



KINGWELL GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1195

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT **2022**

INTRODUCTION, ENVIRONMENTAL, SOCIAL AND GOVERNANCE POLICIES

Kingwell Group Limited (“Kingwell” or the “Company”) and its subsidiaries (collectively referred to as the “Group”) are principally engaged in property development, property leasing and property management services business, and gold mining business (the “principal activities”) in the People’s Republic of China (the “PRC”) and Russia respectively. The Group is pleased to present the environmental, social and governance (“ESG”) report (the “ESG Report”) for the year ended 30 June 2022 (the “Year” or “2022”). This ESG Report summarises the ESG initiatives, plans, and performances of the Group and demonstrates its ongoing commitment to sustainable development.

THE ESG GOVERNANCE STRUCTURE

The Group considers ESG commitment as a part of its fiduciary duty and pledges to embed ESG considerations into its decision-making process. To achieve this, the Group has developed a core governance framework to ensure the alignment of ESG governance with its strategic growth, while advocating ESG integration into its business operation. The Group’s corporate social responsibility is divided into two components, namely the board of directors (the “Board”) and an ESG taskforce (the “ESG Taskforce”).

The Board holds the overall responsibility for the Group’s ESG issues and oversees the ESG strategies, direction and policies. In order to better manage the Group’s ESG performance, related issues and potential risks, the Board discusses and reviews the Group’s ESG risks and opportunities, performance, progress and targets regularly with the assistance of the ESG Taskforce. The Board is also responsible for ensuring the effectiveness of ESG risk management and internal control mechanism and facilitates the exchange of best practices with other comparable companies.

The ESG Taskforce is composed of core members from different departments of the Group. The ESG Taskforce facilitates the Board’s oversight of ESG matters and has the responsibility for collecting and analysing ESG data, monitoring and evaluating the Group’s ESG performance, ensuring compliance with ESG-related laws and regulations, and preparing ESG reports. The ESG Taskforce arranges meeting semi-annually to evaluate the effectiveness of current policies and procedures, and formulates appropriate solutions to improve the overall ESG performance. At meetings, the ESG Taskforce discussed the existing and upcoming plans in order to monitor and manage the Group’s strategic goals in terms of sustainable development, mitigating potential risks, and minimising the negative impact on its business operation. The ESG Taskforce periodically reports to the Board, assists in assessing and identifying the Group ESG risks and opportunities and evaluating the implementation and effectiveness of internal control mechanism.

ESG COMMITMENT

The Group adheres closely to the principle of sustainable development and seeks to achieve required standards in various ESG areas so as to create positive values for its stakeholders. With an aim to align with the goal of carbon neutralisation set by the local governments in its operating locations, the Group has set targets to enhance its performance on greenhouse gas (“GHG”) emissions, waste management, energy consumption, and water consumption. The Group believes setting ESG-related targets can enhance its commitment to corporate social responsibility and allow its stakeholders to have a clearer understanding of the ESG performance of the Group.

REPORTING SCOPE

The senior management of the Group identifies the reporting scope by considering the materiality principle, its core business and its main revenue source. This ESG Report covers the Group's environmental and social performances of its business operation in PRC and Russia that contributed to the Group's major revenue, including Anlu Taihe Real Estate Development Company[#] (the "Anlu Taihe") (「安陸泰合房地產開發有限公司」), Xuzhou Taihua Property Service Co., Ltd.[#] (the "Xuzhou Taihua") (「徐州泰華物業管理有限公司」), Jiangsu Tianan Hongji Property Management Co., Ltd.[#] (the "Jiangsu Tianan Hongji") (「江蘇天安鴻基物業管理有限公司」), Huizhou Huiyang Peninsula One Property Management Co., Ltd.[#] (the "Huiyang Peninsula One") (「惠州市惠陽半島壹號物業管理有限公司」) and Shenzhen Hailian Property Management Co., Ltd.[#] (the "Shenzhen Hailian") (「深圳市海聯物業管理有限公司」) in the PRC, and Zolotoy Standart Limited (the "Gold Mining Company") (「俄羅斯標準黃金有限公司」) in Russia. Compared with the financial year ended 30 June 2021 ("2021"), the Group has acquired two property management companies during the Year, namely Huiyang Peninsula One and Shenzhen Hailian in the PRC, therefore the reporting scope of this ESG Report has been expanded and included these two companies. The ESG data of the two newly acquired companies only covers the period from the date of acquisition to 30 June 2022.

Entities outside the scope of this ESG Report can be found in the Annual Report 2022, note 1 to the financial statements. The Group will continue to assess the major ESG aspects of different businesses of its major subsidiaries to determine the reporting scope of the ESG Report.

REPORTING FRAMEWORK

This ESG Report has been prepared in accordance with the Environmental, Social and Governance Reporting Guide (the "ESG Reporting Guide") as set out in Appendix 27 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Information relating to the Group's corporate governance structure and practices has been set out in the Corporate Governance Report of the Annual Report 2022.

During preparation for this ESG Report, the Group has applied the reporting principles in the aforementioned ESG Reporting Guide as the following:

Materiality: Materiality assessment was conducted to identify material issues during the Year, thereby adopting the confirmed material issues as the focus for the preparation of this ESG Report. The materiality of issues was reviewed and confirmed by the Board and the ESG Taskforce. Please refer to the sections headed "Stakeholder Engagement" and "Materiality Assessment" for further details.

Quantitative: The standards and methodologies used in the calculation of relevant data in this ESG Report, as well as the applicable assumptions were disclosed. The key performance indicators ("KPIs") are supplemented by explanatory notes to establish benchmarks where feasible.

Balance: This ESG Report was written in an objective and impartial manner to ensure that the information disclosed faithfully reflects the overall performance of the Group in ESG aspects.

Consistency: Unless otherwise stated, the preparation approach of this ESG Report was substantially consistent with the previous year for comparison purposes. During the Year, due to the acquisition of Huiyang Peninsula One and Shenzhen Hailian, the scope of disclosure has been changed accordingly and is explained in detail in the section headed "Reporting Scope". If there is any change in the calculation methodologies in this ESG Report, which may affect the comparison with previous reports, the Group will also provide explanation to the corresponding data.

[#] English name is for identification only

BOARD STATEMENT

Dear Shareholders,

On behalf of the Board, I am pleased to present the ESG Report of the Group for the year ended 30 June 2022. This ESG Report demonstrates the Group's growing commitment to advancing its sustainability performance in areas such as corporate governance, community participation, customer satisfaction, and employee care.

The Group views ESG commitments as part of its responsibility and is committed to incorporating ESG considerations into its decision-making process. As such, the Group set targets for the financial year ended 30 June 2024 ("2024"), which is a three-year target plan starting from 2021. By setting ESG-related goals, the Group can raise the employee's awareness of environmental protection and improve its ESG performance continuously.

The Group believes that a forceful governance structure is of utmost importance to the successful integration and effective management of sustainability in the Group. The Board holds the overall responsibility on the Group's ESG issues and oversees the ESG strategies, directions and policies. In order to better manage the Group's ESG performance, related issues and potential risks, the Board analyses and reviews the Group's ESG risks and opportunities, performance, progress, goals and targets regularly. The Board is also responsible for ensuring the effectiveness of ESG risk management and internal control mechanism and facilitates the exchange of best practices with other comparable companies.

Looking forward, the Group will continue its efforts to implement sustainable management more responsibly and further deepen the integration of ESG concepts internally and externally.

Finally, I would like to express my greatest gratitude to the Board, management and staff of the Group for their strenuous contribution in the past year. Furthermore, I would also like to take this opportunity to sincerely thank the Group's stakeholders for their continuous support and trust. I believe all members of the Group will dedicate their best effort to drive business growth and to deliver enhanced returns to shareholders.

Mu Dongsheng

Chairman

Hong Kong, 28 October 2022

STAKEHOLDER ENGAGEMENT

The Group values its stakeholders and their feedback regarding its businesses and ESG aspects. To understand and address stakeholders' key concerns, the Group has maintained close communication with its key stakeholders, including but not limited to shareholders and investors, customers, tenants, employees, suppliers and subcontractors, government and other regulatory bodies as well as the local community.

In formulating operational and ESG strategies, the Group considers stakeholders' expectations by utilising diversified communication channels as shown below:

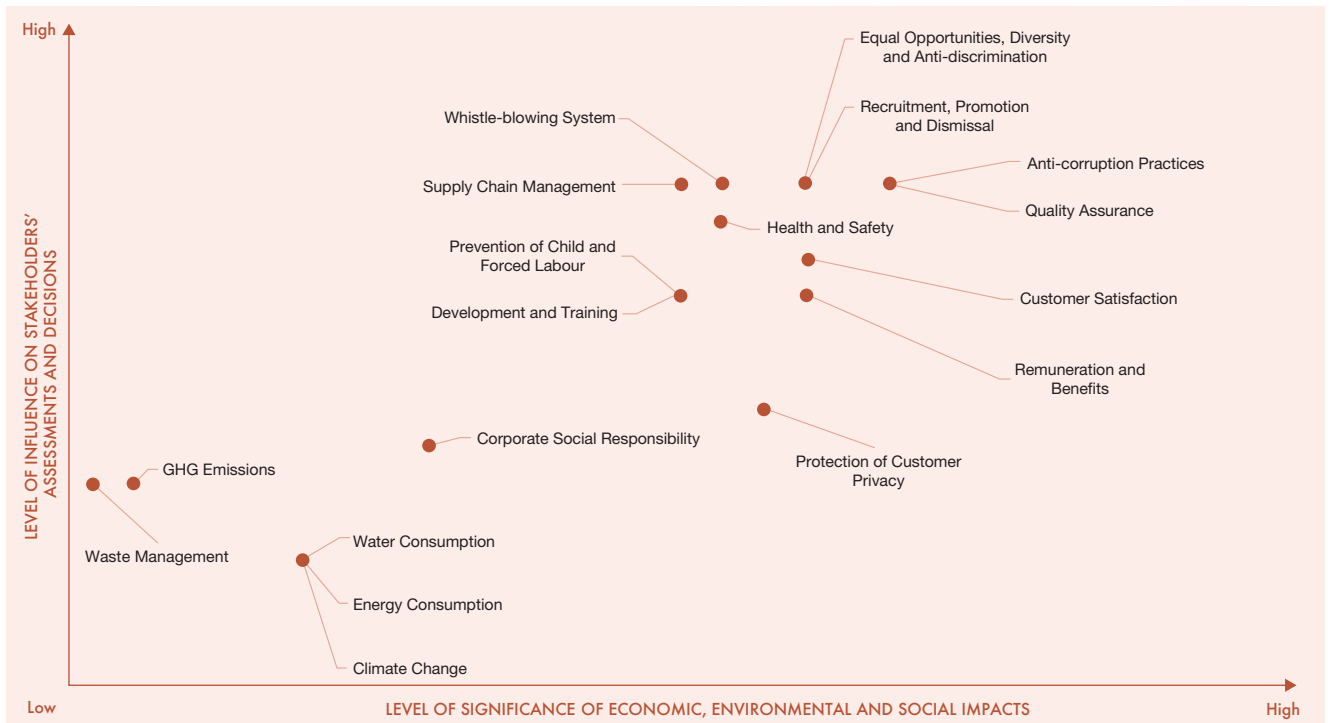
Stakeholders	Communication channels	Expectations
Shareholders and investors	<ul style="list-style-type: none"> Financial reports Annual general meeting Company website Press releases Investor relations inquiry Hotline and email 	<ul style="list-style-type: none"> Business strategy Financial performance Corporate governance Business sustainability
Customers	<ul style="list-style-type: none"> Customer service hotline and email Complaint hotline Exhibitions 	<ul style="list-style-type: none"> Quality of property and services Timely service
Tenants	<ul style="list-style-type: none"> Direct communication with frontline staff Regular meetings Satisfaction surveys 	<ul style="list-style-type: none"> Quality of property and services Privacy protection Rent level
Employees	<ul style="list-style-type: none"> Staff performance appraisal Training Internal policies Regular meetings Surveys 	<ul style="list-style-type: none"> Rights and benefits Staff remuneration Development and training Working hours Occupational health and safety
Suppliers and subcontractors	<ul style="list-style-type: none"> Business meetings Quotation and tendering processes Regular audits and assessments 	<ul style="list-style-type: none"> Execution of contractual duties Timely payment Business ethics and reputation
Government and other regulatory bodies	<ul style="list-style-type: none"> Statutory filings and notices Compulsory or voluntary disclosures 	<ul style="list-style-type: none"> Compliance with laws and regulations Transparency of internal information
Local community	<ul style="list-style-type: none"> Community activities Sponsorships and donations 	<ul style="list-style-type: none"> Business ethics Fair employment opportunity Environmental protection

The Group aims to collaborate with its stakeholders to improve its ESG performance and continuously create greater value for the wider community.

MATERIALITY ASSESSMENT

In accordance with the ESG Reporting Guide and industry standard, the Group has identified 18 material ESG issues. The Group comprehensively assessed the importance of each issue based on the level of influence on stakeholders assessments and decisions as well as the level of significance of economic, environmental, and social impacts by conducting the materiality assessment survey. The result of the materiality assessment survey is used to determine the focus of disclosure in the ESG Report and formulate the Group's ESG strategies. The Group will continue to conduct the materiality assessment in order to analyse its business risks, enhance the relevance of the ESG Report and respond to stakeholders' expectations. The following is the materiality matrix of the Group's material ESG issues:

MATERIALITY MATRIX



During the Year, the Group has confirmed that it has established appropriate and effective management policies and internal control systems for ESG issues and confirmed that the disclosed contents are in compliance with the requirements of the ESG Reporting Guide.

ENVIRONMENTAL TARGETS

The table below summarises the Group's sustainability targets for 2024. The Group will continue to review the progress of the set targets every financial year prior to 2024, and will continue to work for the targets set.

Environmental Targets Setting		Status
GHG Emissions	<ul style="list-style-type: none">Reduce both Scope 1 and Scope 2 GHG emissions intensities by 1% in 2024 compared to 2021Expand disclosure of Scope 3 GHG emissions prior to 2024	In progress
Waste Management	<ul style="list-style-type: none">Reduce waste intensity by 1% in 2024 compared to 2021	In progress
Energy Consumption	<ul style="list-style-type: none">Reduce both electricity and petrol intensities by 1% in 2024 compared to 2021	In progress
Water Consumption	<ul style="list-style-type: none">Reduce water consumption intensity by 1% in 2024 compared to 2021	In progress

CONTACT US

Please feel free to provide comments and suggestions on this ESG Report or the Group's ESG work performance through email at 1195@kingwellgroup.com.hk.

ENVIRONMENTAL

A1. Emissions

Environmental protection has always been one of the fundamental values of the Group. The Group attaches great importance to sustainable development in its operation. To reduce GHG emissions and energy consumption, the Group has actively implemented environmental policies and procured more energy-efficient appliances to reduce its carbon footprint.

The responsible person of the Group's environmental affairs supervises the implementation of the above measures and relevant environmental protection policies. Under the stringent supervision and guidance, various departments endeavour to implement environmental protection policies of the Group and ensure that all operation processes have complied with legal requirements. The responsible person of environmental affairs continues to review the policies and implementation procedures of the Group and reports to the ESG Taskforce and makes suggestions when appropriate, to ensure its effectiveness.

During the Year, the Group was not aware of any material non-compliance with laws and regulations in relation to air and GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous wastes that would have a significant impact on the Group, including but not limited to the Environmental Protection Law of the PRC, the Law of the PRC on the Prevention and Control of Atmosphere Pollution, the Water Pollution Prevention and Control Law of the PRC, the Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Wastes, the Air Pollution Control Ordinance of Hong Kong, the Water Pollution Control Ordinance of Hong Kong, the Waste Disposal Ordinance of Hong Kong, and the Federal Law No. 7-FZ on Environmental Protection of Russia.

Air Emissions

To align the global development of the low-carbon economy, the Group pays attention to its air emissions arose from the daily operation. The main source of air emissions is the combustion of petrol for company vehicles. During the Year, the Group's air emissions decreased significantly, which is mainly due to the decrease in overall vehicle use as the Group has maintained minimum operation for its gold mining business in Russia and disposed of one company vehicle during the Year.

The summary of the Group's air emissions performance:

Indicator ¹	Unit	2022	2021
Nitrogen Oxides (NO _x)	kg	2.27	29.53
Sulphur Oxides (SO _x)	kg	0.01	0.04
Particulate Matter (PM)	kg	0.21	2.82

Note:

1. The calculation method of air emissions and the related emissions factors were based on, including but not limited to, "How to Prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs" issued by the Stock Exchange.

ENVIRONMENTAL (Continued)

A1. Emissions (Continued)

GHG Emissions

The major sources of the Group's GHG emissions were direct GHG emissions (Scope 1) generated from petrol consumption of vehicles and other machinery as well as diesel consumption of power generation, and energy indirect GHG emissions (Scope 2) by purchased electricity. To reduce GHG emissions, the Group embraces green practices in its day-to-day operation and has actively adopted the environmental protection measures mentioned below:

- Purchase energy-efficient vehicles when replacing high energy-consuming vehicles;
- Plan routes ahead to reduce route repetition and optimise fuel consumption;
- Switch off the engine whenever the vehicle is idling;
- Regularly undergo maintenance to ensure optimal engine performance and fuel use; and
- Actively adopt energy conservation measures which are described in the section headed "Energy Consumption".

During the Year, the total GHG emissions intensity increased significantly, from approximately 0.45 tCO₂e/employee in 2021 to approximately 1.46 tCO₂e/employee this Year. This is mainly because the two newly acquired subsidiaries consumed a significant amount of purchased electricity during the Year, resulting in higher energy indirect GHG emissions.

The summary of the Group's GHG emissions performance:

Indicator ²	Unit	2022	2021
Direct GHG emissions (Scope 1)	tCO ₂ e	2.80	7.90
– Petrol	tCO ₂ e	2.67	7.90
– Diesel	tCO ₂ e	0.13	–
Energy indirect GHG emissions (Scope 2)	tCO ₂ e	653.71	16.72
– Purchased electricity	tCO ₂ e	653.71	16.72
Total GHG emissions	tCO ₂ e	656.51	24.62
Intensity³	tCO₂e/employee	1.46	0.45

ENVIRONMENTAL (Continued)

A1. Emissions (Continued)

GHG Emissions

Notes:

2. GHG emissions data is presented in terms of carbon dioxide equivalent and are based on, but not limited to, “The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standards” issued by the World Resources Institute and the World Business Council for Sustainable Development, “Emission Reduction Project 2019: Baseline Emission Factors for Regional Power Grids in China” issued by the Ministry of Ecology and Environment of the PRC (CM method: 50/50 average of OM & BM), “How to prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs” issued by the Stock Exchange, “Global Warming Potential Values” from the IPCC Fifth Assessment Report, 2014 (AR5), and “Project Carbon Footprint Methodologies (February 2022)” issued by European Investment Bank (EIB).
3. As at 30 June 2022, the Group has 449 (2021: 55) full-time employees within the reporting scope. The data is also used for calculating other intensity data.

Sewage Discharge

The Group only involves in river transportation for its gold mining business whereas the gold powder does not carry harmful chemical substance. All of the gold powders have been treated in accordance to the Safety Incidents Guidelines established by the Group and thus not pollute the river water. The Group also discharges domestic sewage during daily operation, which is discharged into the urban sewage pipe network after being purified by the underground sewage treatment facilities. Since the wastewater discharged by the Group is disposed of through the municipal sewage network to the regional water purification plant, the amount of sewage discharge can be considered as the amount of water consumed. The data on the water consumed will be disclosed in the section headed “Water Consumption”.

Waste Management

Hazardous Waste

Due to the Group’s business nature, the Group did not generate a material amount of hazardous waste during the Year, thus no related targets have been set. During the Year, only 5.00 kg of ink cartridge, which is equivalent to approximately 0.01 kg/employee, was generated by the Group (2021: 1.72 kg, which is equivalent to approximately 0.03 kg/employee). The Group has established guidelines to govern the management and disposal of hazardous waste. In accordance with the guidelines, the Group details the consumption volume of ink cartridges and then appoints the qualified service collector to gather and sort such waste. The Group will continue to strictly abide by the relevant policy in the treatment of the hazardous waste.

Non-hazardous Waste

The Group recognises the importance of effective waste management practices. The Group’s non-hazardous waste is mainly composed of paper and general waste. The Group details the consumption volume of paper and then appoints the qualified service collector to gather and sort such waste. The consumption and disposal amount of office paper is regularly monitored to detect any anomalies in usage. To promote environmental protection, most of the offices’ waste would be recycled for reuse. The Group maintains a high standard in waste reduction, educates its employees on the significance of waste reduction and provides relevant support in order to enhance their skills and knowledge in waste management.

ENVIRONMENTAL (Continued)

A1. Emissions (Continued)

Waste Management (Continued)

Non-hazardous Waste (Continued)

Various reduction measures have been established and posters can be seen in the vicinity of the offices to increase employees' awareness and achieve the environmental target by reducing wastage, said measures include but are not limited to:

- Encourage double-sided printing or photocopying and electronic communication;
- Use recycled paper for drafting documents or photocopying;
- Encourage the reuse of envelopes, cartons and folders; and
- Use stainless steel cutlery and boxes instead of single-use disposable items.

During the Year, the total amount of non-hazardous waste generated has decreased significantly from approximately 20.88 kg/employee in 2021 to approximately 0.77 kg/employee this Year. This is mainly due to Anlu Taihe, a subsidiary of the Group, which generates the majority general waste of the Group was liquidised during the Year and maintained a minimum operation. The Group will continue its effort in mitigating the non-hazardous waste disposal in the following year by enhancing its information technology systems in furtherance to a paperless environment.

The summary of the Group's non-hazardous waste performance:

Indicator	Unit	2022	2021
Paper ⁴	kg	144.14	148.14
General waste	kg	200.00	1,000.00
Total non-hazardous waste	kg	344.14	1,148.14
Intensity	kg/employee	0.77	20.88

Note:

4. The amount of paper waste includes the amount of paper recycled.

ENVIRONMENTAL (Continued)

A2. Use of Resources

The Group aims to minimise environmental impacts in its operations by identifying and imposing measures to increase energy and resource efficiency. The Group actively promotes green office and operates under four basic principles “Reduce, Reuse, Recycle and Replace”. As such, the Group has formulated relevant policies and procedures related to environmental management to manage the monthly usage of energy and water.

Energy Consumption

The direct energy consumption of the Group was the petrol combustion of vehicles and other machinery as well as diesel consumption for power generation, while the indirect energy consumption was the electricity consumed in its operations. The Group has formulated internal policies in managing its energy consumption to achieve the target of energy saving. The said policies are subject to review to assess whether they are sufficient or too lenient. Changes will then be made as soon as practicable. Relevant reduction measures are as follows, including but not limited to:

- Select energy-efficient equipment and electrical appliances, and gradually replace obsolete equipment with energy-saving certified alternatives;
- Forbid the use of high-power electrical appliances, such as heaters, kettles, refrigerators, etc., to avoid electrical overload;
- Turn off all the unnecessary lights, air conditioners, computers and other office equipment in office areas, conference rooms and corridors when they are not in use to avoid energy waste;
- Use energy-saving bulbs or LED lamps instead of traditional lamps;
- Strictly prohibit the running of idle equipment, unreasonable electric wiring distribution, etc.;
- Avoid the waste of electricity by strictly regulating the use of air conditioners; and
- Enhance the maintenance and overhaul of all electronic equipment to maintain their best condition for effective use of electricity.

During the Year, the total energy consumption intensity has increased significantly, from approximately 1.05 MWh/employee in 2021 to approximately 2.88 MWh/employee this Year. This is mainly due to the two newly acquired subsidiaries during the Year consumed a significant amount of purchased electricity. The Group will continue its effort in mitigating the energy consumption in the following year by increasing the frequency in replacing obsolete equipment with energy-saving certified alternatives.

ENVIRONMENTAL (Continued)

A2. Use of Resources (Continued)

Energy Consumption (Continued)

The summary of the Group's energy consumption performance:

Indicator ⁵	Unit	2022	2021
Direct energy consumption		11.01	28.78
– Petrol	MWh	10.49	28.78
– Diesel		0.52	–
Indirect energy consumption		1,280.40	28.72
– Purchased electricity	MWh	1,280.40	28.72
Total energy consumption	MWh	1291.41	57.50
Intensity	MWh/employee	2.88	1.05

Note:

5. The calculation of unit conversion refers to the "Energy Statistics Manual" issued by the International Energy Agency.

Water Consumption

The Group is committed to reducing water usage by educating its employees on the importance of water conservation. The Group wishes to nurture its employees the habit of water conservation and achieve the water-saving target. Respective department heads are assigned to monitor and control the water usage, where necessary.

Water usage of the Group is not limited to its basic business operation but also the cleaning and sanitisation during the Coronavirus Disease 2019 ("COVID-19"). As such, the Group implemented the water conservation measures, such as posting environmental messages to remind of employees for water conservation in the vicinity of the pantry and washrooms.

During the Year, the total water consumption intensity has increased significantly, from approximately 29.32 m³/employee in 2021 to approximately 219.75 m³/employee this Year. This is mainly due to the two newly acquired subsidiaries consumed a significant amount of water during the Year. The Group will continue its effort in reducing water consumption in the following year.

The summary of the Group's water consumption performance:

Indicator	Unit	2022	2021
Total water consumption	m³	98,666.72	1,612.87
Intensity	m³/employee	219.75	29.32

Due to the geographical location of its offices, the Group does not have any issue in sourcing water that is fit for purpose.

ENVIRONMENTAL (Continued)

A2. Use of Resources (Continued)

Use of Packaging Material

Due to the Group's business nature, the Group neither produces any final products nor does it have any industrial facilities. Thus, it did not use any significant amount of packaging materials during its daily operation.

A3. The Environment and Natural Resources

The Group is committed to minimising negative environmental impacts occasioned by its business operation where practicable by adopting a multifaceted approach proactively.

Managing Environmental Impacts

The Group aims to promote environmental protection in its operation. The Group is committed to putting in a continuous effort to nurture its employees' habits and increase their environmental awareness.

The Group is also committed to providing employees with a comfortable and green working environment to enhance work efficiency. The Group has established office discipline and relevant policies, and maintained the hygiene and tidiness of the office areas. The Group inspects the conditions of the living areas and workspace frequently, and implements preventive management ahead of time to identify problems and hidden dangers. The Group will handle the identified problems and hidden dangers promptly to maintain a sound working environment.

On the other hand, the Group regularly monitors and measures indoor air quality in the workplace. The Group maintains indoor air quality and filters pollutants and dust by using air purification equipment in the workplace and cleaning air conditioning systems regularly.

A4. Climate Change

The Group recognises the importance of the identification and mitigation of significant climate-related issues, and is committed to managing the potential climate-related risks which may impact the Group's business activities. Therefore, the Group has established a robust set of policies and procedures to identify, monitor and manage ESG issues, including climate change. Material climate-related risks are identified and managed under the Group's enterprise risk management framework. The followings are the identified climate-related risks of the Group and corresponding actions taken to manage them.

Climate-related Risks

Physical Risks

Climate change is associated with the increased frequency and severity of extreme weather events such as heavy rains and typhoons. Such events can interrupt the Group's business operation by damaging the power grid or communication infrastructures and damaging the Group's assets. In addition, these events could also obstruct and injure the Group's employees on their way to work. As a countermeasure, the Group has fully considered the impact of these risks on its business operation, prioritised these risks based on their seriousness and taken precautionary measures in the first place. At the same time, the Group has implemented special work arrangements under extreme weather events in accordance with the governments' guidelines and relevant laws and regulations.

ENVIRONMENTAL (Continued)

A4. Climate Change (Continued)

Climate-related Risks (Continued)

Transition Risks

There are more stringent climate legislations and regulations to support the global vision of decarbonisation. For instance, the Stock Exchange has required the listed companies to enhance the climate-related disclosures in their ESG reports. Stricter environmental laws and regulations may expose enterprises to higher risks of claims and lawsuits. Corporate reputation may also decline due to failure to meet the compliance requirements for climate change related issues. As a result, the Group's related capital investment and compliance costs may increase. In response to the policy and legal risks as well as the reputation risks, the Group regularly monitors existing and emerging trends, policies and regulations related to climate change and will alert the top management where necessary to avoid cost increments, and non-compliance fines or reputation risks due to delayed response.

SOCIAL

B1. Employment

Employees are the most valuable asset of the Group. The Group recognises that its sustainable development relies heavily on good recruitment and retention practices. The Group adheres to a people-oriented approach, respects and safeguards the legitimate interests of every employee, standardises employment management, and protects employees' occupational health and safety. The Group also enhances democratic management, protects the vital interests of employees, and fully respects and values their enthusiasm, initiative and creativity in order to build a harmonious employment relationship.

Relevant employment policies are formally documented in the Employee Handbook, covering recruitment and promotion, compensation and dismissal, working hours and rest periods, other benefits and welfare as well as diversity and equal opportunities, etc. The Group regularly reviews these policies and practices to ensure continuous improvement of its employment standards and competitiveness against the common interests of employees and the Group.

During the Year, the Group was not aware of any material non-compliance with employment-related laws and regulations that would have a significant impact on the Group, including but not limited to the Labour Law of the PRC, the Labour Contract Law of the PRC, the Employment Ordinance of Hong Kong, the Regulations on Work-related Injury Insurances and the No.197-FZ Labour Code of Russia.

SOCIAL (Continued)

B1. Employment (Continued)

As at 30 June 2022, the Group has 449 employees (2021:55) employees fall into the reporting scope. The total workforce by gender, employment type, age group and geographical region are shown below:

Indicator	2022	2021
By Gender		
Male	291	27
Female	158	28
By Employment Type		
Full-time	448	55
Part-time	1	–
By Age Group		
Age below 30	70	3
Age between 30 to 50	274	41
Age over 50	105	11
By Geographical Region		
Mainland China	445	53
Hong Kong, PRC	2	–
Russia	2	2

Recruitment, Promotion and Dismissal

Employees of the Group are recruited via a robust, transparent, and fair recruitment process based on their merits and their potential to fulfil the Group's current and future needs. In the course of the recruitment process, the Group standardises the recruitment principles and procedures, upholds the hiring criteria of morality, knowledge, ability, experience and suitability for the positions as well as the principles of justice, fairness and openness, to continuously attract and retain the talents.

The Group has implemented a fair and open assessment system to provide employees with opportunities for promotion and development based on their work performance and internal assessment results to explore their potential at work. The Group prioritises internal promotion over external recruitment as it reduces administrative and time costs on recruitment and encourages staff retention. The consideration of promotion will be based on the assessment of the existing staff's qualifications, seniority, performance, leadership, and other relevant factors.

Unreasonable dismissal under any circumstances is prohibited, dismissal would be based on reasonable and lawful grounds supported by the internal policies pertained to the Employee Handbook. Verbal warnings will be issued upon misconduct or unsatisfactory performance to provide a fair opportunity to staff for improvement. If there is no improvement, the Group shall then consider dismissal only upon receiving dismissal instruction from the relevant departments.

SOCIAL (Continued)

B1. Employment (Continued)

Recruitment, Promotion and Dismissal (Continued)

During the Year, the employee turnover rate⁶ is 21.83%, the employee turnover rate by gender, age group and geographical region are shown below:

Indicator	2022		2021	
	Employee turnover rate in percentage (%) ⁷	Employee turnover (in person)	Employee turnover rate in percentage (%) ⁷	Employee turnover (in person)
By Gender				
Male	23.71	69	55.56	15
Female	18.35	29	32.14	9
By Age Group				
Age below 30	31.43	22	–	–
Age between 30 to 50	17.15	47	39.02	16
Age over 50	27.62	29	72.73	8
By Geographical Region				
Mainland China	21.35	95	45.28	24
Hong Kong, PRC	–	–	–	–
Russia	150.00	3	–	–

Notes:

- Overall employee turnover rate = Total number of employees leaving employment during the financial year/Total number of employees at the end of the financial year*100%.
- Employee turnover rate by category = Total number of employees leaving employment by category during the financial year/Total number of employees by category at the end of the financial year*100%.

Remuneration and Benefits

The Group has established a fair, reasonable, and competitive remuneration system for salary payments to employees based on the principles of fairness, competitiveness, reasonableness, and legality. The employees' remuneration package comprises of basic salary, performance bonus, overtime payment, position subsidy, related subsidies and other various bonuses. In addition, the Group conducts annual assessments on the efficacy of the remuneration system to safeguard employees' benefits. The Group also legally contribute a certain percentage of payroll costs to the central pension scheme operated by the local municipal government for its employees in the PRC.

SOCIAL (Continued)

B1. Employment (Continued)

Working Hour, Rest Period and Compensation

The Group has clearly stated the working hours and rest periods in the Employee Handbook in accordance with the gazette public holidays. Employees are also allowed to apply for flexible working schedules based on their job requirements. The Group also implements the paid leave policies to pay overtime allowances who are working exceed statutory working hours.

Equal Opportunities, Diversity and Anti-discrimination

The sustainable growth of the Group relies on the diversity of talents. The Group is committed to promoting equal opportunities and diversity in recruitment by maintaining an inclusive and collaborative workplace culture that protects employees from any forms of discrimination, such as race, gender, colour, age, family status, customs traditions, religion, physical fitness and nationality. The Group prohibits any sexual harassment or abuse in any form in the workplace. All employees have a right to equal pay for equal work. The Group endeavours to attract professionals with diverse backgrounds to join the Group. The Group also follows the No.197-FZ Labour Code of Russia to promote equal opportunity in its workplace.

B2. Health and Safety

The Group places high priority on providing its employees a safe and healthy working environment and strives to eliminate potential health and safety hazards at the workplace.

During the Year, the Group was not aware of any material non-compliance with health and safety-related laws and regulations that would have a significant impact on the Group, including but not limited to the Labour Law of the PRC, the Law of the PRC on Prevention and Control of Occupational Diseases, the Fire Protection Law of the PRC, the Occupational Safety and Health Ordinance of Hong Kong, and the No.197-FZ Labour Code of Russia. There were no work-related fatalities that occurred in each of the past three years (including the Year). In addition, the Group did not record any lost days due to work injury during the Year (2021: 0 case).

Internal Health and Safety Management System

The Group has implemented an internal audit and inspection system and relevant policies to ensure the health and safety of its customers and employees during the operation. The review process is designed to ensure that the workplace is under constant monitoring and to identify and correct the deficiencies that do not meet the standard. The Group regularly inspects and reviews the safety issues of offices and actively encourages employees to report any health and safety incidents and risks.

The Group also arranges health screening and body check-up packages for employees in the view of preventative healthcare. The Group particularly pays attention to employees who have abnormal examination results and supports them with medical advice or treatment.

SOCIAL (Continued)

B2. Health and Safety (Continued)

Fire Safety

The Group has formulated fire safety measures in its workplace, such as storing fire extinguishers and first aid kits at visibly seen areas in case of emergencies, and fire escape routes are clearly shown throughout the workplace. To further avoid fire hazards, no smoking is allowed within the workplace, meanwhile, fire exits and major passageways are kept clear from obstruction. Fire drills are conducted on a regular basis in order to ensure the employees are familiar with the proper evacuation routes.

Response to the COVID-19

In view of the outbreak of COVID-19, the Group is highly conscious of the potential health and safety impacts brought to its employees. The Group has strengthened the sanitation of its operation locations to ensure a healthy and safe working environment by providing sufficient protective equipment and surgical masks to its employees and applies stringent temperature screening on employees and visitors before entry into the workplace. The Group also sent out guidelines to employees advising the reporting procedure in case of an infection of the COVID-19 among employees and their related family members. In response to the PRC Government's strict public health measures, the Group has specifically established a crisis management working team in its PRC workplaces for coordinating and arranging the provisions of services to maintain normal operation.

B3. Development and Training

The Group focuses on improving the enterprise's internal management development and training system to promote the Group's sustainable development while facilitating the personal growth and development of employees through multiple training schemes, so as to satisfy different needs of employees at various levels and improve their skills.

Training Management

The training proposals of the Group are formulated by the management on an annual basis, which are also subject to review on an annual basis for their effectiveness. Training and continuous development are indispensable for the employees to keep abreast of the latest trend and industrial requirements. Therefore, the Group takes a proactive approach to allow employees to be exposed to different types of opportunities to advance their careers. Employees, in particular, salespersons and employees from the Customer Services Department are encouraged to apply for internal and external training courses to refresh prior knowledge, familiarise themselves with newly updated guidelines, and maintain their competitiveness within the industry. Internally, the Group provides its new employees with training allowances, remuneration and promotion incentives, such as sponsorship of attending business marketing training courses.

SOCIAL (Continued)

B3. Development and Training (Continued)

Training Management (Continued)

During the Year, there are a total of approximately 99%⁸ of employees trained with a total of approximately 10.07 average training hours per employee⁹. The percentage of employees trained and average training hours per employee by gender and employee category are shown below:

Indicator	2022		2021	
	Percentage of employees trained (%) ¹⁰	Average training hours per employee ¹¹	Percentage of employees trained (%) ¹⁰	Average training hours per employee ¹¹
By Gender				
Male	65	10.10	100	2.20
Female	35	10.01	–	–
By Employee Category				
Board	1	20.00	50	10.00
Senior management	2	9.71	50	39.50
Middle management	6	9.79	–	–
General staff	91	9.98	–	–

Notes:

8. Total percentage of employees trained = Total employees trained during the financial year/Total number of employees at the end of the financial year*100%.
9. Average training hours per employee = Total training hours during the financial year/Total number of employees trained at the end of the financial year.
10. Percentage of employees trained by category = Total employees trained by category during the financial year/Total employees trained during the financial year*100%.
11. Average training hours per employee by category = Total training hours by category during the financial year/Total number of employees trained by category at the end of the financial year.

The increase in training hours and trained employees during the Year is primarily due to improvements in data collection systems and the fact that majority of the trained employees comes from the two newly acquired subsidiaries.

SOCIAL (Continued)

B4. Labour Standards

Prevention of Child and Forced Labour

Child labour is strictly prohibited during the recruitment process as prescribed by the laws and regulations. The Group strictly complies with local laws and does not employ under aged children to work. Personal data such as identification cards will be collected to verify the identity of the interviewee during the recruitment process to ensure the applicant is legally authorised to work. Should violations occur, corrective actions will be taken by the Group immediately to rectify the situation, by terminating the contract with the corresponding employees and reporting to relevant governmental authorities if necessary.

To prevent forced labour practices, the Group has clearly stated the working hours and rest periods in the Employee Handbook in accordance with the gazette public holidays. Employees are also allowed to apply for flexible working schedules based on their job requirements. The Group also implements the paid leave policies to pay overtime allowances who are working exceed statutory working hours. The Group would not force any employees to work overtime against their will in any form or otherwise, it would be subjected to corporal punishment or coercion of any type related to work. Similarly, the Group avoids engaging the administrative vendors and contractors who have a poor record in using child and forced labour. When the violation case is confirmed, the Group might conduct investigation and take disciplinary actions against any staff members who are responsible for the cause of the incident.

During the Year, the Group was not aware of any material non-compliance with child and forced labour-related laws and regulations that would have a significant impact on the Group, including but not limited to the Labour Law of the PRC, the Provisions on the Prohibition of Using Child Labour of the PRC, the Employment Ordinance of Hong Kong, and the No.197-FZ Labour Code of Russia.

B5. Supply Chain Management

The Group is aware of the importance of managing environmental and social risks of its supply chain, and has embedded environmental and social considerations in the procurement process and supplier communication. The Group has established supply chain related policies and a standardised procurement system, as well as a supplier assessment by taking into consideration of environmental and social risk controls.

Suppliers Assessment

The Group takes into account the environmental impact, quality, society, corporate governance and commercial ethics in the selection of suppliers. To be qualified as the Group's suppliers and business partners, they should be complied with the prescribed standards and requirements, especially in the areas regarding environmental risks and providing environmentally preferable products and services. The Group regularly assesses its suppliers and business partners to identify any environmental and social risks along the supply chain and expects the suppliers and business partners to deliver positive environmental and social impacts, the scope of which mainly includes operational compliance, employees' security and health, social responsibility, commercial ethics, environmental protection and promotion of the environmentally preferable products and services.

SOCIAL (Continued)

B5. Supply Chain Management (Continued)

Suppliers Assessment (Continued)

The management will review and scrutinise the entire supplier selection process to ensure the openness and fairness of the procurement procedures and to rectify any environmental and social risks along the supply chain occasioned. The Group strives to not rely solely on specific suppliers but maintains more than one supplier for each product or service it provides to ensure supply chain stability. In any procurement process, quotations must be obtained and compared with different suppliers. In addition, during business meetings, the Group also encourages its business partners and suppliers to consider the risks posed to their operations from climate change and to actively mitigate their environmental impacts. The Group will continue to monitor and inspect the performance of its supply chain on a regular basis and will terminate the contracts with those suppliers and business partners that cause severe social harm or material environmental accidents.

During the Year, the Group has 6 approved key suppliers (2021: 8 suppliers located in PRC), among which, 5 are located in PRC and 1 is located in Russia. All of such suppliers have been engaged and evaluated according to the Group's procurement system and supplier assessment.

B6. Product Responsibility

The Group is dedicated to providing high-quality services, not only is it crucial to end-user safety but it also attracts future business opportunities.

During the Year, the Group was not aware of any non-compliance with laws and regulations concerning health and safety, advertising, labelling, and privacy matters relating to products and services that would have a significant impact on the Group, including but not limited to the Law of the PRC on Protection of Consumer Rights, the Advertising Law of the PRC, the Trade Descriptions Ordinance of Hong Kong, the Protection of the Consumers' Rights of Russian Federation and the Civil Code of Russia.

Customer Satisfaction

Customer satisfaction is vital to the Group as understanding and satisfying customers' demands and expectations can drive the improvement of its services. The Group has maintained ongoing communication with its customers and safeguarded its quality services through internal control mechanisms. In case there are complaints occasioned, the Group ensures that a thorough investigation will be conducted in a timely manner and appropriate remedial actions are carried out when complaints were received. All complaint cases and details are documented to reduce the possibility of re-occurrence in the future. During the Year, the Group has reported 0 cases (2021: 0 cases) in relation to the products and service-related material complaints.

Quality Assurance

The Group strives to provide a comfortable and safe experience to customers. The Group has entrusted professional parties including approved personnel, registered structural engineers and registered contractors to carry out the assessment and conduct a safety check on the facilities of the leasing properties on a regular basis, and to ensure the projects are in accordance with applicable laws and regulations. Feedback from customers and tenants is welcomed as it is the key to enhancing the service of the Group. Procedures for handling feedback have been set up. Feedbacks are recorded in detail and appropriate follow-up actions are taken by the Administrative Department. Should the feedback bear significant weight to the improvement of the Group, the feedback will be considered as a case study to prevent re-occurrence. Due to the Group's business nature, recall procedures were not applicable to be Group and the Group did not have any products sold or shipped subject to recalls for safety and health reasons.

SOCIAL (Continued)

B6. Product Responsibility (Continued)

Intellectual Property Rights

Despite intellectual property rights are not considered as a material ESG issue to the Group due to the Group's business nature, the Group has established relevant policies to govern information technology management. The Human Resources Department is in charge of securing proper licenses for software, hardware and information the Group uses in its business operation. Duplication or downloading of information, software, and images from the internet must be approved by relevant departments. Furthermore, the Human Resources Department closely monitor the infringement actions in the market and prevent any infringement behaviour, such as counterfeit trademarks. The Group will continue to monitor to ensure that its intellectual property rights are not being infringed upon.

Protection of Customer Privacy

The Group strives to protect and assure customer privacy. Stringent policies have been formulated on the collection and use of personal data for its principal operations, in which all confidential information in relation to privacy will be locked in safety cabinets with dedicated security control. The Group also distributes manuals to customers and tenants with detailed instructions regarding the authenticity of sales information to ensure transparency. Access rights to computers and accounts are reviewed annually to limit access to information to current employees only, and the access right to information will be removed upon termination of employment or contract. The Group's employees are prohibited from using the customers' personal data for purposes unrelated to the business context, unless their prior consent has been obtained. In the event of violations, it will be treated as serious misconduct, which is subject to disciplinary action including termination and legal proceedings.

Advertising and Labelling

Due to the Group's business nature, the Group's business operation do not involve material advertising and labelling-related risks. Nevertheless, in order to ensure that the promotion of the Group's services conforms to the actual situation of the service, the Group strictly abides by the relevant laws and regulations on advertising marketing. The Group strictly prohibits the use of false and misleading descriptions in advertisements and is committed to ensuring that all advertising contents are clear, real and authentic.

B7. Anti-corruption

The Group emphatically affirms its zero-tolerance stance regarding corruption, fraud, and all other behaviour that severely violates professionalism and work ethics. The Group believes that an honest and transparent corporate culture is a key to its continued success, and thus it attaches great importance to anti-corruption work and system building.

During the Year, the Group was not aware of any material non-compliance with the relevant laws and regulations of bribery, extortion, fraud, and money laundering that would have a significant impact on the Group, including but not limited to the Company Law of the PRC, the Bidding Law of the PRC, the Interim Provisions on Banning Commercial Bribery of the PRC, the Prevention of Bribery Ordinance of Hong Kong, and the Criminal Code of Russia. During the Year, the Group has no concluded legal case (2021: 0 cases) regarding corrupt practices brought against the Group or its employees.

SOCIAL (Continued)

B7. Anti-corruption (Continued)

Anti-corruption Practices

The Group has an Anti-bribery Function which is responsible for developing the overall framework of anti-bribery and anti-corruption policies and procedures, as well as guiding and monitoring the implementation of policies and procedures in different aspects of the Group's operation. The subsidiaries of the Group will duly report any suspected bribery and corruption to the Group's responsible officer, who will then carry out further investigation and determine an appropriate course of action when necessary.

Furthermore, the Finance Department and Audit Department (whereas Chief Executive Officer is the responsible officer) are responsible for regular monitoring and checking all non-operational capital flow activities of its major businesses. The Group has also formulated an anti-fraudulent system to standardise whistle-blowing, investigation, handling, assessment and remedial action process.

Whistle-blowing System

The Group has established a whistle-blowing system that encourages employees to report fraudulent activities pertained to the Whistle-blower Protection Policy. The said system allows all employees and independent third parties (including customers and suppliers), who are in constant contact with employees, to report in anonymous calls and emails way to the management in the aspect of negligence, corruption, bribery and other misconduct. The management will process the reports in due course.

The Group also endeavours to protect the whistle-blower from various concerns such as confidentiality, potential retaliation, unfair dismissal and unwarranted disciplinary actions. Therefore, employee reporting in good faith under the aforementioned policy shall be assured of the protection against unfair dismissal or victimisation, even if the reports are subsequently proved to be unsubstantiated. The Group will review the policy regularly to ensure its effectiveness.

Anti-corruption Training

The Group also sets out the relevant policies to provide its directors and employees with anti-corruption training with an aim to help them to adhere to the latest anti-corruption laws and regulations. During the Year, all of our directors were given internal anti-corruption training and relevant employees were given anti-corruption training provided by the Hong Kong Institute of Certified Public Accountants.

B8. Community Investment

Corporate Social Responsibility

The Group is committed to emboldening and supporting the public by various means of social participation and contribution as part of its community investment. The Group strives to nurture corporate culture and practice corporate citizenship in the daily work life of its employees. To fulfil the Group's corporate social responsibility, it has established related policy and inspire its employees' sense of social responsibility by encouraging them to participate in charitable activities, such as home visiting the elderly during their work hours and spare time. The Group also believes participating in activities that repay society can increase its employees' civic awareness while establishing correct values. The Group sustains its corporate social responsibility as a part of the strategic development of the Group.

During the Year, the Group did not participate in any activities due to the impacts of COVID-19 and consideration of employees' health and safety. However, the Group will focus on the contributing to the disadvantaged groups in the future, aiming to give back to society and promote social harmony.

ESG REPORTING GUIDE CONTENT INDEX OF STOCK EXCHANGE

Mandatory Disclosure Requirements

Section/Declaration

Governance Structure
Reporting Principles
Reporting Boundary

The ESG Governance Structure
Reporting Framework
Reporting Scope

Subject Areas, Aspects,

General Disclosures and KPIs

Description

Section/Declaration

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.

Emissions

KPI A1.1

The types of emissions and respective emissions data.

Emissions – Air Emissions

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).

Emissions – GHG Emissions

KPI A1.3

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

Emissions – Waste Management

KPI A1.4

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

Emissions – Waste Management

KPI A1.5

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

Environmental Targets, Emissions – 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 Targets, Emissions – Waste Management

**Subject Areas, Aspects,
General Disclosures and KPIs**

Aspect A2: Use of Resources

General Disclosure

Description

Policies on the efficient use of resources, including energy, water and other raw materials.

Section/Declaration

Use of Resources

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).

Use of Resources – Energy Consumption

KPI A2.2

Water consumption in total and intensity (e.g. per unit of production volume, per facility).

Use of Resources – Water Consumption

KPI A2.3

Description of energy use efficiency target(s) set and steps taken to achieve them

Environmental Targets, Use of Resources – Energy Consumption

KPI A2.4

Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.

Environmental Targets, Use of Resources – Water Consumption

KPI A2.5

Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.

Use of Resources – Use of Packaging Material

**Subject Areas, Aspects,
General Disclosures and KPIs**

Description

Section/Declaration

Aspect A3: The Environment and Natural Resources

General Disclosure

Policies on minimising the issuer’s significant impacts on the environment and natural resources.

The Environment and Natural Resources

KPI A3.1

Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.

The Environment and Natural Resources – Managing Environmental Impacts

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.

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.

Climate Change – Climate-related Risks

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.

Employment

KPI B1.1

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

Employment

KPI B1.2

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

Employment – Recruitment, Promotion and Dismissal

**Subject Areas, Aspects,
General Disclosures and KPIs**

Description

Section/Declaration

Aspect B2: Health and Safety

General Disclosure

Information on:

Health and Safety

- (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

KPI B2.1

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

Health and Safety

KPI B2.2

Lost days due to work injury.

Health and Safety

KPI B2.3

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

Health and Safety – Internal Health and Safety Management System, Fire Safety, Response to the COVID-19

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).

Development and Training – Training Management

KPI B3.2

The average training hours completed per employee by gender and employee category.

Development and Training – Training Management

**Subject Areas, Aspects,
General Disclosures and KPIs**

Description

Section/Declaration

Aspect B4: Labour Standards

General Disclosure

Information on:

Labour Standards

- (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

KPI B4.1

Description of measures to review employment practices to avoid child and forced labour.

Labour Standards – Prevention of Child and Forced Labour

KPI B4.2

Description of steps taken to eliminate such practices when discovered.

Labour Standards – Prevention of Child and Forced Labour

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 – Supplier Assessment

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 – Supplier Assessment

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 – Supplier Assessment

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 – Supplier Assessment

Subject Areas, Aspects,**General Disclosures and KPIs****Description****Section/Declaration****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.

Product Responsibility

KPI B6.1

Percentage of total products sold or shipped subject to recalls for safety and health reasons.

Product Responsibility – Quality Assurance

KPI B6.2

Number of products and service related complaints received and how they are dealt with.

Product Responsibility – Customer Satisfaction

KPI B6.3

Description of practices relating to observing and protecting intellectual property rights.

Product Responsibility – Intellectual Property Rights

KPI B6.4

Description of quality assurance process and recall procedures.

Product Responsibility – Quality Assurance

KPI B6.5

Description of consumer data protection and privacy policies, and how they are implemented and monitored.

Product Responsibility – Protection of Customer Privacy

**Subject Areas, Aspects,
General Disclosures and KPIs**

Description

Section/Declaration

Aspect B7: Anti-corruption

General Disclosure

Information on:

Anti-corruption

- (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

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 whistleblowing procedures, how they are implemented and monitored.

Anti-corruption – Whistle-blowing System

KPI B7.3

Description of anti-corruption training provided to Directors and staff.

Anti-corruption – Anti-corruption Training

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 Investment

KPI B8.1

Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).

Community Investment – Corporate Social Responsibility

KPI B8.2

Resources contributed (e.g. money or time) to the focus area.

Community Investment – Corporate Social Responsibility