



TWS

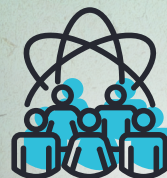
Integrated Waste Solutions
Group Holdings Limited
綜合環保集團有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock code: 923

2022

Environmental, Social and Governance Report



CONTENTS

ABOUT IWS

IWS is the leading integrated waste solutions provider in Hong Kong, providing waste management, including waste collection, treatment and recycling services to a wide range of customers in both public and private sectors

OUR MISSION

To become one of the largest integrated waste solutions providers in Greater China and to deliver services and products of the highest quality

OUR VISION

We are committed to making a difference to the environment in Hong Kong, China and the world

Feedback

Your comments and ideas are appreciated and will help improve our work and performance continuously. You may contact us at:

Address:
Integrated Waste Solutions Building,
8 Chun Cheong Street,
Tseung Kwan O Industrial Estate,
New Territories,
Hong Kong
Email: info@iwsgh.com

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ABOUT THE REPORT

This is the sixth annual Environmental, Social and Governance (“ESG”) Report of Integrated Waste Solutions Group Holdings Limited (the “Company” together with its subsidiaries, hereinafter referred to as the “Group” or “IWS”). This Report reviews IWS’s management approach and performance on environmental and social aspects and should be read in conjunction with the 2022 Annual Report. The Company has met Code Provisions of the Corporate Governance Report as set out in Appendix 14 to the Rules Governing the Listing of Securities on the Main Board of The Stock Exchange of Hong Kong Limited (the “Listing Rules”). Please refer to Pages 35 to 52 of our Annual Report 2022 for the Corporate Governance Report.

The Group is committed to improving stakeholders’ understanding of its sustainability initiatives. This report presents management approaches of material ESG topics and their corresponding impacts on the people, the planet and our operations. In the process of preparation of this report, we have adhered to the reporting principles of Materiality, Quantitative, Balance and Consistency, as below:

Reporting Framework

Materiality:	Interests of stakeholders and broader economic, social or environmental topics raised by stakeholders have been taken into account for determining 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.

This report is prepared in compliance with the ESG Reporting Guide set out in Appendix 27 to the Listing Rules, and takes into consideration operational status of the Company.


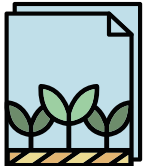


Reporting Boundary

This report covers the Company and its subsidiaries including IWS Waste Management Company Limited (“IWS WM”), Confidential Materials Destruction Service Limited (“CMDS”), IWS Environmental Technologies Limited (“IWS ET”), IWS Logistics Limited (“Logistics”), IWS Waste Management (Asia) Limited, RGF Environmental New Material Limited (“RGF”), a joint venture project company in which IWS has 49% interest, and I-Talent Paper Product (HK) Limited (“ITPP”) in which IWS has 51% interest. Changes have been seen as ITPP has been added to the boundary of this reporting year. The data and information in this report cover the period from 1 April 2021 to 31 March 2022 (“FY2022”).



CREATING POSITIVE ENVIRONMENTAL IMPACT

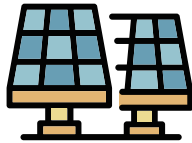
IWS plays a key role in improving the lives of our employees and our customers, and in solving some of the most pressing sustainability challenges in Hong Kong and Mainland China. By integrating our core businesses with sustainability, we are committed to creating a positive impact on the environment while delivering value to our stakeholders.

Our Four Core Businesses	
 <p>Waste Management</p>	<p>Our waste management services include treatment of waste paper, plastics and metals, sales of recovered cardboard paper and office paper from CMDS as well as waste plastic recycling. RGF, a joint venture for the production of recycled engineering plastic pellets, has established OEM recycling solutions for plastic wastes. ITPP specialises in trading and manufacturing of assorted paper products. The Group also operates a hazardous waste treatment business in Mainland China through its associated company Dugong IWS HAZ Limited.</p>
 <p>CMDS</p>	<p>CMDS business helps clients to destruct secure materials in a manner that ensures data privacy and satisfies information security concerns.</p>
 <p>WEEE</p>	<p>The joint venture operates a WEEE Treatment and Recycling Facility for processing of electrical and electronic waste (including refrigerators, TVs, computers, washing machines and air conditioners) into secondary raw materials while controlling the handling of hazardous materials.</p>
 <p>Logistics</p>	<p>The Group’s logistics fleet provides waste collection services for its waste management business, CMDS as well as the waste electrical and electronic equipment (“WEEE”) treatment business, covering a broad collection network.</p>

During the year, we actively promoted plastic waste recycling and treatment solutions to local enterprises and secured a contract with a renowned local beverage company. We helped this company to recycle and process up to 129 tonnes of plastic waste (around 67,900 plastic containers) collected locally and manufactured recycled plastic pellets for use in a plastic product manufacturer, which brought a positive impact on the environment and the society.



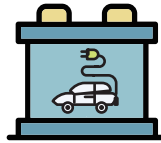
FY2022 ENVIRONMENTAL HIGHLIGHTS



Renewable Energy
Generated

244,176 kWh

3.8% ↓ yoy



Electric Vehicles
deployed estimated to save

9.35 tCO₂e

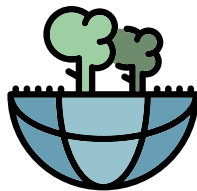
GHG emissions
70.6% ↑ yoy



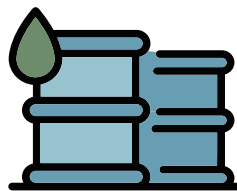
Monthly Wastewater
Discharge target at RGF

800 Litres

12,007 tonnes of paper and 2,451 tonnes of plastics were recycled during the year under our IWS WM, CMDS and RGF businesses, approximately equivalent to:



SAVING
204 thousand
mature trees



SAVING
22 thousand tonnes
of fuel oil



SAVING
86,237 m³
of landfill
space



CONSERVING
323 thousand tonnes
of water*



CONSERVING
63 million kWh
of electricity



PRODUCING
10 thousand tonnes
of recycled
paper*

* Calculation based on paper recycling performance only.



MESSAGE FROM CEO

Dear Valued Stakeholders,

FY2022 was another difficult year for Hong Kong as the COVID-19 pandemic continued to challenge the society and businesses. As a provider of integrated waste solutions, this also affected IWS. The impact of COVID-19 restrictions and lockdowns on our revenue continued to vary across services. Nevertheless, we remain committed to managing ESG risks and opportunities, integrating our core business with environmental sustainability. This year, the Group established an ESG working group, which is dedicated to supporting the Board in overseeing ESG risks and managing ESG implementation.

On the environmental front, we have set directional targets, and undertaken installation of smart temperature controls in our plant, yielding solid performance in terms of electricity consumption reduction. Our joint venture RGF also achieved its wastewater-reducing target through the implementation of wastewater reduction measures. During the year, the Group adopted the Green Procurement Policy, which aims to provide guiding principles for promoting sustainable procurement practices.

Safety is our highest priority and across the Group, we are working tirelessly to ensure that our staff returns home safe to their families after a productive workday. On the basis of regular inspections of compliance of all businesses of the Group with relevant laws and regulations, we have clear and strict internal regulations to ensure the safety of employees. In addition to regular safety audits, occupational safety, health regulation review and safety training, we provide employees with physical protective equipment to ensure that our management and hardware enable our staff to work in a healthy and safe environment.

Customer satisfaction is one of the Group's top priorities. While ensuring product quality and standards and customer data privacy, we engage with customers every quarter to ensure that they are satisfied with our products and services. Solid efforts during the year have resulted in our customer satisfaction being significantly higher than the standard we had set.

On behalf of the Board, I would like to express my gratitude to our employees, customers, business partners, non-governmental organizations and the government for their strong support during the year.

By Order of the Board

Lam King Sang

Chief Executive Officer

Hong Kong, 29 June, 2022



ESG GOVERNANCE

IWS places great importance on ESG governance and accountability. We manage our risk and ensure ethical behaviour by focusing on compliance and by maintaining strict internal controls.

Board Statement

The Group takes a systematic approach to measuring and managing ESG risks, including risks associated with climate change. With the Board responsible to oversee the ESG risks, the Group has established the ESG Working Group during the year, comprising of senior management and heads of different operating units/departments. Reporting directly to the Board, the Working Group is responsible for providing guidance, advice and support for the formulation of ESG related policies, measures and targets, implementation of ESG initiatives, and advising the Board on ESG matters. Supported by the Working Group, the Board is responsible for validating the process of identifying material ESG topics and the corresponding risks, as well as reviewing the progress on ESG-related targets.

The Board confirms that it has reviewed and approved this report. To the best of its knowledge, this report fairly addresses the identified material issues and presents the ESG management approach and performance of the Group.

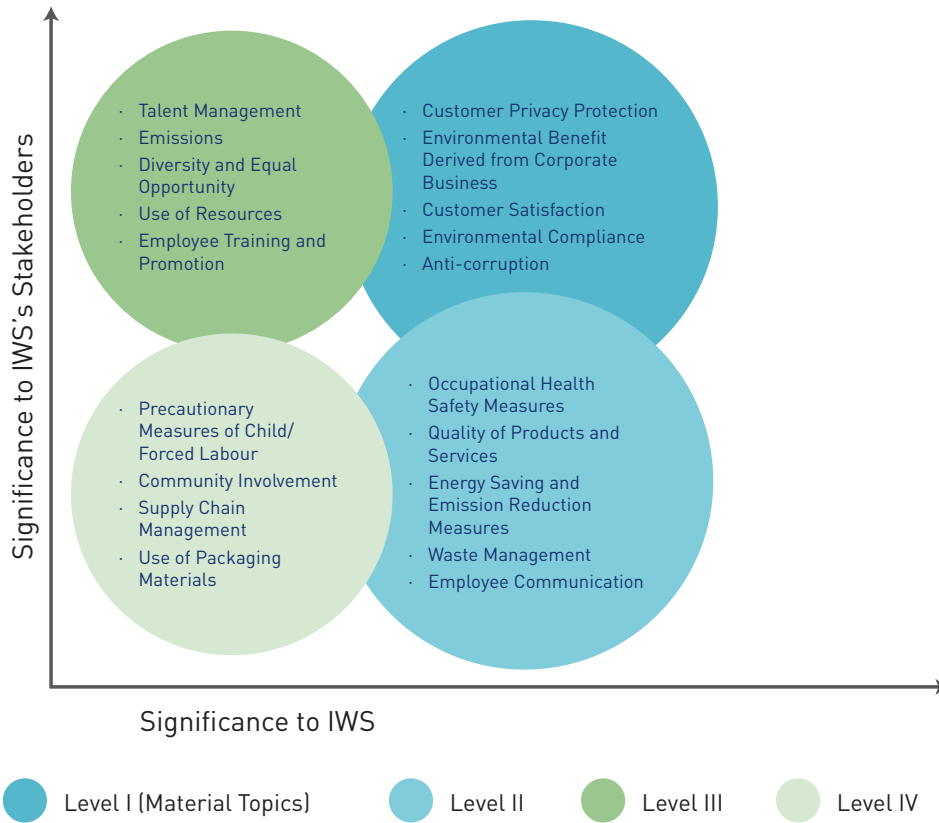
IWS's Materiality

We engage with our stakeholders including employees, customers, investors, NGOs, suppliers and subcontractors to understand how our operations have a substantive influence on their decision-making process. We maintain ongoing communications through multiple communication platforms and channels listed below.

Stakeholders	Engagement Approach	Key topics concerned
Employees	Regular meetings Notice board Grievance system Employees activities	Welfare and benefits Training and development Occupational health and safety Explicit upward path
Customers	Regular meetings Customer satisfaction survey Complaint handling mechanism	Product quality After-sale service Effective communication Customer privacy protection
Suppliers and subcontractors	Regular meetings Regular assessments	Supply chain management
Government	Meetings	Laws and regulation compliance Developments in environmental policies
Community	Engagement with NGOs Public enquiries	Environmental benefits derived from business Waste management
Shareholders and investors	Annual and interim reports ESG report Press releases Annual meeting Company website	Financial performance ESG performance Corporate governance Business development update



The ongoing engagement enables us to identify topics that have a significant impact to the environment, community and the economy through a 4-step process of identification, prioritisation, validation and review.



Level I (Material Topics)	Level II	Level III	Level IV
<ul style="list-style-type: none"> Customer Privacy Protection Environmental Benefit Derived from Corporate Business Customer Satisfaction Environmental Compliance Anti-corruption 	<ul style="list-style-type: none"> Occupational Health Safety Measures Quality of Products and Services Energy Saving and Emission Reduction Measures Waste Management Employee Communication 	<ul style="list-style-type: none"> Talent Management Emissions Diversity and Equal Opportunity Use of Resources Employee Training and Promotion 	<ul style="list-style-type: none"> Precautionary Measures of Child/ Forced Labour Community Involvement Supply Chain Management Use of Packaging Materials
<ul style="list-style-type: none"> Environmental Topics 	<ul style="list-style-type: none"> Operation Topics 	<ul style="list-style-type: none"> Employee Topics 	<ul style="list-style-type: none"> Community Topics



The following five topics were reviewed by the ESG Working Group this year and it was determined that these topics remain material to the Group:





- 1) Customer privacy protection;
- 2) Environmental benefits derived from corporate business;
- 3) Customer satisfaction;
- 4) Environmental compliance;
- 5) Anti-corruption

Other topics include occupational health and safety, quality of products and services, energy saving, waste management and employee communication. The Group strives to address the related risks by undertaking and optimising its ESG management approaches including policies and mitigation measures as reflected in the ESG report.



Aligning with Sustainable Development Goals

IWS is a responsible corporate citizen and puts in particular efforts for supporting the following four SDGs. The table below shows our actions taken during the year, aligned with some of the SDGs. We are committed to taking further steps towards sustainable development by utilising our expertise.

SDG	Specific Target	Our Actions in FY2022 and Future Plans
<p>Goal 6 – Clean Water and Sanitation</p> 	<ul style="list-style-type: none"> • Target 6.3 – Reduce pollution • Target 6.4 – Improve water usage efficiency 	<ul style="list-style-type: none"> • Monthly wastewater discharge volume reached 300 litres, achieving the wastewater discharge target of 800 litres per month • Implemented water-saving initiatives every year
<p>Goal 7 – Affordable and Clean Energy</p> 	<ul style="list-style-type: none"> • Target 7.3 – Improve global energy efficiency 	<ul style="list-style-type: none"> • Participated in CLP Peak Demand Management programme three times in FY2022 to reduce electricity consumption during peak hours • Engaged CLP to conduct energy audits for Integrated Waste Solutions (IWS) Building to determine energy saving potential • Replaced conventional petrol cars with electric vehicles and the majority of commercial vehicles are Euro V vehicles • Generated 244,176 kWh of electricity for FY2022 from 649 solar panels installed at the Integrated Waste Solutions Building • Plan to expand the installation of solar panels by 407 units in Phase II, with an expectation of generating 219,000 kWh of renewable energy • Plan to install small renewable energy systems that are connected to the CLP's electricity grid by July or August 2022
<p>Goal 12 – Responsible Consumption and Production</p> 	<ul style="list-style-type: none"> • Target 12.4 – Achieve environmentally sound management of chemicals and all wastes throughout the lifecycle of the products • Target 12.5 – Reduce waste generation 	<ul style="list-style-type: none"> • Obtained Green Organisation – Wastewi\$e Certificate (Good level) issued by the Environmental Campaign Committee • Promoted green procurement and responsible packaging material management practices • Encouraged the use of recyclable materials, such as recycling carton boxes, wooden boards and labels
<p>Goal 13 – Take urgent action to combat climate change and its impacts</p> 	<ul style="list-style-type: none"> • Target 13.1 – Strengthen capacity for addressing and adapting to climate-related disasters and natural disasters • Target 13.3 – Improve the ability to raise awareness on need for climate change mitigation, adaptation and impact reduction 	<ul style="list-style-type: none"> • Established climate change policy to manage climate-related issues • Conducted climate risk analysis to identify and prioritize risks and opportunities brought by climate change • Formulated a series of operational guidelines to adapt and mitigate potential climate-related impacts, including special working arrangements and precautionary measures during bad or extreme weather conditions



OUR ENVIRONMENT

IWS is committed to delivering our services and conducting our business in an environmentally-friendly way that helps safeguard the planet and taking urgent actions wherever we can to tackle climate change. In doing so, we are also helping our customers mitigate their impact on the environment.

Environmental Management

The environmental impact primarily comes from our fleet, energy consumption in buildings, and water, chemicals and other resources used in delivering our cleaning services. Our environmental management approach is certified by ISO 14001:2015 Environmental Management Systems. A set of internal policies are in place to optimise the oversight and management of emission reduction and energy conservation measures on an ongoing basis, including but not limited to Waste Management, Noise Pollution Control, Hazardous Chemicals Handling Guidelines, Paper Waste Recycling Guidelines, Green Procurement in Office, Office Environmental Management Code, Resource Conservation, and Workplace and Terminal Environmental Management Code. Following the requirements of the Environmental Management System, the Group is committed to continuous improvement in order to comply with relevant legislation and statutory requirements on environmental protection, and to meet the highest industry standards as far as possible.

We strictly adhere to applicable laws, regulations, and local policies to strive for green development, and incorporate sustainable practices into our daily operations, supporting Hong Kong’s plan to achieve carbon neutrality by 2050 and Mainland China’s plan to achieve carbon neutrality by 2060.

The following environmental-related goals were established to advance our work in environmental sustainability.

FY2022 Objectives	Actions	Results
IWS Group		
Participation in more than 4 environmental protection initiatives	<ul style="list-style-type: none"> ■ Advocated the recycling of reusable plastic materials for re-production ■ Use of a purified sewage recycling system ■ Reuse of wastepaper ■ Controlled room temperature of air conditioning at 25.5°C 	Achieved
Participation in more than 1 energy-efficient equipment implementation projects	<ul style="list-style-type: none"> ■ Participated in CLP Peak Demand Management ■ Conducted energy audit 	Achieved
External environmental complaints reduction scheme	<ul style="list-style-type: none"> ■ Received a total of 0 external environmental complaints from April 2021 to March 2022 	Achieved
Paper consumption reduction scheme	<ul style="list-style-type: none"> ■ Collected at least 200 single-side printed pieces of paper for re-use 	Achieved



FY2022 Objectives	Actions	Results
Staff environmental protection awareness enhancement scheme	<ul style="list-style-type: none"> Arranged environmental training activities for staff 	Achieved
RGF		
Water-saving initiatives	<ul style="list-style-type: none"> Completed connection between the water tower and the production line Water circulation system in use 	Achieved
Industrial wastewater reduction scheme	<ul style="list-style-type: none"> Adopted vacuum sewerage systems to collect wastewater, processed by a professional entity Wastewater discharge reached 300 litres per month 	Achieved
CMDS WM		
Emissions reduction scheme	<ul style="list-style-type: none"> Introduced electric vehicles for management's business travel Acquired two new electric vehicles in 2021. The majority of commercial vehicles are Euro V models, which help lower respirable suspended particulates emissions from motor vehicles by 80% and improve roadside air quality Increased the number of vehicles that use Biodiesel B5 instead of fossil diesel 	Achieved In progress
Phase II of solar panels expansion	<ul style="list-style-type: none"> Increased the installation of solar panels by 407 units Expected to generate 219,000 kWh renewable energy 	In progress

Responding to Climate Change

The Group has developed a climate change policy during the year, which was proposed by the ESG Working Group and approved by the Board, to assist the Group in identifying and managing climate change risks, and developing strategies that are consistent with the regulatory requirements, thereby mitigating the impact of climate change on the Group's business.

Climate-related Risk Assessment

Climate change is defined as the occurrence of frequent extreme weather incidents such as unusually high temperatures, severe changes in rainfall patterns, increasing sea levels, and an increase in typhoons and other catastrophic weather events, as a result of global warming. Faced with the threat of increasingly severe climate change, we identify and manage climate-related risks promptly. Aligning with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations, we developed a climate change risk assessment questionnaire and asked management to gauge their feedback based on environmental impact and severity level, then prioritise the Group's climate change issues and gradually formulate relevant measures to mitigate potential risks and impacts.



	Risk Type	Impact Aspect	Risk Description	Impact Analysis
Physical risks	Acute risks — Frequent extreme weather	Supply Chain	<ul style="list-style-type: none"> Impact on collection, transportation and supply of recovered paper and other recycled materials Influence the speed of recycling and material handling 	<ul style="list-style-type: none"> Decrease in revenue: Slowdown in recycling and sales services
		Business Operations	<ul style="list-style-type: none"> Asset depreciation and expenses increased due to the destruction of recycling facilities Impact on the normal operation of some businesses such as logistics services and CMDS Impact on sales of recovered paper and materials 	<ul style="list-style-type: none"> Decrease in revenue: Unable to provide services Increase in expenditure: Additional expenditure for maintaining recycling and material handling facilities and restoring normal operation of logistics services
		Employees	<ul style="list-style-type: none"> Typhoon, extreme heavy rain and storm surges have led to increased work safety risks for employees, reduced effective working hours for employees and affected productivity 	<ul style="list-style-type: none"> Increase in cost of safety equipment and training, increase in cost of handling work injuries and accidents
		Investors	<ul style="list-style-type: none"> Damage recycling facilities, causing significant losses to the Company and affecting the share price of the Company 	<ul style="list-style-type: none"> Decrease in share price of the Company and increase in financing costs
	Chronic risks — Rising sea level, changes in rainfall, continuous high temperature	Business Operations	<ul style="list-style-type: none"> Wind storms and rising sea levels damage coastal recycling treatment facilities that are vulnerable to water infiltration; Typhoon and extreme rains cause damage to logistics vehicles and affect the normal operations of the fleet 	<ul style="list-style-type: none"> Increase in costs: Vehicle and facility maintenance Decrease in revenue: Business operations affected
		Employees	<ul style="list-style-type: none"> The average temperature continues to rise, the health risks of employees have increased, the effective working hours of employees have decreased, and productivity gets affected 	<ul style="list-style-type: none"> Increase in costs: Increase in health and safety equipment and training costs due to high temperature, increase in costs of handling accidents Decrease in revenue: Affected staff working hours and productivity, leading to a slowdown in recycling, transportation, material handling and sales services

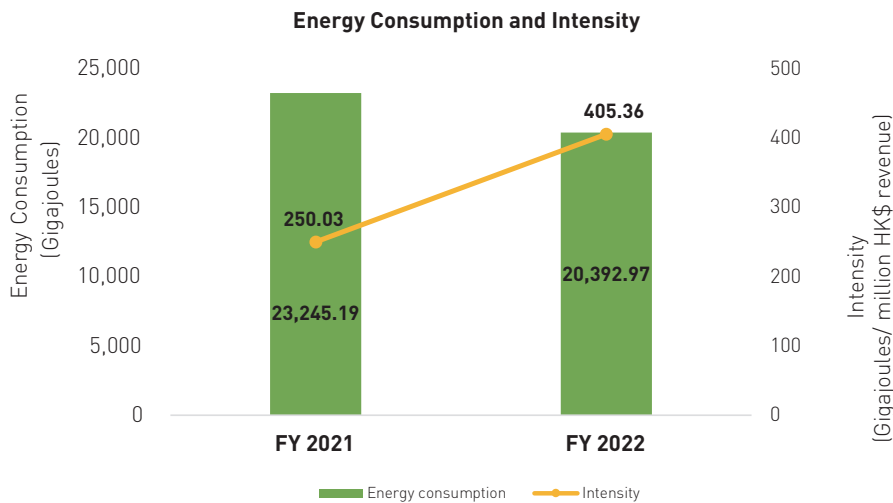


	Risk Type	Impact Aspect	Risk Description	Impact Analysis
Transition risks	Technology risks	Business Operations	<ul style="list-style-type: none"> Incorporate green building or energy-saving equipment into facilities Logistics service fleet switching to electric vehicles 	<ul style="list-style-type: none"> Increase in costs: Increase in investment in green building technology Increase in costs: Purchase of new vehicles
			<ul style="list-style-type: none"> The wide application of new energy-saving facilities drives the procurement of new facilities and replacement of old equipment Low Carbon Transformation, Purchase of Renewable Energy and Equipment 	<ul style="list-style-type: none"> Increase in costs: Purchase or research and development of new facilities Decrease in assets: Decommissioning of original equipment
	Market risks	Business Operations	<ul style="list-style-type: none"> Consumers and governments are promoting recycling, which requires increased capacity of facilities 	<ul style="list-style-type: none"> Increase in costs: Increase investment to upgrade capacity of facilities
			<ul style="list-style-type: none"> Accelerating global energy transformation to replace fossil fuels has led to a plunge in oil prices and affected product demand Changes in local governments' policies on recycling industry or import and export of waste lead to continuous fluctuations in prices of recycled materials and reduction in waste recycling 	<ul style="list-style-type: none"> Decrease in revenue: Decrease in price, recycling volume and sales Increase in costs: Increase in costs to sustain the business
	Policy and legal risks	Business Operations	<ul style="list-style-type: none"> Changes in government policies have led to an increase in waste disposal and carbon dioxide emission costs (e.g. waste levy, introduction of carbon pricing, carbon tax, etc.) 	<ul style="list-style-type: none"> Increase in costs: Business operations
			<ul style="list-style-type: none"> Enhanced regulation on energy use, recycling, emissions and waste disposal 	<ul style="list-style-type: none"> Increase in costs: Business operations
			<ul style="list-style-type: none"> Stricter environmental regulations may expose enterprises to higher risks of claims and litigation 	<ul style="list-style-type: none"> Increase in costs: Legal cases of non-compliance claims
Reputational risks	Investors	<ul style="list-style-type: none"> Corporate reputation can decline due to failure to meet compliance requirements for climate change 	<ul style="list-style-type: none"> Increase in finance costs 	
	Business Operations	<ul style="list-style-type: none"> The social evaluation of the enterprise's environmental performance has increased when employees choose their jobs. Negative corporate environmental performance will affect the employee's employment enthusiasm or work stability 	<ul style="list-style-type: none"> Increase in costs: Increase in recruitment costs and increase in human resources costs to maintain staff stability 	



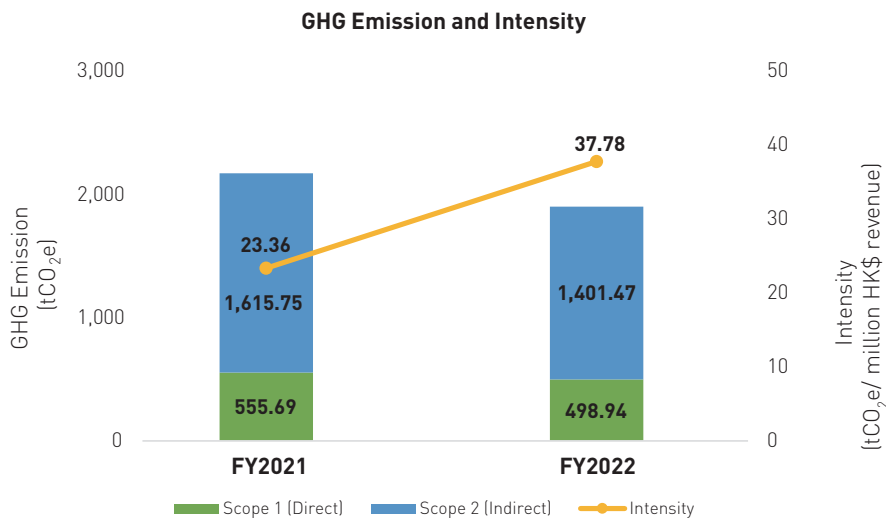
Energy Management

The Group’s energy use is mostly from purchased electricity and fuel consumed by forklifts, cars and logistical operations. During the year, the Group’s total energy consumption was 20,392.97GJ (5,664,713.89 KWh), and the energy consumption intensity was 405.36GJ (112,600.00 KWh) per million Hong Kong dollars in revenue¹.



GHG Emissions

The Group’s primary sources of greenhouse gas (GHG) emissions are direct (Scope 1) emissions from forklifts and vehicle fuel combustion and indirect (Scope 2) emissions from purchased electricity. During the year, the Group’s total GHG emissions amounted to 1,900.41 tonnes of carbon dioxide equivalent (tCO₂e), of which Scope 1 and Scope 2 carbon emissions were approximately 498.94 (tCO₂e) and 1,401.47 (tCO₂e) respectively, with an emission intensity of 37.78 (tCO₂e) per million Hong Kong dollars in revenue.



¹ Revenue for the calculation of intensity includes the revenue of the IWS Group and unaudited revenue of RGF.



The Group is committed to exploring more eco-friendly and sustainable business practices across all of its operations. By adopting energy-saving measures and technologies in our facilities and promoting green office practices among our staff, we continue to strive for greater energy efficiency and conservation. The following are our actions to make our operations more environmentally friendly.

Energy Optimisation

- Optimal manufacturing conditions are maintained by using an intelligent temperature control system and thermal insulation technology.
- Installation of LED lights or fluorescent bulbs to achieve greater energy efficiency.

Energy Conservation

- We engaged CLP to undertake an energy audit for the Integrated Waste Solutions (IWS) Building to determine energy-saving potential by analysing and monitoring electricity consumption trends and evaluating the property’s indoor environment. We will investigate energy-saving methods to increase energy efficiency in the future based on the findings and recommendations.
- In FY2022, we participated in the CLP Peak Demand Management initiative, which helps us reduce energy consumption during peak demand hours and achieve our environmental conservation targets.

Adopting Renewable Energy

Making use of clean energy technology is one of the key initiatives in striving towards a low carbon operation. Our current target is to maintain renewable energy use at 5.8%. During the year, we began phase II of expanding 407 solar panels to generate renewable energy; the quantity of electricity generated was expected to be 219,000 kWh.

We are planning to install small renewable energy systems in our properties with the support of CLP’s power grid for backup supply. Our renewable energy systems are expected to be connected to the CLP’s electricity grid by July or August 2022.



Solar power project



Wind power project



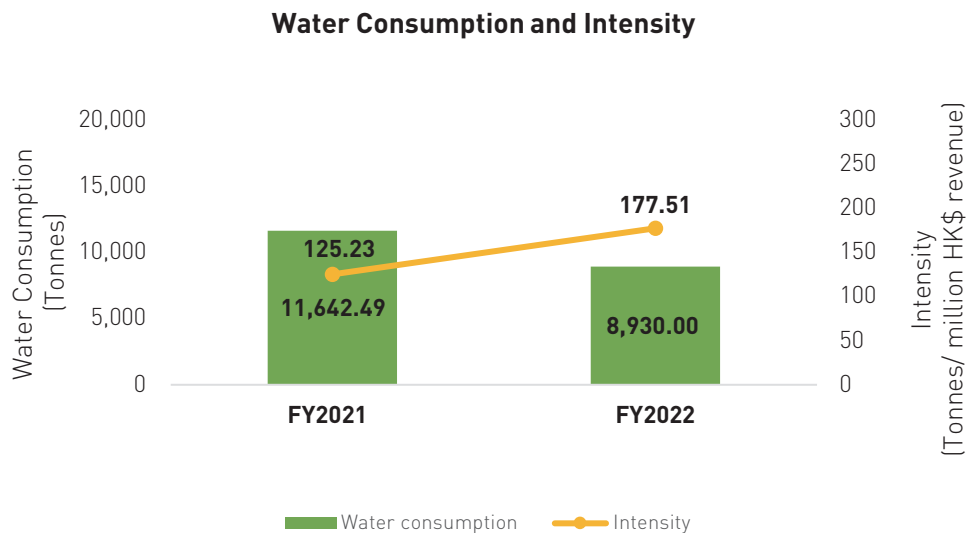
Extreme Weather Guidelines

In response to the adverse effects of impending climate change risks that have emerged in recent years, the Group makes special working arrangements and takes preventive measures during bad or extreme weather conditions. The Group provides each employee with an employee handbook to disseminate information about ways to avoid adverse effects of any safety incidents caused by environmental emergencies such as extreme weather. This handbook specifies emergency safety measures, work injury accident insurance, and incident reporting procedures. Special protocols for operating company vehicles are also in place to avoid accidents or damage. In the future, the Group will continue to review its strategies to better anticipate and address potential climate-related impacts.

Aside from extreme weather and associated climate risks, accidents such as fire, explosion, and severe chemical leakages pose a significant environmental risk that could impact our operations. To that end, the Group strictly adheres to an Emergency Preparedness and Response Procedure that specifies the responsibility of various departments and individuals in carrying out various danger prevention and rectification measures. These protocols are intended to ensure that the negative environmental impacts of unexpected incidents are minimised and mitigated.

Water Resources

Water is consumed by the Group primarily for cooling and cleaning purposes in its operational activities. In FY2022, the Group’s total water consumption was approximately 8,930 tonnes, with an intensity level of approximately 177.51 tonnes per million Hong Kong dollars in revenue². During the year, the Group did not have any issue in sourcing water fit for the purpose.



² Revenue for the calculation of intensity includes the revenue of the IWS Group and unaudited revenue of RGF.



The Group is devoted to reducing water consumption and conserving water resources through a variety of initiatives, including a closed-loop water circulation system that recycles cooling water for reuse. This water tower-tank recycling system significantly minimises the amount of water consumed and sewage generated during the cooling process. Additionally, water consumed in everyday operations is conserved by installing water flow limiters on faucets and sprinklers. We were able to save approximately 5.5 litres of water per month as a result of our efforts to conserve water.

Packaging Material

Packaging materials are consumed by the Group’s CMDS, waste management, and recycled plastic pellets businesses. We make every effort to minimise the number of packing materials used without sacrificing product quality. Green procurement and responsible packaging materials management practices are implemented to reduce consumption. For example, the Group purchases canvas bags coated with polyethylene which have high durability. While plastic bags are reused whenever possible, they are recycled into plastic raw materials when they have reached the end of their useful life.

Additionally, the Group promotes the recycling of carton boxes, wooden boards, labels, and other recyclable materials. We avoid excessive usage of plastic bags and wrappers. Also, we use more durable plastic cardboards rather than wooden cardboards.

Packaging Materials	FY2021	FY2022	Change
Wires (Tonnes)	23.09	23.12	0%
Canvas Bags (pcs)	5,972.00	5,760.00	-4%
Plastic Bags (pcs)	5,375.00	2,863.00	-47%

Effluent and Waste

The Group’s business services generate hazardous and non-hazardous waste. Non-hazardous waste includes paper and food waste in the office, whereas hazardous waste includes waste oil and chemicals waste. The Group pays attention to the potential environmental impacts brought by hazardous waste and has established a set of hazardous chemicals handling guidelines to govern purchase, storage, use, disposal, and emergency handling of hazardous chemicals.

To minimize any health hazards or risk of pollution to the environment, we classify, label, and store various sorts of non-hazardous trash and appropriately dispose of hazardous chemicals according to the Code of Practice on the Packaging, Labelling and Storage of Chemical Wastes. Additionally, we complete an environmental inspection checklist each month to examine the waste generation pattern and work toward waste reduction by establishing targets and initiatives. We also established a goal of 5% reduction in hazardous waste and office general waste intensity in 5 years. In FY2022, about 600 litres of waste oil which is hazardous waste was produced and retained for reuse in other operations of the Group. Therefore, there was no hazardous waste discharge during the year. The generation of Non-hazardous waste was 12,492.78 tonnes.



Waste Generation	FY2021	FY2022	Change
Hazardous Waste (Litres)	413.60	600.00	45.07%
Non-hazardous Waste (Tonnes)	14,773.30	12,492.78	-15.43%

Recognition of our efforts in waste reduction, the Group received the Hong Kong Green Organization – Wastewi\$e Certificate (Good level) from the Environmental Campaign Committee. It is the Group’s target is to attain an ‘Excellent’ level award in 2022.

The Group generates wastewater in the course of its manufacturing process. The total volume of wastewater discharged was approximately 2.49 tonnes during the year, 76% lower compared to last year. Wastewater is sent to an internal wastewater treatment facility to remove suspended particles. In order to reduce the environmental impacts of our production and operation processes, we make sure that wastewater generated during everyday activities is collected, placed, and transported in accordance with the Waste Disposal Ordinance by the Environmental Protection Department.

By strengthening the negative pressure of the vacuum system and raising the frequency of cleaning the vacuum pipes, RGF, the Group’s joint venture for recycled engineering plastic pellets, is able to reduce wastewater. In FY2022, we reduced discharged wastewater from 1,000 litres per month to 300 litres per month, already exceeding our monthly target of 800 litres per month.



Recycled plastic pellets



Waste Paper



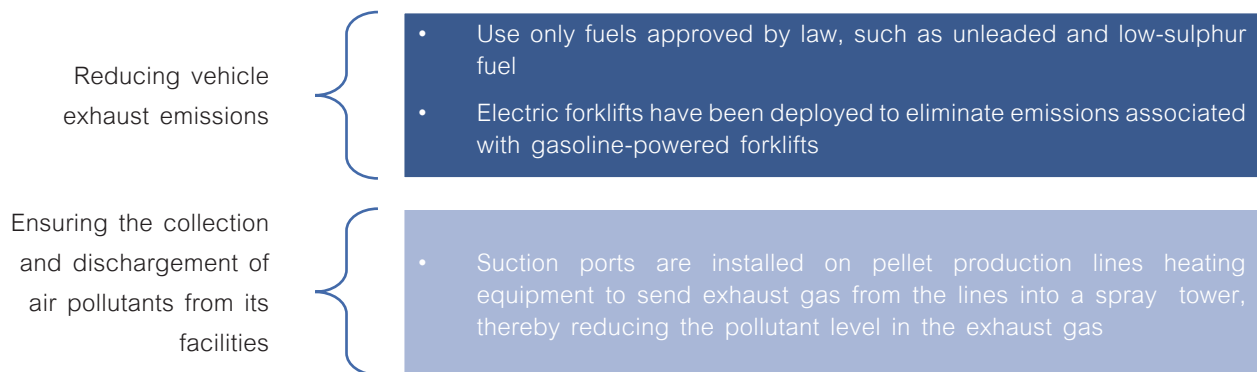
Air Pollutants

Waste collection is one of our business services, and the fleet of vehicles it uses for transporting waste generates exhaust gas. Our logistics fleet consists of a wide range of vehicles in order to provide efficient and effective waste collection services to all districts in Hong Kong.

Eco-Friendly Commuting

The Group recognises that corporate vehicles are a significant source of air emissions, which comprise NOx, SOx, and PM. Therefore, we are gradually replacing conventionally fuelled vehicles with Euro V vehicles, which helps lower sulphur dioxide emissions from motor vehicles by 80% and improve roadside air quality. Following a pilot program last year, two additional electric cars were purchased for management commuting in FY2022. The Group will continue to look for ways to improve the energy efficiency of its car fleet and achieve the greatest possible reduction in emissions in the future.

The exhaust gases generated by the Group are mainly comprised of sulphur oxides (SOx), nitrogen oxides (NOx) and particulate matter (PM). In addition, the pelletising process at RGF produces a trace quantity of NOx and PM. During the year, emissions of the SOx, NOx, and PM were 3.03 kg, 2,462.47 kg and 200.95 kg respectively, which were lower compared to the preceding year. In FY2022, the Group launched several initiatives to reduce the emission of air pollutants from vehicles.



During the year, we were not aware of any violation of laws and regulations that have a significant impact on the Group relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.



OUR OPERATION

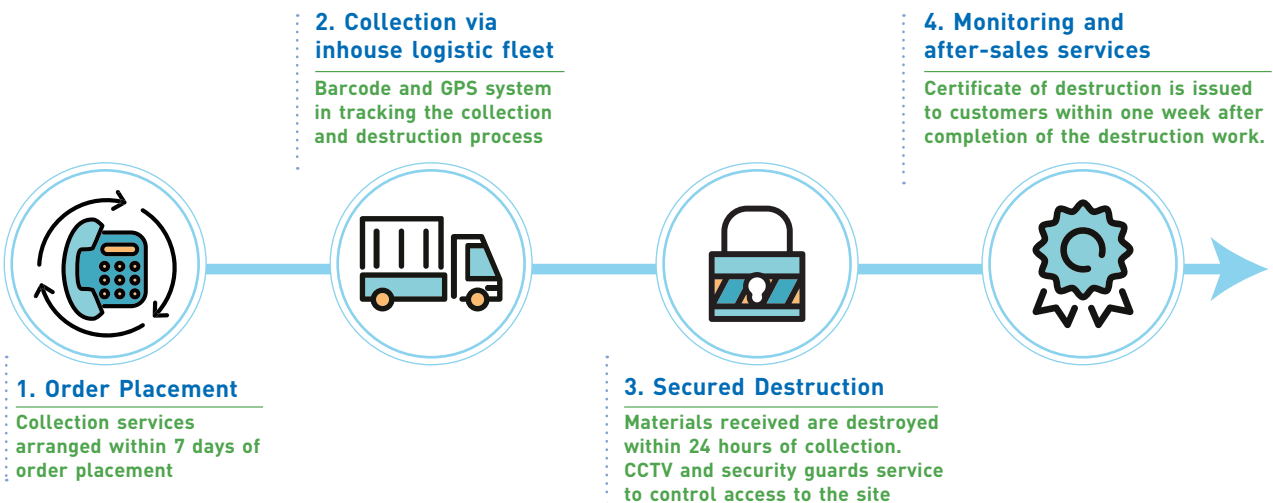
IWS has committed to achieving and maintaining operational excellence. We safeguard our product and service quality by listening to feedback and responding to customers' needs.

Information Security

IWS stands alongside our clients to help prevent data breaches with its Confidential Materials Destruction Service (“CMDS”). Our service commitment is to securely and professionally manage any materials submitted by clients. We have in place an information security management system, adhering to international standards and best practices for the destruction of confidential materials. The Group is the only service provider in Hong Kong to be awarded AAA Certification by the National Association for Information Destruction (“NAID”) for plant-based operations that include both paper and non-paper destruction services.



IWS’s Confidential Material Destruction Process



The operations of CMDS are also ISO27001:2013 Information Security Management System certified. The management system has been reviewed regularly in compliance with ISO 27001:2013. During the year, our information security management system passed 12 audits from clients such as banks, insurance organizations, and storage management businesses. Our confidentiality policy strongly prohibits disclosure of any personal data, customer information, business status, or other information to any third party without authorisation in order to protect the Group, its employees, and customer information and privacy. If such violations are discovered, they are quickly prosecuted or disciplined. During the year, no reports of data leaking or privacy breaches were registered.



Management personnel receives training on information security measures, controls, and requirements for specific materials, such as magnetic storage devices and non-paper materials, in order to improve their ability to handle information security risks. The logistics department and CMDS workshop were trained on the code of practice for handling confidential objects to improve their understanding and abilities for dealing with the destruction and delivery of confidential items.

Quality Management

The Group is committed to delivering products and services of the highest quality. Our ISO 9001: 2015 certified quality management system is a 4-step standard procedure listed below:

1. Evaluate customer expectations and quality related risks	2. Conduct testing and inspection	3. Ensure compliance with relevant laws and regulations	4. Identify unqualified products for further action
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We assess our quality management system and procedures through audits, data analysis, and customer feedback. At least once a year, the Group, supported by external professionals, conducts an internal audit based on ISO9001:2015 to ensure that its management approach is adequate and effective. Any non-conformity is followed by a risk assessment and, if necessary, a management system modification.

To improve and optimise product quality, we have suitable training programs, inspection standards, and communication channels in place, ensuring that the system follows all applicable rules and regulations. If our products have any flaws, we look for ways to reduce the percentage of unqualified products and the number of complaints. During the year, there were no product recalls for health and safety reasons recorded.

Customer Satisfaction

Placing the customer at the core of what we do is our priority. We gather feedback from our customers in several ways including regular meetings, annual customer satisfaction surveys and grievance handling mechanisms. During the year, we received 2 complaints on CMDS. The responsible departments further investigated the causes and all complaints are resolved based on ISO 27001:2013 and CMDS Complaint Handling Procedures.

Our average customer satisfaction rate reached an average score of 86% and 96% on CMDS and recycled engineering plastic pellets production at RGF respectively, which partly surpasses our target of 85%.

Our operations do not involve issues related to advertising, labelling and product safety. During the year, we were not aware of any violation of laws and regulations that have a significant impact on the Group relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.



Supply Chain Management

IWS is dedicated to conducting business with partners who share our commitment to sustainability. The Group maintained a total of 60 suppliers during the year, 56 of whom were from Hong Kong and 4 from other countries. Suppliers must meet our quality standards by following our selection criteria. We adopt the 4R approach (Reduce, Recycle, Reuse, and Replace) when selecting suppliers. Priority is given to suppliers who are ISO14001 certified. If necessary, we may obtain further certification from suppliers to guarantee compliance with applicable laws and regulations. A system for testing products is in place to ensure that all items from suppliers meet the Restriction of Hazardous Substances (RoHS) regulations.

We closely monitor our suppliers to ensure compliance with IWS and customers' expectations. Through regular meetings, we facilitate communication and information exchange on safety, environmental aspects and other topics that could affect IWS operations. We keep suppliers up to date on changes in environmental rules and standards so they can comply with the Group's environmental policies.

A set of evaluation procedures and criteria is in place to assess suppliers and contractors annually. Sample assessments of existing suppliers are carried out to review their performance based on price, product and service quality, on-time delivery and environmental protection. We follow up on unqualified suppliers and contractors, to help them to address the related problems. They are excluded from our supplier's list if their performance remains unsatisfactory.

Anti-corruption

Our code of conduct stipulates standards and procedures for dealing with anti-corruption issues such as bribery, extortion, and fraud, and the Staff Handbook clearly specifies the requirements for bribery prevention and conflict of interest to improve anti-corruption awareness. During the year, a total of 32 staff members including 7 directors attended the Independent Commission Against Corruption (ICAC) online talk related to integrity education. We have also gathered online training materials, videos and case studies on corruption prevention and integrity supplied by the ICAC to provide practical assistance for our staffs and management on in-house ethical decision-making and bribery prevention.

We have a whistleblower policy in place to encourage staff to report any suspected cases of corruption or ethical standards violations. The Audit Committee conducts regular assessments on the effectiveness of the whistleblowing mechanism, safeguarding the identity and rights of whistle-blowers and prohibiting retaliation.

If an employee encounters a potential conflict of interest, the Group encourages him/her to discuss it with management. If any infractions of the code of conduct are discovered, we take severe disciplinary action, including dismissals. Legal action against the concerned personnel will be taken if a violation of law or regulation is detected after an inquiry. During the year, we were not aware of any violation of laws and regulations that have a significant impact on the Group relating to bribery, extortion, fraud and money laundering.



OUR PEOPLE

With the purpose of being people-oriented and making the best use of its talents, the Group is committed to cultivating a positive and concerted work team to promote its growth of the Group as well as its employees.

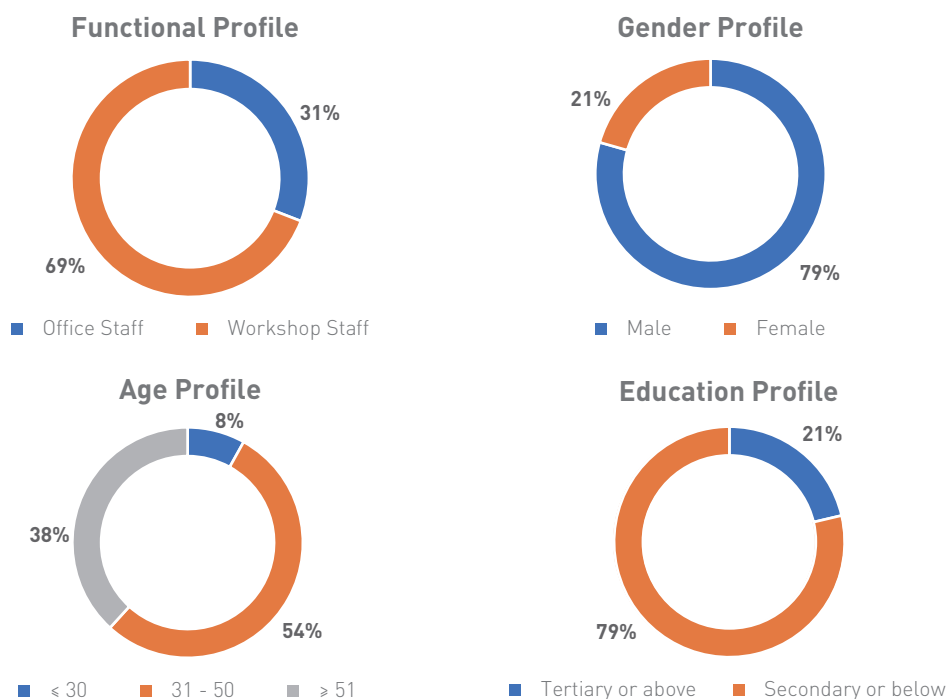
COVID-19 Protection

The Group formulated the influenza pandemic response plan in combination with the framework of the government influenza and coronavirus pandemic response plan. Relevant workplace health guidelines provided by the health protection center are strictly abided, providing sanitary products and masks for use in public places, and disinfecting regularly.

The Group has five risk levels, which are divided into preparation and vigilance level, alert response level, serious response level, emergency response level and critical response level, determined according to the harm caused by the virus to humans. Different schemes will be adopted to prevent diseases devised by the safety committee, personnel administration department, factory, logistics department, security and health department, to be followed by all employees and visitors under different circumstances.

Our Workforce*

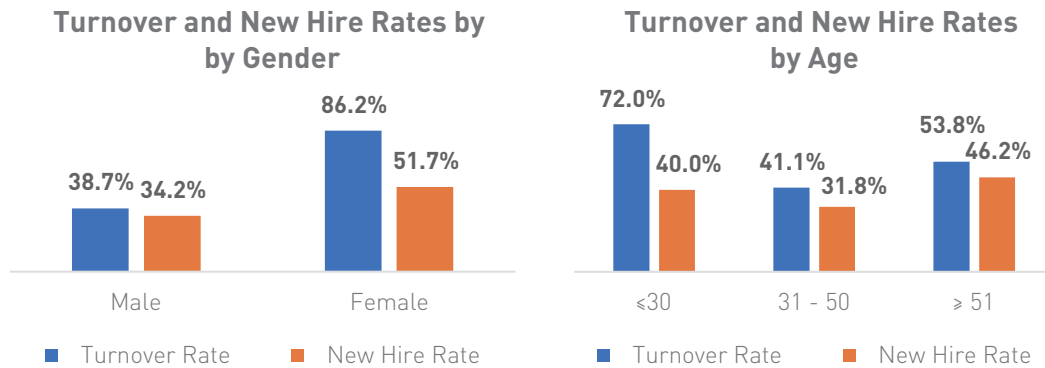
As of March 31, 2022, we employed 135 full-time employees and 1 part-time employee, all of whom worked in Hong Kong. Employees in the workshop account for 69% of the total number of employees. 54% of employees are aged between 31 and 50, while 38% are over 51. The proportion of male and female employees is about 4:1, mainly male. In terms of education, about 21% of employees have a university degree or above.



* Data collection boundary of the social data includes IWS Group and RGF.



The overall turnover rate and new hire rate were 48.57% and 37.86% respectively. The following table shows the distribution by sex and age:



During the recruitment process, we follow strict procedures, including checking the ID cards and educational qualifications of all prospective employees, preventing the recruitment of child labour and forced labour. In case we find any instance of child employment, we immediately terminate the contract. During the year, we were not aware of any violation of laws and regulations that have a significant impact on the Group relating to preventing child and forced labour.

The Group selects talents according to their personal abilities and evaluates their performance and contribution. Employment criteria are never based on age, sex, appearance, religion, marital status, race and disability. Any form of discrimination is strictly prohibited by the Group.

This year, we updated the employee manual in accordance with the latest government employment laws and regulations to ensure that all regulations are updated. The Group strictly abides by the relevant labour practices and laws and regulations, including but not limited to the Hong Kong’s Employment Ordinance, Employees’ Compensation Ordinance, Minimum Wage Ordinance and Mandatory Provident Fund Schemes Ordinance in Hong Kong.

Care for Employees

The Group has communication channels to promote exchange between employees and management, ensuring management can address employees’ concerns and provide assistance to employees in a timely manner. We have a staff leisure committee to enable employees to relieve the pressure of employees through activities such as monthly birthday parties for employees. For deceased employees, we grant compassionate payment to their families.

Welfare and Benefits

We specify the employee compensation and benefits in the employee manual. Full-time employees enjoy benefits that include medical benefits, labour insurance, year-end bonus, allowances and various holidays. In addition, factory employees can apply for leave compensation or overtime allowance after working overtime. In order to ensure fair and competitive remuneration for all employees, the Group conducts an annual review of remuneration and adjusts it in accordance with the external economy, employee performance and the Group’s own performance. During the year, we were not aware of any violation of laws and regulations that have 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.



Occupational Safety and Health

Our ability to operate efficiently and produce quality products is dependent on our health and safety performance and we work diligently to mitigate occupational hazards and exposures to keep IWS a safe place to work. The Group’s Occupational Safety and Health Policy sets the standard for our facilities based on regulatory requirements and is regularly updated to more fully represent our commitment to employee health and safety.

Safety Management & Governance

The Group’s Occupational Safety Committee aims to promote occupational safety culture and continuously optimise occupational safety and health measures, acting as an effective communication platform among all staff and occupational safety and health management members. The Committee meets quarterly to review its occupational safety policy and occupational safety and health management system.

Safety Committee



Key Responsibilities

- Review the Group’s occupational health and safety standards and policies regularly
- Evaluate safety measures and arrangements
- Monitor the trend and safety performances through reviewing statistical data related to accidents, safety incidents and occupational diseases
- Provide advice on the performance of occupational safety and health, and review the current operating procedures
- Provide suggestions to management to improve current operations procedures
- Update occupational health and safety guidelines for the working environment
- Conduct safety training for employees



The Group conducts safety audits every year and has set the target of an injury rate of 1. During the year, the industrial injury rate was 0.74, which was lower than the expected target. In the past three years including the reporting year, there were no work-related fatalities in the Group. During the year, there was 1 accident in RGF. An employee's left foot was injured when operating the forklift. The accident was not serious and the injured was discharged from the hospital on the same day. Relevant departments carried out follow-up investigation after the accident, installed rear-view mirrors and warning lights for forklifts, and planned the workshop route.

Work-related injuries, accidents without danger, fire accidents or dangerous accidents stipulated by laws are required to be reported to the superiors immediately. The superior must complete the preliminary incident report or employee accident investigation report within 7 days, the safety officer conducts a further investigation, and then the Human Resources Department reports to the Labour Department in accordance with the law. Accidents that cause serious bodily injury or death are to be notified to the police, the Occupational Safety and Health Department and Labour Department within 24 hours, and a written report is to be prepared and submitted to the Occupational Safety and Health Department and the Labour Department within 7 days.

To ensure that the occupational safety and health policy keeps abreast of the times, we regularly review the safety management system every six months to ensure that the system complies with relevant laws and regulations and is supervised by the management.

During the year, we were not aware of any violation of relevant laws and regulations that have a significant impact on the Group relating to providing a safe working environment and protecting employees from occupational hazards.

Building a Healthy Workplace

In order to ensure the health of employees, we ensure a safe working environment in a variety of ways. We provide different working guidelines for different working environments, such as the Noise Pollution Control, Guidelines for Hazardous Chemicals, and Guidelines for the Maintenance of Factory Equipment and Vehicles. The Group uses noise reduction devices to control noise pollution and provides employees working in noise-infested environments with protective devices specified by relevant departments to ensure the health and safety of workers in special places.

The waste management and recycling business require extensive use of mechanical equipment. Employees face potential risks and hazards when operating machinery, so it is worth paying attention to the safety of employees. According to the regulations, we regularly check and repair the equipment and vehicles. Before any operation that may pose risks to the health and safety of employees, we conduct risk assessments to identify potential hazards and risks. The Group has put in place a series of process regulations that guide the process of purchasing, safe use, storage and disposal of chemicals. Correct guidance is an important means to prevent injuries caused by harmful chemicals.



Safety Training

The Group regularly carries out internal and external safety training programs. All new employees must receive internal safety induction training to improve their workplace safety awareness. The Group not only provides all employees with training courses related to the industry, business ethics, scientific and technological skills, environmental protection and other related knowledge, but also provides employees working in a particular workplace with internal training on safety management, safe forklift operation, work noise control and so on.



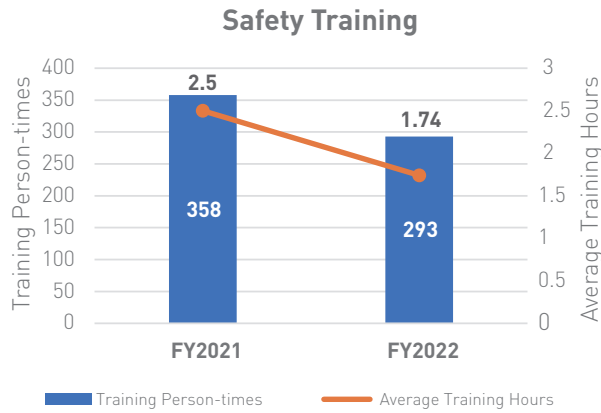
Safety Training for Employees

The Group also encourages all employees to actively participate in courses provided by the Occupational Safety and Health Training Centre. The heads or managers of each department may enrol their employees in batches with the Human Resources and Administration Department. There are three types of courses: courses related to safety and health legislation with tutors, introduction courses on safety and health legislation and occupational health seminar.

The courses related to safety and health laws with instructors	Brief introduction of safety and health laws	Occupational health lectures
<ul style="list-style-type: none"> • Safety and health legislation to prevent industrial accidents • Safety management regulations and codes of practice • Safety rules for manual handling operations • Legislation on construction site safety 	<ul style="list-style-type: none"> • Professional safety and health laws and regulations • Rules for the use of the lifting machine and the lifting device • Regulations on dangerous materials • Laws and regulations on project safety • Rules and regulations of the compulsory safety training 	<ul style="list-style-type: none"> • Occupational health of office employees • Working pressure • First aid knowledge in the workplace • Work and health • Compulsory basic safety training course • Crane operator training course • Safety training of load moving machinery • Gas welding safety training course • Training course for crane staff • Learning about the specifications of protective items



During the year, 293 people received safety training, for a total duration of 237 hours, and the average number of safety training hours was 1.74 hours.



Development and Training

At IWS, we are committed to helping all employees reach their full potential. All employees who have completed the probation period have the right to apply for subsidies and participate in part-time training courses outside the Group to meet their professional development needs. During the year, approximately 96 or 70.6% of employees received vocational training, with an average of 1.24 hours.

Industry-related

- ISO 27001 Information Security Management Systems
- National Association for Information Destruction (NAID) – Accreditation Requirements
- Logistics Operations Workshop

Business Ethics

- ICAC Anti-corruption Talk
- In-house training on business ethics and information security

Technological Skills

- Microsoft Platform Virtual Training
- Vecam Back-up & Data Protection Strategy with Best Practice
- AX System – Procurement & Sales Operation Training

Environmental Protection

- Environmental Protection Department Talks
- Chemical Waste Handling Training Course

Community Involvement

The Group is committed to fulfilling its corporate social responsibility by collaborating with community activities as an integrated waste management and solutions provider. We invited our staff to participate in WWF’s Earth Hour in March 2022 to raise environmental awareness. The pledge has been signed by 56 employees and their families.



APPENDIX

Membership and Awards

The Group actively participates in environmental initiatives and collaborates with government departments and external green organisations, leveraging its role as a waste solutions provider to facilitate efficient waste management and sustainable development of the society. Below is a list of memberships and awards the Group was bestowed during the year.

Memberships	
Organisation	Membership Company
National Association for Information Destruction (NAID), AAA Member	Confidential Materials Destruction Service Limited
Hong Kong Waste Management Association	IWS Waste Management Company Limited
Hong Kong Recycled Materials & Re-Production Business General Association Limited	IWS Waste Management Company Limited
Business Environmental Council	Integrated Waste Solutions Group Holdings Limited
Hong Kong General Chamber of Commerce	Confidential Materials Destruction Service Limited
Federation of Hong Kong Industries	Integrated Waste Solutions Group Holdings Limited
Employers' Federation of Hong Kong	Integrated Waste Solutions Group Holdings Limited

Awards and Recognitions		
Name of Award	Awarded by	Awarded to
Sustainable Product Supplier	Business Environmental Council	Integrated Waste Solutions Group Holdings Limited
Hong Kong Green Organisation – Wastewi\$e Certificate (Good Level)	Environmental Campaign Committee	Integrated Waste Solutions Group Holdings Limited
Hong Kong Green Organisation	Environmental Campaign Committee	Integrated Waste Solutions Group Holdings Limited

Licenses and Registrations		
Name of License/Registration	Issued by	Issued to
Waste Cooking Oils Collector	Environmental Protection Department	IWS Waste Management Company Limited
NAID Certification for Onsite & Plant-based Degaussing & Destruction Operations	National Association for Information Destruction (NAID)	Confidential Materials Destruction Service Limited
License of Registration for Overseas Supplier Enterprise of Imported Solid Wastes as Raw Materials	General Administration of Quality Supervision, Inspection and Quarantine of the People's Republic of China (AQSIQ)	Confidential Materials Destruction Service Limited
Registered Waste Producer under the Waste Disposal (Chemical Waste) (General) Registration	Environmental Protection Department	Confidential Materials Destruction Service Limited



Applicable Laws and Regulations

Aspect	Laws and Regulations	Section
Environment	<ul style="list-style-type: none"> • Air Pollution Control Ordinance • Noise Control Ordinance • Waste Disposal Ordinance • Water Pollution Control Ordinance • Hazardous Chemical Control Ordinance 	Our Environment
Employment and Labour Standards	<ul style="list-style-type: none"> • Employment Ordinance • Minimum Wage Ordinance • Mandatory Provident Fund Schemes Ordinance 	Our People
Occupational Health and Safety	<ul style="list-style-type: none"> • Occupational Health and Safety Ordinance • Factories and Industrial Undertakings Ordinance • Employees' Compensation Ordinance 	Our People
Product Responsibility	<ul style="list-style-type: none"> • Personal Data (Privacy) Ordinance 	Our Operation
Anti-corruption	<ul style="list-style-type: none"> • Prevention of Bribery Ordinance 	Our Operation



Performance Data Summary

		FY2022	FY2021
Workforce	Number of Employees*		
	Total	136	156
	By Age		
	≤30	11	19
	31–50	73	81
	≥ 51	52	56
	By Gender		
	Male	108	121
	Female	28	35
	By Professional Profile		
	Office Staff	42	49
	Workshop Staff	94	107
	By Education Profile		
	University or above	29	30
	Secondary or below	107	126
	Employee Turnover Rate (%)		
	Total	48.6	46.6
	By Age		
	≤30	72.0	59.1
	31–50	41.1	36.9
	≥ 51	53.8	56.1
	By Gender		
	Male	38.7	49.6
	Female	86.2	36.1
	Employee New Hire Rate (%)		
	Total	37.9	23.3
	By Age		
	≤30	40.0	31.8
	31–50	31.8	31.0
	≥ 51	46.2	8.8
	By Gender		
	Male	34.2	24.4
	Female	51.7	19.4
Total Employee Training Hours	169	398	
Average Training Hours	1.24	2.53	
By Gender			
Male	1.08	2.45	
Female	1.88	2.89	
By Professional Profile			
Office Staff	2.01	2.67	
Workshop Staff	0.90	2.50	
Percentage of Employees Trained (%)	70.6	73.1	
By Gender			
Male	70.4	71.9	
Female	71.4	77.1	
By Professional Profile			
Office Staff	76.2	81.6	
Workshop Staff	68.1	69.1	



		FY2022	FY2021
Health and Safety	Lost Days due to Work-related Injury	157	347
	Work-related Accident	1	3
	Work-related Accident Rate (%)	0.7	1.9
	Work-related Fatalities	0	0
	Average Safety Training Hours	1.7	2.5
	Total Safety Training Person-times	293	358
Environmental	Resources Consumption		
	Total Energy Consumption (GJ)	20,392.97	23,245.19
	Electricity (kWh)	3,787,775.00	4,366,893.08
	Petrol (Litres)	2,532.01	4,195.74
	Diesel (Litres)	176,323.56	206,413.89
	Biofuel (Litres)	10,183.45	
	Energy Intensity (GJ/million HKD revenue)#	405.36	250.03
	Water Consumption (Tonnes)	8,930	11,642.49
	Water Intensity (Tonnes/million HKD revenue)#	177.51	125.23
	Air Pollutant Emissions		
	SOx (kg)	3.03	3.21
	NOx (kg)	2,462.47	3,205.08
	Particulate Matter (kg)	200.95	261.18
	Greenhouse Gas Emissions		
	Total Emissions (tCO ₂ e)	1,900.41	2,171.44
	Scope 1 (tCO ₂ e)	498.94	555.69
	Scope 2 (tCO ₂ e)	1,401.47	1,615.75
	Carbon intensity (tCO ₂ e/million HKD revenue)#	37.78	23.36
	Waste Production		
	Non-hazardous Waste (Tonnes)	12,492.78	14,773.30
	Hazardous Waste (Litres)	600	413.60
	Wastewater (Tonnes)	2.49	10.40
	Packaging Materials		
Wire (Tonnes)	23.12	23.09	
Canvas Bags (pcs)	5,760.00	5,972.00	
Plastic Bags (pcs)	2,863.00	5,375.00	
Community	Donation (HK\$)	0	0

* Data collection boundary of the social data includes IWS Group and RGF.

Revenue for the calculation of intensity includes the revenue of the IWS Group and unaudited revenue of RGF.



Content Index

HKEX ESG Reporting Guide

Aspects	KPIs	Section/Remarks	
A. Environmental			
Aspect A1: Emissions	General Disclosure Information on: a) the policies; and b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Environmental Management Air Pollutants GHG Emissions Effluent and Waste	
	KPI A1.1	The types of emissions and respective emissions data.	Air Pollutants
	KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	GHG Emissions
	KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Effluent and Waste
	KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Effluent and Waste
	KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	Environmental Management GHG Emissions
	KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Environmental Management Effluent and Waste
Aspect A2: Use of Resources	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.	Environmental Management Energy Management Water Resources Packaging Material	
	KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Energy Management Performance Data Summary
	KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Water Resources
	KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Energy Management Environmental Management
	KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Water Resources Environmental Management
	KPI A2.5	Total packaging materials used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Packaging Material



HKEX ESG Reporting Guide

Aspects	KPIs	Section/Remarks
Aspect A3: The Environment and Natural Resources	General Disclosure Policies on minimising the issuer's significant impacts on the environment and natural resources.	Environmental Management
	KPI A3.1 Description of significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environmental Management
Aspect A4: Climate Change	General Disclosure Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Responding to Climate Change
	KPI A4.1 Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Responding to Climate Change
B. Social		
Aspect B1: Employment	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Our People
	KPI B1.1 Total workforce by gender, employment type (for example, full-or part-time), age group and geographical region.	Our Workforce Performance Data Summary
	KPI B1.2 Employee turnover rate by gender, age group and geographical region.	Our Workforce Performance Data Summary
Aspect B2: Health and Safety	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Occupational Safety and Health
	KPI B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Occupational Safety and Health Performance data summary
	KPI B2.2 Lost days due to work injury.	Occupational Safety and Health Performance Data Summary
	KPI B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Occupational Safety and Health



HKEX ESG Reporting Guide

Aspects	KPIs	Section/Remarks
Aspect B3: Development and Training	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Development and Training
	KPI B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Performance Data Summary
	KPI B3.2 The average training hours completed per employee by gender and employee category.	Performance Data Summary
Aspect B4: Labour Standards	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Our People
	KPI B4.1 Description of measures to review employment practices to avoid child and forced labour.	Our Workforce
	KPI B4.2 Description of steps taken to eliminate such practices when discovered.	Our Workforce
Aspect B5: Supply Chain Management	General Disclosure Policies on managing environmental and social risks of the supply chain.	Supply Chain Management
	KPI B5.1 Number of suppliers by geographical region.	Supply Chain Management
	KPI B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Supply Chain Management
	KPI B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply Chain Management
	KPI B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply Chain Management



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Aspects	KPIs	Section/Remarks	
Aspect B6: Product Responsibility	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Quality Management Information Security Customer Satisfaction	
	KPI B6.1	Percentage of total products sold or shipped to recall for safety and health reasons.	Quality Management
	KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Customer Satisfaction
	KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	The Group's operation did not involve intellectual property.
	KPI B6.4	Description of quality assurance process and recall procedures.	Quality Management
	KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Information Security
Aspect B7: Anti-corruption	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Anti-corruption	
	KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Anti-corruption
	KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Anti-corruption
	KPI B7.3	Description of anti-corruption training provided to directors and staff.	Anti-corruption
Aspect B8: Community Investment	General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Community Involvement	
	KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community Involvement
	KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Community Involvement Performance Data Summary



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