



JAPAN KYOSEI GROUP COMPANY LIMITED

日本共生集團有限公司

(Incorporated in Bermuda with limited liability)

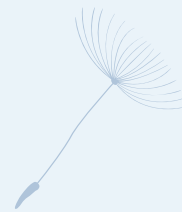
Stock Code : 627

ENVIRONMENTAL, SOCIAL AND
GOVERNANCE REPORT
2023

CONTENTS

2	ABOUT THIS REPORT
2	Preparation Basis and Scope
2	Reporting Principles and Reference Standards
2	Reporting Period
2	Contact Information
3	INTRODUCTION
4	STAKEHOLDERS ENGAGEMENT AND MATERIALITY ASSESSMENT
7	Materiality Assessment
8	ESG GOVERNANCE
8	Board's Oversight of ESG Issues
8	Board's Overall Vision and Strategy In Managing ESG Issues
8	ESG Working Group
8	Board's ESG Management Approach and Strategy for Material ESG-Related Issues
8	Board Review Progress Against ESG-Related Goals and Targets
9	A. ENVIRONMENTAL ASPECTS
9	A1. Emissions
9	Air Pollutants Emission
10	Greenhouse Gas ("GHG") Emissions
10	Waste Management
11	A2. Use of Resources
11	Energy
12	Water
12	A3. The Environment and Natural Resources
12	A4. Climate Change
12	Governance
13	Strategy
14	Risk Management
14	Significant Climate-related Issues
16	Metrics and Targets
17	B. SOCIAL ASPECTS
17	B1. Employment
19	B2. Health and Safety
20	B3. Development and Training
20	B4. Labour Standards
21	B5. Supply Chain Management
21	B6. Product Responsibility
22	B7. Anti-Corruption
22	B8. Community Investment
23	HKEX's Listing Rule Appendix C2 Environmental, Social and Governance Reporting Guide Content Index

ABOUT THIS REPORT



Japan Kyosei Group Company Limited (the “Company”), along with its subsidiaries (the “Group”, or “we”), is pleased to present this Environmental, Social and Governance (“ESG”) Report (the “Report”), which provides an overview of the Group’s management of significant operational issues, including environmental, social, and governance issues.

PREPARATION BASIS AND SCOPE

This Report is prepared in accordance with Appendix C2 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 social responsibility, covering the property development and property investment business of the Group in the People’s Republic of China (“PRC”) and Hong Kong. With the aim to optimise and improve the disclosure requirements in the Report, the Group has taken the initiative to formulate policies, record relevant data as well as implement and monitor measures. It covers the data and information of the Company and its major subsidiaries. The environmental data is mainly gathered from the environmental, social and governance performance of the Group’s major residential projects, commercial projects and at its major workplaces. This Report shall be published both in Chinese and English on the website of the Stock Exchange and the Company (<http://www.jkgc.com.hk>). Should there be any discrepancy between the Chinese and the English versions, the English version shall prevail.

REPORTING PRINCIPLES AND REFERENCE STANDARDS

This Report is prepared mainly with reference to the Environmental, Social and Governance Reporting Guide issued by the Stock Exchange. The reporting principles adopted in this Report emphasise the following four aspects:

- Materiality** the threshold at which environmental, social and governance issues become sufficiently important to investors and other stakeholders should be reported in this Report.
- Quantitative** the key performance indicators involved in the effectiveness of environmental, social and governance policies and management systems shall be, as far as practicable, presented in the form of quantitative data accompanied by a narrative explaining its purposes and impacts.
- Balance** this Report provides an objective presentation of the Group’s performance to avoid selections, omissions, or presentation format that may inappropriately influence report readers’ decisions or judgments.
- Consistency** use consistent methodologies to allow for meaningful comparisons of environmental, social and governance data over time.

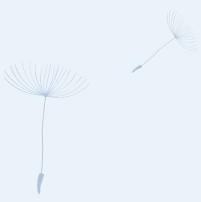
REPORTING PERIOD

This Report demonstrates our sustainability initiatives during the Reporting Period from 1 January 2023 to 31 December 2023.

CONTACT INFORMATION

The Group welcomes your feedback on this Report for our sustainability initiatives. Please contact us by emailing at cs@fullsun.com.hk.





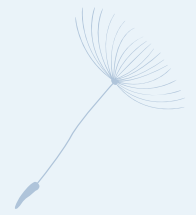
INTRODUCTION

The Group is principally engaged in the property development and property investment business in the PRC and Hong Kong. The property development business covers developing and selling commercial properties, apartments and residential properties in the PRC and Hong Kong. The property investment business covers the leasing of investment properties in the PRC and Hong Kong.

Looking ahead, the Group maintains a cautious outlook on the global economic prospects. The Board of Directors (the “Board”) and management will exercise increased prudence in managing the Group’s business. Simultaneously, the Board will strive to identify potential investment opportunities, focus on developing new businesses with growth potential, and restructure the Group’s asset portfolio to expand the scale of future property development and related services. In the meantime, the Group also recognizes the importance of operating in an environmentally and socially responsible manner. We are committed to achieving sustainable development, ensuring affordable capital and long-term competitiveness, and incorporating environmental and social factors into our management considerations. Our sustainability strategy is based on compliance with legal regulations and stakeholder opinions in the regions where we operate.

The Group has established and implemented various policies to manage and monitor the risks related to the environment, employment, operating practices and community. Details of the management approach to sustainable development in different areas are illustrated in this Report.

STAKEHOLDERS ENGAGEMENT AND MATERIALITY ASSESSMENT



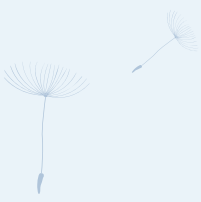
The Group understands the success of the Group’s business depends on the support from its key stakeholders, who (a) have invested or will invest in the Group; (b) have the ability to influence the outcomes within the Group; and (c) are interested in or affected by or have the potential to be affected by the impact of the Group’s activities, products, services and relationships. It allows the Group to understand risks and opportunities. The Group will continue to ensure effective communication and maintain a 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	Communication channels
Government	<ul style="list-style-type: none"> Compliance with the laws and regulations Proper tax payment Promote regional economic development and employment 	<ul style="list-style-type: none"> On-site inspections and checks Research and discussion through work conferences, work reports preparation and submission for approval in the PRC Annual and interim report Company website
Shareholders and Investors	<ul style="list-style-type: none"> Low risk on investment Return on the investment Information disclosure and transparency Protection of interests and fair treatment of shareholders 	<ul style="list-style-type: none"> Annual general meeting and other shareholder meetings Annual report and announcements Meeting with investors Company website and the Stock Exchange
Employees	<ul style="list-style-type: none"> Safeguard the rights and interests of employees Working environment Career development opportunities Self-actualisation Occupational health and safety 	<ul style="list-style-type: none"> Meetings and conferences Training, seminars and briefing sessions Entertainment Intranet, emails, circulars and manuals

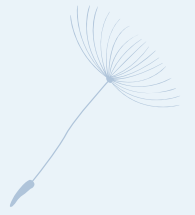




STAKEHOLDERS ENGAGEMENT AND MATERIALITY ASSESSMENT

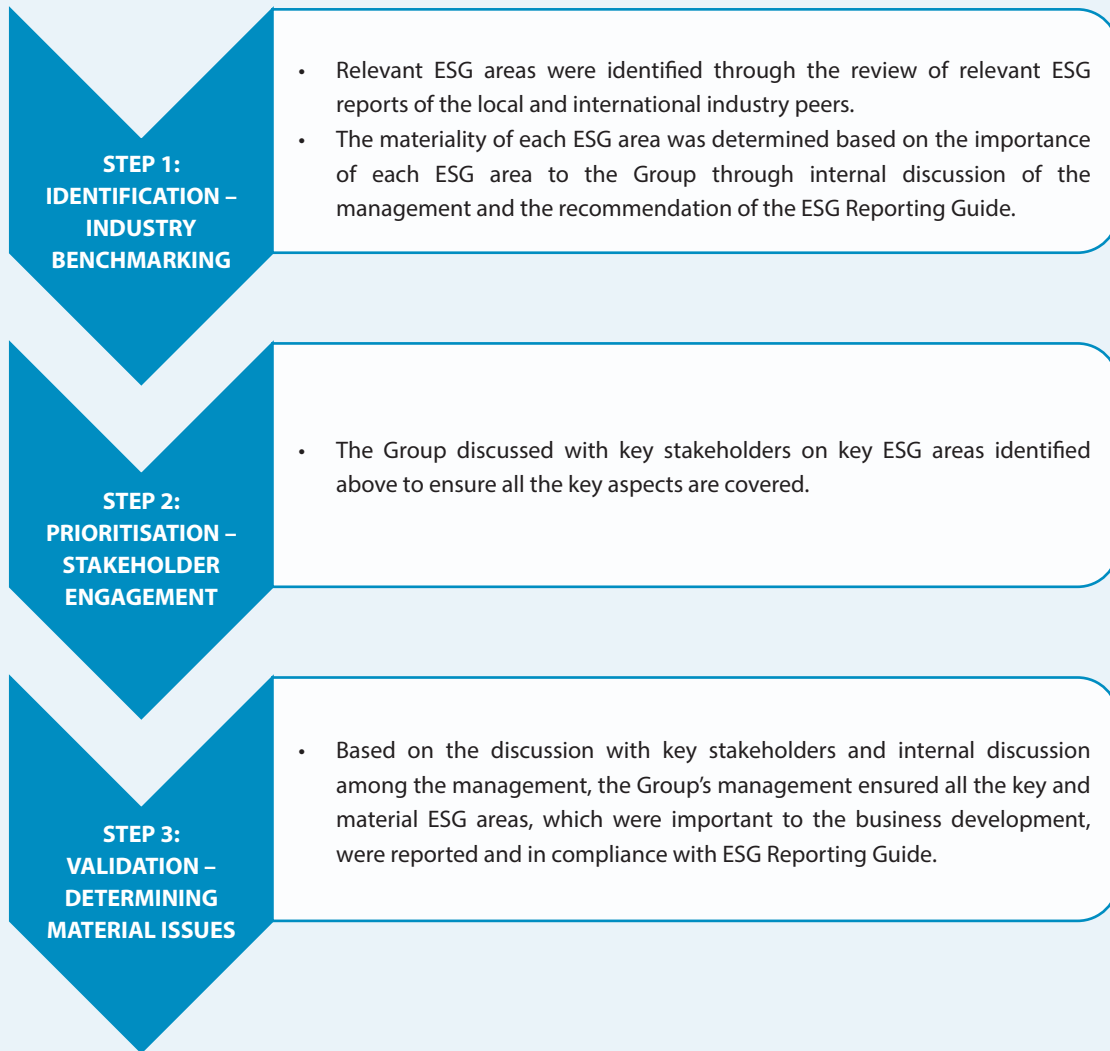
Stakeholders	Expectations	Communication channels
Customers	<ul style="list-style-type: none"> • Safe and high-quality products • Stable relationship • Information transparency • Integrity • Business ethics 	<ul style="list-style-type: none"> • Company website, brochures and annual report • Email and customer service hotline • Feedback forms
Suppliers/Partners	<ul style="list-style-type: none"> • Long-term partnership • Honest cooperation • Fair and open • Information resources sharing • Risk reduction 	<ul style="list-style-type: none"> • Business meetings, supplier conferences, phone calls and interviews • Review and assessment
Peers/Industry Associations	<ul style="list-style-type: none"> • Experience sharing • Fair competition 	<ul style="list-style-type: none"> • Industry conference • Site visit
Financial Institutions	<ul style="list-style-type: none"> • Compliance with the laws and regulations • Information disclosure 	<ul style="list-style-type: none"> • Consulting • Information disclosure • Reports • Communication through the relationship manager
Media	<ul style="list-style-type: none"> • Transparent information • Communication with media 	<ul style="list-style-type: none"> • Company website • Media conference
Public and Communities	<ul style="list-style-type: none"> • Career opportunities • Community involvement • Environmental responsibilities • Social responsibilities 	<ul style="list-style-type: none"> • Volunteering • Charity and social investment • Annual reports and announcements

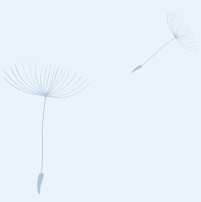
STAKEHOLDERS ENGAGEMENT AND MATERIALITY ASSESSMENT



Through general communication with stakeholders, the Group understands the expectations and concerns of 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. The Group has evaluated the materiality and importance of ESG aspects through the following steps:





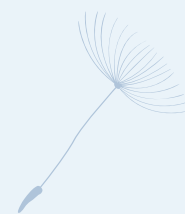
MATERIALITY ASSESSMENT

In order to effectively identify the Group's material ESG issues, the Board conducted an assessment in 2023. The Group considers various aspects, including the key business and operating environment, the influence of stakeholders, and the influence of the Group on stakeholders.

Taking into account the expectations of key stakeholders and the impact of ESG issues on the Group, reference is made to the industry materiality issues of the Sustainability Accounting Standards Board (SASB), the ESG industry materiality map of MSCI and the material issues of peer disclosures to identify materiality issues during the Reporting Period. The details of the issues and the issues covered are as follows:

Materiality Level	No.	Issues
Highly Important	3	Climate Change Adoption
	4	Anti-corruption
Important	2	Green/Sustainable Building
	7	Equal Opportunity, Diversity and Anti-Discrimination
	11	Community Engagement and Investment
Relevant	1	Employment Compliance (Child Labour and Forced Labour)
	5	Building of Economically Affordable Housing

ESG GOVERNANCE



BOARD'S OVERSIGHT OF ESG ISSUES

BOARD'S OVERALL VISION AND STRATEGY IN MANAGING ESG ISSUES

The Board has a primary role in overseeing the management of the Group's sustainability issues. During the Reporting Period, the Board and the ESG Working Group evaluated the impact of ESG-related risks on our operation and formulated relevant policies for dealing with the risks. The oversight of the Board aims to ensure the management has all the right tools and resources to oversee the ESG issues in the context of strategy and long-term value creation.

In addition, we have engaged Riskory Consultancy Limited as an independent ESG consultant to assist the Group in preparing this Report and provide ESG-related consultancy services.

ESG WORKING GROUP

To demonstrate our commitment to transparency and accountability, the 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 regard stakeholders as the foundation of the Group's development and place great emphasis on their opinions. During the Reporting Period, the ESG Working Group consisted of Executive Directors, Deputy Chief Financial Officer, Finance Manager, Human Resource Manager, and Property Development Project Managers.

The ESG Working Group is primarily responsible for reviewing and supervising the ESG process, and risk management of the Group. Different ESG issues were reviewed by the Working Group at the meetings. During the Reporting Period, the ESG Working Group and the management reviewed the ESG 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, a materiality assessment is conducted during the Reporting Period. 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 of stakeholders. The feedbacks obtained allow the Group to make more informed decisions, and to better assess and manage the resulting impact.

BOARD REVIEW PROGRESS AGAINST ESG-RELATED GOALS AND TARGETS

The progress of ESG target implementation and the ESG performance of the goals and targets should be closely reviewed from time to time. Setting ESG targets requires the ESG Working Group to carefully examine the attainability of the targets which should be weighed against the Company's ambitions and goals. Rectification may be needed if the progress falls short of expectations. Effective communication about the goals and target process with key stakeholders 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.

The Group regards environmental protection and energy conservation and emission reduction as part of its corporate social responsibility, driving the development of the green market and reducing climate change risks. Throughout the Reporting Period, the Group has consistently promoted sustainable development, fully explored potential, and committed to utilizing various resources to achieve higher targets for energy conservation and emission reduction. In tandem with business development, we actively promote the construction of an environmental protection culture, raising the environmental awareness of all employees of the Group, integrated the concept of environmental protection into all aspects of daily operation and management, and made every employee take responsibility. The Group always keeps abreast of the development of international environmental protection laws and the environmental protection requirements of the locations where we operate, and ensures that the implementation of its environmental policy is in compliance with international standards and is at the same pace as its global peers.



A. ENVIRONMENTAL ASPECTS

A1. EMISSIONS

The Group places high emphasis on the management of emissions generated from the course of operation. As a conglomerate in the real estate industry, our operation has never generated excessive hazardous and non-hazardous waste. During the course of our business, the hazardous waste mainly includes cartridges used in printers and lighting bulbs, while the non-hazardous waste is mainly waste paper. As for the recycling of hazardous waste, it is disposed of uniformly through the property management companies to which the Group pays the rentals/management fee as the relevant cost.

The Group adheres to green office practices, adopting various energy-saving and emission reduction measures for different types of resources in operational management. We are committed to achieving paperless office operations by transitioning processes that traditionally consumed large volumes of paper to online systems to minimize paper use. For processes that cannot yet be moved online, we advocate for double-sided printing and paper recycling to avoid waste. Regarding energy use, the Group encourages all employees to actively participate in green commuting. Additionally, our air conditioning systems do not involve the use of chlorofluorocarbons (CFCs) or their alternatives, preventing air pollution and offering the benefits of efficiency and energy saving.

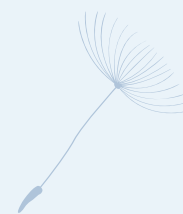
The Group strictly complies with national laws regarding the control of emissions and the related environmental laws and regulations including but not limited to the Environmental Protection Law of the People's Republic of China, Water Pollution Prevention and Control Law of the People's Republic of China, Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution, Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Wastes. During the Reporting Period, we were not aware of any reported cases related to material non-compliance with respect to air and greenhouse gas emissions, pollution discharge into water sources or on land, and the generation of hazardous or non-hazardous waste.

AIR POLLUTANTS EMISSION

Air pollutants emission control is essential to mitigate environmental impacts and protect employees' health. For our property development projects, the Group constantly encourages its contractors to adopt responsible construction practices to reduce air pollutants emissions. For example, continuous sprinkling is adopted in construction sites to mitigate the spread of dust, sealed containers are used for volatile gas to prevent gas leakage.

We target to reduce air pollutant emissions and continue to eliminate any adverse environmental impacts to the natural environment. As our property development projects are subcontracted to construction contractors, we do not have direct ownership or control over the construction projects. However, our property development project and construction teams always closely monitor the construction process carried out by our subcontractors to mitigate their air pollutants emissions. Furthermore, we did not use vehicle during the Reporting Period, hence we did not generate significant air pollution.

A. ENVIRONMENTAL ASPECTS



GREENHOUSE GAS (“GHG”) EMISSIONS

Given the nature of our business operations, the Group’s greenhouse gas emissions mainly stem from energy indirect emissions of scope 2 (purchased electricity), with no significant direct greenhouse gas emissions from scope 1. Giving the majority of the GHG emissions of the Group come from energy consumption, the Group tackles the GHG emission by lowering the energy consumption in our business operations.

We target to reduce GHG emissions and continue to improve our environmental performance. 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.

Type of GHG Emissions	Unit	2023
Scope 2 – Energy Indirect Emissions	Tons of CO ₂ equivalent	23.01
Total	Tons of CO ₂ equivalent	23.01
GHG Emission Intensity	Tons of CO ₂ equivalent/million RMB revenue	0.09

WASTE MANAGEMENT

The Group recognises the importance of waste reduction. Waste management measures have been introduced to minimise the amount of waste generated and reduce the impact of our operation on the environment. Due to our business operation nature, no hazardous waste was generated during the Reporting Period.

Due to the nature of office operation, the non-hazardous waste mainly consists of domestic waste and paper waste which are collected by the property management company for landfill or incineration. In the future, the Group plans to implement waste sorting, promote recycling in the office and provide clearer sorting guidance for staff, as well as encourage them to reduce waste at source. Besides, the Group takes the initiative to reduce the paper waste amount by encouraging its employees to use double-sided printing.

We target to properly handle and reduce waste generation and disposal during the course of our business. For property development projects, the Group requires all business units to strictly comply with the relevant laws and regulations of China in terms of waste discharge, drainage design and construction. The management, with the assistance of the project managers and engineers, assesses the design and construction plans and monitors the entire construction process according to the project management policies and guidelines of the Group. Therefore, we can avoid deviation from waste discharge standard due to design failures or delay in construction. The Group also requires its contractors to sort, classify and recycle (if applicable) the construction and demolition waste produced. Construction and demolition waste that cannot be recycled is delivered to landfills by qualified waste management companies and recyclable waste is processed by recycling companies. During the Reporting Period, daily office operation was the main source of commercial waste and we did not generate significant hazardous waste.

The waste generated by the Group during the Reporting Period is as follows:

Type of Waste Generated	Unit	2023
Non-Hazardous Waste	Tons	1.02
Non-Hazardous Waste Intensity	Kg/million RMB revenue	4.11





A2. USE OF RESOURCES

The Group considers environmental protection as an essential component of a sustainable and responsible business. The Group has an in-depth understanding of the importance of safeguarding sustainable development of the environment and attaches importance to the efficient utilisation of resources by introducing various measures in daily business operations. We understand that staff participation is the key to achieving such goals. The Group has also adopted policies to improve the efficient use of energy, water and other materials.

ENERGY

The Group targets to enhance energy efficiency by managing electricity reduction at sources. The Group implements the concept of energy saving and emission reduction throughout the entire process of its development and operation. In the meantime, the Group puts effort into promoting energy-saving awareness among its staff by posting related reminders or messages through emails, recommending them to switch off all the lights, computers and printers by the end of the workday. The Group encourages all of its employees to set their computers to sleep mode automatically when left idle for a certain period of time. Printers and copiers are also set to sleep mode automatically for the computers.

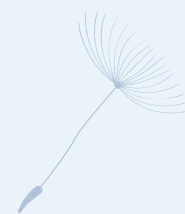
In order to keep pace with the market trends, the Group regularly upgrades its existing facilities such as replacing outdated computers, phones and other electrical appliances to meet the needs of our customers and enhance operational efficiency. The Group adheres to environmental protection and waste reduction principles for its upgrading processes, and reuses existing facilities and materials wherever possible, so as to reduce waste. Meanwhile, it also actively uses ecofriendly equipment for any replacement. With these measures, not only can energy consumption be saved, but also the emission can be reduced.

In relation to office operation, the Group strives to create a corporate culture of resource-saving for the purpose of enhancing employees' awareness of environmental protection and encouraging them to actively participate in and contribute to environmental protection commitments through a series of activities such as afforestation and water-saving publicity. The Company also puts up promotional slogans such as "Save every drop of water", "Turn off the lights to save electricity" and "Cherish the forest through double-sided printing" near the restrooms, lights, air conditioners and photocopiers, and provides employees with advice on the benefits of energy conservation and water saving so as to raise their awareness of environmental protection while further improving the overall environmental protection performance of the office.

The energy consumption of the Group during the Reporting Period is as follows:

Type of Energy Consumption	Unit	2023
Indirect Energy Consumption		
Purchased Electricity	MWh	40.34
Total	MWh	40.34
Intensity	MWh/million RMB revenue	0.16

A. ENVIRONMENTAL ASPECTS



WATER

Water is an important natural resource. The Group targets to enhance water efficiency by managing the water reduction at sources. During the Reporting Period, the Group had no issue in sourcing water that is fit for purpose due to its business nature and geographical locations. For water consumption in both the PRC and Hong Kong offices, the water supply is solely controlled and centrally managed by the property management companies of the buildings, it is not feasible for the Group to provide completed water consumption data as there is no separate meter for each individual office unit on water usage record. However, we still actively seek ways to mitigate water consumption. For example, the Group encourages water recycling by connecting the washbasin outlet pipe to a water storage tank to use wastewater for toilet flushing. Besides, the Group conducts regular inspections of each operation stage to minimise leakage and wastage as well as posts posters in the office to encourage employees to save water.

Water Consumption	Unit	2023
Total Water Consumption	m ³	290.00
Water Consumption Intensity	m ³ /million RMB revenue	1.17

A3. THE ENVIRONMENT AND NATURAL RESOURCES

The Group has complied with all laws and regulations related to the environmental and natural resources during the Reporting Period, including but not limited to the Regulations on the Administration of Construction Project Environmental Protection, the Law of the People's Republic of China on Environmental Impact Assessment, the Regulation on the Administration of Survey and Design of Construction Projects, the Interim Provisions on Civilized Construction and Environmental Management of Construction Site, the Emission Standard of Environmental Noise for Boundary Construction Site Area, and the Environmental Quality Standards for Noise.

Although the Group's business nature may, to a certain extent, cause impacts on the environment and natural resources, such as biodiversity, the waste of each regional subsidiary is uniformly disposed of by their respective local property management companies and the waste in project sites are treated by the main contractors. Accordingly, the waste generated by the Group (except exhaust gas) would not have a direct impact on the environment. The Group places high importance on and remains vigilant about the potential environmental impacts of its business operations. Should situations arise that could negatively affect the environment and natural resources, the Group will proactively develop targeted measures to mitigate these impacts, maintaining communication with stakeholders and properly addressing the relevant issues throughout the process.

A4. CLIMATE CHANGE

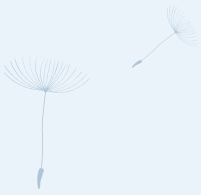
GOVERNANCE

The Group addresses climate-related risks based on the nature of the risk to our operations. Climate change, including extreme weather events, have immediate operational impacts on facilities and are treated as operational risks. ESG issues and climate-related risks and opportunities, are regularly discussed by the Group's ESG Working Group.

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

To ensure our Board keeps up with the latest trend of climate-related issues, relevant 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.





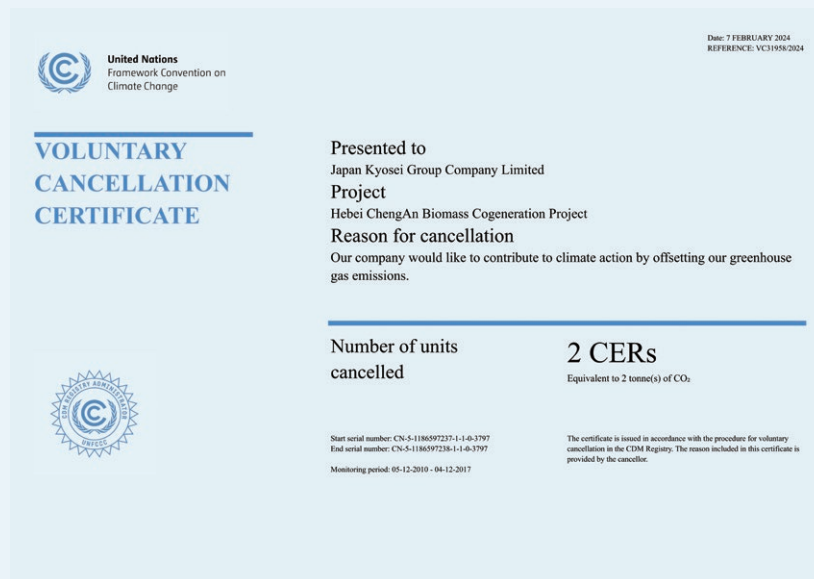
A. ENVIRONMENTAL ASPECTS

Our ESG Working Group provides effective governance for integrating and addressing ESG issues, for example, climate change. Moreover, the ESG Working Group works closely with the Group's different operation departments, with an aim to develop consistent and enhanced approaches to addressing ESG risk issues and reporting to the management.

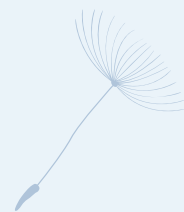
STRATEGY

Given the rising frequency and intensity of extreme weather events, climate change is a significant component of our overall risk profile. 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 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. To this end, we strive to protect people in our communities against extreme weather.

To bridge the gap between current capabilities and long-term sustainability goals, carbon offsetting emerges as an essential strategy. It serves as an immediate, pragmatic solution for mitigating the unavoidable emissions resulting from our operations. During the Reporting Period, we have engaged Riskory Consultancy Limited, a third-party ESG advisor with certified carbon auditors and carbon emission traders, to conduct carbon audits and assist us with carbon offsetting. The carbon offset project we have utilised is the Hebei ChengAn Biomass Cogeneration Project (Project ID: 3797) from the United Nations Clean Development Mechanism ("CDM"), which focuses on generating electricity by utilising local straw from cotton. The electricity generated from this project is sold to the Hebei Provincial Power Grid, replacing the capacity of coal-fired power plants. The project contributes to greenhouse gas emission reduction, comprehensive utilization of resources, environmental protection, and providing job opportunities and increasing income of local residents. Certified Emission Reductions (CERs) from this project were also used for carbon neutrality at the 19th Asian Games Hangzhou 2022 and the 4th Asian Para Games Hangzhou 2022.



Carbon Offsets Certificate issued by UNFCCC



A. ENVIRONMENTAL ASPECTS

RISK MANAGEMENT

The Group identifies the climate-related risks and corresponding strategies with the aid of risk assessment. Hence, the areas where new strategies are needed could be identified.

The Group engages with the government and other appropriate organisations in order to keep abreast of expected and potential regulatory and/or financial changes. We will continue to raise awareness of climate change in regard to monitoring carbon and energy footprint in our daily operations.

SIGNIFICANT CLIMATE-RELATED ISSUES

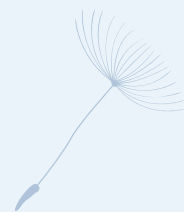
During the Reporting Period, the significant climate-related physical risks and transition risks, which have impacted/or may impact the Group’s business and strategy in (i) operations, products and services, (ii) supply chain and value chain, (iii) adaptation and mitigation activities, (iv) investment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

Climate-related Risks	Potential Financial Impacts	Steps Taken to Manage the Risks
Physical Risk		
Acute Physical Risks		
<ul style="list-style-type: none"> Increased impact and frequency of extreme weather events such as cyclones and floods, and strong winds. Hence, staff could be more prone to injuries. In addition, under extreme weather events, the costs of transportation, communications and living increase, which may adversely impact the financial Increased likelihood of extreme weather event, may also hinder the operations of companies. Financial loss occurs due to the interruption of the supply chain, logistics and transportation 	<ul style="list-style-type: none"> Operating cost increase Capital cost increases due to the damage to facilities 	<ul style="list-style-type: none"> Established a natural disaster emergency plan
Chronic Physical Risks		
<ul style="list-style-type: none"> Prolonged hot weather may increase energy consumption 	<ul style="list-style-type: none"> Operating cost increases 	<ul style="list-style-type: none"> Planning to increase energy efficiency





Climate-related Risks	Potential Financial Impacts	Steps Taken to Manage the Risks
Transition Risk		
<p>Policy Risks</p> <ul style="list-style-type: none"> Enhanced emissions-reporting obligations. We may need extra resources in fulfilling the report standards to comply with the new obligations 	<ul style="list-style-type: none"> Operating cost increases due to high compliance costs. 	<ul style="list-style-type: none"> Monitor the updates of the relevant climate-related environmental policies, to avoid increase in compliance cost and expenditure due to the violation of the relevant policies
<p>Legal Risks</p> <ul style="list-style-type: none"> Exposure to compliance risks. We have to adapt to the tightened laws and regulations issued by the government due to climate change, and they have the risk of litigation once they fail to obligate the new rules 	<ul style="list-style-type: none"> Operating cost increases for high compliance costs and increased insurance premiums for the Group. 	<ul style="list-style-type: none"> Monitor the updates of environmental laws and regulations and implement a response strategy in advance
<p>Technology Risks</p> <ul style="list-style-type: none"> Sourcing low-carbon and energy-saving construction materials and developing energy-saving technologies for the construction will lead to an increase in capital investment and R&D expenses. More green buildings with low-carbon energy-saving technologies are adopted by industry peers. Lagging behind may weaken our competitive edges 	<ul style="list-style-type: none"> Capital investment in technology development 	<ul style="list-style-type: none"> Plan to invest in the innovations of energy-saving technologies for construction Study the feasibility and benefits of applying the latest low-carbon and energy-saving technologies into our operations
<p>Market Risks</p> <ul style="list-style-type: none"> More customers and investors are considering climate-related risks and opportunities, which may lead to changes in customers' demand and preferences for properties Increased cost of construction materials. More environmentally friendly raw materials may be much more expensive, which may increase the construction cost. 	<ul style="list-style-type: none"> Revenue reduces, marketing costs increases or loss of market share 	<ul style="list-style-type: none"> Plan to invest in the innovations of energy-saving technologies for construction



A. ENVIRONMENTAL ASPECTS

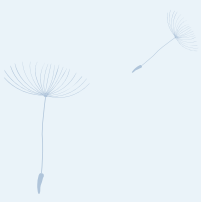
During the Reporting Period, the primary climate-related opportunities and the corresponding financial impacts were as follows:

Climate-related Opportunities	Potential Financial Impacts
Resource Efficiency – Reduce water usage and consumption	– Operating cost reduced through increased efficiency and cost reductions
Energy Source – Use of lower-emission fuel sources – Use of new green technologies	– Operating cost reduced through the use of lowest cost abatement – Returns on investment in low-emission technology increases
Products and Services – Development of climate adaptation and insurance risk solutions	– Operating costs reduced through new solutions to adaptations needs, such as insurance risk transfer products and services
Markets – Access to green building, low carbon new markets	– Revenue increases through access to new and emerging markets

METRICS AND TARGETS

The 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 to our effort to have minimal impact on climate change risks.





B. SOCIAL ASPECTS

“An enterprise booms with talents and is doomed without talents.” Upholding its principles of “Being a key to future success, talent pool outweighs land reserve”, corporate visions of “Building a better life together” and its attitude of “Being responsible for employees”, the Group considers talents as the top priority of its corporate strategies. Considering “Solidify foundation, strive for breakthroughs and achieve results” as the Group’s objectives of human resources planning, the Group is striving for breakthroughs in six sectors, namely human resources planning, recruitment, remuneration, performance, training and talent development and employee relations, as well as monitoring the achievement of human resources objectives continuously by quantifying the completion of works.

The Group continuously extends and optimises the “Five-Luck” talent development scheme and strengthens the talent pool at each level unceasingly, so as to create a talent supply chain which is “Tridimensional, highly efficient, multi-level and comprehensive”. The Group constantly promotes the standardisation of human resources management, optimises the incentives for remuneration and assessments and strengthens staff training, as well as attracting professional talents of each level by incorporating this “Five-Luck” talent development scheme. We enhance the overall quality of staff members through professional training and encourage the enthusiasm of our staff through remuneration and assessments, so as to establish an elite JAPAN KYOSEI team continuously, which can truly realise talent-driven corporate competitiveness.

Sharing with employees is the corporate culture that the Group has been promoting and the scientific human resources management system provides the necessary protection for staff development. The Group is devoted to helping all employees to have achievements in work and enabling individuals to develop simultaneously with the Group, so as to facilitate the achievement of overall strategic goals.

B1. EMPLOYMENT

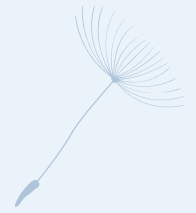
We retain talents by offering brighter career paths, better development platforms and more attractive incentives. Personal characters, capabilities and working performance are principles for promotion, which is one of the features of the Group’s talent development. Whenever there is a vacancy in the Group, employees are encouraged to compete for promotion.

In respect of emoluments, by incorporating the current salary level, the Group actively explores the reform of the remuneration system and establishes a comprehensive remuneration and welfare system, while sorting out the relationship between salary and personal performance, and clarifying the related mechanism. Meanwhile, we enhance remuneration management and control, formulate the standards of remuneration management, increase the evaluation index of sales rebate and timely adjust our remuneration standards according to market research results. During the Reporting Period, the Group has formulated the “System Plan on Emolument” and “Remuneration Management System”, so as to carry out standardised management in respect of emolument. In view of performances, the Group has set up scientific performance indicators which meet the development requirements of the Group and analyses performance indicators at all levels from the Group to each individual. At the same time, the Group will make timely linkage adjustments to the performance assessment indicators according to the changes in the Group’s operating goals so as to realtime ensure the consistency of the Group’s operating goals. In addition, the Group gradually implements the project uniform liabilities system, and infuses responsibility into performance evaluation indicators to ensure the projects run steadily as planned.

We have made positive efforts to promote equality and diversity during the recruitment process. The Group shows great respect for female’s equal rights, and also actively offers convenience and benefits to female employees, such as organising activities on 8 March, the International Women’s Day, to show its care for female employees.

The Group strictly complies with the Labour Law of the People’s Republic of China, the Social Insurance Law of the People’s Republic of China, the Law of the People’s Republic of China on the Protection of Rights and Interests of Women and the Trade Union Law of the People’s Republic of China. The Group also strictly complies with the regulations in Hong Kong including Cap. 57 Employment Ordinance, Cap. 282 Employees’ Compensation Ordinance and Cap. 608 Minimum Wage Ordinance, etc. The Human Resources Department reviews the relevant laws and regulations on a regular basis. If the relevant provisions are updated, the staff will be notified immediately. If necessary, the Group will organise relevant meetings to train the staff. During the Reporting Period, there was no material non-compliance with laws and regulations that posed a significant impact on the Group in relation to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare policies were reported.

B. SOCIAL ASPECTS



As at 31 December 2023, the Group had 50 employees and the employee compositions by gender, age group, geographical region, employment category and employment type were as follows:

Employee Compositions	Unit	2023
By gender		
Male	Person	23
Female	Person	27
By age group		
Age 30 or below	Person	10
Age 31-50	Person	37
Age 51 or above	Person	3
By geographical region		
Mainland China	Person	42
Others	Person	8
By employment category		
Senior management	Person	6
Middle management	Person	10
General	Person	34
By employment type		
Full-time	Person	50
Part-time	Person	-

The employee turnover rates by gender, age group and geographical region during the Reporting Period were as follows:

Employee Turnover rate	Unit	2023
By gender		
Male	Percentage	152
Female	Percentage	85
By age group		
Age 30 or below	Percentage	230
Age 31-50	Percentage	92
Age 51 or above	Percentage	33
By geographical region		
Mainland China	Percentage	136
Others	Percentage	13





B2. HEALTH AND SAFETY

The Group always believes that the core competitiveness of an enterprise is mainly derived from its employees. The enterprise can enjoy growth only by nurturing its employees into elite talents. The Group strives to establish a good and comfortable working environment for its employees and safeguard workplace safety, so as to enable every employee to achieve a good working atmosphere.

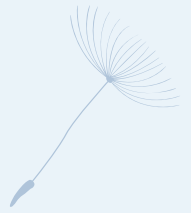
During the Reporting Period, Hunan Fullsun arranged routine fire escape drills to raise staff's awareness of safety at the workplace in order to avoid safety risks. Meanwhile, to ensure both the physical and mental health of staff, routine body check, regular physical exercise and recreational activities have been arranged for staff. Apart from body health, the Group also places attention on the mental health and spiritual care of the staff at all positions. It has specially formulated the "JAPAN KYOSEI Group Internal Communication Management Regulation" to advocate "barrierfree communication for all staff", encouraging staff in all positions to communicate with their superiors in a formal or informal way. All managers of the Group are required to consider the opinions and emotions of their subordinate employees to create a harmonious and seamless communication atmosphere for continuous improvement of employees' satisfaction. The Group arranges different activities such as mini marathon, staff birthday parties, festival celebrations and fellowships every year to show its care for the physical and mental health of all staff and enhance the level of their commitment.

The Group pays equal attention to the safety of the working environment in construction sites and requires the main contractor of each project to establish a safety management system on-site and ensures its effectiveness. Before the commencement of the construction project, the main contractor is required to provide "Three-level Safety Training" for all workers to enhance their safety awareness and standardise the safe operation procedures for workers, so as to endeavor to achieve zero accidents during construction and provide safety protection materials and safety-related services for front-line staff comprehensively. At the same time, the Group assigns dedicated safety personnel and carries out daily on-site inspections and prepares detailed records. Also, regular safety meetings are held to summarise our safety management works and conduct timely investigations for potential safety hazards as well as propose corresponding solutions, so that the relevant workers will be accountable for ensuring the personal safety of every staff.

The Group strictly abides by laws and regulations such as Work Safety Law of the People's Republic of China, the Administrative Regulations on the Work Safety of Construction Projects, the Trade Union Law of the People's Republic of China, Law of the People's Republic of China on the Prevention and Control of Occupational Diseases, the Regulations on Work-related Injury Insurances and the Social Insurance Law of the People's Republic of China. In addition, the Group has established an internal safety management system, and implemented a safety and accident management plan and a safety responsibility system to ensure the system and operation comply with relevant laws and regulations. During the Reporting Period, we are not aware of any material non-compliance with laws and regulations that had a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.

During the year, there was no work injury case (2022: nil, 2021: nil) and lost day due to work injury (2022: nil, 2021: nil) in our business operation. There was no work-related fatality case (2022: nil, 2021: nil) during the Reporting Period. Employees were given paid sick leave for their recovery. Overall, no employees had a serious accident during the Reporting Period.

B. SOCIAL ASPECTS



B3. DEVELOPMENT AND TRAINING

The Group considers talent development as its core vision, promotes the work styles of “unity, high efficiency, integrity and pragmatism” and implements the training concepts with full coverage in the Group. Based on the training programs, the management level, each functional department, business department and newcomers are faithfully advanced, so as to enhance work techniques and integrated work quality of all employees

The Group is committed to providing continuous training and learning opportunities for its employees to develop their talents and expand the Group’s business. The Group offers many development opportunities for employees at all levels throughout the year. These include induction training, company-wide training and departmental training. All employees have equal access to training and development opportunities.

The Group believes that the professional and personal development of its employees is essential to their sustainable development. We will continue to strengthen our training system to improve the development of our employees.

Employee Training Data	Percentage of Employees Trained	Average Training Hours Per Employee
By gender		
Male	22	0.5
Female	11	0.2
By employment category		
Senior management	83	0.8
Middle management	20	0.8
General	3	0.1

B4. LABOUR STANDARDS

The Group has strictly complied with the national and local laws and regulations in relation to labour and human resources and recruitment is carried out based on fair, open and voluntary principles. Legal employment contracts are entered into on the commencement date of employment. The Group offers marriage leave, compassionate leave, maternity leave, family reunion leaves and annual leave to encourage employees to achieve work-life balance. Forced labour and child labour are strictly prohibited. During the Reporting Period, we have implemented several measures to prevent any cases of child and forced labour:

- Confirm the identities of newly recruited employees to verify their ages;
- Sign a contract with newly recruited employees to prevent forced labour; and
- Should any cases of child or forced labour be discovered, an investigation will be carried out immediately, and the recruitment procedure will be reviewed for a room for improvement.

The Group strictly abides by laws and regulations in relation to the prevention of child labour or forced labour, including the Labour Law of the People’s Republic of China, the Employment Ordinance (Chapter 57 of the Laws of Hong Kong), Provisions on the Special Protection of Juvenile Workers and the Provisions on the Prohibition of Using Child Labour. During the Reporting Period, there was no material noncompliance with laws and regulations that had a significant impact on the issuer relating to preventing child and forced labour.





The Group has established a management system and administrative measures specially for suppliers and customers, which demonstrates the Group's effective control on the impact on the environment and society directly attributable to its business operation. In terms of supplier management, the clarification of the functional area of the management roles and internal control of closed-loop management has achieved standardised management of the supply chain. Meanwhile, the Group establishes a clear communication channel with the suppliers to facilitate efficiency in reviewing the contents related to the suppliers. In terms of customer management, the Group proactively collects feedback, widely soliciting and listening to customer opinions, and on this basis, responds to customer needs. We are committed to continuously improving the level and quality of our business services, thereby enhancing the Group's competitiveness. Regarding corruption and any form of it, whether overt or covert, the Group maintains a stance of zero tolerance and decisively combats it.

B5. SUPPLY CHAIN MANAGEMENT

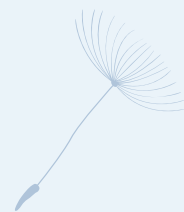
The Group has established a sound management system for suppliers and a standardised management flow on significant issues such as supplier access, performance management and performance evaluation. Since the supplier has a direct influence on product quality, the Group highly values the review work of supplier access. The Group conducts multiple reviews on basic information, qualifications, engineering technology standard and samples to ensure the fulfilment of project construction requirements. Additionally, the environmental and social considerations will be taken into account. Our suppliers must abide by all laws and regulations related to environmental protection and applicable labour standards. Suppliers that promote environmentally preferable products and services are prioritised during the supplier selection and assessment processes. During the Reporting Period, the Group performs inspective evaluation on 4 suppliers, updates the list of cooperating suppliers and carries out supplier performance evaluation in accordance with the requirements of the system.

The distribution of suppliers by geographical location is as follows:

Geographical Locations	2023
Mainland China	44
Hong Kong	-
Other	6
Total	50

B6. PRODUCT RESPONSIBILITY

The Group has prepared the "Construction Project Management Measures" to further standardise general subcontracting and supervision unit management, implement construction quality policy and clarify general subcontracting and quality management responsibilities of the supervision unit, to facilitate "win-win" cooperation. The Group has established standard workflows for project quality management prior to, during and after the project. Before construction begins, suppliers must understand and comply with the detailed management requirements and codes of conduct established by the Group. In-process management includes regular inspections of construction quality and safety, as well as the establishment of clear channels for information communication to ensure construction proceeds according to plan. During the acceptance phase of the project, contractors are required to cooperate with the Group to complete standard acceptance procedures. Acceptance is contingent upon meeting the specified standards for each aspect of the project. Additionally, contractors must submit procedural documents, such as forms explicitly defined in the acceptance regulations, to the Group. Additionally, the Group values customer opinion and complaints. We have the policy to ensure that effective responses are delivered to customers.



B. SOCIAL ASPECTS

The Group strictly abides by laws and regulations such as Personal Data (Privacy) Ordinance Cap. 486. During the Reporting Period, there was no material non-compliance with laws and regulations that had a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.

The Group strives to protect the privacy and the relevant information of the consumers. Non-related persons shall have no access to customers' information.

During the Reporting Period, the Group did not receive any complaint and litigation case related to due to disclosure of customers' information.

B7. ANTI-CORRUPTION

The Group reduces the occurring possibility of corruption by setting up the responsibility coverages of each department and role, and segregating incompatible responsibilities, under which, each shall perform his own functions subject to accountability and restrictions. It has also set up "Staff Reward and Punishment Management Regulations" to clarify the definition and punishment of staff corruption so as to provide a system to be followed. Beyond that, the Group has developed "Employee Integrity Practice Regulations" to clarify the integrity supervision organization-Integrity Enforcement Working Team, which works with the audit department under the internal control centre to form a cooperative working mechanism. This has put forward comprehensive requirements for the integrity of employees, established multi-faceted reporting channels, and promoted supervision from all employees. The Group provides training sessions on anti-corruption to the directors and staff.

The Group strictly complied with the Criminal Law of the People's Republic of China, the Criminal Procedure Law of the People's Republic of China, the Anti-unfair Competition Law of the People's Republic of China, Interim Provisions on Banning Commercial Bribery, the Antimoney Laundering Law of the People's Republic of China and also the Prevention of Bribery Ordinance, etc. During the Reporting Period, there was no material non-compliance with laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.

During the Reporting Period, no concluded legal cases were reported regarding corrupt practices against the Group or its employees. Following the business development, the supervisory system will be further improved to provide strong protection for the sustainable development of the Group.

B8. COMMUNITY INVESTMENT

While striving for development, the Group has always emphasised social responsibility and home- country feelings. Keeping in mind the mission entrusted by the society, the Group takes making a contribution to society as its corporate responsibility for fulfilling its corporate commitments, and promoting traditional virtues. While fulfilling social responsibilities, the Group also actively builds a responsible and effective company culture, and encourages employees to participate in social dedication with practical actions.

Never forget the original intention, and move forward with love. The Group will always strive to fulfil its corporate social responsibility. Throughout its corporate development, it will continue to share the Company's achievements with all sectors of society, actively participate in social welfare activities, and promote corporate culture, promote the spirit of public welfare with practical actions, and implement social dedication with corporate responsibility.

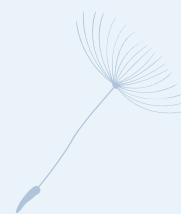




HKEX's Listing Rule Appendix C2 Environmental, Social and Governance Reporting Guide Content Index

Subject area	Content	Chapter/Disclosure
Mandatory Disclosure Requirement		
Governance Structure	A Statement from the board containing the following elements: (i) disclosure of the board's oversight of ESG issues. (ii) the board's ESG management approach and strategy, including the process used to evaluate, prioritize and manage material ESG-related issues (including risks to the issuer's business); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's business	ESG Governance
Reporting Principles	A description of, or an explanation on, the application of the Reporting Principles (materiality, quantitative, and consistency) in the preparation of the ESG Report	Reporting Principles and Reference Standards
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.	
A. Environmental		
Aspect A1: Emissions General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Emissions
KPI A1.1	The types of emissions and respective emissions data.	Air Pollutants Emission
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity.	Greenhouse Gas Emissions
KPI A1.3	Total hazardous waste produced (tonnes) and where appropriate, intensity.	Waste Management
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity.	
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	Air Pollutants Emission, Greenhouse Gas Emissions
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Waste Management

HKEX's Listing Rule Appendix C2 Environmental, Social and Governance Reporting Guide Content Index



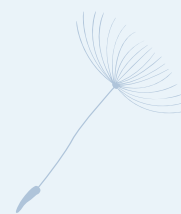
Subject area	Content	Chapter/Disclosure
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water, and other raw materials.	Use of Resources
KPI A2.1	Direct and/or indirect energy consumption by type in total (Kwh in '000s) and intensity.	Energy
KPI A2.2	Water consumption in total and intensity.	Water
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Energy
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s), and steps taken to achieve them.	Water
KPI A2.5	Total packing material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Due to the Group's business nature, we did not generate significant packaging materials
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimizing the issuer's significant impacts on the environment and natural resources.	The Environment and Natural Resources
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	
Aspect A4: Climate Change		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Climate Change
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	
B. Social		
Aspect B1: Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Employment
KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	



HKEX's Listing Rule Appendix C2 Environmental, Social and Governance Reporting Guide Content Index

Subject area	Content	Chapter/Disclosure
Aspect B2: Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Health and Safety
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	No work-related fatalities were noted in each of the past three years (including the Reporting Period).
KPI B2.2	Lost days due to work injury.	No work-related injuries were noted during the Reporting Period.
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Health and Safety
Aspect B3: Development and Training		
General Disclosure	Policy on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Development and Training
KPI B3.1	The percentage of employees trained by gender and employee category	
KPI B3.2	The average training hours completed per employee by gender and employee category.	
Aspect B4: Labour Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Labour Standards
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	

HKEX's Listing Rule Appendix C2 Environmental, Social and Governance Reporting Guide Content Index



Subject area	Content	Chapter/Disclosure
Aspect B6: Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Product Responsibility
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	No products sold or shipped subject to recalls for safety and health reasons were noted during the Reporting Period.
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	No products and service related complaints were received during the Reporting Period.
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Product Responsibility
KPI B6.4	Description of quality assurance process and recall procedures.	
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	
Aspect B7: Anti-corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud, and money laundering.	Anti-corruption
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	No concluded legal cases were noted during the Reporting Period.
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Anti-corruption
KPI B7.3	Description of anti-corruption training provided to directors and staff.	
Aspect B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Community Investment
KPI B8.1	Focus areas of contribution.	
KPI B8.2	Resources contributed to the focus area.	

