



UNITY GROUP
知行集團

Unity Group Holdings International Limited

知行集團控股國際有限公司

(incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號 : 1539

2022/23

Environmental, Social and
Governance Report

環境、社會及管治報告




ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ABOUT THE GROUP


Who We Are

As one of the leading Energy Services Companies (“**ESCO**”) and ESG service providers in Asia, Unity Group Holdings International Limited and its subsidiaries (collectively as the “**Group**” or “**we**”) provide customised technologies and consultancy services to achieve the highest level of energy efficiency and maximise returns for our clients. Over the past decade, the Group has transformed from an energy efficiency consultancy focusing on lighting solutions into an integrated green solutions provider, which provides solutions including a wide diversity of energy efficiency technologies, renewable energy, energy storage and vertical indoor farming. We strive to adapt and maximise the value of our client’s assets through industry-leading, effective, and practical research and developments.




Energy Efficiency Technology

LED lightings retrofit, cooling optimisation to achieve energy savings




Renewables

Project planning and management with solar power plant solutions from inception to plant end-of-life



Energy Storage & Distributed Energy

Energy storage solutions to reduce energy cost, minimise dependence on fossil fuels and increase reliability of renewable energy



Digital Vertical Indoor Farming

Self-developed indoor vertical farming system leveraging our lighting technology as solution to global food security issue

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Our Vision, Mission and Core Values

The Group's vision, mission and core values consolidate our commitment to sustainability and corporate responsibility, optimising our role as an integrated green technology and ESG pioneer to make a positive impact on our customers and society.

Vision

We take it upon ourselves to protect the environment for a sustainable future. Fast becoming the most preferred, most trustworthy partner in the industry, we deliver the most professional, best-in-class energy solutions to our clients.

Mission

We take it upon ourselves to give back to the community. By using cutting-edge technology to revolutionise green technology projects, we support our customers and society to achieve "peak carbon dioxide emissions" and "carbon neutrality" earlier than planned.

- to support Hong Kong achieve carbon neutrality by 2050
- to support mainland China achieve carbon peak and carbon neutrality
- to share gains with our customers
- to develop comprehensive and innovative greentech technologies

Core Value



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ABOUT THE REPORT

The Group is pleased to publish the Environmental, Social and Governance (“**ESG**”) Report 2022/2023 (“**ESG Report**”), which aims to outline its sustainability management approaches, policies and measures, and provide an overview of its ESG performance for the period from 1 April 2022 to 31 March 2023 (the “**Reporting Period**” or “**FY2022/23**”), in order to demonstrate its commitment to sustainable development. The ESG Report is prepared in both Chinese and English and is available on the websites of Hong Kong Exchanges and Clearing Limited (the “**HKEX**”) (www.hkexnews.hk) and the Group (www.unitygroup.eco).

Reporting Boundary

The ESG Report mainly covers the Group’s core business operations in Hong Kong and Malaysia, including trading of energy saving products, leasing services of energy saving systems and related consultancy services. The reporting scope remains the same as the previous years. Disclosure of workforce and training data is made on the Group-wide basis, which covers operations in Hong Kong, Mainland China and Malaysia, while the environmental key performance indicators (“**KPIs**”) and other social KPIs cover operations in Hong Kong and Malaysia. The Group will continue to review its business operations and development and make appropriate adjustments as needed.

Reporting Principles

The ESG Report is prepared in accordance with the Environmental, Social and Governance Reporting Guide (the “**ESG Guide**”) as set out in Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, and has complied with the Mandatory Disclosure Requirements and “Comply or explain” Provisions. The Group has applied the following four reporting principles during the preparation of the ESG Report:

Reporting principles	Definition	Application
Materiality	The report should focus on disclosing ESG issues that have significant impacts on the Group and stakeholders.	The Group has identified material ESG issues through a materiality assessment during the Reporting Period and made key disclosures in this ESG Report. Please refer to the “Materiality Assessment” section for further detail.
Consistency	Disclosure and statistical methodologies of the report should be consistent, to foster meaningful comparisons of relevant data.	Unless otherwise stated, the Group has adopted consistent methodologies in preparing this ESG Report, to allow meaningful comparisons over time.

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Reporting principles	Definition	Application
Balance	The report should present ESG performance in an impartial manner, allowing readers to objectively evaluate the overall performance of the Group.	The Group has presented the ESG performance of the Group in an objective manner, to ensure unbiased and comprehensive disclosure.
Quantitative	KPIs and relevant data of the report should be measurable, and historical data should be provided where appropriate, to allow comparison and evaluation of the effectiveness of ESG policies and management systems.	The Group has recorded and disclosed quantitative KPIs where feasible, including information on the standards, methodologies, assumptions, sources of conversion factors used and comparative data.

Confirmation and Approval

The Group acknowledges its responsibility to ensure the accuracy and reliability of the ESG Report. All information in the ESG Report is sourced from the internal policy documents and statistical data of the Group, which has been presented in a fair and transparent manner. The Board has reviewed and approved this ESG Report on 30 June 2023.

Opinion and Feedback

The Group welcomes and values all comments and suggestions on the ESG Report as well as its sustainability performance. Should you have any feedback, please contact us via ir@unitygroup.eco.

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PERFORMANCE HIGHLIGHTS

Highlights in 2022/23

The Group makes a conscious effort to run our business in the most effective, environmentally friendly and ethical way. We constantly record and review our sustainability performance to seek improvement and progression towards sustainable development.



Environmental

Greenhouse gas emission: 148.87 tons CO₂e

Energy consumption: 48,549.00 kWh

Waste: 0.16 tons

Water consumption: 1,441.50 m³

Verified carbon credits obtained: 50,000 tons of carbon emissions



Social

Total number of employees: 57

Work-related injuries and fatalities : 0

Total number of training hours : 603.50

Average number of training hours: 10.59

Total number of suppliers worldwide: 18

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Awards and Recognition

We take pride in the significant awards and positive acknowledgement we have received for our commitment to developing low-carbon technology and fulfilling corporate responsibility over the years. Moving forward, we will continue our efforts to contribute to the community. The following are our awards and recognition in the past five years:

10,000 Steps a Day Walking Challenge

8,000 Steps Achievement Award (八千步達標成功大獎)

By Occupational Safety & Health Council



Hong Kong Green Awards 2022

Green Management Award – Service Provider (SME)

By Green Council



Greatest China Super Brands Awards 2022

By Eastweek



Eco-brand Awards 2022

By Eastweek



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Hong Kong's Most Outstanding Business Awards 2022

By CORPHUB



**2022 Mansfield Wong and Kenny Wong
as speakers of a webinar
Topic: Carbon Neutrality in GBA**

By CPA Australia



Social Enterprise Supporter Award Scheme 2022

By Fullest Social Enterprise Society ("FSES")



**2022 Institutional Member of the Association and
Mansfield Wong as Vice President of the Association**

By GBA Carbon Neutrality Association



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2022 Appreciation Certificate to support community vaccination centres

By Home Affairs Department – Shatin District



2021 Top 10 Most Popular Cleantech Solution Providers

By APAC BUSINESS Headlines



Social Enterprise Supporter Award Scheme 2021

By FSES



2020-2022 Award of Hong Kong Green Organisation Go Green Wastewi\$e–Certificate (Membership number: GO-8339-2201)

By Environment Campaign Committee



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2019-2020 Certificate of Merit

By Hong Kong Awards for Environmental Excellence



2018-2019 BOCHK Corporate Environmental Leadership Awards EcoChallenger

By the Federation of Hong Kong Industries and the Bank of China Limited



2018 Sustainable Business Award

By World Green Organisation



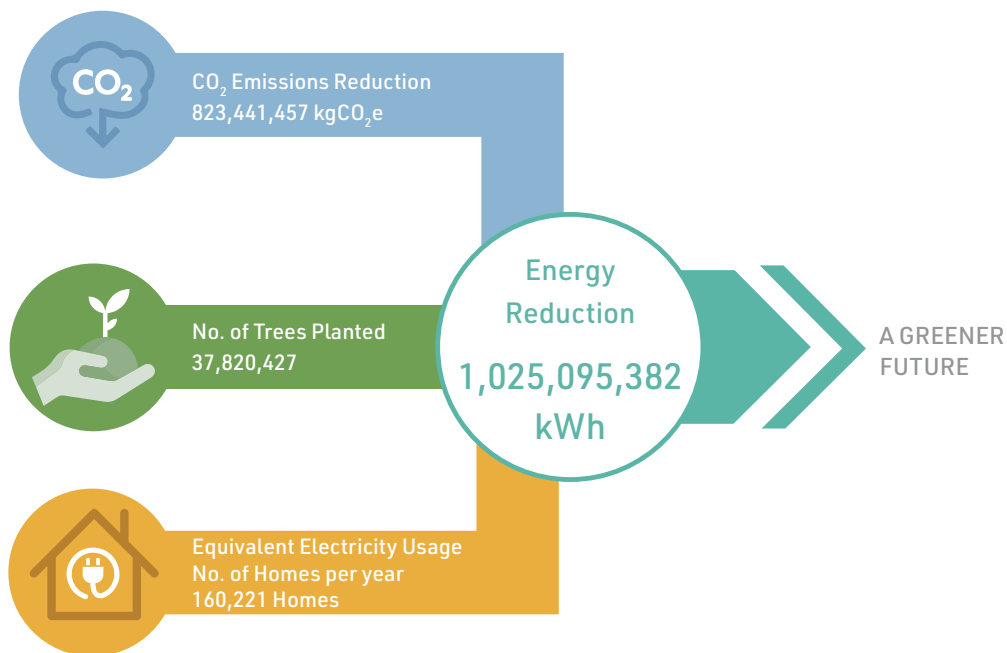
ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Feature Story: Building a Green Future

As an energy service company, the Group plays a vital role in addressing different environmental issues and sustaining the future. We aspire to drive the green technology revolution and lead the green way forward through continuous innovation and research and development. By providing smart green technology and low-emission energy solutions, we promote progress towards carbon neutrality along the value chain to help combat climate change.

As a pioneer in ESG and green technology, we are committed to promoting sustainability and generating long-term value for our customers. By adopting advanced green technologies, we provide tailor-made solutions to energy producers, distributors and consumers, including property owners, big corporations and multinational companies, and assist them to reduce operating expenses and enhance sustainability performance.

In the past decade, our estimated cumulative environmental contribution is illustrated in the figures below^{1,2}:



¹ The energy savings include all the EMC contracts within Unity Group as a whole and there is uncertainty in the value due to variations in electricity price and actual monthly energy savings. Direct product trading can also contribute to energy savings, yet we have not included due to different contractual arrangements.

² The estimation of the equivalent emissions, number of trees planted, etc. is based on general online calculation approaches <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>.

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Supporting green initiatives to build a smart and sustainable city in Selangor, Malaysia

The Group is experienced in deploying cutting-edge technologies and innovation to develop tailor-made energy efficiency solutions for energy saving. In 2022, the Group has collaborated with the Lembaga Perumahan dan Hartanah Selangor ("LPHS"), a Malaysian government agency, in launching a green composite program in Selangor, Malaysia. As the core green technology solution provider of the "Light Saving Program", we target to install approximately six million LED lights in over 6,000 condominiums in Selangor. Our advanced, durable and sustainable LED lighting solution is estimated to achieve an annual saving of MYR448 million (equivalent to approximately HKD840 million) with approximately 867 million kWh of electricity savings. It is equivalent to a reduction of over 600,000 tons of CO₂ emissions per year, which supports Selangor's goal of building a greener and smarter city by 2025.

Advancing renewable energy to foster emissions reduction in Zhuhai, China

Through the development of renewable energy, the Group strives to reduce reliance on fossil fuels in local communities. Our solar energy projects include one-stop solutions, from project planning to management, to help improve our customers' energy and carbon emissions performance. In 2022, the Group was awarded a project to build a 600-kilowatt distributed solar photovoltaic power generation system for the production plants of Zhuhai Xiangbang Environmental Protection Building Materials Co., Ltd. in Zhuhai. Upon completion in December 2022, the system generates an estimated 660,000 kWh of electricity per year, equivalent to an annual reduction of about 386 tons of CO₂ emissions.

OUR APPROACH TO ESG

Commitment and Approach

Effective ESG governance is the key to fostering the integration of our daily operations and decision-making processes, so as to create a truly sustainable business. We have developed a sound ESG governance structure to align our ESG management with business operations and decision-making. We promise to continue our planning, development and refinement of ESG strategy, goals, targets, policies and action plans and, hence, continuously promote our sustainability performance.

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ESG Governance

The three-tier governance structure allows us to manage ESG matters in a systematic manner. The Board has the overall responsibility for the Group's ESG matters, including developing and monitoring ESG strategies, goals and reporting, as well as assessing the effectiveness of risk management and internal control mechanisms in response to ESG risks and opportunities. Under the leadership of the Board, an ESG Committee is formed by the Chairman, the Chief Financial Officer, the Chief Investment Officer, and the Chief Operation Officer of the Group, which is responsible for the day-to-day management of ESG matters. At the execution level, the ESG Committee has assigned ESG-related works to different functional departments to ensure the effective implementation of sustainability strategies and practices. All work will be regularly reported to the Board to review, identify, assess and monitor the policies and plans for the achievement of goals and targets.

The Board

- Develop and monitor the Group's ESG strategies and reporting
- Review and evaluate the effectiveness of the Group's risk management and internal control mechanisms
- Regularly review, identify, assess and monitor the ESG-related policies and plans for the achievement of goals and targets

ESG Committee

- Evaluate and determine ESG-related risks and opportunities, and establish risk management and internal control systems
- Implement ESG approaches, strategies and priorities, adequately analyse the principles and processes adopted, and review related progresses made
- Ensure the Group's ESG goals and strategies are aligned with the expectations or requirements of the Nationally Determined Contributions ("NDCs") targets of the countries or regions where the Group operates
- Fulfil the regulatory reporting requirements of ESG matters

Functional departments of the Group

- Assist in the establishment, improvement, and implementation of ESG-related policies and systems
- Assist in the assessment of risks and opportunities, establishment of targets, and monitoring of progress made
- Assist in the construction of information systems and compilation of ESG reporting
- Provide assistance for the inspection of risk management

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Risk Management

The Group has actively fostered a robust risk management and internal control systems to ensure its stable business development. To closely monitor the risk exposures of the Group, the Board is responsible for reviewing the effectiveness of risk management and internal control systems on a yearly basis. The Audit Committee assists the Board in leading the management and overseeing the design, implementation and monitoring of the systems. In FY2022/23, the Board, through the Audit Committee, conducted a review of the effectiveness of the Group’s risk management and internal control systems and considered the systems were effective and adequate. For more information, please refer to the Corporate Governance Report in the Group’s Annual Report.

The Group has incorporated ESG elements into its risk management to address material ESG risks and opportunities. During the Reporting Period, it has identified the following ESG risks and implemented appropriate measures to mitigate the associated impacts:

Risk type	Risk description	Corresponding measures
Climate-related risk	Under the context of combating climate change, local government may enhance the environmental standards, leading to increased cost of raw materials for lighting products.	<ul style="list-style-type: none"> Regularly explore upcoming trends and develop other green solutions to ensure the Group can fulfill these compliance requirements and avoid preventable costs and noncompliance fines.
	Under the context of combating climate change, customer behaviours may change to more environmentally-conscious, demanding for more lower emissions options. The Group may face market risk if it is unable to cater to the market demand.	<ul style="list-style-type: none"> Continually improve our products in different aspects, e.g. choosing raw materials with lower carbon emissions.
Public health risk	Under the COVID-19 pandemic, employees may face a high risk of infection, undermining their health. It may lead to human resources risk, adversely affecting the Group’s operation.	<ul style="list-style-type: none"> Set out internal health guidelines, e.g., requiring employees to wear surgical masks at the workplace, maintain good personal hygiene, and report to the Human Resources Department when having common symptoms of COVID-19. Implement control measures to prevent infection at offices, including providing quick test kits to ensure the health condition of all employees, setting up air purifying systems at offices.

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Compliance Management

The Group is committed to upholding operational compliance in its daily operations and strictly adhering to all applicable laws and regulations. It acknowledges that violations of laws and regulations can severely harm our business operations, performance, financial position and reputation. The Board, with the support of the Audit Committee, has regularly reviewed the risk management and internal control systems to ensure effective compliance controls. During FY2022/23, the Group did not have any non-compliance cases of the laws and regulations in relation to ESG aspects within the Group, nor have it received any concluded legal cases regarding corrupt practices brought against the Group or its employees.

The Group strictly adheres to relevant laws and regulations, including but not limited to the followings:

Environmental aspect

- Waste Disposal Ordinance (Cap. 354)

Social aspect

Employment and labour standards

- Employment Ordinance (Cap. 57)
- Employees' Compensation Ordinance (Cap. 282)
- Sex Discrimination Ordinance (Cap. 480)
- Disability Discrimination Ordinance (Cap. 487)
- Family Status Discrimination Ordinance (Cap. 527)
- Race Discrimination Ordinance (Cap. 602)

Occupational health and safety

- Occupational Safety and Health Ordinance (Cap. 509)

Product responsibility

- Copyright Ordinance (Cap. 528)
- Prevention of Copyright Piracy Ordinance (Cap. 544)
- Personal Data (Privacy) Ordinance (Cap. 486)

Anti-corruption

- Prevention of Bribery Ordinance (Cap. 201)



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STAKEHOLDER ENGAGEMENT

The Group recognises the importance of stakeholder engagement to our ESG strategies and performance, which allows us to effectively identify and address various ESG risks and opportunities. For that, we exercise a continuous approach to stakeholder engagement to gain an in-depth understanding of the needs and concerns of all parties and make timely and appropriate responses. This helps us to build stronger relationships with our stakeholders, and fosters trust and collaboration towards achieving our sustainability goals.

Communication Channels

The Group has continued to engage with different major stakeholders through a wide range of activities and communication channels during the Reporting Period:

 <p>Investors & Shareholders</p>	 <p>Employees</p>
<p>Achieve and maintain high standards of corporate governance with sustainable business development and return, enhancing corporate value, transparency and accountability</p>	<ul style="list-style-type: none"> • Establish and continuously improve the employment policies and remuneration system • Provide on-going training and development on improving employees' knowledge and skills • Employment-related matters are in compliance with relevant laws and regulations
<ul style="list-style-type: none"> • Annual/ Special General Meeting • Interim and Annual Reports • Company Website • Investor Meetings • Security Analyst Posts • Press Release/ Announcements 	<ul style="list-style-type: none"> • Annual Performance Appraisal • Face-to-face Talks • Internal Newsletters • Irregular Event Sessions

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Suppliers, Contractors and Agents

Maintain good relationships and help in supporting ESG adoption and in compliance with relevant standards

- Supplier Assessment
- Site Inspection Visits
- Regular Supplier Meetings and Dialogues



Customers

Offer wide range of eco-friendly and energy saving products and services with quality guarantee

- Site Visits and Meetings
- Company Website
- Company Booklet and Product Catalogue



NGOs, Professional Organizations and the Community

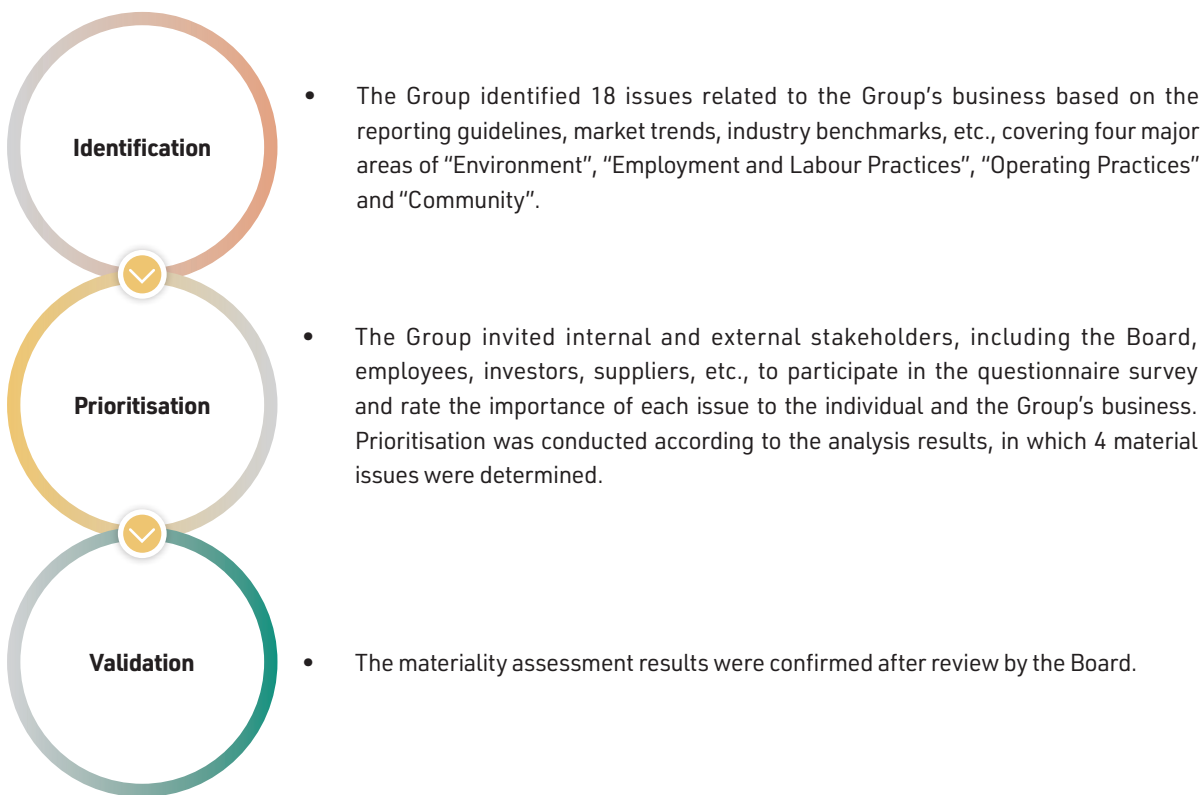
- Proactively collaborate with the organisations to promote sustainable development
- Support activities associated with these organisations

- Irregular Charity Events
- Partnership Programs
- Organisation Annual Dinner
- Memberships

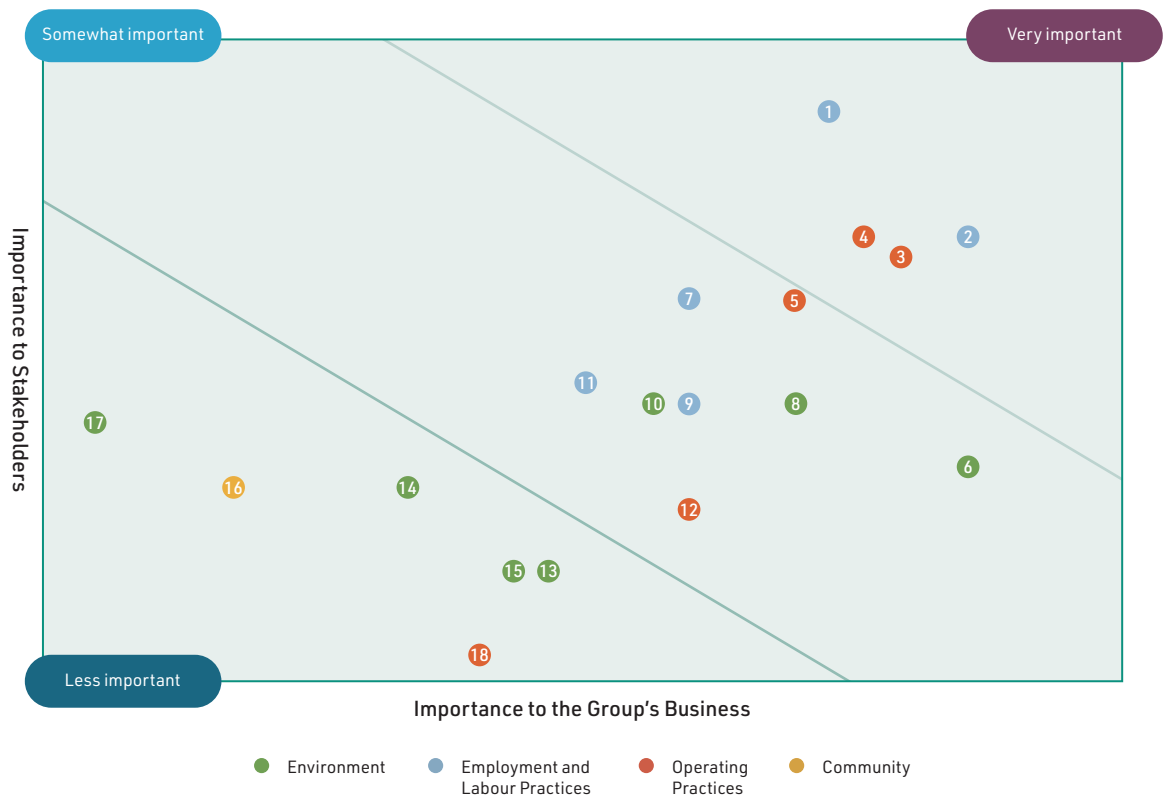
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Materiality Assessment

To assess stakeholders' concerns for key ESG issues in a more systematic and effective manner, the Group has commissioned an independent consultancy to conduct a materiality assessment with different stakeholders during the Reporting Period. By determining significant ESG issues, we have formulated the reporting framework and made targeted disclosures in this ESG Report accordingly. Relevant issues will also be prioritised in our decision-making and sustainability strategic planning processes to align with stakeholders' expectations.



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ESG issues (in descending order of materiality)		
Very important issues	Somewhat important issues	Less important issues
1 Diversity, equal opportunity and anti-discrimination 2 Occupational health and safety 3 Protection of customer privacy 4 Anti-corruption	5 Protection of intellectual property rights 6 Energy 7 Employment system 8 Greenhouse gases and air pollutants 9 Prevention of child and forced labour 10 Waste 11 Training and development 12 Product and service responsibility	13 Materials 14 Climate change 15 Impacts on the environment and natural resources 16 Community investment 17 Water 18 Supply chain management

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SUSTAINABLE ENVIRONMENT

The Group is committed to conducting business in a sustainable manner to protect our environment and advocate environmental conservation. We actively explore ways to address major environmental risks, both internally and externally, to build a greener future. To this end, we have formulated the Environmental Policy to integrate environmental issues into our business strategy and operations. It outlines our commitment and approach to managing emissions, use of resources and climate change, and provides employees with guidance on environmental practices for general office and engineering projects. We ensure strict compliance with all environmental laws and regulations through regular review and monitoring of our environmental performance. Besides, we promote environmental stewardship to our customers and suppliers, reinforcing our dedication to environmental sustainability.

In contribution to tackling climate change, the Group strives to promote efficient actions on environmental protection. We have developed and adopted a series of measures, to foster our target in reducing emissions and pollution, as well as optimising energy consumption and the use of resources. In FY2021/22, environmental targets covering operations in Hong Kong have been set using FY2018/19 as the baseline. Due to rapid expansion of business in Malaysia in the Reporting Period, we are in the process of revisiting and refining the environmental targets to extend the coverage to operations in Malaysia, considering the principle of materiality. The relevant targets to be set and disclosed in the FY2023/24 report. We will monitor and evaluate our performance from time to time, to further enhance our targets and action plans and make timely disclosures.

Reducing Greenhouse gas (“GHG”) emissions

- Require reasonable assessment of the necessity, appropriateness of the frequency, and mode of travel adopted for business travel
- Encourage the use of e-platforms or video conference systems whenever possible to avoid unnecessary overseas travel
- Prefer the choice of direct flights to reduce emissions from inevitable business travel
- Advocate travel by railway over air flight for short-distance trips
- Develop efficient transport logistic plans for product transport to ensure timely and accurate product delivery
- Opt for shipment by sea with lower carbon emissions over air-freight wherever possible
- Conduct a constant review of logistic performance to improve supply chain network design and reduce the carbon footprint from product transport
- Advocate the adoption of simple product packaging
- Promote consolidation and optimisation of supply chain and shipment planning for bulk shipment volume bundling
- Encourage reusing and recycling of packaging materials

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Minimising pollution from waste

- Implement waste classification and recycling scheme in offices
- Place recycling bins in offices for paper, aluminium cans and plastic bottles
- Register as a chemical waste producer
- Properly package, label and store waste before disposal
- Keep records of chemical waste disposal for inspection
- Recycle used printer toner cartridges
- Provide reusable utensils in the pantry

Optimising energy consumption

- Use energy saving electrical appliances in offices
- Turn off the lights, air conditioning, computers and monitor during lunch hour and before leaving the office
- Switch off all the electrical supplies when they are not in use
- Maintain the office air conditioner temperature above 25°C
- Regularly clean air-conditioning filters to reduce electricity wastage caused by dust clogging
- Stop the use and sale of Incandescent Light Bulb ("ILB") in adherence to the Energy Saving Charter on "No ILB" by the Electrical and Mechanical Services Department ("EMSD")

Promoting Water Efficiency

- Install water strainers and water-saving taps
- Inspect water-consuming facilities regularly and report leaks and drips for repairing
- Post water-saving tips in prominent locations of offices

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Reducing Paper Usage

- Store and transfer information and documents in the form of electronic files to replace paper filing and reduce photocopying and printing
- Encourage double-sided printing
- Remind employees to check document formats before copying or printing
- Put waste paper into paper recycling collection boxes for disposal by qualified recyclers
- Reuse single-sided paper for draft or scrap message pads
- Encourage the use of e-platforms

Promoting Green Office

- Develop a purchasing mechanism and use supplies according to the need to promote green procurement in offices
- Encourage employees to grow small potted plants in offices
- Provide training and educational resources to raise employees' environmental awareness and foster an environmentally friendly working culture

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Climate Actions

The Group realises the urgency of addressing climate change to secure the stability and sustainability of its business development. In addition to providing the highest-quality, innovative, eco-friendly products and technologies to tackle climate change, we also strive to strengthen our response capabilities to climate-related risks and opportunities.

As the first step to combat climate change, we conducted a preliminary identification of climate-related risks in accordance with the Guidance on Climate Disclosures published by the HKEX. Through rigorous monitoring and evaluation of the impact of various risks on the Group's businesses, we have developed corresponding measures and actively explored the direction of low-carbon and sustainable transformation.

Climate-related risk	Risk description	The Group's response
Physical risks	Increasing severity and frequency of extreme weather events such as typhoons and heavy rains, may lead to disrupted operations, asset damage and interrupted supply chain. These may result in manufacturing and transportation delays, hindering our project progress.	<ul style="list-style-type: none"> Design contingency plans and solutions to reduce the negative impacts of extreme weather events Regularly communicate work arrangements with employees to ensure their safe operations Periodically evaluate relevant measures to refine overall procedures in response to extreme weather conditions
Transition risks	Transition to a low-carbon economy may lead to tightened regulations and enhanced disclosure obligations on climate-related issues. Failure in complying with the latest requirements may result in higher risk exposure to claims and lawsuits.	<ul style="list-style-type: none"> Observe and examine market trends and regulatory updates on a regular basis Develop green solutions to ensure compliance and avoid preventable costs and non-compliance fines

The Group will continue to review the climate-related risks that are relevant and material to its businesses, assess the associated impacts and improve our management approaches and measures to enhance our climate adaptability and resilience.

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Emissions Reduction

The Group endeavours to operate its businesses in an environmentally responsible manner, it has devoted continuous efforts to minimise its environmental footprint. As an office-based operation, it does not involve any material air and waste pollution. To manage and reduce our emissions and waste from daily operations, we have implemented measures on energy efficiency, waste reduction and recycling. Besides, we have actively strengthened employees' environmental training and education to enhance their awareness towards emissions reduction.

Emissions of the Group are sourced from Scope 2 and Scope 3 emissions, which mainly include electricity usage in offices, overseas business travel and product transportation activities. In FY 2022/23, its total GHG was 148.87 tons CO₂e and the intensity was 2.86 tons CO₂e/person.

	GHG emissions ³	2022/23	Unit
Scope 2 emissions ⁴		32.60	tons CO ₂ e
Scope 3 emissions ⁵		116.27	tons CO ₂ e
Total GHG emissions		148.87	tons CO ₂ e
GHG intensity		2.86	tons CO ₂ e/person

³ The calculation is based on the "How to prepare an ESG Report? --Appendix II: Reporting Guidance on Environmental KPIs" published by HKEX, and emission factor of 0.68kg CO₂/kWh released by The Hongkong Electric Company, Limited in its "Sustainability Report 2022" and emission factor of 0.667 released by GreenTech Malaysia for our Malaysia operation. No significant scope 1 direct emissions arise from our operations as compared to other emissions.

⁴ Scope 2 includes indirect energy emissions by electricity purchased from power companies.

⁵ Scope 3 Emissions are produced indirectly from paper usage, commercial business air travel product transportation and electricity usage of a major supplier. The calculation is based on the emission factors from "How to prepare an ESG Report? --Appendix II: Reporting Guidance on Environmental KPIs" published by HKEX using the national emission factor in Mainland China of 0.5810 kg CO₂/kWh.

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Case Sharing

Innovative Solutions in Contributing to Emissions Reduction

The Group aims to create a sustainable environment through its proprietary green technology. With our sustained excellence in research and development, we provide unique versatile, fitting, and feasible green technology solutions to drive carbon neutrality. Our cutting-edge lighting system encompasses ultra-high output LED lighting equipment to achieve higher energy savings and longer product lifespan. It has been applied to numerous energy-saving projects, thereby supporting the carbon reduction of our customers.

The Group ensures the proper handling of all hazardous and non-hazardous wastes to limit its pollution to a minimum. For hazardous waste, the production is mainly spent fluorescent tubes and lamps from our light retrofitting services. We have entrusted qualified service providers licensed by the Environmental Protection Department to collect and handle all hazardous waste. Non-hazardous waste produced from our daily operations is mainly domestic waste from offices, which is handed over to the building management of the office premises for handling and disposal. In FY2022/23, the Group produced 0 tons of hazardous waste and 0.16 tons of non-hazardous waste in total.

Waste production	2022/23	Unit
Hazardous waste produced	0	tons
Hazardous waste intensity	0	tons/person
Non-hazardous waste produced	0.16	tons
Paper Usage	0.086	tons
Recycled Materials	0.073	tons
Spent light tubes	0	tons
Non-hazardous waste intensity	0.0031	tons/person

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RESOURCES MANAGEMENT

In order to create an eco-friendly workplace environment, the Group has actively promoted green office practices to its employees. We have adopted the 4Rs principle (Reduce, Reuse, Recycle and Recover) to manage the consumption of materials and resources, thereby advocating biodiversity and environmental conservation. By encouraging paperless office and energy saving, adopting energy-efficient facilities, and promoting optimisation of resource usage, we have continuously enhanced resource efficiency and reduced wastage during our daily operations.

Case Sharing

Enhancing Energy Efficiency Through Internal Training

In alignment with its energy consumption management, the Group has implemented various awareness-raising initiatives to promote environmental conservation concepts among employees, thereby avoiding unnecessary energy consumption.

- Establish clear electricity use management procedures to instruct the efficient energy use of all departments
- Provide periodic training on electricity saving measures to consolidate environmental awareness of existing employees
- Arrange pre-employment training for new employees, to inform environmental protection facilities and equipment operation procedures, and encourage energy saving practices

Energy consumption of the Group involves indirect energy consumption of electricity for office operation. In FY2022/23, its total energy consumption was 48,549.00 kWh and the intensity was 933.63 kWh/person.

Energy consumption	2022/23	Unit
Indirect energy consumption: electricity	48,549.00	kWh
Energy consumption intensity	933.63	kWh/person

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Water resources of the Group are supplied and managed by the building management of its office premises. The Group did not encounter any problems in sourcing water that is fit for purpose. During the Reporting Period, its total water consumption was 1,441.50 m³ and the intensity was 27.72 m³/ person.

Water consumption	2022/23	Unit
Total water consumption	1,441.50	m ³
Water consumption intensity	27.72	m ³ /person

Packaging materials used by the Group are mainly carton boxes. In FY2022/23, it used 1.57 tons of packaging materials with an intensity of 0.030 tons/ person.

Packaging material consumption	2022/23	Unit
Total packaging material consumption	1.57	tons
Packaging material consumption intensity	0.030	tons/ person

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ETHICAL PRACTICE

The Group is dedicated to upholding a high level of professionalism and integrity, in order to provide top-notch products and services to our customers and bolster customer satisfaction and reputation. We promote responsible and ethical practices of our businesses to safeguard the legitimate rights and interests of the Group and all stakeholders. Through effective implementation and continuous improvement of our management systems and policies, such as the Code of Conduct and the Quality Control Policy, we maintain close cooperation with stakeholders along our value chain, to provide quality products and services and foster sustainable and joint development.

Anti-Corruption

The Group attaches great importance to business ethics, transparency, accountability and integrity. It strictly prohibits any form of corruption, bribery, extortion, fraud and money laundering in compliance with relevant laws and regulations. Through robust management and continuous monitoring, we strive to prevent and minimise relevant risks in sustaining our business integrity and long-term development. Our Code of Conduct clearly sets out requirements and practices regarding the prevention, detection, and handling of corruption and ethical issues, guiding employees to observe the highest standards of ethical, personal and professional conduct.

To uphold accountability and transparency, the Group has a whistleblowing mechanism in place to enable stakeholders to raise concerns about any misconduct, malpractice, or irregularity through a confidential reporting channel. It also offers whistleblowers protection from victimisation, harassment or disciplinary proceedings. A report can be made verbally or in writing, to the line manager, the Company Executive Director, or the Group Chairman. In response, the Executive Director will be responsible for conducting detailed investigations and implementing appropriate follow-up measures. Employees who failed to comply with internal policies or any legal requirements may result in disciplinary actions, such as termination of employment. Serious cases will also be reported to the relevant local authorities for further handling.

Case Sharing

Cultivating a Culture of Ethical Integrity

To build the corporate culture of ethical integrity, we provide anti-corruption training for all new directors and employees upon onboarding, to facilitate their understanding of our policies and their roles and responsibilities in combating corrupt practices. Educational materials regarding compliance, anti-corruption and ethical business culture are also periodically distributed to employees via emails to reinforce their awareness.

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Supply Chain Management

A robust supply chain management is conducive to ensuring product and service quality as well as enhancing the overall sustainability performance of the Group. Therefore, we are committed to promoting a sustainable supply chain through close cooperation with our suppliers and contractors. To manage potential risks and opportunities associated with our supply chain, we promise to identify the ESG risks along the supply chain and preventive measures and corrective actions. In addition to communicating our requirements to our suppliers and contractors, we encourage them to integrate sustainability into their operations.

Supplier selection and assessment

The Group has developed internal procedures and guidelines for supply chain management, which set out the requirements from supplier selection, monitoring to review and evaluation. A set of assessment criteria is in place to uphold our quality and ethical standards along our supply chain:



To mitigate supply chain risks, our business development team performs regular reviews and assessments on all suppliers and contractors to monitor their performance regarding their compliance with laws and regulations, timeliness of delivery, order fulfilment, and product quality. Through an annual assessment, the Group regulates and screens all suppliers and contractors to verify their eligibility in our vendor list. Suppliers with unsatisfactory performance will be required to implement corrective actions and will be delisted if no improvement is made within 12 months.

The Group will also continue to minimise environmental and social impacts that may ensue along the supply chain by developing internal policies and potential guidelines on ESG practices for employees and suppliers.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Promoting Responsible Procurement

To ensure environmentally and socially responsible practices of all business partners, the Group has incorporated ESG-related considerations in its supply chain management. In promotion of responsible procurement, we give priority to suppliers and contractors who have established environmental, health and safety, labour management, and quality management systems and/or can provide environmental-friendly materials. Specific requirements are also formulated to ensure all suppliers and contractors are in line with our standards on legal compliance, quality control, environmental and social responsibilities, in order to minimise environmental and social risks in our supply chain. Besides, we promote environmentally preferable products and services when selecting suppliers, and encourage our suppliers to adopt sustainable practices, so as to advocate green procurement.

During FY2022/23, the Group engaged a total of 18 suppliers, mainly including our Original Equipment Manufacturer ("OEM") as well as some other suppliers. Uniform management practices have been applied to all suppliers of the same category to ensure fairness and objectivity. Relevant supplier data is detailed as follows:

	FY2022/23	FY2021/22
Hong Kong	9	8
Mainland China	1	1
Malaysia	8	7

Product Responsibility

In pursuing a high standard of product responsibility and professionalism, the Group ensures the delivery of high-quality products and services to attain customer satisfaction. We have implemented effective quality management and control through the Quality Control Policy, which sets out robust procedures and guidelines to maintain product quality and reliability. We also make every effort to promote continuous improvement in product and service quality through close cooperation with suppliers and customers.

Quality Assurance

The Group enforces strict quality standards to secure our provision of exceptional products and services. Internally, we have complied with various recognised codes of practice, including the Code of Practice for Energy Efficiency of Lighting Installations issued by the EMSD. We also engage external parties and our quality control staff to conduct regular inspections of hardware production processes and testing, from incoming materials, manufacturing to shipment, ensuring all delivered products are safe and of consistent quality. We have internal procedures in place to manage disqualified products, including the labelling, isolation, handling and documentation processes for quality control.

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Externally, the Group requires its subcontractors to obtain quality management system certification and hardware product quality certifications, such as Restriction of Hazardous Substances Directive (“RoHS”), Conformité Européenne (“CE”) and Underwriter Laboratories (“UL”), to maintain a high standard of product quality and safety. Besides, as a further quality guarantee, we offer after-sale services to our customers, such as product warranty to replace hardware products for any malfunction, and training and demos of product usage and precautions. During the Reporting Period, the Group did not recall any products for safety and health reasons.

Labelling

To safeguard customer interests and minimise product liability risk, the Group has specified internal requirements to regulate and standardise product labels. We adhere to international standards in providing clear and concise product descriptions on the labels. A warning label will be placed on our products to alert users to potential electrical hazards.

Customer services

The Group maintains active and regular engagement and communication with customers to understand their needs and expectations, fostering a higher level of customer satisfaction and continuous quality improvement. In response to customer complaints, we follow the established internal procedures to handle the case seriously and provide timely responses and implement appropriate follow-up measures to address the concern. During the Reporting Period, the Group did not receive any customer complaints regarding our product and service quality.

Data Privacy and Intellectual Property Rights

As a responsible corporate, the Group endeavours to ensure the security of customer data, safeguarding all personal information and confidential data in adherence to relevant laws and regulations. All intellectual properties of the Group or third parties are also regarded as confidential information and should be carefully handled for protection.

To reinforce employees’ understanding and vigilance, the Group has outlined relevant guidelines and responsibilities in the Staff Handbook, including the handling of confidential information, and code of conduct on computer systems usage, to prevent the misuse, abuse or attempt to circumvent our security systems and safeguard all intellectual property rights and confidential information.

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Under our administration and security systems, we have taken multiple measures to minimise the risk of unauthorised access, data leakage or infringement, including:

- Restrict access to confidential data to authorised personnel on a “need-to-know” basis;
- Encrypt data with several layers of protection;
- Implement technical safeguards such as using password-protected screens in all workstations with access to personal and business data, scanning all software downloads and diskette data with antivirus software;
- Download all data residing on the central servers onto backup media for storage in designated secure locations on a regular basis;
- Prohibit disclose of any confidential information to unentitled parties unless properly authorised by the appropriate level of management; and
- Prohibit the use of illegal or pirated software within the Group.

TALENT CULTIVATION

The Group regards employees as the foundation for our long-term business development and success. It is fully committed to building a sound human resources management system to nurture a high-quality talent team with outstanding capabilities and creativity.

Through the effective implementation and regular review of the Staff Handbook and relevant guidelines, the Group actively maintains reasonable and fair employment management, strengthens occupational health protection, and improves the training and development system to safeguard employees’ rights and interests. We have continually provided a harmonious, safe and motivating working environment to cultivate stellar ethical corporate behaviours and corporate unity for the sustainable and healthy development of the Group and our employees.

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Employment System

The Group ensures comprehensive human resources management through a series of policies and procedures in relation to recruitment and promotion, employment conditions and fair dismissal, equal opportunity and anti-discrimination, compensation and benefits, training and development, labour standards, etc. In compliance with local labour laws and regulations, our Staff Handbook sets out guiding principles and management procedures on employment, professional ethics and other related human resources matters for employees, to protect their legitimate rights and interests.

Recruitment, promotion and dismissal	<ul style="list-style-type: none"> • Conduct open and fair recruitment according to the established procedures, in which decisions are made based on objective selection criteria such as personal ability and qualification • Carry out the annual performance appraisal program to evaluate employees' performance for developing improvement plans, offering support and feedback, identifying developmental needs and promotion potential • Offer promotion opportunities to employees based on their performance and readiness to assume greater responsibilities • Proceed with dismissal procedures on reasonable and legal grounds to ensure fair employment treatment • Employees who disobey lawful and reasonable orders or direction, or are found guilty of misconduct, or are habitually negligent of their duties, will be summarily dismissed without notice or payment in lieu of notice
Compensation, benefits and welfare	<ul style="list-style-type: none"> • Provide a competitive remuneration package to employees, including basic salary, overtime pay, and/or discretionary bonus • Determine employees' remuneration based on market level and personal knowledge, skills, experiences, and educational background • Provide fringe benefits such as festive gifts, allowances, insurance, medical and retirement benefits to employees • Conduct an annual performance appraisal with employees, which serves as the basis for salary review and a performance-linked reward system • Establish a share option scheme to grant shares to employees based on their performance assessment results to recognise their continuous contribution
Working hours and rest periods	<ul style="list-style-type: none"> • Specify the standard working hours and rest days of employees in the Staff Handbook and employment contracts to ensure reasonable work arrangement • Employees are entitled to statutory public holidays, paid annual leave, sick leave, compensation leave, marriage leave, maternity leave, compassionate leave, study leave, etc.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

<p>Equal opportunity and anti-discrimination</p>	<ul style="list-style-type: none"> • Adhere to the principle of equal opportunity in implementing all employment practices, including recruitment, dismissal, training, remuneration and promotion, and discipline, which decisions shall be based solely on work-related criteria • Prohibit discrimination and harassment against any employee or applicant in aspects of race, colour, creed, sex, age, religion, national origin, disability, etc. • Promote gender diversity through ensuring equal pay and equal work opportunities for both men and women, and maintaining a balanced male-to-female ratio • Create family-friendly workplace for employees to fulfil their family responsibilities by providing maternity and paternity leave, allowing flexible working hours, organising regular social and recreational activities for staff and their families • Provide staff training on diversity, inclusion and anti-discrimination to promote mutual respect and understanding at workplace
<p>Labour standards</p>	<ul style="list-style-type: none"> • Prohibit any form of child labour and forced labour in all recruitment and employment processes, and reject the use of young workers in any hazardous work • Conduct interviews and background investigations to verify the identities and eligibility to work of new employees • Clearly state relevant labour legislations in the agreements with suppliers and contractors and carry out regular audits and inspects to assess any potential risk of violation • Investigate and address any allegations or instances of child or forced labour in our operations or supply chain • Report any instances of child or forced labour to the relevant authorities

An internal protocol is in place for employees to report to the Head of Human Resources and Administration or the management any suspected breaches or identified issues. The handling and investigation of any grievance will be carried out in a discreet and confidential manner, in which remedial actions will be taken to sustain a fair, supportive and respectful workplace and enhance employees' satisfaction. On the other hand, employees who have violated internal policies or the code of conduct may be subjected to disciplinary action, including verbal or written warning, demotion, or termination of employment.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

As of 31 March 2023, the Group had 57 employees with 38 males and 19 females, all of whom are full-time employees. The following table provides an overview of the Group's employee data:

		Number of employees	Employee turnover rate
Gender	Male	38	21.05%
	Female	19	15.79%
Age group	18-30	16	43.75%
	31-50	35	11.43%
	>50	6	0.00%
Geographical region	Hong Kong	19	10.53%
	Mainland China	5	0.00%
	Malaysia	33	27.27%
Total		57	19.30%

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Case Sharing

Promoting Employee Relations and Well-being

The Group treats its employees as an important core asset, it pays continuous attention to promoting their well-being and maintaining harmonious labour relations. In addition to reviewing and improving the human resources management system and employment treatment on an ongoing basis, we also advocate work-life balance to foster employee care. We regularly organise employee activities such as annual dinners, staff outings, and festival gatherings, which employees' families are also invited to participate in, to strengthen team building and a sense of belonging. These activities not only help relieve employees' stress from work, but also enhance corporate cohesion to promote a caring workplace.

Development and Training

The Group aims to create an environment of continuous improvement in which our employees are encouraged to pursue excellence at work and career development. We have continuously invested in the growth and development of our people and provided multiple opportunities to enable them to realise their full potential at work.

Under our open-door communication policy, the annual performance appraisal program is carried out every year as a formal two-way communication session with employees. The performance review provides a basis for improving job performance by identifying specific improvement areas, developing an improvement plan and providing support and specific feedback. Through meaningful consultation, it also helps enhance human resource decisions on employees' development and training. Since 2016, the Group has initiated the "360 Feedback" scheme to facilitate performance and promotion management. Through peer and management work reviews, employees are able to receive more comprehensive opinions and advice for progression.

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We have developed an in-house training system to cater to different training needs, in which a series of training courses are offered to enhance employees' professional knowledge and skills.

Orientation Training

Provide new employees with an introduction to the organisation, the organisation structure, business focus, staff compensation & benefits, office guidelines, etc.

On-the-job Training

Provide existing employees with business-oriented and job-related courses.

To facilitate talent cultivation, the Group provides adequate support to employees for their continuous learning and training. Diversified channels are offered to promote career and personal development, such as internal and external courses, networking events, coaching and monitoring experience. We also offer assistance for employees, including study leaves and educational allowances, to encourage them to participate in external training and obtain vocational qualifications.

During FY2022/23, employee training data of the Group is detailed as follows:

		Percentage of employees trained	Average training hours
By gender	Male	65.79%	10.55
	Female	78.95%	10.66
By rank group	Management team ⁶	100.00%	12.33
	General employees	66.67%	10.38
Total		70.18%	10.59

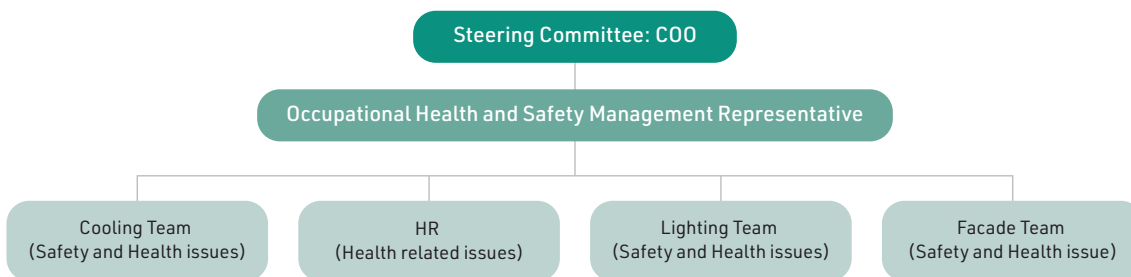
⁶ The Group has updated the definition of employees by rank group, and restated employee-and training-related data in FY2021/22 for appropriate comparison.

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Health and Safety

The Group places occupational health and safety as the first priority of its operations, it is committed to providing a safe and healthy working environment for its employees. Following a structured approach, we have established a holistic Safety Management System with detailed safety management principles and procedures, aiming to minimise safety and health risks and achieve a low frequency rate of work-related accidents. To this end, the Safety and Health Management Committee ("HSMC") is formed to facilitate the systematic and effective implementation of Safety and Health Management System.

Safety and Health Management Committee organisational structure



Safety policies and guidelines	<ul style="list-style-type: none"> Formulate health and safety working guidelines and procedures and in-house safety rules for our office and site, providing clear requirements and instructions for employees to observe Regular review and revision of safety policies, measures and performance are conducted to ensure comprehensive protection of employees' health and safety
Risk assessment	<ul style="list-style-type: none"> Establish and maintain job-related risk assessment, development, implementation and review of safety procedures and risk control measures Conduct regular safety and health inspections, audit and review
Safety control	<ul style="list-style-type: none"> Implement Process Control Programme and Occupational Health Assurance Programme Integrate safety requirements into the evaluation, selection and control of subcontractors Carry out thorough investigation in case of any violation, potential risk or incident identified and implement appropriate remedial and preventive measures to address the issue and reinforce our safety management

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Safety facilities	<ul style="list-style-type: none"> • Conduct need analysis to identify suitable Personal Protective Equipment (“PPE”) to employees and workers • Ensure adequate supplies of suitable PPE at all relevant sites
Safety culture	<ul style="list-style-type: none"> • Continually enhance safety training and education to ensure sufficient health and safety knowledge of all personnel • Publicly distribute and display relevant policies and guidelines to all employees to facilitate their understanding and compliance • Periodically organise fire drills at different work sites to enhance employees’ emergency preparedness
Emergency handling	<ul style="list-style-type: none"> • Identify potential emergency situations and formulate emergency plans for dealing with all foreseeable emergency situations

In view of the ongoing COVID-19 pandemic, the Group has continued to adopt a series of preventive measures in alignment with the public health and epidemic prevention guidelines of local governments. Through maintaining social distancing, promoting personal hygiene, conducting regular cleaning and disinfection, etc., we have strengthened our infection prevention and epidemic control to protect employees’ health.

Our indoor air quality in the office is regularly monitored and measured. Especially in the COVID-19 pandemic, air-purifying and sanitising equipment are used in offices and the air conditioning system is cleaned periodically to improve indoor air quality by filtering pollutants, contaminants, and dust particles.

Case Sharing

Advocating Healthy Lifestyle Among Employees

During the Reporting Period, the Group joined the “10,000 Steps a Day” Walking Challenge jointly organised by the Department of Health and the Occupational Safety and Health Council, to promote employees’ health. Through the campaign, we have promoted the health benefits of walking and encouraged a healthy lifestyle for our employees. With the enthusiastic participation of employees, we have gained a certificate of recognition for attaining the target steps of average daily steps of 8,000.



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COMMUNITY INVESTMENT

With its unswerving commitment to building a sustainable development ecosystem, the Group devotes continuous effort to creating value for society alongside its business development. We are dedicated to bringing positive impacts to the communities in which we operate by understanding their needs and identifying community investment opportunities that align with their needs and our business objectives. In contributing to the betterment of society, we have leveraged our capabilities and resources to promote environmental awareness and community development.

Advocating Green Development

Giving full play to its role as an integrated green technology and ESG solution provider, the Group has utilised its innovative green technologies to foster green and sustainable development. We also demonstrated our support for the development of ESG investment through our ESG Fund Program. It is our ongoing effort to promote technological innovation and high-tech application in community-based ESG development through cooperation with social enterprises, especially for environmental and carbon-friendly solutions.

Case Sharing

Facilitating Sustainable Farming

The Group's self-developed Digital Vertical Indoor Farming ("DVIF") system supports sustainable and efficient farming. The system is equipped with solar panels and automatic plant lights to accelerate plant growth while saving energy and water. In order to support the development of vertical farming in Hong Kong, we have donated vertical farming equipment to the Hong Kong Council of Social Service and upgraded the hydroponics systems of TI Farm. It serves to help social enterprises to grow vegetables with a low carbon footprint, with a view to providing Hong Kong people with safe and pesticide-free fresh produce.



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Case Sharing

Contributing to Carbon Neutrality

In 2022, the Group has announced its charitable collaboration with the “Chef Nic Family” X “Hungry Sausages Lab”, in respect of the launch of 5,000 non-fungible tokens (“NFTs”). The Group will retire its verified carbon credits to offset 800 tons of CO₂e from the launch of the NFTs. It reflects our effort to raise public awareness of sustainable development and carbon neutrality through supporting innovation and sustainable technologies.

Caring for Community

The Group always takes the initiative to fulfil its social responsibilities. We have continually organised and participated in different community and charitable activities to give back to the society. Employees are also encouraged to engage in volunteering and community events in support of social development.

The Group has shown our care for the underprivileged through various social and charitable programs. We have sponsored Delicious Express, a social enterprise committed to helping deprived groups. We purchased its home-cooked soups and desserts and distributed them to people in need.



The Group has actively supported the Tithes Ethical Consumption Movement (“TECM”) organised by Fullness Social Enterprises Society, and was awarded the Social Enterprise Supporter Award in 2021 and 2022 consecutively, in recognition of its support and contribution to the development of social enterprises in Hong Kong.

Looking ahead, we plan to develop a community investment policy with the aim to providing guidance on the identification and management of community investment opportunities and activities, thereby creating positive impacts to the community.

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APPENDIX

Performance Summary

Environmental KPIs ⁷		2022/23	2021/22	2020/21	Unit
GHG emissions ³	Scope 2 emissions ⁴	32.60	41.32	55.34	tons CO ₂ e
	Scope 3 emissions ⁵	116.27	110.97	94.65	tons CO ₂ e
	Total GHG emissions	148.87	152.29	149.99	tons CO ₂ e
	GHG intensity	2.86	4.12	4.69	tons CO ₂ e/ person
Waste	Hazardous waste produced	0	0.77	0.78	tons
	Hazardous waste intensity	0	0.02	0.02	tons/person
	Non-hazardous waste produced	0.16	0.63	1.62	tons
	Paper Usage	0.086	0.168	0.151	tons
	Recycled Materials	0.073	0.128	0.092	tons
	Spent light tubes	0	N/A	N/A	tons
	Non-hazardous waste intensity	0.0031	0.02	0.05	tons/person
Energy consumption	Indirect energy consumption: electricity	48,549.00	59,098.00	78,805.00	kWh
	Energy consumption intensity	933.63	1,597.24	2,462.66	kWh/person
Water consumption	Total water consumption	1,441.50	N/A	N/A	m ³
	Water consumption intensity	27.72	N/A	N/A	m ³ /person
Packaging material consumption	Total packaging material consumption	1.57	5.00	4.00	tons
	Packaging material consumption intensity	0.030	0.135	0.125	tons/person

⁷ The environmental KPIs cover the Group's operations in Hong Kong and Malaysia.

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Social KPIs ⁸		2022/23	2021/22
Total workforce⁹			
Gender	Male	38	25
	Female	19	15
Age group	18-30	16	9
	31-50	35	25
	>50	6	6
Geographical region	Hong Kong	19	19
	Mainland China	5	3
	Malaysia	33	18
Rank group	Management team ⁶	6	7
	General employees	51	33
Total		57	40
Employee turnover rate			
Gender	Male	21.05%	20.00%
	Female	15.79%	46.67%
Age group	18-30	43.75%	55.56%
	31-50	11.43%	28.00%
	>50	0.00%	0.00%
Geographical region	Hong Kong	10.53%	36.84%
	Mainland China	0.00%	33.33%
	Malaysia	27.27%	22.22%
Rank group	Management team ⁶	16.67%	0.00%
	General employees	19.61%	36.36%
Total		19.30%	30.00%

⁸ The workforce and training KPIs cover the Group's operations in Hong Kong, Mainland China and Malaysia, while other social KPIs cover the Group's operation in Hong Kong and Malaysia.

⁹ All employees of the Group are full-time employees.

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Social KPIs⁸		2022/23	2021/22	
Percentage of employees trained¹⁰				
Gender	Male	65.79%	36.00%	
	Female	78.95%	53.33%	
Rank group	Management team ⁶	100.00%	57.14%	
	General employees	66.67%	39.39%	
Total		70.18%	42.50%	
Average training hours¹⁰				
Gender	Male	10.55	0.86	
	Female	10.66	2.60	
Rank group	Management team ⁶	12.33	2.50	
	General employees	10.38	1.30	
Total		10.59	1.51	
Total number of suppliers				
Geographical region	Hong Kong	9	8	
	Mainland China	1	1	
	Malaysia	8	7	
Total		18	16	
Occupational health and safety of employees		2022/23	2021/22	2020/21
Work-related injuries		0	0	0
Lost days due to work-related injuries		0	0	0
Work-related fatalities		0	0	0

¹⁰ With a significant increase in number of employee in Malaysia, the Group has correspondingly organised extensive training to Malaysia employees during the Reporting Period, resulting in a substantial increase for the number of employees trained and average training hours.

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HKEX ESG GUIDE CONTENT INDEX

Aspects, General Disclosure and KPIs	Description	Page/Remark
Mandatory Disclosure Requirements		
Governance Structure	(i) A disclosure of the board's oversight of ESG issues.	11-12
	(ii) The board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer's businesses).	11-12
	(iii) How the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses.	11-12
Reporting Principles	Materiality: The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer's stakeholder engagement.	3, 15-18
	Quantitative: Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed.	4
	Consistency: The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.	3
Reporting Boundary	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report.	3

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Aspects, General Disclosure and KPIs	Description	Page/Remark
A1 Emissions		
General Disclosure	<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.</p>	<p>14, 19-21, 23-24</p> <p>Given its business nature, daily operations of the Group do not involve the generation of air emissions nor wastewater discharge.</p>
A1.1	The types of emissions and respective emissions data.	Given its business nature, daily operations of the Group do not involve the generation of air emissions.
A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions and intensity.	23, 41
A1.3	Total hazardous waste produced and intensity.	24, 41
A1.4	Total non-hazardous waste produced and intensity.	24, 41
A1.5	Description of emission target(s) set and steps taken to achieve them.	19-21, 23-24
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.	19-21, 24

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Aspects, General Disclosure and KPIs	Description	Page/Remark
A2 Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	19-21, 25
A2.1	Direct and/or indirect energy consumption by type in total and intensity.	25, 41
A2.2	Water consumption in total and intensity.	26, 41
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	19-20, 25
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.	19-20, 25-26
A2.5	Total packaging material used for finished products and per unit produced.	26, 41
A3 The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	19
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	19-21
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.	19, 22
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.	19, 22

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Aspects, General Disclosure and KPIs		
	Description	Page/Remark
B1 Employment		
General Disclosure	Information on: <ul style="list-style-type: none"> (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	14, 31-33
B1.1	Total workforce by gender, employment type, age group and geographical region.	34, 42
B1.2	Employee turnover rate by gender, age group and geographical region.	34, 42
B2 Health and Safety		
General Disclosure	Information on: <ul style="list-style-type: none"> (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.	14, 31, 37-38
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	43
B2.2	Lost days due to work injury.	43
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	37-38

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Aspects, General Disclosure and KPIs	Description	Page/Remark
B3 Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	31, 35-36
B3.1	The percentage of employees trained by gender and employee category.	36, 43
B3.2	The average training hours completed per employee by gender and employee category.	36, 43
B4 Labour Standards		
General Disclosure	Information on: <ul style="list-style-type: none"> (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.	14, 32-33
B4.1	Description of measures to review employment practices to avoid child and forced labour.	33
B4.2	Description of steps taken to eliminate such practices when discovered.	33
B5 Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	28-29
B5.1	Number of suppliers by geographical region.	29, 43
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.	28-29

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Aspects, General Disclosure and KPIs	Description	Page/Remark
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	28-29
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	29
B6 Product Responsibility		
General Disclosure	<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.</p>	14, 29-31
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	30
B6.2	Number of products and service-related complaints received and how they are dealt with.	30
B6.3	Description of practices relating to observing and protecting intellectual property rights.	30-31
B6.4	Description of quality assurance process and recall procedures.	29-30
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	30-31

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Aspects, General Disclosure and KPIs	Description	Page/Remark
B7 Anti-corruption		
General Disclosure	Information on: <ul style="list-style-type: none"> (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.	14, 27
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.	14
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	27
B7.3	Description of anti-corruption training provided to directors and staff.	27
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.	39-40
B8.1	Focus areas of contribution.	39
B8.2	Resources contributed to the focus area.	39-40



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