



# Doumob

## 豆盟科技有限公司

*(Incorporated in the Cayman Islands with limited liability)*

Stock Code: 1917



# 2022

ENVIRONMENTAL,  
SOCIAL AND  
GOVERNANCE REPORT

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



## ABOUT THIS REPORT

Doumob (the “Company”), together with its subsidiaries (collectively the “Group”), is pleased to present this Report to provide an overview of the Group’s management on significant issues affecting the operation, and the performance of the Group in terms of environmental and social aspects. This Report is prepared by our Group with the professional assistance of APAC Compliance Consultancy and Internal Control Services Limited.

### Preparation Basis and Scope

This Report is prepared in accordance with Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “Listing Rules”) – “Environmental, Social and Governance Reporting Guide” and has complied with “comply or explain” provision in the Listing Rules.

This Report summarises the performance of the Group in respect of corporate environmental and social responsibility, covering its operating activities which are considered as material by the Group – (i) provision of online advertising services; and (ii) provision of online sales services in the People’s Republic of China (the “PRC”). With the aim to optimise and improve the disclosure requirements in the Report, the Group has taken initiative to formulate policies, record relevant data as well as implement and monitor measures. This Report shall be published both in Chinese and English on the website of the Company and the Stock Exchange. Should there be any discrepancy between the Chinese and the English versions, the English version shall prevail.

This Report summarised the Group’s performance in corporate and social responsibilities applying the reporting principles of “Materiality, Quantitative, Balance and Consistency” as below:

Reporting Principles	Application by the Group
Materiality	This Report has identified and disclosed the process of the material environmental, social, and governance factors with its selection criteria. It also includes descriptions of key stakeholders and their engagement process and results.
Quantitative	The explanations of statistical standards, methodologies, assumptions, and/or calculation tools, as well as the source of conversion factors in emissions/energy consumption (if applicable), are described in the report.
Balance	The Report presents the Company’s performance during the Reporting Period impartially. It aims to avoid choice, omission, or presentation formats that may influence readers’ decisions making and judgments.
Consistency	The statistical methods in all data reporting are consistent with previous year. Any changes will be stated clearly in the report.

### Reporting Period

This Report demonstrates our sustainability initiatives during the reporting period from 1 January 2022 to 31 December 2022.

### Contact Information

This report is published in electronic form and can be viewed on the website of the Company ([www.doumob.com/](http://www.doumob.com/)) and the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)). The Group values your opinions on this report and welcomes your feedback on any sustainable development measures for this report. Please contact us with contact details (including name, address, telephone number and email address) by post to our office, 40/F, Dah Shing Financial Centre, No. 248, Queen’s Road East, Wanchai, Hong Kong.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



## INTRODUCTION

Based on the proprietary performance advertising platform and H5 video interactive advertising technology, Doumob has provided targeted and diversified advertising marketing services for a large number of mobile advertisers and head media publishers in China in the past 10 years, and has helped many customers achieve the goal of reaching effective users efficiently. In November 2022, the Group's H5 video interactive advertising technology successfully obtained the U.S. patent authorization, which affirmed our technical advantages in the field of interactive advertising and enhanced our competitiveness and corporate value.

The short video and live broadcast e-commerce business started in the fourth quarter of 2021. Based on the Group's technical capabilities and advertiser resources in the internet advertising marketing industry, the development of this business will achieve a staged victory in 2022 and become the Group's main business growth point has achieved the layout of several representative projects in the industry, demonstrating the Group's leading operational capabilities and good market response in providing brand customers with live broadcast operation services based on platforms such as Tik Tok and Kuaishou.

Sustainable development is an integral part of the Group's business strategy in order to achieve business excellence and to enhance capabilities for long-term competitiveness. We are committed to operating in an economically, socially and environmentally sustainable manner, while balancing the interests of our various stakeholders and fostering a positive impact on the society. Our sustainability strategy is based on the compliance with the applicable legal requirements, principle of sustainability and opinions from stakeholders. We have established and implemented various policies to manage and monitor the risks related to the environment, employment, operating practices and community. Details of the management approaches to sustainable development of different areas are illustrated in this Report.

## STAKEHOLDERS ENGAGEMENT AND MATERIALITY ASSESSMENT

The Group understands that the success of the Group's business depends on the support from its key stakeholders, mainly including our employees, customers, suppliers, business partners, shareholders, the government and, in a broad sense, the community. It allows the Group to understand risks and opportunities. The Group will continue to ensure effective communication and maintain good relationship with each of its key stakeholders.

Stakeholders are prioritised from time to time in view of the Group's roles and duties, strategic plan and business initiatives. The Group engages with its stakeholders to develop mutually beneficial relationships and to seek their views on its business proposals and initiatives as well as to promote sustainability in the marketplace, workplace, community and environment.

The Group acknowledges the importance of intelligence gained from the stakeholders' insights, inquiries and continuous interest in the Group's business activities. The Group has identified key stakeholders that are important to our business and established various channels for communication. The following table provides an overview of the Group's key stakeholders, and various platforms and methods of communication are used to reach, listen and respond.

Stakeholders	Expectations	Engagement channels
<b>Government bodies/ regulatory bodies</b>	<ul style="list-style-type: none"><li>• Compliance with the applicable laws and regulations</li><li>• Proper tax payment</li><li>• Promote regional economic development and employment</li></ul>	<ul style="list-style-type: none"><li>• On-site inspections and checks</li><li>• Research and discussion through work conferences, work reports preparation and submission for approval in the PRC</li><li>• Annual and interim reports</li><li>• Company website</li></ul>

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



Stakeholders	Expectations	Engagement channels
<b>Shareholders/ Investors</b>	<ul style="list-style-type: none"> <li>• Low risk portfolio</li> <li>• Return on the investment</li> <li>• Information disclosure and transparency</li> <li>• Protection of interests and fair treatment of shareholders</li> </ul>	<ul style="list-style-type: none"> <li>• Annual general meeting and other shareholder meetings</li> <li>• Annual reports and announcements</li> <li>• Newsletter</li> <li>• Meeting with investors</li> <li>• Websites of the Company and the Stock Exchange</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>• Safeguard the rights and interests of employees</li> <li>• Working environment</li> <li>• Career development opportunities</li> <li>• Self-actualization</li> <li>• Occupational health and safety</li> </ul>	<ul style="list-style-type: none"> <li>• Meetings and conferences</li> <li>• Trainings, seminars and briefing sessions</li> <li>• Entertainment</li> <li>• Intranet, emails, circulars and manuals</li> <li>• Physical examination</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>• Safe and high-quality services</li> <li>• Stable relationship</li> <li>• Information transparency</li> <li>• Integrity</li> <li>• Business ethics</li> </ul>	<ul style="list-style-type: none"> <li>• Company website, brochures and annual reports</li> <li>• Emails and customer service hotlines</li> <li>• Feedback forms</li> </ul>
<b>Suppliers/ Partners</b>	<ul style="list-style-type: none"> <li>• Long-term partnerships</li> <li>• Honest cooperation</li> <li>• Fair and open</li> <li>• Information resources sharing</li> <li>• Risk reduction</li> </ul>	<ul style="list-style-type: none"> <li>• Business meetings, supplier conferences, phone calls and interviews</li> <li>• Review and assessments</li> </ul>
<b>Peers/Industry Associations</b>	<ul style="list-style-type: none"> <li>• Experience sharing</li> <li>• Fair competition</li> </ul>	<ul style="list-style-type: none"> <li>• Industry conferences</li> <li>• Site visits</li> </ul>
<b>Financial Institutions</b>	<ul style="list-style-type: none"> <li>• Compliance with the applicable law and regulations</li> <li>• Information disclosures</li> </ul>	<ul style="list-style-type: none"> <li>• Consulting</li> <li>• Information disclosures</li> <li>• Reports</li> <li>• Communication through relationship manager</li> </ul>
<b>Media</b>	<ul style="list-style-type: none"> <li>• Transparent information</li> <li>• Communication with medias</li> </ul>	<ul style="list-style-type: none"> <li>• Company website</li> <li>• Media conferences</li> </ul>
<b>Public and Communities</b>	<ul style="list-style-type: none"> <li>• Career opportunities</li> <li>• Community involvement</li> <li>• Environmental responsibilities</li> <li>• Social responsibilities</li> </ul>	<ul style="list-style-type: none"> <li>• Volunteering</li> <li>• Charity and social investments</li> <li>• Annual reports and announcements</li> </ul>

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



Through general communication with stakeholders, the Group understands the expectations and concerns from stakeholders. The feedbacks obtained allow the Group to make more informed decisions, and to better assess and manage the resulting impact.

The Group has adopted the principle of materiality in the ESG reporting by understanding the key ESG issues that are important to the business of the Group. All the key ESG issues and key performance indicators (KPIs) are reported in the Report according to the recommendations of the ESG Reporting Guide (Appendix 27 of the Listing Rules) and the Global Reporting Initiative (GRI) Guidelines.

The Group has evaluated the materiality and importance in ESG aspects through the following steps:

## **Step 1: Identification – Industry Benchmarking**

- Relevant ESG areas were identified through the review of relevant ESG reports of the local and international industry peers.
- The materiality of each ESG areas was determined based on the importance of each ESG area to the Group through internal discussion of the management and the recommendation of ESG Reporting Guide (Appendix 27 of the Listing Rules).

## **Step 2: Prioritization – Stakeholder Engagement**

- The Group discussed with key stakeholders on key ESG areas identified above to ensure that all the key aspects were covered.

## **Step 3: Validation – Determining Material Issues**

- Based on the discussion with key stakeholders and internal discussion among the management, the Group's management ensured that all the key and material ESG areas, which were important to the business development, were reported and in compliance with ESG Reporting Guide.

As a result of this process carried out in 2022, those important ESG areas to the Group were discussed in this Report.

## **ESG GOVERNANCE**

### **Board's oversight of ESG issues**

#### ***Board's overall vision and strategy in managing ESG issues***

The board of directors ("Board") has a primary role in overseeing the management of the Group's sustainability issues. During the year, the Board and the ESG Working Group spent significant time in evaluating the impacts of ESG-related risks of our operation and formulating relevant policies in dealing with the risks. The oversight of the Board is to ensure that the management can have all the right tools and resources to oversee the ESG issues in the context of strategy and long-term value creation.

To demonstrate our commitment to transparency and accountability, our Group has established an ESG Working Group which has clear terms of reference that set out the powers delegated to it by the Board. We highly value the opinions of each stakeholder and treat them as the cornerstone for the development of the Group. During the reporting period, the ESG Working Group consisted of the Board, Chief Financial Manager, Human Resource Manager, Investor Relations Senior Manager, and Administrative Manager.



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



The ESG Working Group is primarily responsible for reviewing and supervising the ESG process and risk management of the Group. Among them, the board of directors is the highest decision-making body for ESG management, responsible for supervising the Group's ESG matters, and taking full responsibility for the Group's ESG strategy and reporting; responsible for approving ESG management guidelines, strategies, goals and annual work, including evaluation and prioritization and manage major ESG issues, risks and opportunities; responsible for regularly reviewing the Group's ESG performance and progress; responsible for approving ESG reports. The senior investor relations manager is responsible for establishing and reviewing ESG management strategies, plans and objectives; responsible for supervising ESG-related policies and practices to ensure compliance with laws and regulations. Management requirements; responsible for identifying, assessing and reviewing ESG risks and opportunities; responsible for regularly reporting work progress and recommendations to the board of directors. Representatives of functional departments such as the human resources president, financial manager, and general political manager are responsible for coordinating, promoting and performing ESG-related responsibilities; responsible for reporting work progress to the senior investor relations manager and providing relevant information; different ESG issues are reviewed by the ESG Working Group at the regular meetings, which are held twice a year. During the reporting period, the ESG Working Group and the management reviewed the governance and different ESG issues.

## ***Board's ESG management approach and strategy for material ESG-related issues***

In order to better understand the opinions and expectations of different stakeholders on our ESG issues, materiality assessment is conducted annually. We ensure various platforms and channels of communication are used to reach, listen and respond to our key stakeholders. Through general communication with stakeholders, the Group understands the expectations and concerns from stakeholders. The feedbacks obtained allow the Group to make more informed decisions, and to better assess and manage the resulting impacts.

The Group has evaluated the materiality and importance in ESG aspects through the steps: (1) material ESG area identification by industry benchmarking; (2) key ESG area prioritization with stakeholder engagement; and (3) validation and determining material ESG issues based on the results of communication among stakeholders and the management.

Hence, this can enhance understanding of their degree and change of attention to each significant ESG issue, and can enable us to more comprehensively plan our sustainable development direction in the future. Those important and material ESG areas identified during our material assessment were discussed in this Report.

## ***Board review progress against ESG-related goals and targets***

The progress of target implementation and the performance of the goals and targets should be closely reviewed from time to time. Rectification may be needed if the progress falls short of expectation. Effective communication about the goals and targets with key stakeholders such as employees is essential, as this enables them to be engaged in the implementation process, and to feel they are part of the change that the company aspires to achieve.

Setting strategic goals for the coming three to five years enables the Group to develop a realistic roadmap and focus on results of achieving the visions.

Setting targets require the ESG Working Group to carefully examine the attainability of the targets which should be weighed against the company's ambitions and goals. During the reporting period, our Group set targets on an absolute basis.

## **A. ENVIRONMENTAL ASPECTS**

The Group is involved in daily office operations and its business activities do not have significant impact on the environment or natural resources. Nonetheless, we recognize that we have an obligation to reduce the impacts of our operations on the environment and to be accountable for the resources and materials that are used in our daily operations. We are committed to continuously improving our environmental sustainability by responsibly managing our operations, reducing our carbon footprint and using resources effectively.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



During the reporting period, the Group comprehensively complied with all of the relevant environmental laws and regulations in the PRC, mainly the Environmental Protection Law of the PRC. Besides, during the reporting period, we were not aware of any non-compliance with relevant laws and regulations that had significant impact on the Group related to exhaust gas and greenhouse gas emissions, discharges into water and land, generation of hazardous and non-hazardous waste. We also regularly updated ourselves with the latest development of the applicable laws and regulations on environmental protection.

Apart from complying with the environmental protection rules and standards, the Group emphasises environmental protection, seeks ways to enhance efficiency in the use of natural resources and reduces the environmental impact of its business operation. We take the initiative to formulate and implement environmental activities to establish relevant emissions reduction and energy saving internal policies and campaigns which aim to facilitate the effective use of natural resources and eco-friendly operation. We also encourage employees to build up environmentally friendly habits through notice and promotion to save resources and minimise pollution.

## A1. EMISSIONS

As a mobile advertising company, the Group recognizes that it has ethical duties to reduce emissions. Given the nature of the Group's business, the impacts on the environment and nature resources are not significant. In spite of this, we are committed to minimizing our environmental impacts by responsibly managing our operations, reducing our carbon footprint and using resources effectively. In the meantime, we fully comply with all of the relevant environmental laws and regulations, including but not limited to the Environmental Protection Law of the PRC《中華人民共和國環境保護法》, the Law of the PRC on the Prevention and Control of Environmental Pollution Caused by Solid Wastes《中華人民共和國固體廢物污染環境防治法》, Protection and Control of Atmospheric Pollution of the PRC《中華人民共和國大氣污染防治法》, the Energy Conservation Law of the PRC《中華人民共和國節約能源法》, the Water Pollution Prevention and Control Law of the PRC《中華人民共和國水污染防治法》, where we operate. Besides, no concluded case regarding emissions brought against the Group or its employees during the reporting period.

### Air Pollutant Emissions

We understand that vehicle emission is one of the prominent sources of air pollution. Therefore, we adhere to the control vehicle emissions action published by the PRC government. Through understanding the fuel consumption and mileage of vehicles under the Group's name this year, we have planned and implemented several reduction measures to reduce vehicle emission, including the promotion of using public transport and conduct of regular vehicles maintenance, etc.

We complied with the Protection and Control of Atmospheric Pollution of the PRC《中華人民共和國大氣污染防治法》during the year. The decrease in the total emission of air pollutants in 2022 was mainly attributable to the reduced vehicle fuel use for business travelling and the effective implementation of the fuel saving strategies in the reporting period. Furthermore, the Group targets to reduce the air pollutants emission by 5% by 2025.

During the reporting period, the air pollutants emission of our Group was as follows:

Type of air pollutants	Unit	2022	2021
Nitrogen oxides (NO <sub>x</sub> )	kg	0.26	0.30 <sup>1</sup>
Sulphur oxides (SO <sub>x</sub> )	kg	0.08	0.10 <sup>1</sup>
Particulate matter (PM)	kg	0.05	0.06 <sup>1</sup>

### Greenhouse Gas ("GHG") Emission<sup>2</sup>

GHG is considered as one of the major contributors to the climate change and global warming. The Group recognizes that climate change is gradually concerned by the community as it affects our daily life and poses a risk to its business. Hence, we are committed to mitigating the effects of climate change and to protecting the environment and health of employees.

<sup>1</sup> The year 2021 data has been restated for comparative purpose.

<sup>2</sup> The calculation of the GHG emission is based on the "Corporate Accounting and Reporting Standard" from GHG protocol.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



We conduct the greenhouse gas (“GHG”) emission inventories for the Group in accordance with the Greenhouse Gas Protocol developed by the World Resources Institute and the World Business Council for Sustainable Development, and ISO 14064-1 standard set by the International Organization for Standardization.

Regarding GHG emission of the Group, there is direct emission (scope 1) for our business operations as the Group has vehicle use. Indirect emission (scope 2) is mainly resulted from purchased electricity. Giving the majority of the GHG emission of the Group comes from energy consumption, we tackle the GHG emission by lowering the energy consumption in our business operations. Policies and procedures as described in the section “Use of Resources” to encourage energy saving have been incorporated throughout the operations in order to reduce the carbon footprint. The increase in GHG emission in 2022 was mainly due to the expansion of reporting scope with inclusion of an additional PRC office the reporting period. The Group will strive to reduce the emission of GHG by 5% by 2025.

GHG Emission	Unit	2022	2021
Scope 1 <sup>3</sup>	tonnes of CO <sub>2</sub> -e	2.46	2.92 <sup>4</sup>
Scope 2 <sup>5</sup>	tonnes of CO <sub>2</sub> -e	21.37	18.30
Total GHG emission	tonnes of CO <sub>2</sub> -e	23.83	21.22 <sup>4</sup>
GHG emission intensity	tonnes of CO <sub>2</sub> -e/m <sup>2</sup>	0.016	0.036 <sup>4</sup>

## Green office

We have implemented energy-saving, water-saving, paper-saving, and waste management measures in our office. We advocate the sorting of garbage, and encourage the recycling of recyclable waste; encourage paperless office, minimize the copying and printing of documents, advocate saving paper, double-sided printing and recycling waste paper, avoid unnecessary waste of paper; Encourage teleconferences and online meetings, promote green meeting mode; advocate energy saving, turn off all lighting, computers, printers and other electrical appliances in the office after work, turn off the lights in the meeting room in time, replace or purchasing electrical appliances, consider choosing electrical equipment that can save energy and protect the environment; use water-saving equipment with high water-saving efficiency, strengthen the daily management of water-using equipment, prevent long-term dripping and leakage, promote water conservation, and eliminate waste; meanwhile, we will also raise employees’ environmental awareness by sending environmental messages through email, posters, internal networks, and other media. It aims to strengthen environmental education for employees and increase the effectiveness of the relevant environmental protection measures.

## Hazardous and Non-hazardous Wastes

Waste management is considered as one of the material topics in environmental protection. The Group recognizes the importance of waste reduction. Waste management measures have been introduced and implemented to minimise the amount of waste generated and the impacts on the environment. In view of our business nature, no hazardous waste is generated or discharged during the office operation.

The Group takes initiatives to reduce waste by formulating effective measures. Generally, we have engaged qualified recycling companies to collect and handle the waste in accordance with the Prevention and Control of Environmental Pollution by Solid Waste in the PRC 《中華人民共和國固體廢物污染環境防治法》.

<sup>3</sup> Scope 1: Direct emission from sources that are owned or controlled by the Group.

<sup>4</sup> The year 2021 data has been restated for comparative purpose.

<sup>5</sup> Scope 2: Indirect emissions from purchased electricity consumed by the Group.



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



With the aim to reduce the amount of waste generated, the Group endeavours to cultivate environmental awareness among employees. In order to reduce the paper consumption, we encourage our employees to consider environmental-friendly printing such as double-sided printing and copying. We also encourage employees to reuse single sided non-confidential printouts. The amount of non-hazardous waste generated remained stable during the year. The Group has set comprehensive reduction target by 10% reduction in non-hazardous waste generation by 2025. The non-hazardous wastes generated by the Group during the reporting period are as follows:

Wastes	Unit	2022		2021	
		Value	Unit	Value	Unit
Non-hazardous waste generated	tonnes	0.24	tonnes	0.22	tonnes
Non-hazardous waste generated intensity	tonnes/employee	0.003	tonnes/employee	0.003	tonnes/employee

## A2. USE OF RESOURCES

The Group considers environmental protection as an essential component of a sustainable and responsible business. We have an in-depth understanding of the importance of safeguarding sustainable development of the environment and this attaches importance to efficient utilization of resources by introducing various measures in daily business operations. We understand that staff participation is the key to achieve such goals. We have adopted energy and water efficiency initiatives policies to motivate our employees to participate in resource conservation activities.

### Energy

Energy consumption represents the bulk of environmental impact of our operations. With the aims of resource saving and energy preserving, we actively incorporate the concepts of energy saving and emission reduction into the entire process of our business developments and operations and implements different energy saving measures. In order to improve efficiency of energy consumption, the Group strictly complies with the Energy Conservation Law of the PRC and the relevant regulations in the PRC. The Group also encourages employees to turn off the electronic appliances when they are not in use. Furthermore, the last person who leaves the office is required to double check the electronic appliances and ensure all of them are switched off. The increase in energy consumption in 2022 was mainly due to the expansion of reporting scope with inclusion of an additional PRC office during the reporting period. The Group will strive to reduce the energy consumption by 5% by 2025. The energy consumption of the Group during the reporting period was as follows:

Energy consumption	Unit	2022		2021	
		Value	Unit	Value	Unit
Purchased electricity	MWh	35.0	MWh	30.0	MWh
Petrol	MWh	10.0	MWh	12.2	MWh
Total energy consumption	MWh	45.0	MWh	42.2	MWh
Energy consumption intensity	MWh/m <sup>2</sup>	0.03	MWh/m <sup>2</sup>	0.07	MWh/m <sup>2</sup>

### Water

Water is an important natural resource. With the Group's business nature, the amount of water consumption is considered as minimal. Although we do not consume significant amount of water, we still actively seek ways to mitigate water consumption by raising employees' awareness of water saving through posting notices in pantries, washrooms and other working areas. We also encourage employees to turn off water taps after using. Running, dripping and long-flowing water are discouraged in our workplace.

During the year, we complied with Water Pollution Prevention and Control Law of the PRC 《中華人民共和國水污染防治法》. The decrease in water consumption in 2022 was mainly attributable to the work-from-home arrangement for coping with continuing COVID-19 and the effective implementation of water saving policies during the year.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



The water consumption of the Group during the reporting period was as follows:

<b>Water</b>	<b>Unit</b>	<b>2022</b>	<b>2021</b>
Water consumption	m <sup>3</sup>	1.0	1.5
Water consumption intensity	m <sup>3</sup> /m <sup>2</sup>	0.001	0.002

### A3. THE ENVIRONMENT AND NATURAL RESOURCES

The Group understands that implementing environmental protection policies can reduce operational risk and increase business opportunities. Regarding the business nature of the Group, we are not aware of any significant impacts of our business activities on the environment or natural resources. Despite this, we endeavour to consistently improve our environmental performance by implementing aforementioned waste reduction measures and resources saving initiatives. We will continue to seek opportunities to further reduce emission and resources consumption with the aim to reduce the impacts on environment and natural resources to minimal.

### A4. CLIMATE CHANGE

#### Governance

Our Group addresses climate-related risks based on the nature of the risk to our operations. The physical impacts of climate change, including extreme weather events, or damage to facilities have immediate operational impacts and are treated as operational risks. Long-term challenges, such as emerging ESG issues and climate-related risks and opportunities, may be discussed by the Group’s ESG Working Group.

Supported by our ESG Working Group, our Board oversees climate-related issues and risks regularly during board meetings and ensures that they are incorporated into our strategy.

To ensure our Board to keep up with the latest trend of climate-related issues, climate competence training will be provided to ensure it has the necessary expertise and skills to oversee the management of climate-related issues. Our Board also seeks professional advice from external experts when necessary to better support the decision-making process.

Our ESG Working Group provides effective governance for integrating and addressing ESG issues, including climate change, within our business. The ESG Working Group is responsible for approving operational emissions targets for the Group and commissioning an ESG benchmarking, as well as gap analysis exercise to identify gaps in both disclosure and policy relative to the best practice standards. Moreover, the ESG Working Group works closely with the Group’s different operation departments, with an aim to develop consistent and enhanced approaches on addressing ESG risk issues and report to the management.

#### Strategy

Climate change risk forms part of our overall risk profile through its role in increasing the frequency and intensity of certain diseases, and the health and mortality impacts resulting from natural disasters. We assess the overall level of risk by taking into consideration a range of diverse risk factors across the many categories in our services range. This diversity of risk is combined with our business strategy and broad geographic footprint helps us mitigate risk and provide protection against the impacts of short-term climate change effects.

Our services continue to provide protection for people in our communities against weather and heat-related disease. Besides, we continue to explore opportunities to engage our business partners and encourage them to develop climate resilience and reduce their operational carbon footprint by taking into consideration of different climate-related scenarios, including a “2°C or lower scenario” through the following steps:

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



## Step 1: Set Future Images Assuming Climate Change Effects

As climate change measures proceed, there is a possibility that the industry will be exposed to substantial changes, such as stricter policies including the introduction of and increases in carbon pricing, as well as advances in technology and changes in customer awareness.

In light of these climate change effects, based on the International Energy Agency ("IEA") scenarios and others, we developed multiple future images as the external environment that will surround our Group. With regard to the IEA scenarios, we put focus on the 2°C scenario (2DS) and pictured future images in case where climate change measures do not progress and where such measures progress further "Beyond 2°C scenario".

## Step 2: Consider the Impacts

We considered the impacts on our Group for each of the future images developed in Step 1. We believe that in such a society, it will be possible to expand carbon dioxide reduction effects.

With regard to effects on raw material procurement, introduction of and increases in carbon pricing is anticipated in accordance with the global advance of climate change measures, leading to the possibility of higher raw material procurement and operating costs.

On the other hand, in the case where climate change measures are not adequate throughout society, operation interruptions and supply chain disruptions are likely to increase as a result of higher frequency and intensification of natural disasters such as flooding.

## Step 3: Respond to the Strategies

Our Group will begin promoting the reduction of non-renewable energy in our daily operation. This strategy will allow for flexible and strategic responses to each demand for the regions where the emission factors of purchased electricity consumptions are high. By promoting real carbon emissions reductions throughout the world through comprehensive energy-saving policies and introduction of renewable energy, we are working to achieve zero carbon emission in our business.

We minimize carbon emissions through comprehensive energy-saving and introduction of renewable energy. With respect to renewable energy in particular, we have set a new target, achieve a reduction rate for purchased electricity in coming few years.

With regard to the ongoing confirmation of the suitability and progress of the Group's strategies, we believe that we will have opportunities for stable funding and sustainable increases in corporate value through appropriate information disclosure, dialogue with institutional investors and other stakeholders.

## Risk Management

Our Group identifies the climate change related risks or to test the existing risk management strategies under climate change with the aid of risk assessment. Hence, the areas where new strategies are needed could be identified.

The risk assessment takes a standard risk-based approach using national data, local information and expert knowledge, which can identify how climate change may compound existing risks or create new ones. The risk assessment is conducted through the following steps:

### Step 1: Establish the context

- Objective/goal
- Scale
- Time frame
- Climate change scenario for most climate variables and sea level

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



**Step 2: Identify existing risk (past and current)**

- Identify the record of occurrence of climatic hazard in the past in the area
- Risk management strategies in place to tackle future occurrence of the hazard

**Step 3: Identify future risk and opportunities**

- Explore climate change projections for the selected time frame(s) and emission scenario(s)
- Identify potential hazards
- Investigate whether any existing risk from Step 2 may get worse under future projected changes
- Identify new risks that can emerge under future projected changes

**Step 4: Analyse and evaluate risk**

- Identify a set of decision areas or systems (i.e., geographical areas, business operation, assets, ecosystems, etc.) that has the potential to be at risk in future

As outlined within the Governance section above, the Group has robust risk management and business planning processes that are overseen by the board of directors in order to identify, assess and manage climate-related risks. The Group engages with government and other appropriate organizations in order to keep abreast of expected and potential regulatory and/or fiscal changes.

We continue to raise awareness of climate change in regard to monitoring of carbon and energy footprint in our daily operation. However, there remains gaps in understanding how such climate risks and opportunities may impact our operations, assets and profits. Our Group assesses how the business addresses climate change risks and opportunities and takes the initiative to monitor and reduce their environmental footprint.

**Significant Climate-related Issues**

During the reporting period, the significant climate-related physical risks and transition risks, which have impacted and/or may impact our Group’s business and strategy in (i) operations, products and services, (ii) supply chain and value chain, (iii) adaptation and mitigation activities, (iv) investment in research and development, and (v) financial planning, as well as the steps taken to manage these risks, are as follows:

Climate-related risks description	Financial Impact	Steps taken to manage the risks
<p><b>Physical Risk</b></p> <p>Acute physical risks</p> <ul style="list-style-type: none"> <li>• Increased severity and frequency of extreme weather events such as cyclones and floods. These have the potential to cause both idiosyncratic and systemic risks, resulting in potential damage to machinery and equipment.</li> </ul>	<ul style="list-style-type: none"> <li>• Operating cost and repairing expense increase</li> </ul>	<ul style="list-style-type: none"> <li>• Planned to establish a natural disasters emergency plan.</li> <li>• Planned to devise an action plan to articulate the goals and targets of the reductions in GHG emission and energy consumption. Outlined the plan to achieving those targets and defined responsibilities.</li> </ul>

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



Climate-related risks description	Financial Impact	Steps taken to manage the risks
<p><b>Chronic physical risks</b></p> <ul style="list-style-type: none"> <li>Changes in precipitation patterns and extreme variability in weather patterns. Frequent extreme weather events and rising in sea levels are likely to pose disruptions to communities across the region over the long term, affecting economic output and business productivity.</li> <li>Governments that have been pushing for new regulation to reduce GHG emission will pose a threat to financial performance of a business and increase regulatory risk.</li> </ul>	<ul style="list-style-type: none"> <li>Revenue reduces</li> <li>Operating cost increases</li> </ul>	<ul style="list-style-type: none"> <li>Planned improvements, retrofits, relocations, or other changes to facilities that may reduce their vulnerability to climate impacts, and increases climate resilience in long term.</li> <li>Record the energy consumption to identify peaks in usage, thus significant savings could be determined.</li> <li>Engaged with local or national governments and local stakeholders on local resilience.</li> </ul>
<p><b>Transitional Risk</b></p> <p>Policy risk</p> <ul style="list-style-type: none"> <li>As a result of energy efficiency requirements, the carbon-pricing mechanisms by the PRC Government, which increase the price of fossil fuels.</li> </ul>	<ul style="list-style-type: none"> <li>Operating cost increases</li> </ul>	<ul style="list-style-type: none"> <li>Planned to conduct a carbon footprint survey, in order to work out the company's footprint, to prioritize energy and waste reductions.</li> <li>Monitor the updates of the relevant environmental laws and regulations against existing services, to avoid the unnecessary increase in cost and expenditure due to non-compliance.</li> </ul>
<p><b>Legal risk</b></p> <ul style="list-style-type: none"> <li>Exposure to litigation risk. We have to adapt the tightened law and regulations imposed by the government due to climate change, as well as bear the risk of potential litigation once we fail to obligate the new regulations.</li> <li>Enhanced air pollutant emissions-reporting obligations for local government, and we may have to spend more time on fulfilling the ESG reporting standards to comply with the Hong Kong Listing Rules.</li> </ul>	<ul style="list-style-type: none"> <li>Operating cost increases</li> </ul>	<ul style="list-style-type: none"> <li>Monitored the updates of environmental laws and regulations and implemented GHG emissions calculations in advance.</li> <li>Continued monitoring of the ESG reporting standards of the Hong Kong Listing Rules.</li> </ul>



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



Climate-related risks description	Financial Impact	Steps taken to manage the risks
-----------------------------------	------------------	---------------------------------

**Technology risk**

- |   |  |  |
|---|--|--|
| <ul style="list-style-type: none"> <li>• Low-carbon, energy-saving technologies are launched. Lagging behind of technology advancement may weaken our competitive edges.</li> </ul> | <ul style="list-style-type: none"> <li>• Capital investment increases</li> <li>• Research and Development (R&amp;D) expense increases</li> </ul> | <ul style="list-style-type: none"> <li>• Planned to invest in the innovations of energy saving services.</li> <li>• Examined the feasibility and benefits of applying the latest low-carbon and energy-saving technologies into our operation</li> </ul> |
|---|--|--|

**Market risk**

- |   |   |   |
|---|---|---|
| <ul style="list-style-type: none"> <li>• More customers are concerned about climate-related risks and opportunities, which may lead to changes in customer preference.</li> <li>• Inability to attract co-financiers and/or investors due to uncertain risks related to the climate.</li> </ul> | <ul style="list-style-type: none"> <li>• Revenue decreases</li> <li>• Operating cost increases</li> <li>• Service cost increases</li> </ul> | <ul style="list-style-type: none"> <li>• Fulfilled the climate-related regulations by the government.</li> <li>• Prioritize the climate change as a high concern in the market decisions to show to the clients that the company is concerned about the problem of climate change.</li> </ul> |
|---|---|---|

**Reputational risk**

- |   |  |   |
|---|--|---|
| <ul style="list-style-type: none"> <li>• Risk of stigmatization of our business sector, as there will be more stakeholder concern or negative stakeholder feedback on our Group.</li> <li>• Negative press coverage related to support of our Group’s business projects or activities with negative impacts on the climate (e.g., GHG emissions and energy conservation), which may affect our reputation and image.</li> </ul> | <ul style="list-style-type: none"> <li>• Revenue decreases</li> <li>• Operating costs increases</li> </ul> | <ul style="list-style-type: none"> <li>• Fulfilled the social responsibility by organizing more public relation activities to show how our Group places importance on climate change.</li> <li>• Reviewed the business projects to ensure the operation and the projects are environmental-friendly.</li> </ul> |
|---|--|---|

During the reporting period, the primary climate-related opportunities and the corresponding financial impacts were as follows:

Detailed description of climate-related opportunities	Financial Impact
---	------------------

**Resource efficiency**

- |   |   |
|---|---|
| <ul style="list-style-type: none"> <li>• Use of more efficient modes of transport</li> <li>• Use of more efficient production and distribution processes</li> <li>• Use of recycling</li> <li>• Reduce water consumption</li> </ul> | <ul style="list-style-type: none"> <li>• Operating cost reduces through efficiency gains and cost reductions</li> </ul> |
|---|---|

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



Detailed description of climate-related opportunities	Financial Impact
---	------------------

**Energy source**

- Use of lower-emission sources of energy
- Use of supportive policy incentives
- Use of new technologies
- Shift toward decentralized energy generation

- Operating cost reduces through use of lowest cost abatement
- Returns on investment in low- emission technology increases

**Products and services**

- Development of climate adaptation and insurance risk solutions
- Ability to diversify business activities
- Development of new products or services through R&D and innovation

- Revenue increases through new solutions to adaptation needs, such as insurance risk transfer of products and services

**Markets**

- Access to new markets

- Revenue increases through access to new and emerging markets

**Resilience**

- Participation in renewable energy programs and adoption of energy-efficiency measures
- Resource substitution or diversification

- Market valuation increases through resilience planning, such as planning of the research in the use of electric vehicles
- Reliability of supply chain and ability to operate under various condition increases
- Revenue increases through new products and services related to ensuring resiliency

**Metrics and Targets**

Our Group adopts the key metrics to assess and manage climate-related risks and opportunities. The energy consumption and greenhouse gas (GHG) emissions indicators are the key metrics used to assess and manage relevant climate-related risks where we consider such information is material and crucial for evaluating the impact of our operation on global climate change during the year. Our Group regularly tracks our energy consumption and GHG emissions indicators to assess the effectiveness of emission reduction initiatives, as well as set targets to contribute our effort to have minimal impact on global warming.

The details of time frames over which the target applies and base year from which progress is measured are described in the section A1: "Emissions" and section A2: "Use of Resources" of this Report. Our Group adopts absolute target to manage climate-related risks, opportunities and performance.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



## B. SOCIAL ASPECTS

### EMPLOYMENT AND LABOUR PRACTICES

#### B1. EMPLOYMENT

The Group recognizes that maintenance of strong, healthy and friendly business relations with employees, as business connection, whether internal or external, is the foundation for the Group's success and development.

Our Group highly considers employees as important assets and is committed to earning respect from employees, maintaining work-life balance, and enabling them to grow together with us. With a goal of understanding the needs and interests of communities where our Group operates, we take our own initiatives to actively contribute to society in various ways.

The Group values staff and their contribution. We believe that people are our important assets and are crucial to the business success of our Group. We are committed to providing a favourable working environment where our employees can thrive. We have a set of human resources management policies and procedures in place with the aim of providing a good working environment to employees where they could have a safe and healthy workplace to engage and perform to the satisfaction of the Group. These policies and procedures not only ensure the Group's compliance of the relevant labour laws and regulations in the PRC, but also set out the Group's standard of staff recruitment, promotion guidelines, remuneration scale, working hours, rest breaks, holidays as well as termination of employment and compensation matters. During the reporting period, the Group fully complied with all of the relevant laws and regulations in the region we operated, including the Labour Contract Law of the PRC and the Labour Law of the PRC.

The Group respects the employees' rights. All employees are treated equally. Their employment, remuneration and promotion are not affected by their social identities such as ethnicity, race, nationality, gender, religion, age, sexual orientation, political faction and marital status. The Group formulates and regularly reviews the human resources plan in accordance with its development plan and strategic goals.

The Group acknowledges the importance of work-life balance and strives to maintain a supportive and relaxing working environment for our employees. We recognize that a proper balance between work and rest can help employees to realize their full potential. We strictly comply with the working hours and statutory holidays under the related laws and regulations at places where the businesses operate.

We organize activities such as a birthday celebrations and anniversary events for employees to relax and strengthen their sense of belongings. We also adopt working hour flexibility practice to allow our employees to balance work and family responsibilities.

The Human Resources Department will recruit talents through a variety of methods. Our consideration criteria for talent recruitment include education background, work experience, and other relevant conditions. Besides, we strictly comply with the recruitment process Law of the People's Republic of China on the Protection of Minors and Provisions on Prohibition of Child Labor. We are also forbidden to employ child labor as defined by laws and regulations. During the personal information collection, suitable candidates are required to provide personal identification documents for verification. The Human Resources Department will check the identification documents carefully to ensure the recruited employees are legally compliant with laws and regulations. Based on equality and voluntariness, we will sign a legally binding labor contract with new employees to protect the rights and interests of both parties following the legal regulations and consensus.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



At the end of the reporting period, the Group's has 71 employees (2021: 77 employees) in the PRC. Below is the employee breakdown by gender, age group, employment category and geographical region.

## Employee compositions

### By gender

- Male
- Female

### By age group

- Age 30 or below
- Age 31-50

### By geographical region

- The PRC
- Hong Kong

### By employment type

- Senior management
- Middle management
- General staff
- Contract/short term staff

	2022	2021
Male	39%	43%
Female	61%	57%
Age 30 or below	66%	61%
Age 31-50	34%	39%
The PRC	100%	100%
Hong Kong	–	–
Senior management	1%	7%
Middle management	13%	10%
General staff	86%	83%
Contract/short term staff	–	–

The employee turnover rates by gender, age group and geographical region during the reporting period are as follows:

## Employee turnover rate

### By gender

- Male
- Female

### By age group

- Age 30 or below
- Age 31-50

### By geographical region

- The PRC
- Hong Kong

### Overall

	2022	2021
Male	100%	82%
Female	60%	52%
Age 30 or below	94%	62%
Age 31-50	100%	70%
The PRC	99%	100%
Hong Kong	–	–
Overall	99%	58%

## Promotion and employee resignation

The Group provides equal promotion opportunities to employees. We help each employee set their working goals and evaluate their performance annually. Employees will also communicate with their immediate supervisors on their performance to facilitate effective communication. Employees can voluntarily terminate the employment relationship, but they are required to complete their handover work within the notice period as stipulated in the contract.

## B2. HEALTH AND SAFETY

The Group takes into consideration for every precaution to establish a healthy and safe working environment for its employees. We place the highest priority on securing the health and safety of all employees. In order to ensuring occupational health and safety of our employees, we strictly comply with the Treatment of Occupational Diseases in PRC and other applicable laws and regulations. We maintain a healthy and safe workplace for our employees. Reviews will be conducted with immediate follow-up actions and improvements whenever necessary. During the reporting period, there was no work injury cases (2021: nil, 2020: nil) and no lost days due to work injury (2021: nil, 2020: nil) in our business operation. There was no work-related fatality case (2021: nil, 2020: nil) during the year.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



The Group not only strictly complies with relevant laws and regulations such as the Labour Law of the PRC and Prevention and Control of Occupational Diseases of the PRC, but also proactively formulates internal policies and standards related to specific business departments of the Group. We support a culture that enhances the health and safety awareness of our employees in order to minimise the risk of work-related injury. In order to ensure that our employees are able to carry out their daily work in a comfortable environment, we will install or replace office equipment if needed, and provide them with all the necessary equipment for protection against work-related injuries. We also provide medical benefits for our employees and establish work arrangement for typhoon and rainstorm warning.

With the above measures implemented, there was no work-related fatal or injury during the reporting period. The Group was not aware of any non-compliance with relevant laws and regulations that had significant impact on the Group in providing a safe and healthy working environment during the reporting period.

## Employee benefits

We have standardized our welfare management intending to express care and inspire enthusiasm at work. In addition to the Five Social Insurances, One Housing Fund, and statutory holidays stipulated in China, we will also provide employees with annual leave, bereavement leave, marriage leave, maternity leave, sick leave, etc.

We will arrange an annual health check for all employees in March and April. Employees aged 35 above will offer an upgraded comprehensive physical health check. In addition to physical health, we also care about employees' mental health. Hence, the Group regularly organizes various festive and special activities celebrations, which helps employees to have a work-life balance lifestyle.

## B3. DEVELOPMENT AND TRAINING

The Group recognizes that the continuous development of its employees is the key to its success. We believe that people development enacts a vital role of the fundamental basis for business growth. Each new employee will receive a formal induction to prepare him/her for his/her role and job responsibilities. We not only provide customized training to our employees to enhance their technical and product knowledge, but also encourage employees to actively take part in external trainings to strengthen their skills, knowledge, and professionalism. Eligible employees will also be offered financial assistance for qualified training programs to support their personal growth and career advancement. The detailed breakdown of the percentage of employee trained is as follows:

### Percentage of employee trained

#### By gender

- Male
- Female

#### By employment type

- Senior management
- Middle management
- General staff

	2022	2021
Male	100%	100%
Female	100%	100%
Senior management	100%	100%
Middle management	100%	100%
General staff	100%	100%

Composition breakdown of trained employees were follows:

### Composition of Employees Received Training

#### By gender

- Male
- Female

#### By employment category

- Senior management
- Middle management
- General staff

	2022	2021
Male	44%	43%
Female	56%	57%
Senior management	5%	6%
Middle management	8%	10%
General staff	87%	84%



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



Besides, the detailed breakdown of the average training hours completed by each employee is as follows:

## Average training hours (hours/employee)

### By gender

- Male
- Female

### By employment type

- Senior management
- Middle management
- General staff

	2022	2021
Male	28.7	12.0
Female	26.2	12.0
Senior management	78.5	72.0
Middle management	50.8	48.0
General staff	19.2	12.0

## B4. LABOUR STANDARDS

Our employment practices are in compliance with applicable laws and regulations. Strictly abiding by the Provisions on the Prohibition of Using Child Labour of the PRC, the Labour Law of the PRC, the Labour Contract Law of the PRC and other laws and regulations, the Group prohibits the employment of child labour and forced labour. We will review the actual age of new hires by checking their identity documents and making detailed records. Under the overtime work management system of the Group, staff can receive rest periods or overtime subsidy based on the nature of overtime work to avoid involuntary overtime work. We respect employees' right of association and collective bargaining via legal and peaceful means.

During the reporting period, we were not aware of any non-compliance cases in relation to applicable employment laws and regulations.

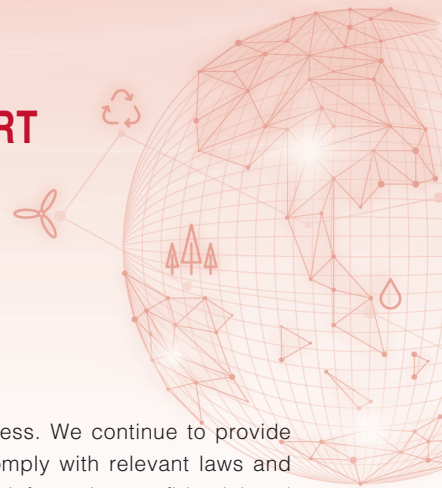
## OPERATING PRACTICES

### B5. SUPPLY CHAIN MANAGEMENT

The Group recognizes suppliers as valuable stakeholders within the supply chain as their responsible business behaviours are important in contributing to quality excellence, operational efficiency and good reputation of the Group. We strive to cooperate with local suppliers whenever possible to promote local economy and strengthen the control of environmental risks related to supply chain management. During the reporting period, the Group had 106 suppliers (2021: 75 suppliers) which were located in the PRC, 12 suppliers (2021: 2 suppliers) in Hong Kong, 1 supplier (2021: 1 supplier) in U.S.A., 1 supplier (2021: 1 supplier) in Canada and 1 supplier (2021: 1 supplier) in Cayman Island.

We will give higher priority to cooperating with suppliers with sustainable development concept, and give priority to adopting environmentally friendly products and services that caused lower environmental impacts. Moreover, our suppliers are also required to comply with the minimum applicable local law requirement. It aims to safeguard the mutual interest and promote a sound relationship between both parties. Our suppliers are required to comply with all local and national laws and regulations related to unethical conduct, bribery, corruption, and other prohibited business practices. If a supplier is found to be in violation of our policies or contractual requirements, we will terminate future cooperation until the situation improves.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



## **B6. PRODUCT RESPONSIBILITY**

The Group regards product and service quality as a key competitive advantage of its business. We continue to provide high-quality products and services in order to enhance customer satisfaction. We strictly comply with relevant laws and regulations, including but not limited to the Cybersecurity Law of the PRC, and keep the user information confidential and we take measures to safeguard the safe and stable operation of the network system. The management plays a vital role in communicating with customers and understanding their needs. Thus, it has maintained years of business relationships with its key customers and ensured the end-product and service could fit for the users. The Group has strictly abided by the relevant laws and regulations, such as the Copyright Law of the PRC, in order to protect data and privacy of customers. During the reporting period, we were not aware of any non-compliance regarding product responsibility. During the reporting period, no material products and service-related complaint (2021: nil) was received, and no products sold or shipped (2021: nil) were subjected to recalls for safety and health reasons.

### ***Information system***

Our business involves the collection, use, analyze, and storage of customer information, and hence, one of our essential aspects is to ensure the security of business information. The Group strictly complies with Regulations of the People's Republic of China for Safety Protection of Computer Information Systems, Cybersecurity Law of the People's Republic of China, Regulations on Technical Measures for Cybersecurity, Regulation on Internet Information Service of the People's Republic of China, Administrative Measures for the Security Protection of Computer Information Networks Linked to the Internet and other relevant laws and regulations to maintain comprehensive information security.

We have established the following behaviors to strengthen the Group's information security management and prevent any information security incidents.

### ***Information security***

- Set a password for the computer;
- Make regular backups to prevent data loss;
- Regularly check and kill viruses and clean up junk files;
- Keep the backup files in the database properly to prevent illegal copying and damage;
- Strictly forbid to copy the information without authorization and transfer it to any unit or individual; and
- If a sudden information security incident occurs, it will be dealt with promptly according to the established procedures, etc.

### ***Protection of intellectual property rights***

The Group strictly abides by the Advertising Law of the People's Republic of China, Patent Law of the People's Republic of China, Implementation Rules of the Patent Law of the People's Republic of China, Trademark Law of the People's Republic of China, Intellectual Property Law of the People's Republic of China and other laws and regulations. We respect and protect intellectual property rights in ourselves and the market, and regulate intellectual property management, including trademark rights, patent rights, copyrights, etc.

The Group has established an intellectual property management system to improve the company's management system for intellectual property applications and raise employees' awareness of intellectual property rights protection. Our employees must protect the intellectual property rights of the company from infringement. We strictly protect our intellectual property rights. No one is allowed to take advantage of their powers, work convenience, or other improper means to disclose, publish, use, or license the intellectual property rights of the company.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



## Customer services

We have established a comprehensive complaint mechanism to handle disputes and complaints efficiently. We have several channels to receive complaints information, such as email and complaint hotlines. To avoid improper and inappropriate complaints, we will record the complaint content and determine the responsibility in handling complaints. We will investigate and analyze the complaint reasons and provide corresponding solutions before liaising with the relevant business departments to improve countermeasures. During the Reporting Period, we did not receive any complaints from customers.

## Product quality

The Group strictly abides by the Law of the People's Republic of China on the Protection of Consumer Rights and Interests and relevant laws and regulations of the industry. We have been committed to providing health products and excellent services to customers. During the Reporting Period, no products and services were subject to recalls because of safety and health reasons.

## B7. ANTI-CORRUPTION

The Group holds itself to the highest level of integrity and ethical standards upon its businesses. The Group strictly complies with the Criminal Law of the PRC and any other applicable laws and regulations. Therefore, it formulates a set of policy guidelines for the employees, under which any kinds of bribery and corruption practices are strictly forbidden. There is also a comprehensive system for declaration of interests, as well as a sound reporting mechanism for any suspicious activities. The company's internal audit department is responsible for handling all the relevant anti-corruption reporting matters. Once a misconduct case is discovered and confirmed, the employee will be subject to disciplinary action and the case will be reported to related governing body when necessary.

The Group strictly prohibits staff from soliciting and accepting advantages such as money, gifts and contracts without prior approval by the Group. Besides, we actively encourage staff to avoid any situations which may constitute bribery, so as to prevent any kinds of corruption.

We provide safe and confidential reporting channels which encourage employees to report suspected violation incidents on business ethics. We will handle the reported information carefully and conduct a fair and impartial investigation and adopt corrective measures for the reported misconduct case. If the reported incidents are true and verified, we will handle the case with the relevant personnel following the laws and regulations.

During the reporting period, the Group was not aware of any non-compliance with the relevant laws and regulations that had significant impact on the Group relating to corruption practices was brought.

Every year, the Group provides regular anti-corruption training sessions to employees at all levels from Directors, senior management to general staff to promote corporate governance integrity and also raise staff awareness towards anti-corruption issues. The composition breakdown of trained employees by employment position was as follows:

### Anti-corruption Training

#### Number of employees received anti-corruption training

- Board
- Senior management
- Middle management
- General staff

Total employees

#### Number of anti-corruption training hours

- Board
- Senior management
- Middle management
- General staff

Total number of anti-corruption training hours

	2022	2021
	6	7
	6	11
	9	13
	96	71
	117	102
	288	336
	288	528
	432	624
	1,152	852
	2,160	2,340

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



## COMMUNITY

### B8. COMMUNITY INVESTMENT

The Group believes that our success comes from the society. As a socially responsible company, the Group is committed to understanding the needs of the communities in which we operate. We encourage our employees to pursue their personal passions and dedicate their time and skills to supporting local communities. We strive to develop long-term relationships with our stakeholders and bring a positive impact on community development.

The Group does not only actively develop business but also continuously supports various community engagement to contribute to the community. In the future, other than actively cooperating with charities, the Group will also participate in different community investments and charitable activities. In such a way, employees can gain an in-depth understanding of the community's needs and opinions through participating in charitable welfare activities and cultivating a good habit of contributing to society.

The Group's business is closely related to the construction of the community. Meanwhile, the resources and support from the community also enable us to conduct continual development. Besides, the Group encourages employees to participate in voluntary projects and (or) community activities and strive to bring positive impacts in different aspects of community building. In the future, we will fully utilize our business advantages to devote more resources to charitable welfare activities and make more contributions to the community.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING INDEX

Subject areas, aspects, general disclosures and Key Performance Indicators (KPIs)		Sections	Pages
<b>A. Environmental</b>			
<b>A1: Emissions</b>			
<b>General Disclosure</b>		"Emissions"	6
KPI A1.1	The types of emissions and respective emissions data	"Emissions – Air Pollutant Emissions"	6
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity.	"Emissions – Greenhouse Gas Emission"	7
KPI A1.3	Total hazardous waste produced and, where appropriate, intensity	No hazardous waste was produced during the year	N/A
KPI A1.4	Total non-hazardous waste produced and, where appropriate, intensity	"Emissions – Hazardous and Non-hazardous Wastes"	8
KPI A1.5	Description of emission target set and steps taken to achieve them	"Emissions – Air Pollutant Emissions", "Emissions – Greenhouse Gas Emission"	6, 7

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



Subject areas, aspects, general disclosures and Key Performance Indicators (KPIs)		Sections	Pages
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target set and steps taken to achieve them	"Emissions – Hazardous and Non-hazardous Wastes"	7-10
<b>A2: Use of Resources</b>			
<b>General Disclosure</b>		"Use of Resources"	8
KPI A2.1	Direct and/or indirect energy consumption by type in total and intensity	"Use of Resources – Energy Consumption"	8
KPI A2.2	Water consumption in total and intensity	"Use of Resources – Water Consumption"	9
KPI A2.3	Description of energy use efficiency target set and steps taken to achieve them	"Use of Resources – Energy Consumption"	8
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target set and steps taken to achieve them	"Use of Resources – Water Consumption"	8
KPI A2.5	Total packaging material used for finished products and, if applicable, with reference to per unit produced	No significant amount of packaging materials was consumed during the year	N/A
<b>A3: The Environment and Natural Resources</b>			
<b>General Disclosure</b>		"The Environment and Natural Resources"	9
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	No significant impacts of activities on the environment and natural resources during the year	N/A
<b>A4: Climate Change</b>			
<b>General Disclosure</b>		"Climate Change"	9-11
KPI A4.1	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	"Climate Change"	11-14
<b>B. Social</b>			
<b>Employment and Labour Practices</b>			
<b>B1: Employment</b>			
<b>General Disclosure</b>		"Employment"	15
KPI B1.1	Total workforce by gender, employment type, age group and geographical region	"Employment"	16



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



Subject areas, aspects, general disclosures and Key Performance Indicators (KPIs)		Sections	Pages
KPI B1.2	Employee turnover rate by gender, age group and geographical region	“Employment”	16
<b>B2: Health and safety</b>			
<b>General Disclosure</b>		“Health and Safety”	16
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”	16
KPI B2.2	Lost days due to work injury	“Health and Safety”	16
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	“Health and Safety”	17
<b>B3: Development and Training</b>			
<b>General Disclosure</b>		“Development and Training”	17
KPI B3.1	The percentage of employees trained by gender and employee category	“Development and Training”	17
KPI B3.2	The average training hours completed per employee by gender and employee category	“Development and Training”	18
<b>B4: Labour Standards</b>			
<b>General Disclosure</b>		“Labour Standards”	18
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour	“Labour Standards”	18
KPI B4.2	Description of steps taken to eliminate such practices when discovered	“Labour Standards”	18
<b>Operating Practices</b>			
<b>B5: Supply Chain Management</b>			
<b>General Disclosure</b>		“Supply Chain Management”	18
KPI B5.1	Number of suppliers by geographical region	“Supply Chain Management”	18
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	“Supply Chain Management”	18
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”	18

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



Subject areas, aspects, general disclosures and Key Performance Indicators (KPIs)		Sections	Pages
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"	18
<b>B6: Product Responsibility</b>			
<b>General Disclosure</b>		"Product Responsibility"	19
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	"Product Responsibility – Customer Relations"	19
KPI B6.2	Number of products and service related complaints received and how they are dealt with	"Product Responsibility – Customer Relations"	19
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights	"Product Responsibility – Copyrights Management"	19
KPI B6.4	Description of quality assurance process and recall procedures	"Product Responsibility – Food Health and Safety at Cinemas"	20
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	"Product Responsibility – Personal Data Protection and Privacy Policy"	19
<b>B7: Anti-corruption</b>			
<b>General Disclosure</b>		"Anti-corruption"	20
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 case	No concluded legal case regarding corrupt practices brought against the issuer or its employees during the reporting period	N/A
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	"Anti-corruption"	20
KPI B7.3	Description of anti-corruption training provided to directors and staff.	"Anti-corruption"	20
<b>Community</b>			
<b>B8: Community Investment</b>			
<b>General Disclosure</b>		"Community Investment"	21
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)	"Community Investment".	21
KPI B8.2	Resources contributed (e.g. money or time) to the focus area	"Community Investment".	21



Doumob  
豆盟科技有限公司