Forbade any forms of dishonesty, disloyalty or corruption • Employees are required to follow the requirements listed in Code of Conducts • Set up whistleblowing policy to encourage employees to report violations or suspected violations of internal and external regulations • Provided mandatory Code of Conduct and anti-corruption training for employees to raise anti-corruption awareness 	Business Ethics
Respect for intellectual property rights 	<ul style="list-style-type: none"> • Required all employees to protect the Company's intellectual property • Owned 36 patents, 14 in the stage of application 	Innovation
Ensuring products & services quality, and customers' health & safety 	<ul style="list-style-type: none"> • Held various quality management systems certifications, and domestic and international product certifications • Conducted inspection for incoming materials and during the production period, and to identify non-conforming products • The reliability laboratory offers quality assurance testing services for products supplied in Europe and North America. 	Quality Assurance
Data Security and Privacy Protection 	<ul style="list-style-type: none"> • Plan to obtain ISO 27001 certification on information security management by 2023 • Conducted IT department drill to make sure procedures are followed well to protect the data • Set up policy to prevent data leakage • Conducted risk assessment, evaluate and identify potential risks regularly • Ensured that individuals are well-informed and that the reasons and purposes for which their personal data will be used are explicitly communicated • Personal data will not be kept for longer than if necessary, and collection and processing must be for a legitimate and legal reason. 	Data Security and Privacy Protection

MANAGING OUR ENVIRONMENTAL FOOTPRINT

We are committed to continuously implementing new measures to drive progress against our environmental targets, resulting in a lighter environmental footprint.

Environmental Management

At Computime, all of our production factories in Mainland China have attained ISO 14001:2015 Environmental Management System Certification that comprises policies and procedures to manage the environmental performance of manufacturing operations. The Group's Environmental Policy is the foundation of and guidelines for environment-friendly operations while producing high-quality products and services.

Environmental Policy

Complying with local laws and regulations, and customers' environmental requirements, the Group is committed to safeguarding the environment, conserve resources, reduce energy consumption, and promote resource recovery and recycling, controlling pollution and dangerous sources, and reducing or eliminating emissions of pollutants and any kinds of accidents. We ensure effective operation of the environmental management system and continuously improve the performance and promote environmental knowledge to company personnel and raise awareness of environmental protection.

We fully understand the importance of ensuring that the Company meets all environmental requirements. The "Environmental Scope Identification and Evaluation Management Procedures" and the "Accident Management Procedures" are put in place, covering our own and our suppliers' businesses. These management systems enable more effective identification of environmental dimensions of our business activities, help define areas that have a significant impact on environment and handle environmental emergencies such as chemical leakage and environmental discharge exceeding the standard. The procedure also provides a sound governance structure, covering engineering, human resources, production department and other related departments. Management representatives at all levels are responsible for environmentally sustainable development. Every year, we review and update the Register of Legal and Other Requirements in accordance with the ISO 14001 Standards. During the Year, we added eight laws and regulations and other requirements to this register.

Green Product Development



Target 12.2 – Achieve the sustainable management and efficient use of natural resources

Target 12.5 – Substantially reduce waste generation through prevention, reduction, recycling and reuse

MANAGING OUR ENVIRONMENTAL FOOTPRINT (CONTINUED)

Comptime has been designing, engineering, and manufacturing for Fortune 500 companies in different industrial fields for years. Following our internal guidelines for green product design, we assist them with manufacturing products with high-grade quality, environmental-friendly raw material selection, less-waste designs, and efficient manufacturing process controls, to make sure our products are recognized by RoHS, REACH, TSCA and other European and international standards. SALUS Controls manufacture unique Smart Home heating controls and other Smart Home devices to improve customers' energy efficiency. We manufacture wireless boiler and underfloor heating thermostats that have revolutionised the heating industry. Our smart home devices allow for better energy saving costs, whilst making life easier with wireless home automation and all can be controlled using your smart phone.

Our green product design aims to disassemble and recycle our products easily so that the total weights of wasted items will diminish, and useful materials can be recovered. Our products are designed to comply with applicable energy-related regulations, as well as the European Union ("EU") Waste Electrical and Electronic Equipment ("WEEE") Directives. In the EU and UK, SALUS Controls manages the WEEE to be delivered to local waste recycling centres will be collected by approved authorised treatment companies, then weighed and categorised in accordance with the Directives. The total of WEEE will be collated by the environment authority on a quarterly basis and reported to the EU.

Tackling Climate Change



Target 13.1 – Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in countries with business operations

Target 13.2 – Integrate climate change measures into policy and planning

Target 13.3 – Improve climate change education

Climate change could affect our business operations. We are aware of climate-related risks that we are exposed to, including physical risks and transition risks, as well as their potential financial impacts brought by these risks. The Group has put in place a climate change, which aligns with positions taken by relevant industry associations and the industry best practices. We also closely engage with our stakeholders and actively participate in various professional associations to address climate change issues. In FY2022, we have aligned our climate-related disclosure with the recommendations of the TCFD.

Governance

As part of its oversight of business strategy and risk management, the Board is responsible for the oversight of the Group's sustainability agenda, including issues of climate change. The ESG Management Committee is responsible for identification and assessment of climate-related risks and opportunities, and reports to the Board on a regular basis.

MANAGING OUR ENVIRONMENTAL FOOTPRINT (CONTINUED)

Identification of Climate Change Risks

The Group fulfils its responsibility to operate sustainably and closely monitors national policies for tackling climate change, and proactively reviews its own climate change risks. We have identified the following climate change risks that are related to the Group's business operations.

	Risk Type	Risk Description	Potential Financial Impacts
Physical risks⁴	Acute	<ul style="list-style-type: none"> Increased frequency of occurrence of severe and extreme weather events (e.g. typhoons, floods and storms) may impact the Group's operations 	<ul style="list-style-type: none"> Increase in operating costs: Additional energy consumption and employees' absence Decrease in product sales: Lower quality of products caused by abnormal operations or lock down of production facilities
	Chronic	<ul style="list-style-type: none"> Rising sea level and increased frequency of extreme rainfalls may affect work in regions where the Group operates 	<ul style="list-style-type: none"> Decrease in revenue: Lower productivity resulting from production suspension Increase in repair and replacement costs: The breakdown and even damage of facilities
Transition risks	Policy and Legal	<ul style="list-style-type: none"> Development of carbon pricing mechanisms in countries where the Group operates will bring in the risk of increased cost of unavoidable greenhouse gas emissions 	<ul style="list-style-type: none"> Increase in operating costs Decrease in demand for products and services
		<ul style="list-style-type: none"> Enhanced disclosure obligations, including disclosure of information relating to greenhouse gas emissions and actions taken to reduce such emissions in a responsible manner in its ESG report using the approaches of mitigation and adaptation 	<ul style="list-style-type: none"> Increase in front-end costs to adopt/deploy new operating practices and processes Decrease in demand for goods and services

⁴ Physical risks are identified under RCP8.5 scenario which refers to the baseline scenario in the absence of climate change policy interventions.

MANAGING OUR ENVIRONMENTAL FOOTPRINT (CONTINUED)

	Risk Type	Risk Description	Potential Financial Impacts
	Technology	<ul style="list-style-type: none"> Substitution of existing products and services with lower emissions options 	<ul style="list-style-type: none"> Decrease in value of assets: Write-offs and early retirement of existing assets Increase in costs: Preliminary R&D expenditure and capital expenditure for new and alternative technologies
		<ul style="list-style-type: none"> The timing of technology development and deployment and the uncertainty of results regarding the transition to lower emissions technology will affect the returns of the Group's technology related investments 	<ul style="list-style-type: none"> Decrease in investment capital
	Market	<ul style="list-style-type: none"> Changes in customer behavior such as preferring more environmentally friendly products will bring rising demand for eco-friendly materials 	<ul style="list-style-type: none"> Decrease in investment capital
		<ul style="list-style-type: none"> Frequent extreme weather events may bring pressure to the supply chain 	<ul style="list-style-type: none"> Increase in the cost of raw materials
	Reputation	<ul style="list-style-type: none"> The failure to offer effective feedback to different stakeholders (including consumers, investors and the government) may affect the Group's reputation 	<ul style="list-style-type: none"> Decrease in investment capital

MANAGING OUR ENVIRONMENTAL FOOTPRINT (CONTINUED)

Our Response to Climate Change Risks

The Group has developed targeted measures to mitigate the impacts of climate change risks, formulating relevant mechanisms such as Business Resumption Plan to enhance our adaptability and resilience in tackling climate change. In addition, regular drills on flood and typhoon are conducted to improve the emergency management capacity of employees.

To minimise the physical impacts of various disasters on the production and operation of the Company, typhoon and flood prevention control on-site survey was conducted by the insurer in our Shenzhen factories. We have followed the guidance from insurer for the flood control and typhoon preventive measures for on-site implementation, including effective waterproofing system of installing the basement suction pump and increasing the number of dust bags.

Business Resumption Plan (BRP)	<ul style="list-style-type: none"> • Establish precautionary measures related to floods and typhoons such as maintenance of drainage system • Set up a Business Recovery Team and specify its responsibilities • Perform BRP test at least on a yearly basis through an unannounced drill • Outline resumption plans for different departments
Flood and Typhoon Prevention Manual	<ul style="list-style-type: none"> • Strengthen risk assessment, flood control inspection and emergency response capacity building • Adopt targeted flood prevention measures to improve corporate anti-risk capacity • Carry out rescue work in a timely manner to effectively avoid expansion of losses and resume production and operation as soon as possible
Warning and Prevention Strategies on Typhoon and Heavy Rain	<ul style="list-style-type: none"> • Formulate preparatory measures, temporary measures and recovery measures • Set up a typhoon emergency response team • Provide guidelines on factory management, protection of buildings and structures, emergency equipment, etc.

Environmental Target Setting

By upholding our commitment to the improvement of environmental sustainability to reduce the carbon footprints or wasteful practices, Computime sets quantitative environmental goals and reduction targets to strengthen energy and emission management, continue to meet its compliance obligations and enhance the Group's climate risk resilience across the supply chain. We have set specific environmental indicators via continuous accurate quantitative data collection and monitoring, together with well-established international standardised calculation approaches and baseline review.

To achieve our defined environmental targets, we have specified the frequency of related environmental data collection, developed corresponding reduction and monitoring plans, and assigned the implementation work to designated corporate functions and on-site departments.

MANAGING OUR ENVIRONMENTAL FOOTPRINT (CONTINUED)

The Group focuses its efforts on its four major environmental impacts and set out reduction targets for electricity consumption, GHG emissions, water consumption and general waste⁵, in an effort to reduce its impact on the environment. For each of these aspects, we have set clear objectives and action plans to achieve them, and tracked the implementation of reduction plans and the achievement of goals throughout the Year.

Energy Consumption and Greenhouse Gas Emissions

7 AFFORDABLE AND CLEAN ENERGY

Target 7.3 – Improve energy efficiency



Our energy consumption profile covers electricity and natural gas used in factories and offices, as well as fossil fuels consumed by company vehicles. During the Year, the total energy consumption was 34,639 MWh, among which consumption arising from electricity usage was 33,809 MWh, accounting for around 97.6% of our total consumption. The energy consumption intensity was 8.28 MWh per million Hong Kong dollars revenue.

Energy consumption (MWh)	FY2021	FY2022
Electricity	33,529	33,809
Natural gas	166	139
Vehicle fuels	753	691
Total energy consumption	34,448	34,639
Intensity (MWh per HKD '000,000 revenue)	9.58	8.28



The main source of GHG emissions of Computime comprises direct (Scope 1) emissions from vehicles and indirect (Scope 2) emissions from purchased electricity and natural gas. During the Year, the total amount of GHG emissions was 19,548 tonnes of carbon dioxide equivalent (tCO₂e), Scope 1 and Scope 2 emissions were approximately 193 tCO₂e and 19,356 tCO₂e respectively. The GHG emission intensity was 4.67 tCO₂e per million Hong Kong dollars revenue.

GHG Emissions (tCO ₂ e)	FY2021	FY2022
Scope 1 emissions	243	193
Scope 2 emissions	25,324	19,356
Total GHG emissions	25,567	19,548
Intensity (tCO ₂ e per HKD '000,000 revenue)	7.11	4.67

⁵ General waste includes the wastes stream of any non-hazardous wastes generated during the production of manufacturing operations, office operations along the supply chain that is subject to any particular waste management approach and disposed of via municipal services or recycling service providers to be sorted out to be reused, recycled, or composted, instead of being incinerated or buried in a landfill as a way of waste diversion.

MANAGING OUR ENVIRONMENTAL FOOTPRINT (CONTINUED)

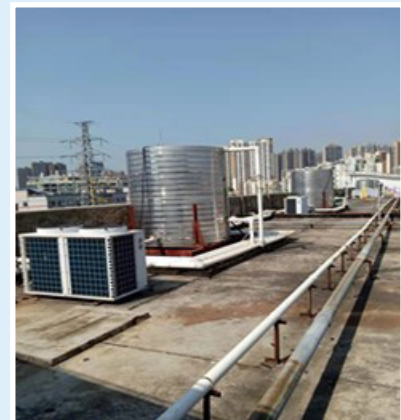
Comptime understands the importance of enhancing energy efficiency and reducing the carbon footprint of its daily business operations. Our factory EHS team is responsible to implement energy management plans and regularly inspect and maintain energy-consuming equipment to ensure high energy efficiency. In FY2022, we have set clear GHG emissions and energy consumption reduction targets.

	Base Year	Baseline	Target Year	Target Type	Reduction Target
 Electricity Consumption	2020	30,781 MWh	2025	Absolute	- 5.0%
 GHG Emissions (Scope 1 and 2)	2020	26,397 tCO ₂ e	2025	Absolute	- 5.0%

We actively adopt various energy preservation and emissions reduction measures in response to the relevant policies and regulations of countries and regions where we operate. During the Year, we implemented various retrofits to reduce energy consumption, including waste heat recovery from air compressor in Shenzhen factories, saving approximately RMB100,000 every year, as well as reactive power compensation technology. During the Year, we have completed the carbon emission independent verification and preliminary compliance work for Carbon Trading System (CTS) in China following the applicable regulation of Chinese Emission Allowances (CEA) in Shenzhen's pilot scheme to maintain the carbon emission target under the government's quota each year in Shenzhen.

Waste Heat Recovery from Air Compressor

The energy consumption of air compressor accounts for approximately 10-35% of total electricity consumption. By installing the waste heat recovery system of air compressor, an energy-saving technology that makes full use of heat energy through heat exchange by using high temperature oil and gas heat energy from air compressors, we collect the heat energy generated during the operation of air compressor and improve the operating conditions of the air compressor at the same time. This technology can increase the efficiency of heat utilisation, by providing 60 tonnes reclaimed hot water at 55°C to 60°C daily for staff dormitory.



MANAGING OUR ENVIRONMENTAL FOOTPRINT (CONTINUED)

Reactive power compensation

Reactive power compensation is a technology that improves the power factor of the power supply system, reduces the loss of power supply transformers and transmission lines, increases the efficiency of power supply and improves the power supply environment of the power supply system. In our Shenzhen factories, the monthly saving is approximately RMB10,000.



Also, our on-site engineering team supports to replace the outmoded motors with efficient motors. Total 111 motors are replaced under preventive maintenance schedule, costing RMB373,871.

7 AFFORDABLE AND CLEAN ENERGY



Target 7.a – Promote investment in clean energy technology

For renewable energy, we plan to install solar panels at our factory in Malaysia in FY2023. We are also conducting feasibility study to explore the potential of renewable energy projects to be built in different factories. To mitigate the effects of global warming, we have also been using eco-friendly refrigerants in air-conditioning systems at our operating facilities. We follow the stipulated guidance of the Montreal Protocol to phase out use of ozone-depleting substances.

MANAGING OUR ENVIRONMENTAL FOOTPRINT (CONTINUED)


Water Consumption



Target 12.2 – Achieve the sustainable management and efficient use of natural resources

Water consumption of Computime, for the most part, is attributed to its plants and staff dormitories.

Water consumption	FY2021	FY2022
Total water consumption (m ³)	379,891	275,158
Intensity (m ³ per HKD '000,000 revenue)	105.62	66.75

	Base Year	Baseline	Target Year	Target Type	Reduction Target
 Water Consumption⁶	2020	89.33 m ³ / HKD'000,000 revenue	2025	Intensity	- 4.0%

We have established water reclamation system, optimising measures to conserve water resources. Our Shenzhen factories has been separating the uncontaminated water from wastewater through the water recycling facilities and wastewater treatment facilities installed in its industrial park. It complies with the water quality standards and recycled water utilisation methods for reclaimed water used as industrial water in accordance with GB/T 19923-2005 (Local Discharge Standard Limits for the use of Industrial Water by Municipal Wastewater Reclamation) and reuses it for toilet flushing, factory greening and other washing purposes. It is estimated that the wastewater treatment facility at our Shenzhen factories has reduced 40,289 tons of wastewater⁷ treatment in FY2022.

To better monitor water use, where practical, by updating current plans to improve water recycling efficiency, and work closely with our equipment suppliers and local environmental authority to identify and resolve water leaks, we continue to implement the Clean Water Program at our Shenzhen factories. An assessment aiming at reviewing the water management and use for different locations has been conducted, and our assessment team has reviewed the existing water supply conditions including priority, degree of congestion and balance. We are currently collecting long-term data and conducting further studies. Later, we plan to enlarge our water management practices, including smart meters and rainwater recovering, to reduce water use at facilities, reduce water pollution and enhance water management.

⁶ The figure in FY2018 ESG Report covers manufacturing sites in China only. Operation sites excluded are offices in Hong Kong and Europe, and research centres based in the US and China. Compared to the manufacturing sites in China, the water consumption at these excluded sites is considered insignificant. Therefore, 2020 is chosen as the base year for the water consumption reduction targets.

⁷ The total amount of wastewater treatment is estimated based on 90% of total amount of water consumption, same as the calculation of the charge of sewage treatment.

MANAGING OUR ENVIRONMENTAL FOOTPRINT (CONTINUED)

Emissions Control

Computime is committed to reducing emissions and pollution related to its operations and has established Environmental Monitoring Procedures to ensure regular monitoring of all pollutants discharged to the outside, and ensure compliance with relevant laws, regulations and standards.

Our factory EHS team is directly responsible for implementing the emissions monitoring program, coordinating internal, external and government monitoring. We review and update the monitoring plan annually, or whenever there are major changes to the production process or new regulations are issued. During the Year, our air emissions and noise emissions were audited by a third-party organisation, and all complied with local emission standards.



Target 12.5 – Substantially reduce waste generation through prevention, reduction, recycling and reuse

Effluent

We are committed to controlling the generation of wastewater through minimising water consumption and reusing wastewater. As wastewater is generated from manufacturing activities, we have set up wastewater treatment facilities at all factories to ensure all industrial wastewater is properly treated and reused instead of being discharged externally. Domestic sewage is discharged into the municipal sewage network. Our team of water treatment and wastewater professionals has developed a cost-effective plan for our facilities, which could not only effectively utilise and save freshwater, but also reduce the discharge tax of wastewater, and the potential pollutions to local water environment.

Air Pollutants

Relying on the online monitoring system, we regularly monitor the daily operations of exhaust gas treatment facilities to prevent uncontrolled emission. We continued to improve the VOCs online detection system during the Year by adding additional detecting equipment and activated carbon absorption device in our Shenzhen factories in compliance with national standards. The VOCs online monitoring system can continuously provide data on the total amount of VOCs and key monitoring factors in various locations in real time and send the data to local environmental protection department. We will also regularly replace the activated carbon and check the operation conditions of the absorption device. We are also looking for environmentally friendly chemicals as the raw materials to reduce VOCs emission.

During the Year, sulphur oxide, nitrogen oxide, particulate matter, tin and its compounds, and VOCs generated were 1.13 kg, 62.84 kg, 4.63 kg, 3.80 kg and 7,110.75 kg respectively.

Waste

Computime always handles waste with care. We have formulated a Solid Waste Management Procedure to ensure proper management and control of generation, labelling, classification, storage, transportation, recycling, disposal and treatment of solid waste. The procedure specifies the responsibilities of all relevant personnel and departments to ensure accountability at all levels.

MANAGING OUR ENVIRONMENTAL FOOTPRINT (CONTINUED)

Referring to the national and provincial laws and regulations and internal standards, we have classified solid waste into three categories, namely hazardous waste, general waste and domestic waste. The factory EHS team regularly organises training programs on identification of source of solid waste to ensure the collection and disposal of solid waste follow relevant laws and regulations. Considering the potent impact of hazardous waste, we also have established a Hazardous Waste Management Committee to be responsible for hazardous waste related issues.

We generated a total of 383 tonnes of non-hazardous waste and transferred 105.37 tonnes of hazardous waste during the Year.

	FY2021	FY2022
Hazardous waste generation		
Waste mineral oils (tonnes)	0.20	0
Organic solvent waste	30.67	33.40
Organic resins waste	36.53	50.08
Mercury, lead and zinc waste	0	0
Other hazardous waste	15.55	21.9
Total	82.95	105.37
Non-hazardous waste generation		
Paper	205	321
Plastics	57	18
PCB edges	3	44
Total	265	383

In FY2022, our factories in Shenzhen expanded the warehouse for storing hazardous waste. The area of warehouse is expanded from previous about 25 m² up to 80 m². This new warehouse has installed various safety equipment, such as combustible gas alarm system and explosion-proof lamp tubes. In addition, we updated the classification management regulations for storing hazardous wastes and added the safety protection information such as anti-leakage in our internal online training course.

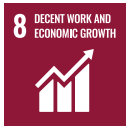
	Base Year	Baseline	Target Year	Target Type	Reduction Target
 General waste generation⁸	2020	369.25 tonnes	2025	Absolute	- 5.0%

⁸ The figure in FY2020 ESG Report covers manufacturing sites in China and Malaysia only. Operation sites excluded are offices in Hong Kong and Europe, and research centres based in the US and China. Compared to the manufacturing sites in China and Malaysia, the general waste generation at these excluded sites is considered insignificant. However, the general waste figures from these operation sites will be collected and collated together with the waste recovery amount to be monitored in order to further fulfil the disclosure obligation and also explore the Scope 3 emissions figures for additional emissions reduction target contribution due to alignment with customers carbon neutrality progress. Therefore, 2020 is chosen as the base year for the general waste reduction targets.

CREATING AN DECENT WORKPLACE

At Computime, we support the continuous development of our people and have embedded this focus through our performance and talent development processes.

Talent Management



Target 8.6 – Promote youth employment and training

Computime believes that employees are the key to its growth and development. We recruit talents through internal and external channels and reward them with bonuses and benefits. By providing training and development opportunities, we support our employees in their endeavours to grow and prosper within the Group.

We acquire talents through multiple recruitment channels, including social recruitment, campus recruitment, internal referral and internal competition. To meet the needs of corporate development, a “Recommendation Award” reward system is launched for all employees, encouraging them to actively recommend suitable talents to the Company. Employees are acquired based on their skills and job adaptability, regardless of age, gender, race, religion, social status and disability. Contracts are signed only with the consent of both parties. Reasonable salaries are paid to employees in accordance with requirements of local government, industry salary levels, employee performance, etc.

Employee Distribution

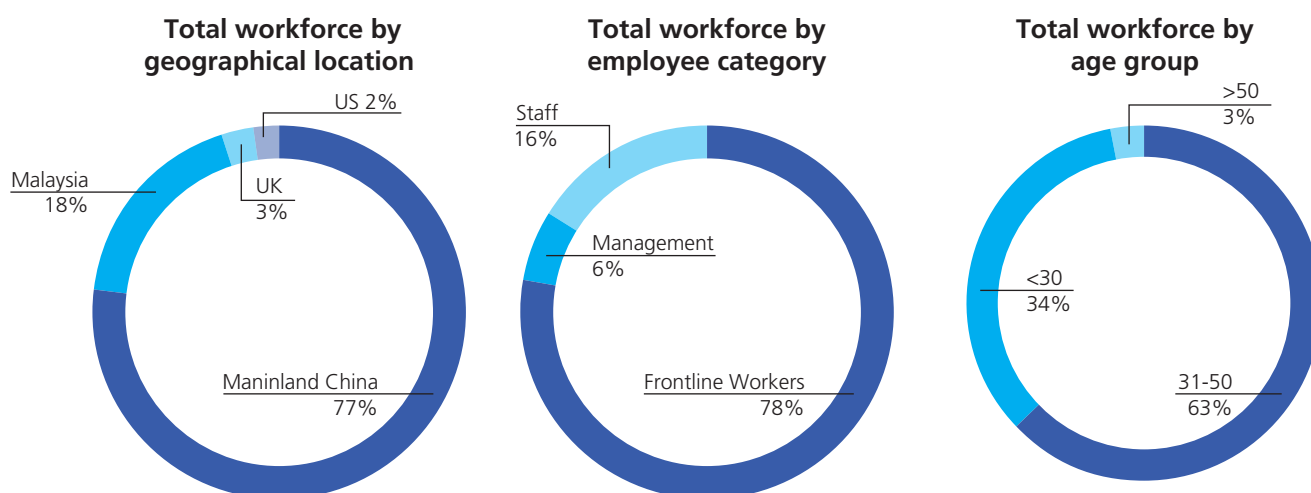


Target 10.3 – Ensure equal opportunity and reduce inequalities of outcome

We embrace diversity and inclusion in the workplace. We are dedicated to providing equal opportunities for all employees in various employment aspects, including remuneration, recruitment, training and promotion. We prohibit all forms of discrimination based on gender, age, family status, sexual orientation, disability, race and religion.

CREATING AN DECENT WORKPLACE (CONTINUED)

As at 31 March 2022, Computime employed a total of 4,922 employees. The proportion of male to female employees is 63.6:100.



Employee distribution

As at 31 March 2022

Gender

Male	1,913
Female	3,009

Age

Under 30 years old	1,649
Between 30 and 50 years old	3,103
Over 50 years old	170

Geographical location

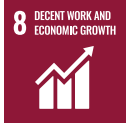
Mainland China	3,788
Malaysia	888
Hong Kong	165
Europe and the US	76
Asia (excluding Mainland China, Hong Kong and Malaysia)	5

Function

Management	272
Staff	789
Frontline workers	3,861

CREATING AN DECENT WORKPLACE (CONTINUED)

Protection of Employee Rights



Target 8.8 – Protect labour rights and promote safe and secure working environments for all workers

Computime strives to create a fair and equal workplace for its employees. We have the Code of Conduct in place to ensure protection of employees' rights, working conditions, benefits and remuneration. A Human Rights Policy is formulated to ensure all employees are treated fairly and impartially. All forms of discrimination and harassment are prohibited in Computime. We also protect other fundamental rights of employees such as freedom of association and collective bargaining rights. An internal audit is conducted every year to verify fulfilment of social responsibility and to evaluate our performance.

Realising the importance of a healthy balance between work and life for all employees, working hours are controlled at a reasonable level. Employees who work overtime are compensated with overtime pay or compensatory leave in accordance with local employment laws. We prohibit discrimination against women in the recruitment process. Female employees can enjoy marriage leave, pregnancy examination leave, maternity leave and nursing leave.

We offer competitive remuneration packages in addition to statutory welfare benefits, including bonus, holidays and insurance. We have also formulated the Bonus Assessment Measures for Workers to reward employees according to production quality, efficiency and individual performance. Apart from our own employees, we also provide sufficient benefits for outsourced workers, including social insurance and performance bonus. Additionally, all outsourced workers of Computime are required to undergo health check before employment.

Staff dormitory improvement was conducted during the Year, including installing air conditioners, replacing bed curtains or bed boards, cleaning the corridors, etc., aiming to provide employees with comfortable and tidy living environment.

During the Year, the Group was not aware of any non-compliance of relevant laws and regulations that has a significant impact on the Group relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.

Prohibition of Child Labour and Forced Labour



Target 8.7 – End child labour in all its forms

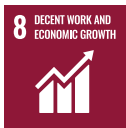
Computime is against any form of child labour and forced labour in the Group and our suppliers and subcontractors. The Group has formulated guidelines on the prevention of child labour and the remedial measures for the discovery of child labour. We have put in place Human Rights Policy in accordance with the International Labour Organisation (ILO) Convention and Provisions on Prohibition of Using Child Labour to protect labour and human rights. The Code of Conduct also clearly stipulates our commitments to protect labour and human rights.

CREATING AN DECENT WORKPLACE (CONTINUED)

To avoid hiring of child labour, Human Resources department strictly verifies the identify and age of job applicants during the recruitment process. Monthly inspection is conducted to ensure we operate in a legal manner. Prohibition of child labour and forced labour are stipulated in the checklist formulated by the Supplier Quality team to assess the Group's suppliers. The Group has put in place remedial measures for the discovery of child labour. If any case of child labour is discovered and confirmed, we promptly take measures to protect children's safety, health, and education according to our remedial procedure.

During the Year, the Group was not aware of any non-compliance of relevant laws and regulations that has a significant impact on the Group relating to preventing child and forced labour. There were no reported cases of child or forced labour in the Year.

Training and Development



Target 8.6 – Promote youth employment and training

The Group provides tailored and targeted program to grow our internal talent. We have in place a Management Trainee program, a fast-track platform where joiners will undergo a 2-year job rotation and learn about the operation of the entire Group. This year, 2 employees have joined the program.

In addition, our NexGen program focuses on the succession planning for middle managers, aiming to nurture staff with potential to play a broader role in the Group. The program content includes leadership training, data analysis, Excel application, etc. 11 employees are currently under the program, providing support to senior manager positions through training. 7 of which will be posted to Malaysia and Europe. Our dual channel for career development, technical and management respectively, enables employees to be promoted according to their personal abilities and aspirations.

NexGen Programme	Management Trainee/Intern Program	Competency Model	Succession Planning
<ul style="list-style-type: none"> To build next generation leadership pipeline internally 	<ul style="list-style-type: none"> Attract external young talents 	<ul style="list-style-type: none"> To identify core & functional competencies Link to PDMS and PMGM^{9 10} 	<ul style="list-style-type: none"> Identify key positions and potential successors from within

Talent Management Initiatives

⁹ PDMS stands for Performance Development Management System in excel-based approach

¹⁰ PMGM stands for Performance Management Goal Management supported by SAP SuccessFactors®

CREATING AN DECENT WORKPLACE (CONTINUED)



Target 4.4 – Upskill individuals for employment, decent jobs and entrepreneurship

New staff are introduced to our corporate culture and basic operations via orientation activities. To improve the quality of employees, cultivate an efficient work culture, build safety awareness, and ensure compliance with the Company’s quality and EHS policies, the Group provides employees with a variety of internal and external training, including pre-service training, professional skills training, management ability and quality training, etc. During the Year, the Group launched global online courses to cater for the need of training during the pandemic. The online training can be used for the purpose of mentoring and coaching, employees could check the course whenever when they need advice and support. Mandatory training courses include data protection, the General Data Protection Regulation (GDPR) and data security, professional behaviour in the workplace and health and safety in the workplace.

Mandatory training course



Mandatory training course

Reporting Bullying and Harassment

Video
Duration: 4:03 minutes
712 days remaining
Progress: 0:00 minutes



Bullying and harassment are causing stress, anxiety and uncomfortable working conditions for many people at work.

It is not necessarily always obvious or apparent to others, and may happen in the workplace without an employer's awareness.

In order to eradicate this type of behaviour, workers need to

Backbiting Malicious Gossip

Video
Duration: 1:24 minutes
712 days remaining
Progress: 0:00 minutes



Do you think backbiting is happening at your workplace? Malicious gossip, or backbiting, is common in just about every workplace.

However, if you asked people if they would prefer to work in an environment where there was no backbiting, they'd

Diversity & Inclusion

Video
Duration: 6:31 minutes
712 days remaining
Progress: 0:00 minutes



This video looks at many of the aspects of diversity which are often ignored, or looked over, and shows how diversity includes everyone.

It then explores some of the known advantages of having a diverse workforce and why many employers now see the positive side of, and strength in, diversity.

Finally, the video shows areas where changes are being made in order to create an inclusive environment. These include: removing barriers which impede people with physical disabilities, encouraging and supporting a culture which is open to new ideas and ways of doing things, flexible and accommodating work practices, and the way we communicate with each other.

During the Year, all employees of Computime participated in the internal training programs, reaching an average training hour of 17.48 hours. A training satisfaction survey was conducted this Year aiming to further improve the quality and efficiency of training.

Average training hours

By Gender

Male	7.62
Female	22.08

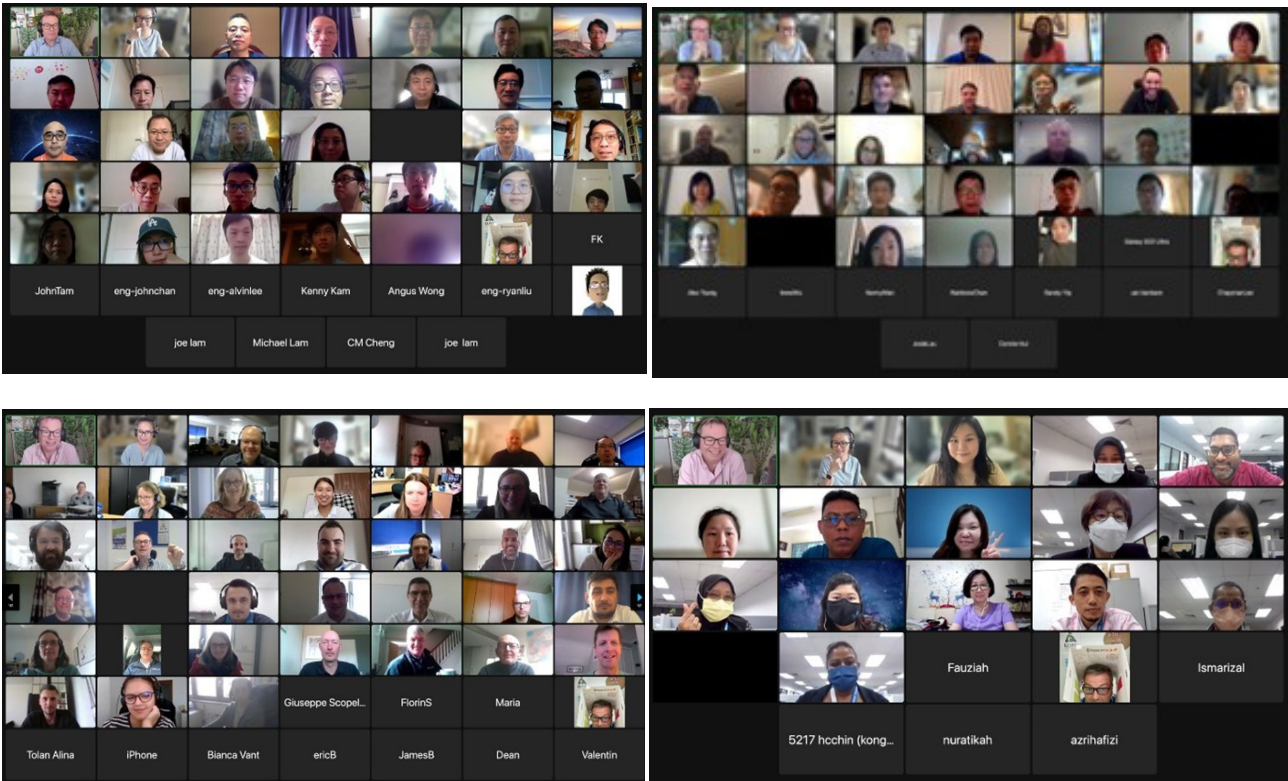
By Function

Management	10.38
Staff	6.35
Front-line Workers	22.41

CREATING AN DECENT WORKPLACE (CONTINUED)

Employee Engagement

We value feedback from our employees and proactively provide employees with channels, including employee satisfaction surveys, face-to-face meetings, suggestion boxes and emails, to provide feedback. During the Year, the Group’s Chairman and CEO took the initiative to further consolidate the corporate culture and values. A series of 90-minutes corporate culture cascade workshops were organised online to deepen the understanding of the corporate culture and values throughout the Computime organisation globally.



CREATING AN DECENT WORKPLACE (CONTINUED)

Employees can voice out their concerns and convey any dissent through their labour union representatives. To enhance the relationships and internal communication, we arrange various employee activities and meetings throughout the Year, including Deepavali Celebration Gift Distribution and Christmas Celebration in Malaysia. In the future, we plan to organise staff recreation activities such as badminton and yoga for our employees.



Employee Well Being "Deepavali Celebration Gift Distribution"



CTM Festive Celebration-EID Mubarak



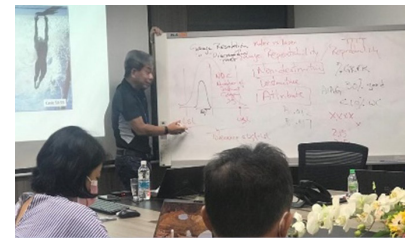
Welcome Lunch for New Joiner



Penjana Perkeso Training



ESD ANSI Training



Six Sigma Training

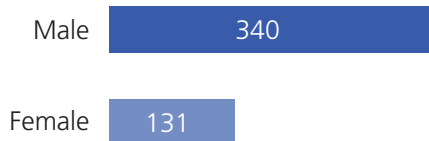
Talent attraction and retention

Our performance appraisal management system and incentive bonus schemes are in place to motivate and reward employees. To further enhance the capabilities of our staff and facilitate developmental discussion between employees and managers, we have revamped our human resources ("HR") information system and learning platform.

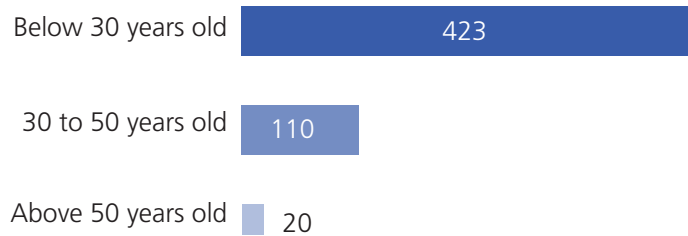
CREATING AN DECENT WORKPLACE (CONTINUED)

Employee turnover rate¹¹ and new employee hires rate¹² by gender, age group and geographical region in Yr2022

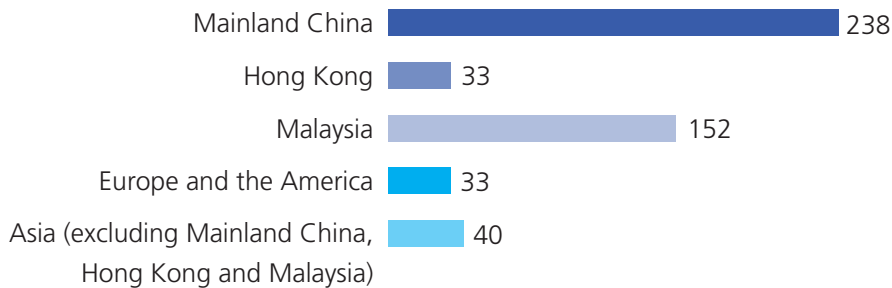
By Gender



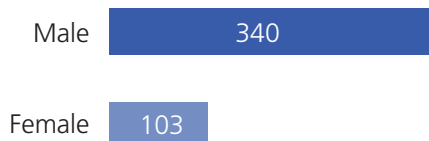
By age group



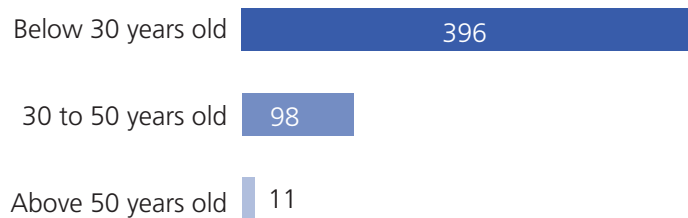
By geographical region



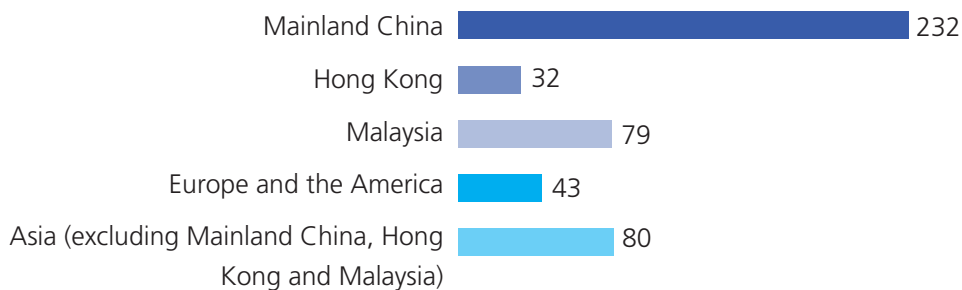
By Gender



By age group



By geographical region



¹¹ Turnover rate covers voluntary and involuntary leavers or due to dismissal, retirement, or death in service.

¹² Breakdown of turnover rate is calculated by dividing the number of leavers for each category by the yearly number of formal and outsources contracting employees in that category.

CREATING AN DECENT WORKPLACE (CONTINUED)

New HR Performance Management Goal Management System

Computime recently launched a new HR digital information system supported by SAP SuccessFactors® PMGM, as the singular source for key HR data and processes accessible by any device such as mobile phone to replace our excel based PDMS for our employee target setting and performance review. The system allows employees to access HR information more readily through an enhanced digitalised experience, and for supervisors to manage and evaluate their teams more effectively on top of business targets, competencies based on the Computime Competency Framework for continuous monitoring and measurement of what our employee performed during the year.

The system is designed with functionalities to support employees on their daily HR activities, such as searching for contact details of colleagues through our employee directories, and applying for and approving leaves. Apart from basic employment functions, the system also provides a simplified and digitalised platform for managing performance including goal-setting and evaluation, as well as identifying and applying for internal promotion opportunities and job opening referrals.

By adopting the system, HR procedures are digitalised to provide real-time talent data for workforce planning and informed decision making which improve our employees' HR lifecycle experience and also as an innovative ways of our talent management direction. We believe that through this HR system, our business effectiveness and efficiency can be streamlined by lowering the overall cost of administration work and mitigating the compliance gaps and challenges related to HR processes and talent data. We also hope to leverage this platform to facilitate our internal communication and feedback among staff in order to further improve the business performance of the Group to ensure right talents available at the right time and right place to fulfil current and future business needs.

Occupational Health and Safety



Target 8.8 – Protect labour rights and promote safe and secure working environments for all workers

Occupational health and safety (“OHS”) is critical to our success. The Group follows the principle of “life first, safety first”, providing employees with a safe and healthy working environment. Our health and safety programs rely on a management approach to ensure compliance and continuous improvement.

CREATING AN DECENT WORKPLACE (CONTINUED)

COVID-19 Impact and Response



Target 3.8 – Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all

The COVID-19 pandemic continues to affect our businesses and operations during the Year. The Group has put in place a COVID-19 Pandemic Prevention and Control Manual based on its own situation and formulated the Enterprise Operation Sustainability Policy Under the Outbreak of Pandemic, covering comprehensive information from preventive measures to relevant agreements. During the COVID-19, all employees were asked to wear surgical masks, use disinfectants and measure their temperature before entering the workplace. We also provided subsidies for employees to procure protective equipment, including surgical masks, disinfectants, and sterilizers. Employees who are not vaccinated will need to be tested every 14 days. For the working environment, we regularly sterilise the exhaust pipes, sewage pipes and the container trucks in Hong Kong.

To encourage employees to get vaccination, the Group sponsored a lucky draw for vaccinated employees. The Group also provides insurance coverage on vaccine side effects for employees free of charge to ensure safety of employees.

Safety Management

In accordance with regulations on the Management of Occupational Health in the Workplace, the Production Safety Law of the People's Republic of China, the Code for the Management of Occupational Health Archives, the Occupational Safety and Health Regulation in Hong Kong, the Occupational Safety and Health Act in Malaysia and other national laws and regulations, the Group has put in place the Emergency Response Management Procedure, and the Safety Manual to ensure that employees' safety at work is guaranteed in all aspects.

OHS Management Policy

Complying with applicable laws and regulations, and customers' requirements related to OHS, the Group is committed to ensuring the efficiency of the OHS management system and its continuous improvement, enhancing safety levels by continuously improving the working environment and eliminating safety risk factors, and providing sufficient OHS training to employees.

Safety Management Structure

Factory Safety Officers

- Conduct workplace inspection at plants
- Arrange induction training for new employees
- Check and ensure firefighting facilities such as fire escapes are properly maintained according to relevant national regulations

Safety Champions

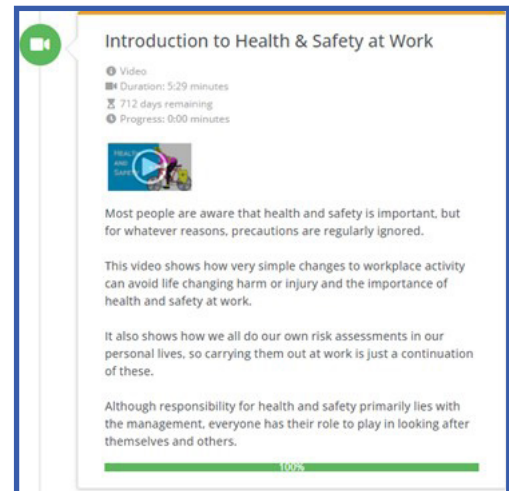
Execute safety-related procedures

CREATING AN DECENT WORKPLACE (CONTINUED)

There were 2 work-related accidents during the Year, and the number of days lost due to injury was 159. No work-related fatalities were reported.

The Group provides detailed training on general safety management, industrial safety management, chemical safety, fire safety regulations, and fire handling procedures to raise employees' safety awareness. Employees not designated as machine and equipment operators are strictly prohibited from operating any equipment without training and approval. Employees holding special posts, such as drivers, electricians, welders, etc., must be trained and take up work only after certification. Operation without a valid certificate is prohibited.

To strengthen Computime's occupational health and safety culture, the site EHS team regularly publishes Computime EHS Newsletter to introduce different topics related to OHS.



Online Health and Safety Training Course



Fire fighting publicity activities

CREATING AN DECENT WORKPLACE (CONTINUED)

In accordance with the Production Safety Law of the People's Republic of China, the Fire Protection Law of the People's Republic of China, the Regulations on the Safety Management of Hazardous Chemicals and other laws and regulations, the Group has put in place management documents such as Fire Control Procedure, Chemical Management and Information Procedure, and Accident Management Procedure to implement the safety production responsibility system. Employees are required to follow strictly the rules and procedures during the production process, ensuring they are protected themselves or others from fire, chemical hazards and other safety incidents.

Fire management	Chemical management	Incident management
<ul style="list-style-type: none"> Comply with fire management regulations Equip fire extinguishing equipment Assign personnel to conduct supervision 	<ul style="list-style-type: none"> Conduct daily inspection of chemical products stored in warehouses Employees exposed to chemicals must attend chemical management and information training 	<ul style="list-style-type: none"> Report, handle and investigate all safety related incidents in a timely manner Undertake rectification and preventive measures to prevent recurrence of similar incidents

The Chemicals Management and Information Procedure aims to ensure the continuous and effective operation of the entire chemicals management and information system, making sure that employees use chemicals safely and obtain accurate chemical hazard information.

Each chemical in use and storage must have a compliant chemical label, which is maintained by factory EHS department and posted in a conspicuous place. All employees shall be responsible for acknowledging the information of chemicals and ensuring the integrity of the labels of chemicals in use.

The chemical material safety data sheet ("MSDS"), which the head of the chemical management and information system and the heads of all departments shall update or review the version every year. If MSDS is more than three years old, the person in charge of chemical system shall contact the supplier for revision update.

During the Year, there was a fire incident in one of our factories. No casualties were caused by the accident. Further to investigation, rectification was made including using metal pipes for the smoke exhaust and cleaning pipes every quarter according to the actual conditions to mitigate the risk of fire incidents in the future. In addition, the Group regularly arranges fire drills to improve the emergency handling skills of our employees.



Fire drills are held twice a year.

CREATING AN DECENT WORKPLACE (CONTINUED)

Preventing Occupational Diseases

Computime has put in place the rules of Occupational Health Monitoring and Management that assign responsibilities for supervision of occupational health and safety and lists the correct operational procedures so as to control and eliminate the potential risks of occupational diseases.

During the Year, Computime revised the rules of Occupational Health Monitoring and Management to further clarify the supervision responsibilities of occupational health and safety, and list the correct operation procedure guidelines, so as to control and eliminate the potential risks of occupational diseases. The Human Resources and Administration department is responsible for arranging regular occupational health examinations and collecting and managing the examination results. Employees facing risk factors must undergo health examination before going to work, during employment and before leaving to ensure the privacy of occupational disease hazards and their impact on human health, hazards and bio sensitive indicators. If employees give up the physical examination before leaving, they need to sign the declaration of voluntary waiver of physical examination.

The factory EHS Department of the company is responsible for entrusting a third-party assessment to assess the on-site existing hazard factors. According to the requirements of national laws and regulations, the evaluation of the Assessment of Occupational Hazards should be conducted once every three years, and the Detection of Occupational Hazard Factors in Workplace conducted once a year.

During the Year, the Shenzhen factories has passed the qualification approval test of Guangdong Safety Standard Testing Technology Co., Ltd. Production equipment, chemicals, electronic components, type of work factors, etc., are tested to ensure the occupational health of production workers. In addition, our factories in Shenzhen has conducted occupational health tests for all employees, and physical examinations for employees exposed to toluene, methanol, pneumoconiosis, noise, lead and its inorganic compounds. The inspection rate is 100%.



STRIVING FOR OPERATIONAL EXCELLENCE

At Computime, we achieve excellence through our innovative capabilities, robust quality management system and ethical operation practices.

Innovation



Target 9.5 – Enhance scientific research, upgrade technological capabilities

Computime is dedicated to delivering premium and energy-efficient solutions to end-users. We have engineering centres in Hong Kong, Shenzhen in China and Cincinnati in the US, with around 500 electronics, software and mechanical engineers and technicians worldwide. Our R&D department evaluates new technologies and platforms in the field of smart control and is always prepared to respond to customers demand for product development with various technological choices. The output of R&D department enables the Engineering department to identify potential problems and the associated causes when producing new products. This responsive mechanism makes the R&D and production process more efficient and time-saving.

Intellectual Property Rights

The Group respects and safeguards intellectual property rights of its own as well as others. Adhering to the “Information Security Policy” and the “Code of Conduct”, we require all employees to protect the Company’s intellectual property, including inventions, technical information, product design and manufacturing-related expertise, making sure compliance with relevant laws and regulations and protecting the Group’s property rights. We ensure proper documentation when applying for and prevent infringement of property rights. As at 31 March 2022, we own 36 patents. There are also 14 patents currently under the stage of application. During the Year, the Group was not involved in any litigation relating to infringement of any intellectual property rights.

Quality Assurance

Product quality and safety are at the centre of our production. The Group has obtained multiple quality management accreditations for its business operations, including ISO 9001 Quality Management System, IATF 1646 Automotive Quality Management System and ISO 13485 Medical Product Quality Management System. In addition to the accreditations for quality management, our products have also obtained several other certifications both nationally and internationally as illustrated below.

We rigorously test our products to ensure they meet all applicable quality and safety standards.

International Certifications

- UL Certification, US
- SAA Certification, Australia
- GS, VDE and BZT Certification, Germany
- SEV Certification, Switzerland
- CE Certification, EU
- SEMKO Certification, North Europe
- CSA Group, US

National Certifications

- China Compulsory Certification (“CCC”)
- China Quality Certification (“CQC”)

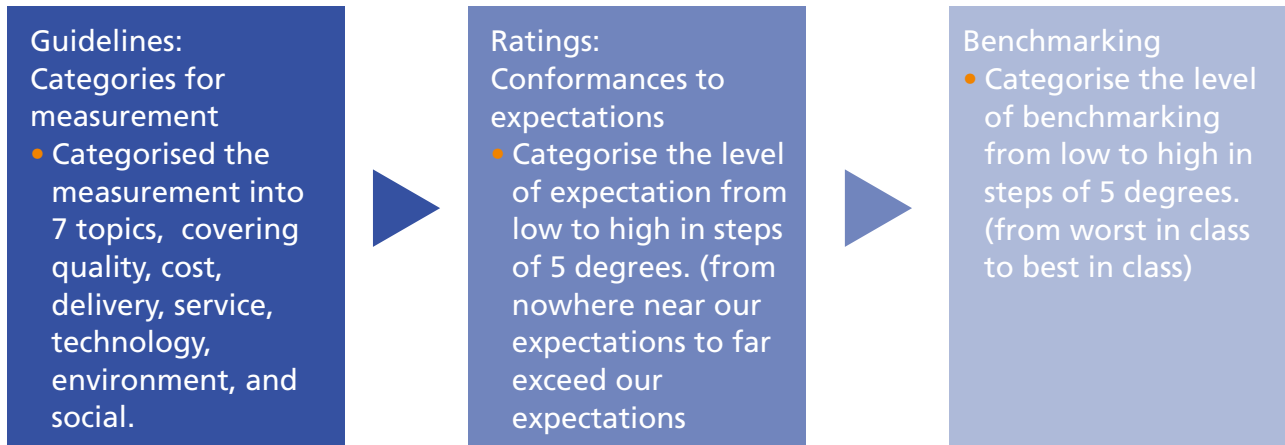
STRIVING FOR OPERATIONAL EXCELLENCE (CONTINUED)

Following a set of strict control procedures and operational standards when managing product quality, the Group has a product quality measurement guideline in place, detailing the procedure from inspection of incoming raw materials, process inspection and testing to final inspection and testing. In addition, our Shenzhen-based reliability laboratory is qualified with EN/IEC 60730-1 and EN/IEC 60730-2-9 accreditations, enabling internal thermostat testing based upon applicable standards. Having in place a complete set of quality assurance equipment, this facility fulfils the testing needs of all products sold in the European and North America markets.

Grievance Handling and Customer Satisfaction

Requirements and standards under the Group's Quality Policy mandate that products should exceed customer expectations, requirements, and delivery schedules. Customers' reviews and feedback are handled with caution and care, ensuring all complaints are answered within 48 hours, properly addressed within 7 days, and resolved within two weeks. Our "Complaint Handling Procedure" clearly sets out the duties and responsibilities of each department at different stages of receipt of the complaint, investigation of the nature of the case and corrective measures required to mitigate the issues.

The Group's Customer Satisfaction Survey Procedure stipulates that the Group shall monitor continually internal and external performance indicators to ensure compliance with the product and process specifications.



Our target for Conformance to Expectations is Level 3 for all categories, and target for Benchmarking is Level 4 for all categories.

Data Security and Privacy Protection

The top cybersecurity hazards we are facing include ransomware and phishing assaults, software vulnerabilities, and security control. During the Year, BitSight, a cybersecurity rating organisation, raised Computime's security rating from 690 to 730, which puts us among the top 10% of manufacturing companies. The Group is planning to obtain ISO27001 certification for its information security management system by 2023.

Our "Information Security Policy" is in place to safeguard data security and privacy of our customers, employees and business partners. Our Corporate IT is fully geared to ensure the Group's intellectual property is well protected and the risk of data breaches is minimised. We expect all parties to uphold high standards when handling the matters of personal data and privacy protection and collaborate with us in complying with applicable regulations and standards for compliance, such as GDPR, SOX and Data Protection Act.

STRIVING FOR OPERATIONAL EXCELLENCE (CONTINUED)

Risk Assessment, Prevention and Response

Data security is ensured by deploying reasonable administrative, technical and physical security measures (“information security controls”) to protect personal data from unauthorised access. This helps ensure compliance with data protection laws, regulations and avoidance of any breach of contract. On a regular basis, we evaluate and refine privacy and security controls, as necessary. When making changes, or assessing a new process, technology or product, we document and complete formal “Data Protection Impact Assessment” (DPIA) in line with data protection law.

We keep up with the fixes for publicly revealed vulnerabilities, both domestically and globally, to protect data confidentiality and security. Our IT department also collaborates with industry experts and data technology vendors to protect data and information by implementing a comprehensive risk prevention and response strategy.

Comptime ensures that individuals are informed clearly of the reasons and ways their personal data will be used. Only relevant and necessary personal data are collected and processed in a fair, honest and lawful manner. Individuals have the right to choose how their information is used and the Company needs to obtain consent for use of personal data for certain activities such as marketing and profiling.

Document Management System (“DMS”)	Extended Producer Responsibility (EPR) & Firewall	Enterprise Immune System (Darktrace)
<ul style="list-style-type: none"> To enhance the security on our document sharing, we have phased out the outdated and End of Life DMS system and moved all documents to the latest Microsoft SharePoint Online Cloud platform 	<ul style="list-style-type: none"> We have upgraded our systems with an additional 2 levels firewall to secure cloud access and have migrated the self-managed on premises ERP system to Hybrid cloud platform. Managed by a certified cloud service provider, data availability and scalability with business continuity have also been enhanced. 	<ul style="list-style-type: none"> Darktrace is a self-learning technique based on unsupervised machine learning and mathematics. Analysts can discover hostile insiders and unknown advanced threat actors early using models’ behavior within the network and behavioral monitoring for people, devices, and the enterprise. This allows enterprises to act sooner, reducing incident response time and cost.

Data security measures undertaken during the Year

To prepare on business continuity and data recovery, the Group has embarked on the virtual desktop infrastructure (VDI) during the Year for fast replacement of any PC hardware or software failure, and for centralisation of data backup to minimise user data loss.

STRIVING FOR OPERATIONAL EXCELLENCE (CONTINUED)

Awareness Training

Employees and suppliers are obliged to undergo related awareness training in order to improve privacy and security procedures. During the Year, we established a global online training site, InfoSec Awareness Training Portal, enabling our employees to access training materials on topics such as data protection, GDPR, and data security on a regular basis.

Sustainable Supply Chain



Target 12.4 – Achieve environmentally sound management of chemicals and all wastes throughout their life cycles

Target 12.7 – Promote public procurement practices that are sustainable

We strive to fulfil our social and environmental responsibilities in supply chain management, requiring all our suppliers to adhere to our Supplier Code of Conduct which covers issues such as labour condition, ethics and integrity, health and safety and the environment. Suppliers are responsible for presenting supporting documents to Computime in order to confirm compliance with related requirements. During the Year, there is zero supply chain non-compliance incidents. The Group was not involved in any non-compliance in terms of quality, environment, and social issues.

On a regular basis, audits are conducted to assess qualifications of suppliers on various aspects including adoption of quality system, management leadership, project development, production, quality monitoring, environmental as well as employee protection and anti-terrorism agreement. Suppliers are required to complete the “Computime Supplier’s Qualification Audit Report” which is verified by us. A score is given for each area of performance and suppliers are classified based on an overall score. For suppliers who score below 50%, they are no longer considered for future engagement.

Our Green Procurement Procedure sets out guidelines in green procurement and stipulates expectation of Computime in selecting suppliers and sourcing green products that relevant departments should follow. Multiple departments are required to avoid sourcing products that are listed as highly polluting or those with high environmental risks. They should always opt for products that pass certain environmental or national certification regarding energy efficiency. The Procurement department is responsible for selecting green suppliers and ensuring green procurement contracts are fulfilled. If the suppliers fail to observe the agreed environmental requirements specified in the procurement contracts, they are subject to termination of business relationship.

STRIVING FOR OPERATIONAL EXCELLENCE (CONTINUED)

Conflict Minerals Management

We commit to ensure full compliance with conflict minerals free policy and undergo responsible sourcing throughout the supply chain. Computime avoids sourcing minerals from the Democratic Republic of Congo or any adjoining countries. We require suppliers to disclose if any conflict minerals sourcing policies and due diligence measures are implemented by submitting a due diligence report based on the Conflict Minerals Report Template (“CMRT”) developed by the Responsible Minerals Initiative (“RMI”).

Business Ethics

Computime is committed to conducting its business and operations with high standards of ethics, honesty and integrity in accordance with all applicable laws and regulations and the Group’s policies. This requires all members of the Group to uphold an aligned standard of behavior that exceeds statutory mandates.

In this regard, our Code of Conduct, other policies and standard operating procedure at site level provide practical guidelines on business conduct which are applicable to our Board, senior management and employees at all level. These policies ensure responsible behavior and protection for stakeholders’ rights in case of breach. Topics covered include but are not limited to:

- Bribery, gifts and entertainment
- Conflicts of interest
- Discrimination, harassment and inappropriate conduct
- Equal opportunities
- Fair competition
- Inside information
- Money laundering and terrorist financing
- Privacy and information protection
- Whistleblowing to report improper conduct

STRIVING FOR OPERATIONAL EXCELLENCE (CONTINUED)

Anti-bribery and corruption



Target 16.5 – Substantially reduce corruption and bribery in all forms

Integrity is at the centre of everything we do. At Computime, our reputation is built on the basis of individual acts of our workers. We expect our staff to follow high ethical standards in all of their business interactions and operations. Bribery, money laundering, and fraud are all examples of corruption that are not permitted. As a result, our Code of Conduct clearly define the entire business conduct that employees are expected to adhere to. We require our employees to uphold high standard of ethical principles when engaging in any business dealings or activities. Any forms of corruption including but not limited to bribery, money laundering and fraud will not be tolerated. The Code of Conduct is reviewed and updated on a regular basis.

Soliciting or accepting advantages

- It is prohibited to solicit or accept any advantages from counterparts that can influence work performance or induce to act against Computime's interests
- An advantage can come in the form of a gift, fee, reward or favour. Employee must notify immediate supervisor or Human Resources department if an advantage is accepted

Conflict of interest

- Employees should be highly aware of any situations that may lead to conflict of interest between the person and the Computime
- One must declare the circumstances where his or her immediate family members engage in any business relationships that compete with the Computime

Handling of confidential information

- Employees must not disclose without the permission of Computime any classified information or use such information to obtain personal interests

During the Year, we arranged anti-corruption training, such as training conducted by Independent Commission Against Corruption ("ICAC") in Hong Kong to help our corporate staff understand the importance of honesty and awareness of integrity. We also put in place global online training to ensure employees worldwide could be more aware of the risk areas including payments, gifts, tendering and contracts.

Any violation of the Code of Conduct results in disciplinary action, including termination of employment. Instances involving suspected corruption or other criminal offenses are reported to the local relevant authorities for further investigation and legal actions. During the Year, there were no reports of non-compliance of relevant laws and regulations that have a significant impact on the Group relating to bribery, extortion, fraud and money laundering.

STRIVING FOR OPERATIONAL EXCELLENCE (CONTINUED)

Anti-money laundering and counter-terrorist financing

Our Code of Conduct has also incorporated the compliance requirements of Anti-Money Laundering (“AML”) and Counter-Terrorist Financing (“CTF”) Policy. The Group is committed to providing an effective and systematic group-wide AML and CTF framework for all of its subsidiaries, employees and associated parties to follow in their business dealings and daily operations. Regular risk assessments and monitoring work on each business function and subsidiary level are undertaken to assure strict compliance with all applicable laws and regulations.

When potential conflicts of interest arise, employees may consult their line manager for clarification. Application and declaration forms are available on the corporate intranet.

Whistleblowing

We have put in place a Whistleblowing Policy to encourage employees to report suspected misconduct, malpractice, and misbehaviour in any topic relevant to the Group in confidence. Employees must report any suspected violations of Computime’s Code of Conduct to their line managers or the Human Resources department. Whistleblowers are protected since the case is kept confidential and retaliation is prohibited. Any breaches of ethical standards are investigated fairly and promptly. All inquiry results will be used to design and implement any disciplinary actions or corrective measures under this policy. The Group is dedicated to improving the internal system in order to combat any corruption acts.



Ensuring compliance

Any individual who violates the Group policies, procedures and guidelines may receive verbal or written warnings or be summarily dismissed depending on the severity of the infraction. We monitor and identify applicable laws and regulations which have a significant impact on the Group as well as its latest development. Various measures including internal controls, approval procedures and training are in place to raise our staff awareness of the Group’s ethics and integrity standards.

CONTRIBUTING TO COMMUNITY

The communities where we do business are important stakeholders for Computime. We believe that community engagement programs strengthen our relationships with our communities, customers, and employees, which in turn benefits our company.

Community Engagement



Target 4.1 – Ensure all girls and boys receive quality education

At Computime, we believe we have a responsibility to support and make a positive impact in the local communities in which we live and work. We specifically focus our contribution and involvement in children's education. In FY2022, the Group contributed a total amount of HKD384,000 to the community for public welfare. Our employees also volunteer their time in other charitable activities.¹³

Heep Hong Society visit on "Skill for Life" Bursary

Computime has partnered Heep Hong Society for a long time with "Computime Skills for Life" Bursary for subsidizing special needs children ("SEN") from low-income families in respect of professional assessment, training, and support services. The program started from April 2021 in FY2022.



Christmas Party with St. Christopher's Home

In children's care and development, Computime organised various events for the children under the "Computime After School Care Program". Computime also sponsored food and other presents on this occasion. The food was ordered from a small café whose owner spent his childhood in St. Christopher's Home.



¹³ Due to the COVID-19 pandemic, certain community engagement activities were called off during the second half of the FY2022.

CONTRIBUTING TO COMMUNITY (CONTINUED)

Staff volunteering in collaboration with ImpactHK

Our employees went out to Yau Ma Tei and Jordan area in Hong Kong to distribute food and supplies to homeless people through a "Kindness Walk" organised by ImpactHK, a non-profit organisation aiming to create an inclusive Hong Kong where everyone has a safe place to call home and people care for their neighbours. Every week, ImpactHK partners with HandsOn to offer 10-15 kindness walks in different areas of Hong Kong.



APPENDIX

Laws and Regulations

We implement internal policies and initiatives to ensure our business operations adhered to all applicable laws and regulations listed below.

Aspect	Applicable Laws and Regulations
A1 Emissions	<p>China</p> <ul style="list-style-type: none"> • Law of the People’s Republic of China on the Prevention and Control of Atmospheric Pollution • Law of the People’s Republic of China on the Prevention and Control of Water Pollution • Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution of Solid Waste <p>Hong Kong</p> <ul style="list-style-type: none"> • Air Pollution Control (Motor Vehicle Fuel) Regulation (Cap. 311L) • Air Pollution Control (Vehicle Design Standards) (Emission) Regulations (Cap. 311J) • Water Pollution Control Ordinance (Cap. 358) • Waste Disposal Ordinance (Cap. 354) <p>Malaysia</p> <ul style="list-style-type: none"> • The Environment Quality Act 1974 and its Regulations 1989 • Environment Quality (Clean Air) Regulations 1978, PU (A) 280 <p>Compliance Statement:</p> <ul style="list-style-type: none"> • During the Year, we were not aware of any non-compliance of relevant laws and regulations that has a significant impact on Computime relating to air and greenhouse gases emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.

APPENDIX (CONTINUED)

Aspect	Applicable Laws and Regulations
A2 Use of Resources	<p>China</p> <ul style="list-style-type: none"> • Law of the People’s Republic of China on Conserving Energy • Law of the People’s Republic of China on the Promotion of Clean Production <p>Hong Kong</p> <ul style="list-style-type: none"> • Water Pollution Control Ordinance (Cap. 358) • Waste Disposal Ordinance (Cap. 354) <p>Malaysia</p> <ul style="list-style-type: none"> • Wild Conservation Act 2010 • Land Conservation Act 1960 • Sarawak Natural Resources and Environment (Amendment) Ordinance 2001 • Renewable Energy Act 2011 <p>Compliance Statement:</p> <ul style="list-style-type: none"> • There was no issue in sourcing water that is fit for purpose during the Year.
A3 The Environmental and Natural Resources	<p>China</p> <ul style="list-style-type: none"> • Law of the People’s Republic of China on Appraisal of Environmental Impacts • Environmental Protection Law of the People’s Republic of China <p>Hong Kong</p> <ul style="list-style-type: none"> • Hazardous Chemicals Control Ordinance (Cap. 595) • Mercury Control Ordinance (Cap. 640) • Product Eco-responsibility Ordinance (Cap. 603) • Motor Vehicle Idling (Fixed Penalty) Ordinance (Cap. 611) <p>Malaysia</p> <ul style="list-style-type: none"> • The Environment Quality Act 1974 and its Regulations 1989 • The Environmental Quality Order 1989 • Public Cleansing Management Act 2007

APPENDIX (CONTINUED)

Aspect	Applicable Laws and Regulations
A4 Climate Change	<ul style="list-style-type: none"> • Record-filing Management Regulations on Strengthening the Use, Sale, Maintenance and Recycling of Ozone Depletion Substances • Trial Measures for Carbon Emission Management in Guangdong Province • Several Provisions on Carbon Emission Management of Shenzhen Special Economic Zone • Carbon Emission Registration Management Rules (Trial) • Carbon Emission Trading Management Rules (Trial) • Carbon Emission Rights Settlement Management Rules (Trial) • Opinions of Guangdong Provincial Environmental Protection Department on Strictly Controlling Volatile Organic Compounds (VOCs) Emissions from Industrial Enterprises in the Pearl River Delta Region • Fugitive Emission Control Standard of Volatile Organic Compounds
B1 Employment	<p>China</p> <ul style="list-style-type: none"> • Labour Law of the People's Republic of China • Labour Contract Law of the People's Republic of China • Special Rules on the Labour Protection of Female Employees <p>Hong Kong</p> <ul style="list-style-type: none"> • The Employment Ordinance, Cap. 57 • The Employees' Compensation Ordinance, Cap. 282 • The Minimum Wage Ordinance, Cap. 608 <p>Malaysia</p> <ul style="list-style-type: none"> • Employment Act 1955 (Act 265), Regulations and Orders & Selected Legislation • Employees' Social Security Act 1969 (Act 4), Regulations & Rules • Industrial Relations Act 1967 (Act 177), Rules & Regulations • Employees Provident Fund Act 1991 (Act 452), Regulations & Rules <p>Compliance Statement:</p> <ul style="list-style-type: none"> • During the Year, we were not aware of any non-compliance of relevant laws and regulations that has a significant impact on Computime relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.

APPENDIX (CONTINUED)

Aspect	Applicable Laws and Regulations
B2 Health and Safety	<p>China</p> <ul style="list-style-type: none"> • Production Safety Law of the People’s Republic of China • Law of the People’s Republic of China on the Prevention and Control of Occupational Diseases • Code of Occupational Disease Prevention of the People’s Republic of China • Regulations on Occupational Health Supervision and Management in the Workplace • Occupational Health Files Management Surveillance • Technical Specifications for Occupational Health Surveillance • Measures for the Supervision and Administration of Employers’ Occupational Health Surveillance <p>Hong Kong</p> <ul style="list-style-type: none"> • Occupational Safety and Health Ordinance (Cap. 509) and subsidiary regulations • Occupational Safety and Health (Display Screen Equipment) Regulation (Cap. 509B) • Occupational Safety and Health (Display Screen Equipment) Regulation • Factories and Industrial Undertakings Ordinance (Cap. 59) and subsidiary regulations • Buildings Ordinance (Cap. 123) and subsidiary regulations • Electricity Ordinance (Cap. 406) and subsidiary regulations • Fire Safety (Commercial Premises) Ordinance (Cap. 502) • Road Traffic Ordinance (Cap. 374) • Road Traffic (Construction and Maintenance of Vehicles) Regulations (Cap. 374A) • Prevention and Control of Disease Ordinance (Cap. 599) • Temporary Protection Measures for Business Tenants (COVID-19 Pandemic) Ordinance (Cap. 644) <p>Malaysia</p> <ul style="list-style-type: none"> • The Occupational Safety and Health Act 1994 • The Factories and Machinery Act 1967 • The Petroleum Act (safety measures) 1984 • The Employment Act 1955 • Labour Ordinance Acts 2005
	<p>Compliance Statement:</p> <p>During the Year, we were not aware of any non-compliance of relevant laws and regulations that has a significant impact on Computime relating to the provision of a safe working environment and protection of employees from occupational hazards.</p>

APPENDIX (CONTINUED)

Aspect	Applicable Laws and Regulations
B4 Labour Standard	<p>China</p> <ul style="list-style-type: none"> • Law of the People’s Republic of China on the Protection of Minors • Provisions on the Prohibition of Using Child Labour <p>Hong Kong</p> <ul style="list-style-type: none"> • The Employment Ordinance, Cap. 57 <p>Malaysia</p> <ul style="list-style-type: none"> • The Employment Act, of 1955 <p>Compliance Statement: During the Year, we were not aware of any non-compliance of relevant laws and regulations that has a significant impact on Computime relating to the prevention of any child and forced labour. There were no reported cases of child or forced labour in the Year.</p>
B6 Product Responsibility	<p>China</p> <ul style="list-style-type: none"> • Product Quality Law of the People’s Republic of China • Tort Law of the People’s Republic of China • Patent Law of the People’s Republic of China <p>Hong Kong</p> <ul style="list-style-type: none"> • Consumer Goods Safety Regulation (Cap. 456A) • Electrical Products (Safety) Regulation (Cap. 406G) <p>Malaysia</p> <ul style="list-style-type: none"> • Consumer Protection Act 1999 <p>Compliance Statement: During the Year, we were not aware of any non-compliance of relevant laws and regulations that has a significant impact on Computime relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.</p>

APPENDIX (CONTINUED)

Aspect	Applicable Laws and Regulations
B7 Anti-corruption	<p>China</p> <ul style="list-style-type: none"> • Anti-Unfair Competition Law of the People’s Republic of China • Criminal Law of the People’s Republic of China <p>Hong Kong</p> <ul style="list-style-type: none"> • Anti-money Laundering and Counter-Terrorist Financing Ordinance (Cap. 615) <p>Malaysia</p> <ul style="list-style-type: none"> • Section 17A (1) of the MACC (Amendment) Act 2018 <p>Vietnam</p> <ul style="list-style-type: none"> • Law on Prevention and Combat of Corruption No. 55/2005/QH11 • Decree No. 59/2013/ND-CP of the Government • Decision No. 64/2007/QD-TTg of the Prime Minister • Penal Code No. 100/2015/QH13 <p>Mexico</p> <ul style="list-style-type: none"> • Inter-American Convention against Corruption • OECD Anti-bribery Convention • United Nations Convention against Corruption (UNCAC) • United States-Mexico-Canada Agreement (USMCA) <p>Denmark</p> <ul style="list-style-type: none"> • The Danish Criminal Code <p>Germany</p> <ul style="list-style-type: none"> • Section 261 of the Criminal Code (StGB) – the offence of money laundering • Money Laundering Act • The Banking Act • The Insurance Supervision Act • The Payment Services Supervision Act • The Investment Code

APPENDIX (CONTINUED)

Aspect	Applicable Laws and Regulations
	<p>Romania</p> <ul style="list-style-type: none"> • Law no. 78 of May 8, 2000 for the prevention, detection and sanctioning of acts of corruption • Decision no. 583 of August 10, 2016 on the approval of the National Anti-Corruption Strategy for 2016-2020, the sets of performance indicators, the risks associated with the objectives and measures in the strategy and the sources of verification, the inventory of institutional transparency and corruption prevention measures, evaluation indicators, and standards for the publication of information of public interest • ANNEXES of December 17, 2021 on the approval of the National Anti-Corruption Strategy 2021-2025 and its related documents • Art. 289 New Criminal Code Taking Bribes Corruption offences • Art. 290 New Penal Code Bribery Bribery Corruption offences • Art. 291 New Criminal Code Influence peddling Corruption offences • Art. 292 New Criminal Code Buying influence Corruption offences • Art. 293 New Criminal Code Acts committed by members of arbitration courts or in connection with them Corruption offences <p>UK</p> <ul style="list-style-type: none"> • The Bribery Act 2010 <p>US</p> <ul style="list-style-type: none"> • The American Anti-Corruption Act (AACA) • 18 USC Section 201 • The Travel Act • Mail and wire fraud statutes • Foreign Corrupt Practices Act (FCPA) of 1977 - anti-bribery provisions • Foreign Corrupt Practices Act (FCPA) of 1977 - accounting provisions • The Ethics Law (Chapter 102 of the Ohio Revised Code) • The Ohio Penal Code • Illinois Bribery Law - 720 ILCS 5/33-1 • The Public Corruption Profit Forfeiture Act - 5 ILCS 283
	<p>Compliance Statement:</p> <p>During the Year, we were not aware of any non-compliance of relevant laws and regulations that has a significant impact on Computime relating to bribery, extortion, fraud and money laundering, and we are not involved in any corruption cases.</p>

APPENDIX (CONTINUED)

Performance Data Summary

To facilitate stakeholders' understanding and benchmarking, the data summary provides statistical information on the Company's sustainability performance.

		FY2022	FY2021
Environment	Greenhouse Gas Emissions¹⁴		
	Scope 1 direct emissions (tCO ₂ e)	193	243
	Scope 2 indirect emissions (tCO ₂ e)	19,356	25,324
	Total GHG emissions (tCO ₂ e)	19,548	25,567
	Emission intensity (tCO ₂ e per HKD '000,000 revenue)	4.67	7.11
	Air Pollutants Emissions		
	Sulphur oxides (SO _x) (kg)	1.13	1.23
	Nitrogen oxides (NO _x) (kg)	62.84	58.25
	Particulate matter (PM) (kg)	4.63	4.46
	Methylbenzene (kg)	/	/
	Tin and its compounds (kg)	3.80	1.77
	VOCs (kg)	7,110.75 ¹⁵	1,445.45 ¹⁶
	Waste		
	Hazardous waste (tonnes)	105.37	82.95
	– Waste mineral oils	0.0	0.20
	– Organic solvent waste	33.40	30.67
	– Organic resins waste	50.08	36.53
	– Mercury, lead and zinc waste	0	0
	– Other hazardous waste	21.90	15.55
	Hazardous waste intensity (kg per HKD'000,000 revenue)	25.18	23.07
Non-hazardous waste (tonnes)	383.2	265.30	
Non-hazardous waste intensity (kg per HKD'000,000 revenue)	91.57	73.78	

¹⁴ Carbon Emission Calculation Methodology:

Emission factors are adjusted compared to those disclosed in FY2020 ESG Report, and GHG emission for FY2020 are recalculated and adjusted in the above table. The calculation of GHG emissions is based on the Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong (2010 edition) published by the Environmental Protection Department. Emission factors are referenced from the 2019 Emission Reduction Project China Regional Grid Baseline Emissions Factor(《2019年度減排項目中國區域電網基準線排放因子》) and the HKEx How to Prepare Environmental, Social and Governance Report - Appendix II: Reporting Guidance Environmental KPIs. The global warming potential is referred to in the Fifth Assessment Report of the Intergovernmental Panel on Climate Change ("IPCC").

¹⁵ The data of VOCs in FY2020 includes the emissions of methylbenzene

¹⁶ The data of VOCs in FY2021 includes the emissions of methylbenzene

APPENDIX (CONTINUED)

		FY2022	FY2021
	Resources Consumption		
	Diesel (Liter)	42,963	47,106
	Petrol (Liter)	29,799	32,146
	Natural gas (m ³)	12,858	15,310
	Electricity (MWh)	33,809	33,529
	Total energy consumption (MWh)	34,639	34,447
	Energy intensity (MWh per HK\$ '000,000 revenue)	8.28	9.58
	Water (m ³)	275,158	379,891
	Water intensity (m ³ per HK\$ '000,000 revenue)	65.75	105.62
	Packaging Material¹⁷		
	Carton (tonnes)	598	–
	Printing (tonnes)	86	–
	Other packing materials (tonnes)	57	–
Workforce Demographics¹⁸	Total Headcount	4,922	5,100
	By Gender		
	Male	1,913	1,861
	Female	3,009	3,239
	By Function		
	Management	272	282
	Staff	789	771
	Front-line Workers	3,861	4,047
	By Age		
	<30	1,649	1,754
	30-50	3,103	3,189
	>50	170	157
	By Geographical Distribution (Formal Employees)		
	Mainland China	3,788	4,008
	Hong Kong	165	166
	Malaysia	888	854
	Europe and the America	76	69
	Asia (excluding Mainland China, Hong Kong, Malaysia)	5	3
	By Employment Type		
	Full-time	4,917	5,099
	Part-time	5	1

¹⁷ The statistics of packaging material consumed for FY2021 are by piece for monitoring (Carton by 7,310,707; Printing by 18,148,889 and Other packing materials by 46,699,683). The unit of measures of packaging material from the reporting year onwards is by tonnes for consistency and also reflecting our recycling efforts to minimise the consumption accordingly.

¹⁸ Workforce demographics for FY2021 and FY2022 cover the formal and outsourced contracting employees.

APPENDIX (CONTINUED)

	FY2022	FY2021
Employee turnover¹⁹		
By Gender		
Male	340%	325%
Female	131%	112%
By Age		
<30	423%	299%
30-50	110%	135%
>50	20%	83%
By Geographical location		
Mainland China	238%	227%
Hong Kong	33%	45%
Malaysia	152%	53%
Europe and the America	33%	54%
Asia (excluding Mainland China, Hong Kong, Malaysia)	40%	0
New employee hires²⁰		
By Gender		
Male	340%	189%
Female	103%	319%
By Age		
<30	396%	332%
30-50	98%	118%
>50	11%	15%
By Geographical location		
Mainland China	232%	210%
Hong Kong	32%	23%
Malaysia	79%	134%
Europe and the America	43%	23%
Asia (excluding Mainland China, Hong Kong, Malaysia)	80%	0

^{19 20} For employee turnover and new employee hires, no total numbers nor breakdown on gender, age groups and geographical locations are reported, only percentages for year to year variation comparison.

APPENDIX (CONTINUED)

		FY2022	FY2021
Development and Training²¹	Employees Training - By Function		
	Percentage of Employees Trained²²		
	Management	99%	100%
	Staff	100%	100%
	Front-line Workers	100%	100%
	Average Training Hours Per Employee		
	Management	10.38	12.62
	Staff	6.35	6.01
	Front-line Workers	22.41	37.84
	Employees Training - By Gender		
	Percentage of Employees Trained²²		
	Male	60%	100%
	Female	100%	100%
	Average Training Hours Per Employee		
Male	7.62	34.16	
Female	22.08	26.31	
Health and Safety²³	Occupational Health and Safety		
	Number of work-related injuries	2	35
	Lost days due to work-related injuries	159.0	393.5
	Number of work-related fatalities	0	0
	Percentage of work-related fatalities	0	0
Supplier	China	855	780
	Asia except China	43	34
	Europe	36	24
	UK	1	–
	North America	71	43
Product Quality	Number of products sold or shipped subject to recalls for safety and health reasons	0	0
	Percentage of total products sold or shipped subject to recalls for safety and health reasons	0	0
	Number of products and services related to complaints received ^{24 25}	83	57
Community	Donation (HK\$)	384,000	362,000

²¹ Development and training data for FY2021 and FY2022 only cover formal employees.

²² Percentage of employees trained in one category in FY2022 = total number of formal employees received training in that category during FY2022/total number of formal employees as of 31 March 2022.

²³ Health and safety data for FY2021 and FY2022 only cover formal employees. The number of work-related fatalities is zero for the past three years.

²⁴ Significant rise of annual compliant counts compared with FY2021 figures is due to increase of compliant figures from Malaysia factory during business and operational start-up challenges on new projects, inability to deploy Operations, Sales from Business Unit & Engineering teams to the site to provide immediate support under COVID-19 situation and country lock down, etc. where Buji factory in China saw a decline in customer complaints.

²⁵ For FY2021 annual compliant counts, the figure did not include the contribution from Malaysia factories.

APPENDIX (CONTINUED)

GRI & HKEx ESG Content Index²⁶

The content index of this Report includes the Global Reporting Initiative Sustainability Reporting Standards, and the Listing Rules.

Material Aspects	GRI Indicator	ESG Guide	Description	Section/Remark
General Disclosure				
Organisational Profile	102-1		Name of the organisation	About the Report
	102-2		Activities, brands, products and services	About Computime
	102-3		Location of headquarters	Hong Kong, China
	102-4		Location of operations	Annual Report
	102-5		Ownership and legal form	Public Listed Company
	102-6		Markets served	About Computime
	102-7		Scale of the organisation	About Computime
	102-8	B1.1	Information on employees and other workers	Talent Management
	102-9	B5	Supply chain	Sustainable Supply Chain
	102-10		Significant changes to the organisation and its supply chain	Acquisition of Braeburn in US
	102-11		Precautionary principle or approach	Environmental Management, Tackling Climate Change
	102-12		External initiatives	No external initiatives due to the consecutive outbreaks of COVID
	102-13		Membership of associations	UNGC management commitment
Strategy	102-14		Statement from senior decision-maker	Message From Chairman and CEO
Ethics and Integrity	102-16		Values, principles, standards and norms of behaviour	Table of Contents
Governance	102-18		Governance structure	Sustainability at Computime, Annual Report
Stakeholder Engagement	102-41		Collective bargaining agreements	Employee Rights and Welfare
	102-42		Identifying and selecting stakeholders	Stakeholder Engagement
	102-43		Approach to stakeholder engagement	Stakeholder Engagement
	102-44		Key topics and concerns raised	Stakeholder Engagement

²⁶ Linking the GRI Standards and HKEx ESG Reporting Guide (<https://www.globalreporting.org/media/ufjfcmyq/gri-standardslinkage-hkex-2020.pdf>)

APPENDIX (CONTINUED)

Material Aspects	GRI Indicator	ESG Guide	Description	Section/Remark
Reporting Practice	102-45		Entities included in the consolidated financial statements	Annual Report
	102-46		Defining report content and topic boundaries	About the Report
	102-47		List of material topics	Materiality Assessment
	102-48		Restatements of information	No restatements of information
	102-49		Changes in reporting	No significant change
	102-50		Reporting period	About the Report
	102-51		Date of the most recent report	15 July 2021
	102-52		Reporting cycle	Once a year
	102-53		Contact point for questions regarding the report	About the Report
	102-54		Claims of reporting in accordance with the GRI Standards	About the Report
	102-55		GRI content index	GRI & HKEx Content Index
	102-56		External assurance	The Group will seek external assurance when appropriate
Material Topics				
Environment				
Comply with Environmental Laws	103	A1	Report how the organisation manages the material aspect or its impacts	Environmental Management
	307-1	A1	Non-compliance with environmental laws and regulations	During the Year, the Group was not aware of any significant non-compliance
Social				
Compliance with Local Laws and Regulations	103	B1 B2 B4 B6 B7	Report how the organisation manages the material aspect or its impacts	Laws and Regulations
	419-1	B1 B2 B4 B6 B7	Non-compliance with laws and regulations in the social and economic area	During the Year, the Group was not aware of any significant non-compliance
Occupational Health and Safety	103	B2	Report how the organisation manages the material aspect or its impacts	Occupational Health and Safety
	403-9 403-10	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year	Performance Data Summary
		B2.2	Lost days due to work injury	Performance Data Summary
	403	B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	Occupational Health and Safety

APPENDIX (CONTINUED)

Material Aspects	GRI Indicator	ESG Guide	Description	Section/Remark
Prohibition of Child and Forced Labour	103	B4	Report how the organisation manages the material aspect or its impacts	Prohibition of Child Labour and Forced Labour
	408-1 409-1	B4.1	Description of measures to review employment practices to avoid child and forced labour	Prohibition of Child Labour and Forced Labour
	408-1 409-1	B4.2	Description of steps taken to eliminate such practices when discovered	Prohibition of Child Labour and Forced Labour
Data Privacy and Confidentiality	103	B6	Report how the organisation manages the material aspect or its impacts	Data Security and Privacy
	418-1	B6.2	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data Security and Privacy
Respect for Intellectual Property	103	B6	Report how the organisation manages the material aspect or its impacts	Intellectual Property Rights
		B6.3	Description of practices relating to observing and protecting intellectual property rights	Intellectual Property Rights
Ensuring the Quality of Products and Services	103	B6	Report how the organisation manages the material aspect or its impacts	Quality Assurance
		B6.4	Description of quality assurance process and recall procedures	Quality Assurance
Anti-corruption	103	B7	Report how the organisation manages the material aspect or its impacts	Anti-bribery and corruption
	103	B7.2	Report how the organisation manages the material aspect or its impacts	Anti-bribery and corruption
	205-3	B7.1	Confirmed incidents of corruption and actions taken	Anti-bribery and corruption
	205-2	B7.3	Communication and training about anti-corruption policies and procedures	Anti-bribery and corruption
Customer Health and Safety	103		Report how the organisation manages the material aspect or its impacts	Anti-bribery and corruption
	416-2		Incidents of non-compliance concerning the health and safety impacts of products and services	During the Year, the Group was not aware of any significant non-compliance

APPENDIX (CONTINUED)

Material Aspects	GRI Indicator	ESG Guide	Description	Section/Remark
Non-material Topics				
Environment				
Emission	103	A1	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste	Environmental Management
	305-7	A1.1	The types of emissions and respective emissions data	Performance Data Summary
	305-1 305-2 305-4	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)	Performance Data Summary
Waste	306-3	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Performance Data Summary
	306-3	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Performance Data Summary
	306-5	A1.5	Description of emissions target(s) set and steps taken to achieve them	Key Environmental Targets, Emissions Control
	306-4	A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction target(s) set and steps taken to achieve them	Key Environmental Targets, Solid Waste
Energy	103	A2	Policies on the efficient use of resources, including energy, water and other raw materials	Environmental Management
	302-1 302-3	A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (MWh in '000s) and intensity (e.g. per unit of production volume, per facility)	Performance Data Summary
	302-4	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them	Key Environmental Targets, Energy Consumption

APPENDIX (CONTINUED)

Material Aspects	GRI Indicator	ESG Guide	Description	Section/Remark
Water and Effluents	303-5	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility)	Performance Data Summary
	303-1	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	Water Consumption During the Year, the Group did not have any issue in sourcing water that is fit for purpose
Materials	301-1	A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Performance Data Summary
The Environment and Natural Resources	103	A3	Policies on minimising the issuer's significant impacts on the environment and natural resources	Environmental Management
	103	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	Environmental Management
Climate Change	103	A4	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer	Tackling Climate Change
	201-2	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	Tackling Climate Change
Social				
Employment	103	B1	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare	Talent Management
	405-1	B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region	Performance Data Summary
	401-1	B1.2	Employee turnover rate by gender, age group and geographical region	Talent attraction and retention and Performance Data Summary

APPENDIX (CONTINUED)

Material Aspects	GRI Indicator	ESG Guide	Description	Section/Remark
Development and Training	103	B3	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities	Training and Development
		B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management)	Performance Data Summary
	404-1	B3.2	The average training hours completed per employee by gender and employee category	Performance Data Summary
Supply Chain Management	103	B5	Policies on managing environmental and social risks of the supply chain	Sustainable Supply Chain
	102-9	B5.1	Number of suppliers by geographical region	Performance Data Summary
	103	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 Supply Chain
	308-1 414-1	B5.3	Describe the practices for identifying environmental and social risks at each stage of the supply chain, and how they will be implemented and monitored	Sustainable Supply Chain
	308-2	B5.4	Describe the practices that promote the use of environmentally friendly products and services when selecting suppliers, and how they are implemented and monitored	Sustainable Procurement
Product Responsibility	103	B6	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	Product Responsibility
		B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	Performance Data Summary
	418-1	B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored	Data Security and Privacy

APPENDIX (CONTINUED)

Material Aspects	GRI Indicator	ESG Guide	Description	Section/Remark
Local Investment	103	B8	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 Engagement
	203-1	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)	Community Engagement
	201-1	B8.2	Resources contributed (e.g. money or time) to the focus area	Performance Data Summary

The UN Global Compact Index

We endorse United Nations Global Compact which is a set of 10 principles in the areas of human rights, labour, environment and anti-corruption. The table below shows our progress in FY2022.

United Nations Global Compact Principles		Location in this report
Human Rights		
Principle 1	Business should support and respect the protection of internationally proclaimed human rights; and	Talent Management
Principle 2	Make sure that they are not complicit in human rights abuses.	
Labour Standards		
Principle 3	Business should uphold the freedom of association and the effective recognition of the right to collective bargaining;	Talent Management
Principle 4	The elimination of all forms of forced and compulsory labour;	Prohibition of Child Labour and Forced Labour
Principle 5	The effective abolition of child labour; and	
Principle 6	The elimination of discrimination in respect of employment and occupation.	Talent Management
Environment		
Principle 7	Business should support a precautionary approach to environmental challenges;	Managing Our Environmental Footprint
Principle 8	Undertake initiatives to promote greater environmental responsibility; and	
Principle 9	Encourage the development and diffusion of environmentally-friendly technologies.	
Anti-corruption		
Principle 10	Business should work against corruption in all its forms, including extortion and bribery.	Business Ethics