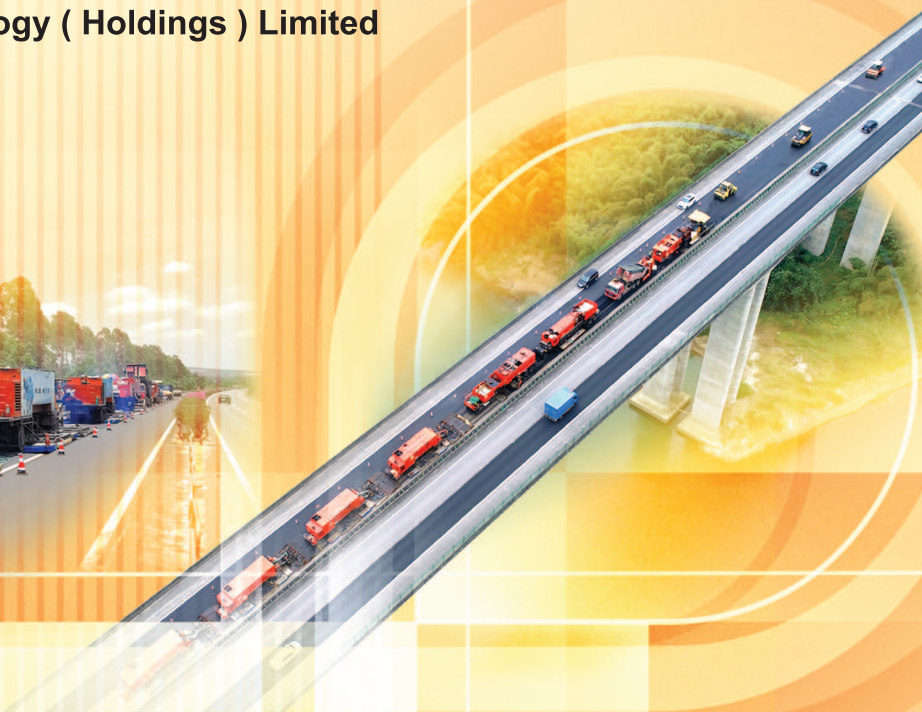




英達公路再生科技(集團)有限公司

Freetech Road Recycling Technology (Holdings) Limited

(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 : 6888



2023

ENVIRONMENTAL, SOCIAL
AND GOVERNANCE REPORT
環境·社會及管治報告

公路醫生®



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ABOUT THIS REPORT

PURPOSE OF THE REPORT

The purpose of the 2023 environmental, social and governance report (the “Report”) of Freetech Road Recycling Technology (Holdings) Limited (the “Company”) and its subsidiaries (the “Group”) reflects our commitment in transparency and accountability in elaborating on the Company’s sustainable development plan and performance.

REPORTING SCOPE

The Report sets out the Group’s environmental and social performance for the year 2023 (the “year”). The scope covers the core business of the Group namely asphalt pavement maintenance equipment manufacturing and asphalt pavement maintenance services, through the Company and its major subsidiaries, Freetech Road Recycling Corporation and Nanjing Freetech Road Maintenance Vehicle Manufacturing Corporation.

The Report outlines the Group’s social and environmental protection performance, while other areas include corporate governance, regulatory matters, directors’ information and other information of the Group are set out in the Group’s 2023 annual report.

REPORTING DATA DESCRIPTION

The contents of the Report are based on a set of systematic procedures. The procedures include assessing the importance and relevance of identified environmental and social areas, compiling and verifying the reported information, reviewing and responding the views of the stakeholders on the Report. Unless otherwise stated, the financial figures in this report are in Hong Kong dollars.

REPORT PREPARATION PRINCIPLES AND IMPLEMENTATION

The Report was prepared in accordance with the Environmental, Social and Governance Reporting Guide, under Appendix C2 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). The Group has complied with requirement for corporate governance in accordance with Appendix C1 of the Listing Rules. For details, please refer to the Group’s 2023 annual report.

The Company has formed the Environmental, Social and Governance report team to optimise and implement the relevant measures, as well as to collect and analyse the environmental and social impact of the Company’s operations. The report team is coordinated by the finance department at the Hong Kong headquarters and its members include the human resources department, sales department, equipment business department, production department, project management department and administration department of Hong Kong and subsidiaries in the People’s Republic of China (the “PRC”).

ABOUT THIS REPORT

ESG GOVERNANCE STRUCTURE

The Group acknowledges the need to have effective and strong ESG governance in place. Good governance ensures accountability and a balance of authority by clearly defining the roles and responsibilities of different parties within the Group. The Board has the overall responsibility for the Group's ESG strategy and reporting. An ESG Committee has been set up and its operations was approved in the regular board meeting. The Committee is to focus on the sustainability issues at board level and comprises an Executive Director, Chief Financial Officer and Operations Manager. A Board Statement has been approved to guide our strategy to achieve a better ESG performance in different areas of works, such as the process used to set targets, evaluate, prioritise and manage material ESG-related risks to our business. The Board will continue to review the progress made against the ESG-related goals and the targets related to our business in the regular board meetings. In addition, the Committee works closely with the ESG report team and is required to provide a follow-up action plan to address any shortfall (if any) in the ESG-related goals and the targets to the Board. If necessary, an interim report on the progress of the follow-up action plan will also be submitted to the Board.

QUANTITATIVE ASSESSMENT

Our assessment standards, methodologies, calculation tools, source of conversion factors used are mainly based on the document "How to prepare an ESG Report" issued by the Stock Exchange. The environmental KPIs are calculated based on its Appendix 2 "Reporting Guidance on Environmental KPIs", while the social KPIs are calculated based on its Appendix 3 "Reporting Guidance on Social KPIs".

CONSISTENCY ASSESSMENT

In this ESG Report, there is no material change to the methods or key performance indicators used or any other relevant factors affecting a meaningful comparison of this ESG report with previous reports.

STAKEHOLDERS ENGAGEMENT

We value the participation of the stakeholders and understand that the stakeholders have different expectations on our sustainable development. Therefore, we use different communication channels to maintain effective communication and establish long-term relationships with the stakeholders. The stakeholders engagement provides insights on the materiality of the environmental, social and governance issues. When developing business strategies, we will consider these factors to improve the transparency of the Group and the confidence of the stakeholders on the sustainable development of the Group.

Stakeholders	Communication Channels	Concerns
Shareholders/Investors	Annual General Meetings and Extraordinary General Meetings	Financial performance
	Annual reports, interim reports and announcements	Company's business development
	Direct communication	Company's significant matters
	Company's website	Sustainable development matters
Government	Direct communication (including teleconference calls and face-to-face meetings)	Implement government policies accordingly Participate in local development and construction Business integrity Social responsibilities to be borne by the enterprise
Community	Participate in community environmental protection activities and charity activities	Environmental protection and public welfare matters, such as Green Office Awards Labelling Scheme and scholarship schemes
Suppliers	Direct communication and feedbacks	Product quality management
Employees and technical team	Management Seminar	Working requirements of the employees and the Company's development
	Training Courses	Safety and health
	Work-life balance activities	Recreational activities
	Periodic performance assessment	Employee welfare and benefits, and sustainable development strategies
Customers	Direct communication: letters, telephone calls, emails and interviews etc.	Customer experience and feedback

STAKEHOLDERS ENGAGEMENT



MATERIALITY ASSESSMENT

In order to better understand the preferences of stakeholders, an expanded stakeholder engagement exercise was performed in 2023. Some key stakeholders of the Group were asked about their priorities on the reporting items in this ESG Report. The stakeholders include suppliers, customers and different levels of employees of the Group, who were all selected to provide their comments by means of questionnaire survey. The questionnaires set out twelve aspects of the environmental, social and governance scope and the stakeholders were asked to rank three aspects that concerned them most in terms of priorities and provide their reasoning. The rankings were assigned with designated scores for calculating and reflecting the pressing ESG issues those stakeholders were concerned with regard to the Group. The results show that “Health and Safety” is the top priority and “Emissions” comes second. “Employment”, “Development and Training”, “Product Responsibility” and “Use of Resources” are also the main concerns for the stakeholders as these are the fundamental elements for sustainable business. The Company aims to continue improving these areas to satisfy stakeholders’ needs.

In conclusion, the results of the survey clearly indicate that health and safety has been of utmost importance for all different stakeholders, especially during and after the Covid-19 pandemic. As both the global and the national environmental standards have been rising, various stakeholders put strong emphasis on reducing emissions and conserving the natural resources.

CONTENT OF REPORT

MAIN CATEGORY:

A. Environmental

The Group has always focused on environmental protection and sustainable development strategies, and reduce waste disposal and waste gas emissions in all types of Hot-in-Place recycling asphalt pavement maintenance projects, as other measures to fight against global warming. We ensure that the maintenance process is in compliance with the relevant environmental laws and regulations through continuously keeping up-to-date on the relevant laws and regulations. Using the Hot-in-Place recycling technology not only has the advantages of saving the energy, reducing the waste, minimising various types of pollution, such as noise pollution, but also promotes the recycling of materials and saves the city construction funds for the local governments.

Compared with the traditional method which will produce a lot of dust and cause noise pollution, the Group's Hot-in-Place recycling technology is able to substantially reduce dust and noise pollution during road construction.

The followings are the comparative advantages of the Hot-in-Place recycling technology over the traditional technology in terms of impacts on the environment:

	Hot-in-Place recycling technology
Energy consumption saving	40%
Waste disposal reduced	100%
Dust emission reduced	96%
Carbon dioxide emission reduced	44%
Sulphur dioxide emission reduced	83%
Nitrogen oxides emission reduced	51%

Source: CCID, PRC industry standard for Technical Specifications for Maintenance of Highways Asphalt Pavement, sinoasphalt.com, 2013



CONTENT OF REPORT

Aspect A1: Emissions: relating to exhaust emissions and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste

- (a) The Company has developed various internal policies to effectively manage the emissions, including: "Identification and Evaluation Procedures for Environmental Factors", "Environmental Operation Control Procedures" and "List of Important Environmental Factors". Various internal policies enable the Company to identify, evaluate, and manage environmental factors that affect the environment in production and business activities. From the beginning of environmental assessment, each department has explicitly identified the relevant regulations, identifies and performs rating evaluation on the different types of polluted waste. Finally, the Company proposes a comprehensive management program. During the business operation process, in order to reduce the environmental pollution of solid waste and control the solid waste, the Company has also developed "Solid Waste Management System". The Group's major subsidiaries, namely Freetech Road Recycling Corporation and Nanjing Freetech Road Maintenance Vehicle Manufacturing Corporation, obtained the "Environmental Management System Certificate ISO14001" in 2021 and 2023 respectively (valid date is May 2024 and November 2026 respectively). The hazardous waste is properly handled by licensed collectors and the non-hazardous waste is handled in accordance with the local laws in the PRC.
- (b) The Group has complied with the "Law of the PRC on the Prevention and Control of Atmospheric Pollution", "Regulations of Nanjing Municipality on the prevention and control of air pollution", "Water Pollution Prevention and Control Law of the PRC" and "Law on the Prevention and Control of Environmental Pollution by Solid Wastes" during the year.



We have set the target to reduce 10% on the air emissions (intensity), the greenhouse gas emissions (intensity), hazardous wastes (intensity) and the non-hazardous wastes (intensity) over the five-year period from the year 2021. To achieve the target, the Group-wide energy saving measures has been implemented in all our construction sites and offices to reduce the use of vehicles and electricity. The measures include reminding the staff members to conserve the energy and increase adoption of online meetings/visits instead of physical meetings/visits to reduce air emissions and greenhouse gas emission generated from transportation. All of our employees are encouraged to further reduce consumption, and the production and operations will be further streamlined to achieve the reduction targets for hazardous and non-hazardous wastes.

CONTENT OF REPORT

Aspect A2: Use of Resources — Efficient use of resources (including energy, water and other raw materials)

The Company has developed “Office Supplies and Other Non-production Materials Management System” for effective use of office supplies.

The Company has adopted the following measures to make effective use of production resources:

1. Stick a water-saving label to each water tap to remind our employees to save water.
2. Turn off the office equipment, such as computers, lighting systems, photocopiers, air-conditioners, etc., at the end of a working day.
3. Save the use of paper (such as double-sided printing) and packaging materials, to avoid unnecessary wastage.
4. Submit meal and office supplies order applications and car and air tickets booking applications through electronic communication means in order to reduce paper consumption.
5. Conduct water pipe inspection, and if leakage is found, immediately perform maintenance to avoid waste of water resources.
6. Avoid unnecessary use of liquefied petroleum gas and diesel by requiring the construction department to start up the modular series equipment 15 minutes before the commencement of maintenance work.
7. Avoid unnecessary use of asphalt aggregate material by arranging our construction department to check and examine the appropriate amount of asphalt aggregate material to be used to meet the road conditions, design standard requirements and customer requirements, and avoid adding too thick asphalt aggregate material.
8. Recycle the scrap metal through the Group’s steel plate site which has a scrap storage area, those steel plate with less than 0.04 square meters identified as waste materials will be recycled by the waste recycling factory.
9. Recycle production materials, such as gasoline, paint accessories (solvent oil), disc sandpaper, etc.
10. Optimise the procurement system, the sales department and the production department communicate closely every week to determine the procurement plan and shorten the inventory turnover cycle.



During the year, we consumed tap water from the local municipal water supply agency, during which we did not encounter any problems in obtaining water sources. We have set the target to reduce 5% water consumed intensity and electricity consumed intensity over the five-year period from the year 2022. We will continue to adopt the above measures to achieve the target. Both of our products and services do not involve packaging materials.

CONTENT OF REPORT

Aspect A3: The Environment and Natural Resources

In general and by nature, our core business is to maintain roads by re-using existing asphalt and reduce the impact on the environment and natural resources. Nevertheless, the Company has taken the following measures and policies to reduce the significant impact on the environment and natural resources:

1. Collect the waste batteries and return to the manufacturers by way of trade-in.
2. Protect greenery along road side before commencement of work to avoid damage to green plants.
3. Enter into contracts with recycling units to recycle waste metals and plastics on a regular basis.
4. Enter into contracts with qualified units to centrally manage and dispose of industrial dangerous waste such as waste oil and waste oil cotton yarn.
5. Regularly inspect the environment of the production plant in accordance with the requirements of the environmental management system of the Group and rectify any problem found in a timely manner.
6. Install durable and impervious flooring on the workshop ground, and install epoxy impervious flooring in hazardous waste storage room to prevent certain pollutants from contaminate soil and groundwater sources.
7. Renovate the grinding workshops in the plant, install filtration devices to reduce dust emission.

Aspect A4: Climate Change

The Group is aware of the increasing impact of climate change on its operations. Climate change has led to a rise in sea level and more frequent extreme weather events such as typhoons and rainstorms, resulting in ecological imbalance and economic loss, which may adversely affect the Group's assets and business in the long run. Therefore, the Group progressively implemented the following measures and policies:

1. Assess the risks and opportunities of climate change and identify the impact of climate change on operations.
2. Develop and implement commitments and targets regarding reduction of greenhouse gas emission.
3. Develop a crisis management plan for coping with extreme weather events.
4. Climate change considerations into the procurement process and encourage the use of low carbon and energy efficient product materials.
5. Employees, suppliers and customers to reduce carbon emissions where practicable.
6. Maintain effective communication with stakeholders and transparency in governance to explain the Group's strategy on climate change.

CONTENT OF REPORT

In addition, our policies on identification and mitigation of significant climate related issues which may impact the Group includes, but not limited to, the adoption of more strengthened flooding prevention measures and closely monitoring the weather in advance to execute contingency plans. Adverse and extreme weather brought by climate change may hinder the transportation and travelling of our employees commuting to our offices, and the facilities and equipment at our various sites may be damaged. To minimise the impact of climate change, more regular checking and maintenance works are being carried to prevent and reduce the damage due to extreme weather. In view of all these measures, the impact on our revenue due to the risk of climate change is estimated to be less than 5% on average.

B. Social

Aspect B1: Employment

The success of the business depends on a professional, energetic, responsible and enthusiastic team. We advocate people-oriented, attract, train and retain talents to drive the continuous growth of the business, where the employees can unleash their own advantages, and facilitate their working enthusiasm. The Company has formulated various internal employment policies according to the relevant laws and regulations, including: "Salary Management System", "Recruitment Management System", "Employee Promotion Management System", "Attendance Management System", "Performance Management System", "Employee Welfare System", "Lunch Subsidy Standard Adjustment Notice", "Employee Care Fund Management System", "Employee Behavior Requirement and Assessment Methods", "Confidential Policy" and "Staff Retirement Management Methods". These policies enable us to be more systematic when recruiting new employee. The Group promotes equal opportunities and respects different ages, genders, nationalities, people with disabilities and religions. Any type of discrimination would not be tolerated, and employees are encouraged to report any discriminatory behaviours to the management. The Group treats all employees equally in all employment decisions including recruitment and promotion.

During the year, the Group did not violate the "Labor Law of the PRC" and the "Employment Ordinance" in Hong Kong.

CONTENT OF REPORT

Aspect B2: Health and Safety

The Company is concerned about the safety and health of the employees. According to the “Safe Production Law of the PRC”, “Law of the PRC on the Prevention and Control of Occupational Diseases”, “Provisions on the Supervision and Administration of Occupational Health at Work Sites”, it clearly states that it is the Company’s responsibilities on labour protection such as occupational health and safety of the employees. Therefore, the Company has formulated various internal health and safety policies for the employees, including “Hazard Identification, Risk Assessment and Renewal Control Procedures” and “Occupational Health and Safety Operation Control Procedures”.



In order to protect the safety and health of the employees during the process of production, operation and services, and properly equip and use the labour protection supplies, the Company has formulated and implemented the “Labour Protection and Labour Protection Supplies Management Procedures”. Our Equipment Maintenance and Application Training Center is responsible for the identification of safety factors during the production process and to use the safety factors to develop control management program and related systems. The Human Resources Department is responsible for labour hygiene and the centralised management of the employee’s occupational health. The Administration Department is responsible for the implementation of occupational health examination work. The Raw Material Supply Department is responsible for the procurement, custody, the release of labour protection supplies. Each department is responsible for their employees’ safety during production activities and the implementation of relevant systems and management measures. The Group’s major subsidiaries, namely Freetech Road Recycling Corporation and Nanjing Freetech Road Maintenance Vehicle Manufacturing Corporation, obtained the “Occupational Health and Safety Management System Certificate ISO45001” in 2021 and 2023 respectively (valid date is May 2024 and November 2026 respectively).

In 2023, the Company complied with all the above-mentioned laws relating to health and safety.



CONTENT OF REPORT

There were no work-related fatalities and occupational diseases in the past three years. However, there were below ten cases of work-related injuries in the past three years, which were mainly injuries sustained during production operation. In view of the above, the Group will strengthen the safety training for production personnel and require the employees to strictly implement safety practices and use the appropriate tools during their works.

During the year, the Company has organised different activities, such as the Lunar New Year Dinner, to enable employees to get a balance between work and life.



Aspect B3: Development and Training

For the employee personnel development on different type of positions, the Company has developed a set of complete training and development program. The Company also has a relevant training program to upgrade all levels of talents. Different types of training activities are arranged every year. The following is a brief introduction of the training activities for the year:

1. *Equipment manufacturing*

- Every year in June, the Company holds "Safety Production Month" activity (including conduct fire drill and position responsibility system safety training);
- Perform regular check on the fire-fighting equipment in the production plant;
- Invite the manufacturer to organise safety operation training for the workers before the use of special production equipment;
- Workshop workers are required to obtain Level 3 safety education certificate as prescribed by the State Administration of Work Safety before the new employees' enrollment;
- Hold "Safety Production Method" interpretation training; and
- Arrange safety management manager and safety management staff to attend external trainings on a regular basis and to obtain relevant qualifications.

CONTENT OF REPORT

2. *Construction*

- Organise a large-scale safety production training every year;
- Conduct a large-scale safety drill at the plant;
- Conduct a safety training for all construction project personnel before commencement of construction project; and
- Send a designated personnel to the construction site for safety checks during construction process.

3. *Department training*

- Different type of department trainings have been organised throughout the year 2023. Through different activities and interactive method, these enable the employees at or above the manager level to train and develop their soft skills, such as leadership and problem-solving skills. These also enable the employees to understand the latest developments of the Company and increase cohesion and tacit understanding among teams and departments.

Aspect B4: Labour Standards

The Company respects and has complied with international human rights principles, such as the United Nations' "Universal Declaration of Human Rights" and the convention of International Labour Organisation (ILO); adheres to the policy of not to hire child labour or forced labour. The Company has also strictly complied with the "Prohibition of Using Child Labour Provision", and will not hire minority which is under 16 years old. The Company strictly complies with the "Labour Contract Law of the People's Republic of China" when hiring employees. The Company will negotiate with the employees in relation to the terms of the labour contract, including working environment, working hours and wages.

The Company strictly abides with the relevant laws and regulations, and has never hired child labour or forced labour.

Aspect B5: Supply Chain Management

The Company has formulated various internal supply chain management policies including "Procurement Control Procedures". According to ISO9001: 2008 "Quality Management System Requirements", the Company established and implemented the quality management system, developed a "Supplier Selection and Control Procedures", requested control requirements on the environmental and safety impact of the products or services provided by the suppliers and informed the suppliers in the form of "Notification to the Relevant Party".

During the year, the Group had approximately 636 tier-1 suppliers, which were mainly located in the PRC. They provided asphalt aggregate material and road maintenance equipment parts, etc. The Group engaged the suppliers in accordance with the above policies. The Company identifies and selects suppliers in terms of environmental and social risks by inspecting their relevant certificates and continuous monitoring their products quality and service performance. Furthermore, we encourage our suppliers to prioritise the adoption of environmentally friendly products. The Group continuously monitors the procurement process and may purchase materials/products from alternative suppliers when a supplier has been identified by the Group to have deficient environmental and social responsibility practices and has not made any improvement upon request.

CONTENT OF REPORT

Aspect B6: Product Liability

The Company has formulated a variety of internal policies relating to product liability including “Non-qualified Product Control Procedures”, “Customer Service Control Procedures”, “Standardised Construction Control Procedures”, “Inspection, Test and Acceptance Control Procedures”, “Quality and Environmental Safety Inspection and Supervision Management Procedures” and “Process and Finished Product Inspection Control Procedures”. Regarding product safety policies, the Company has developed the “Design and Development Control Procedures” according to the quality management system standards. The environmental factors,

occupational health and safety risks caused during the consumption or production of products are the important factors to consider in the product development, and require to be assessed in order to ensure product safety performance and environmental protection performance are complied with the requirement of the “GB7258-2017 Technical Specifications for Safety of Power-driven Vehicles Operating on Road”, “GB1589-2016 Limits of Dimension, Axle Load and Masses for Motor Vehicles, Trailers and Combination Vehicles”, “GB11567-2017 Motor Vehicles and Trailer-lateral and Real Underrun Protection Requirements” and “GB/T50430-2017 Code for Quality Management of Engineering Construction Enterprises”. Regarding to the customers protection, the information of the users should not be disclosed to any person or entity, unless being required to report to the defective vehicle product recall management information platform of the State Quality Supervision Bureau. The Company obtained the “Advanced Unit for Safe Production” certificate issued by the Nanjing Economic Development Zone in 2018. The Group’s major subsidiaries, namely Freetech Road Recycling Corporation and Nanjing Freetech Road Maintenance Vehicle Manufacturing Corporation, obtained the “Quality Management System Certificate ISO9001” in 2021 and 2023 respectively (valid date is May 2024 and November 2026 respectively).

The Group respects intellectual property rights and protects the privacy of its customers. The Group have formulated strict guidelines and prevented employees from dishonest or inappropriate use of intellectual property, such as requiring employees to install licensed software. Such guidelines are communicated to our employees and are reinforced from time to time. The Group required employees to ensure that confidential information of customers and suppliers is kept confidential and strictly prohibiting unauthorised disclosure of such confidential information to third parties in order to protect the interest of the Group, its customers and suppliers. Suppliers are also required to enter in confidentiality agreements and undertake to comply with the relevant privacy protection policies.



CONTENT OF REPORT

If any recall of products is needed, the Group shall initiate the product recall procedures includes stop selling the relevant products, investigate the root causes and take permanent corrective action for the problems. We shall keep seeking improvement of the service and product quality to fulfil customers' expectations. The Group shall take prompt action to handle and investigate when receiving complaints from customers in accordance with the policy developed. Follow-up actions and remediation shall be taken accordingly after the investigation and act as references for future improvement. There was no product recall for health and safety reasons, and the Group hasn't received any customer complaints during the year. In 2023, the Company complied with the Advertising Law and the Law on Protection of Consumer Rights and Interests in the PRC.



Aspect B7: Anti-corruption

The Company's policies have strictly complied with the relevant requirements of all applicable laws and regulations in all material respects, including anti-corruption laws. The Company does not have a stand-alone anti-corruption policy but has a supervision system on violation of laws, regulations and cultural values. In addition, the Company educates the employees of the best practice of anti-corruption in workplace via emails from time to time. The Company has formulated relevant anti-corruption policies in the "Employee Code of Conduct and Assessment Measures" to formulate codes of conduct and provides relevant training for the employee; defines the scope of corruption activities, formulates the prevention and control measures and establishes reporting procedures for reporting on corruption and bribery activities. The Company's whistle-blowing procedures are operated under the Supervisory and Monitoring Committee which comprises senior management. Reports are directly escalated to the head of the department or division, further to the Chief Executive Officer and/or the Audit Committee depending on severity. During the Reporting Period, our senior management self-studied the "Criminal Law of the People's Republic of China" and the latest anti-corruption regulations on ICAC's official website.

During the year, the Company has been complying with the "Company Law of the People's Republic of China", "Law of the People's Republic of China Against Unfair Competition" and the "Prevention of Bribery Ordinance" enforced by the Independent Commission Against Corruption in Hong Kong. The Company has not found any investigation or conviction by a regulatory body against the directors, employees or distributors of the Company in violation of the relevant provisions or improper payments.

CONTENT OF REPORT

Aspect B8: Community Investment

The Company does not have a stand-alone community investment policy but has taken social responsibility and actively participates in various social welfare activities. Over the years, we have actively supported training of students from various universities and technical colleges. The following table is the donation provided by the Group in 2023:

Name of organisation	Purpose of donation	Amount (HK\$)
Nanjing Vocational Institute of Transport Technology	Freetech Scholarship	HK\$22,118.00
Nanjing Forestry University	Freetech Scholarship	HK\$33,177.00
Hong Kong Society for Industrial and Applied Mathematics	Research Support	HK\$6,000.00
	Total	HK\$61,295.00

The Company also supported "World Green Organisation, a Hong Kong non-governmental organisation", and participated in the Green Office Award Labelling Scheme and Eco-healthy Workplace Awards Labelling Scheme. The Company passed the relevant review and was awarded the "Green Office and Eco-Healthy Workplace" label. The Company has also made contribution to environmental protection and established a healthy workplace.



PERFORMANCE

PERFORMANCE TABLE

Indicator	Unit	2023	2022
Gaseous Emissions*			
— Nitrogen oxides (NO _x)	kg	222.25	161.88
— Sulphur oxides (SO _x)	kg	1.27	0.97
— Particulate Matter	kg	0.73	0.73
Greenhouse Gas Emissions*			
Total	CO ₂ e (tonnes)	6,058.65	4,373.99
— Scope 1: direct emissions	CO ₂ e (tonnes)	5,726.04	4,092.15
— Scope 2: indirect emissions	CO ₂ e (tonnes)	332.61	281.84
GHG emissions intensity*			
— by revenue	CO ₂ e (tonnes)/HK\$'M revenue	11.16	9.15
Hazardous Waste			
Total	tonnes	1.67	2.32
Hazardous Waste Intensity			
— by revenue	tonnes/HK\$'M revenue	0.003	0.005
Non-hazardous Waste			
— Metal	tonnes	25.03	19.11
Non-hazardous Waste Intensity			
— by revenue	tonnes/HK\$'M revenue	0.046	0.040
Energy Usage*			
— Electricity	kWh	542,309.00	458,973.00
Energy Intensity*			
— by revenue	kWh ('000)/HK\$'M revenue	1.00	0.96
Water Consumed*			
Total	m ³	34,335.75	23,342.3
Water Consumed Intensity*			
— by number of employees	m ³ /number of employees	113.3	88.0
Energy Consumption			
— Petrol	kWh	285,563	299,855
— Diesel	kWh	9,959,656	7,058,141
— LPG	kWh	14,649,535	10,483,984
— Electricity	kWh	542,309	458,973
Energy Consumption Intensity			
— by revenue	kWh/HK\$'M revenue	46,836.54	38,265.94

Notes:

- The increase in gaseous emissions, greenhouse gas emissions and energy consumption in 2023 was due to 1) increase in the total service area of the Group's "Hot-in-Place" projects and 2) increase in number of asphalt pavement maintenance equipment sold during 2023.
- The increase in water consumed in 2023 was mainly due to the strict COVID-19 pandemic control implemented in the first half of 2022 had been relieved in the fourth quarter of 2022. Most of the staff return to office and resulted more water consumption during 2023.

* Environment KPIs calculations are based on latest calculation formula in Appendix 2: Reporting Guidance on Environmental KPIs.

PERFORMANCE

Indicator	Unit	2023		2022	
		Workforce	Turnover Rate	Workforce	Turnover Rate
Total Workforce and Turnover Rate					
Total	no. of people/%	303	13.38	265	10.71
By gender					
— male	no. of people/%	263	12.96	231	10.66
— female	no. of people/%	40	16.22	34	11.11
By employment type					
— Full time	no. of people/%	303	13.38	265	10.71
— Part time	no. of people/%	–	–	–	–
By employment position					
— Senior management	no. of people/%	15	–	15	–
— Managers	no. of people/%	20	5.13	19	31.11
— Frontline and general staff	no. of people/%	268	14.83	231	9.48
By age group					
— under 30	no. of people/%	79	65.55	40	22.22
— 30–50	no. of people/%	164	3.59	170	10.06
— over 50	no. of people/%	60	8.70	55	3.57
By location					
— Hong Kong	no. of people/%	20	10.53	18	15.38
— Nanjing	no. of people/%	283	13.58	247	10.36
Employee trained					
By gender					
— male	%	81.75	N/A	64.94	N/A
— female	%	45.00	N/A	73.53	N/A
By employment position					
— Senior management	%	20.00	N/A	13.33	N/A
— Managers	%	30.00	N/A	73.68	N/A
— Frontline and general staff	%	86.57	N/A	68.83	N/A
Average Training Hours					
By gender					
— male	Hours	4.48	N/A	7.68	N/A
— female	Hours	10.34	N/A	11.26	N/A
By employment position					
— Senior management	Hours	4.53	N/A	2.13	N/A
— Managers	Hours	13.10	N/A	11.47	N/A
— Frontline and general staff	Hours	4.71	N/A	8.26	N/A
No. of lost-days due to work injury		2	N/A	2	N/A
No. of work-related fatality		–	N/A	–	N/A



Freetech Road Recycling Technology (Holdings) Limited
英達公路再生科技(集團)有限公司