



# Environmental, Social and Governance Report 2023

**Vobile Group Limited** Stock Code : 3738

Incorporated in the Caymen Islands with limited liability

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## ABOUT THIS REPORT

Vobile Group Limited (the “Company” together with its subsidiaries, hereinafter referred to as the “Group”) is pleased to present our annual Environmental, Social and Governance Report (the “Report”) for the year ended 31 December 2023 to provide an overview of our management measures and practices of issues affecting the operation, including environmental, social and governance (“ESG”) issues. The Report is prepared by the Group with the assistance from an external professional service firm.

### REPORTING PERIOD

The Report illustrates the Group’s initiative and performance regarding the environmental and social aspects during the reporting period from 1 January 2023 to 31 December 2023 (the “Reporting Period”).

### REPORTING SCOPE

The Report covers all major subsidiaries of the Group in the People’s Republic of China (“PRC”) and the United States which account for approximately 99.2% of our revenue of the Group (2022: cover major subsidiaries of the Group in the PRC and the United States accounted for approximately 99.7% of revenue of the Group) that principally engaged in providing Software as a Service (“SaaS”). The Group will continue in assessing the impacts of its business on the major ESG aspects and to include in the Report.

### REPORTING BASIS

The Report is prepared in accordance with the ESG Reporting Guide set out in Appendix C2 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The Group has complied with the disclosure requirements of the “comply or explain” provisions set out in the ESG Reporting Guide. During the process of preparation of this Report, we summarised the Group’s performance in corporate and social responsibilities based on the principles of “Materiality, Quantitative, Balance and Consistency”. Please refer to the table below for our understanding and response to such reporting principles.

Reporting Principles	Definitions	Our Response
Materiality	The issues covered in this Report should reflect the significant impacts of the Group on the economy, environment and society, or the scope of assessments and decisions of stakeholders being affected.	Through continuous communication with stakeholders, combined with the Group’s strategic development and business operations, we can identify current material sustainable development issues.
Quantitative	The Report should disclose key performance indicators (“KPIs”) in a measurable manner.	The Group quantitatively discloses its environmental and social KPIs, and provides textual explanations on quantitative resources.

## ABOUT THIS REPORT

Reporting Principles	Definitions	Our Response
Balance	The Report should reflect fairly the overall sustainability performance of the Group.	The Group has explained in detail the sustainable development issues that have a significant impact in the business, including the results achieved and the challenges it faces.
Consistency	The Group should use consistent disclosure principles for the preparation of this Report.	The Group will ensure that the disclosure scope and reporting methods of this Report are generally consistent every year.

### SOURCES OF INFORMATION

The information disclosed in this Report is derived from the Group's formal documents, statistics or public information. The Board is responsible for the truthfulness, accuracy and completeness of its contents.

### ACCESS TO THIS REPORT

The Report is available in Chinese and English versions. In case of any discrepancy between the Chinese and English versions of the Report, the English version shall prevail. You may access the Group's official website at [www.vobilegroup.com](http://www.vobilegroup.com) or the website of the Stock Exchange at <http://www.hkex.com.hk> for an electronic copy of the Report.

### CONTACT INFORMATION

The Group welcomes your feedback on the Report for our sustainability initiatives. Please contact us by email via [ir@vobilegroup.com](mailto:ir@vobilegroup.com).

### INTRODUCTION

The Group principally deliver its products and services using SaaS business model.

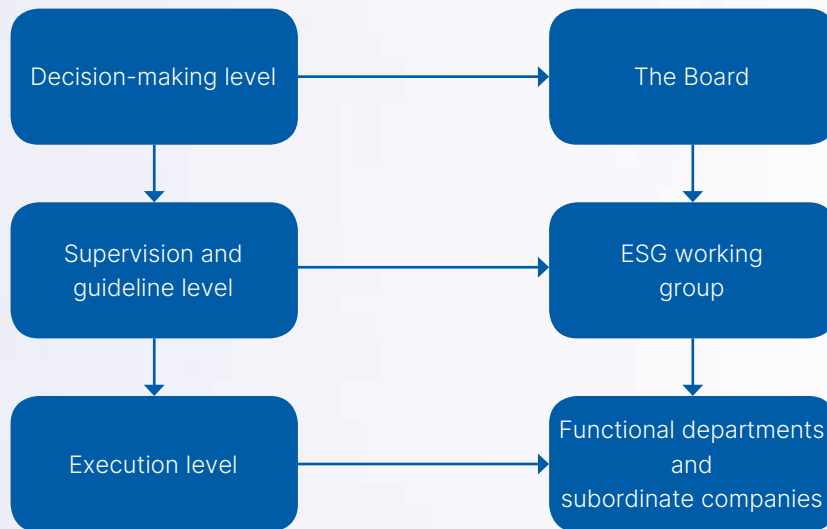
Our SaaS platforms currently provide digital content asset protection and transaction solutions for our clients and partners:

We value the stakeholders' demands and expectation and recognise the importance of sustainable development of our business. In order to respond to the expectation of the stakeholders on the transparency of disclosure through public reports and corporate responsibility performance, we are committed to improving our business practices and maintaining our relationships with the stakeholders by addressing their concerns.

# ABOUT THIS REPORT

## SUSTAINABILITY GOVERNANCE

The Group has established an ESG framework to promote and implement the Group’s sustainability strategy. To ensure effective ESG management, our ESG governance structure, composed of the Board, ESG working group, respective functional departments and subordinate companies, was established to promote ESG management and disclosure. The Board, the ultimate decision-making body of the Group, is responsible for the Group’s ESG governance. The Board steers the Group’s sustainable development forward and bears the overall responsibility of its ESG efforts. In the future, the Board will continue to strengthen ESG risk management and improve ESG working mechanism and regulatory processes to enhance its ESG governance standard. The ESG working group, serving on the supervision and coordination level, is responsible for implementing ESG governance strategy, coordinating ESG matters, compiling ESG reports, and reporting relevant work progress to the Board on a regular basis. Each functional department and subordinate company, serving on the execution level, is responsible for rolling out initiatives set up by the ESG working group and reporting relevant work progress and data.



# ABOUT THIS REPORT

## STAKEHOLDERS ENGAGEMENT

We identified the key stakeholder of our business operations, including investors, employees, customers, vendors, service providers, suppliers and the community. We interact with our stakeholders regularly through various communication channels. The following table illustrates the issues of concern of our major stakeholders and the ways we communicate with them:

Stakeholders	Issues of concern	Engagement channels
Government and regulators	<ul style="list-style-type: none"> <li>— Compliance with laws and regulations</li> <li>— Proper tax payment</li> </ul>	<ul style="list-style-type: none"> <li>— Annual and interim reports</li> <li>— Website</li> </ul>
Shareholders and investors	<ul style="list-style-type: none"> <li>— Information disclosure and transparency</li> <li>— Low risk</li> <li>— Protection of interests and fair treatment of shareholders</li> <li>— Return on the investment</li> </ul>	<ul style="list-style-type: none"> <li>— Annual and interim reports, announcements and circulars</li> <li>— Annual general meeting and other shareholder meetings</li> <li>— Non-deal roadshows, investors conference</li> </ul>
Employees	<ul style="list-style-type: none"> <li>— Career Development opportunities</li> <li>— Health and safety</li> <li>— Safeguard the rights and interests of employees</li> <li>— Working environment</li> </ul>	<ul style="list-style-type: none"> <li>— Conference</li> <li>— Employee activities</li> <li>— Training and seminars</li> </ul>
Customers	<ul style="list-style-type: none"> <li>— High-quality products</li> <li>— Integrity</li> <li>— Reputation</li> <li>— Stable relationship</li> </ul>	<ul style="list-style-type: none"> <li>— Customer service hotline</li> <li>— Email, phone calls</li> <li>— Industry exhibitions</li> <li>— Regular meeting</li> <li>— Website, brochures, annual and interim reports</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>— Fair, open</li> <li>— Honest cooperation</li> <li>— Information resources sharing</li> <li>— Stable relationship</li> <li>— Risk reduction</li> </ul>	<ul style="list-style-type: none"> <li>— Business meetings, supplier conferences, phone calls, interviews</li> <li>— Regular meeting</li> <li>— Review and assessment</li> </ul>
Public and communities	<ul style="list-style-type: none"> <li>— Community involvement</li> <li>— Social responsibilities</li> </ul>	<ul style="list-style-type: none"> <li>— Annual and interim reports</li> <li>— Charity and social investment</li> <li>— Volunteering</li> </ul>



# ABOUT THIS REPORT

## MATERIALITY ASSESSMENT

The Group attaches importance to the materiality assessment of ESG issues for the purpose of timely and comprehensive understanding of the materiality of each ESG issue to the business development of the Group and the expectation of stakeholders, in order to facilitate the Group's effective disclosure of ESG information and continuous improvement in the management level of relevant issues. The materiality assessment on ESG issues of the Group during the Reporting Period covers the following steps:

- Step 1 The Group identified the following 21 issues in accordance with the disclosure requirements set out in the ESG Reporting Guide and based on the business characteristics and daily operation of the Group. These issues are considered to have impacts on the environment and the society during our operation.
- Step 2 Based on the understanding of the demands and expectations of stakeholder during the daily operation, the Group determined the materiality of ESG issues by benchmarking the key points and the trend of ESG works of industry peers.
- Step 3 Based on the result of the materiality assessment, the Group discussed and determined the key disclosure of the Report for the Reporting Period and the key points for improvement in the future ESG work of the Group.

Social Aspects	Environmental Aspects
<ul style="list-style-type: none"><li><b>1. Equal opportunity</b></li><li><b>2. Employment and employee benefits</b></li><li>3. Occupational health and safety</li><li>4. Employee development and training</li><li>5. Prevention of child labor and forced labor</li><li>6. Selection and evaluation of suppliers</li><li>7. Control and management on environmental and social risks along the supply chain</li><li><b>8. Product and service quality</b></li><li><b>9. Complaint handling</b></li><li><b>10. Protection of intellectual property rights</b></li><li><b>11. Customer data privacy and data security</b></li><li><b>12. Anti-corruption and money laundering</b></li><li>13. Community investment</li></ul>	<ul style="list-style-type: none"><li>14. Exhaust emissions</li><li><b>15. Greenhouse gas emissions</b></li><li>16. Waste management</li><li>17. Energy consumption</li><li>18. Water consumption</li><li>19. Paper consumption</li><li>20. Management of risks associated with Environmental and Natural Resources</li><li>21. Climate change</li></ul>

According to the results of materiality assessment, 8 material topics (note) are regarded as the most concerned issues of stakeholder and the Group. While taking into account environmental and social responsibilities, the Group will pay more attention to the above areas, and strive to achieve continuous improvement and sustainable business development.

Note: Presented in bold.

# ENVIRONMENTAL ASPECTS

## EMISSIONS

Given the nature of the operations, the Group poses less negative impact to the environment than most traditional industries, and the Group is not aware of any material environmental liability risk or compliance costs. However, the Group is committed to continuously improving the environmental sustainability of our business. In striving to do the right thing as a company, the Group recognises that it has a responsibility to reduce the negative impact of the operations and take account of the resources and materials it uses each day.

The Group's businesses are mostly carried out locally in offices. Vehicles of the PRC operation are mainly for local travelling by senior management. The Group has encompassed the general approach towards controlling environmental impacts of office activities. The Group's most significant environmental impacts are greenhouse gas ("GHG") emissions from electricity consumption, the sources of which include computer equipment, the air-conditioning systems, the lighting systems, printers and other office equipment. Generally, the Group's GHG emission mainly includes carbon dioxide ("CO<sub>2</sub>"). The Group does not engage in any discharge of waste into water and land, and there was no significant generation of hazardous wastes or non-hazardous wastes. In line with the aim to minimise emissions, the Group has implemented energy saving practices which are mentioned in the section headed "Use of Resources" to reduce the GHG emissions.

Major air pollutants emission from vehicles of the PRC operation during the Reporting Period and the corresponding period of 2022 are as follows:

Air pollutants emission	2023 (kg)	2022 (kg)
Sulphur Dioxide	0.07	0.01
Nitrogen Oxides	3.65	0.53
Particulate Matter	0.27	0.04

The CO<sub>2</sub> emission during the Reporting Period and the corresponding period of 2022 are as follow:

## CO<sub>2</sub> Emissions

Type of GHG emissions	Equivalent CO <sub>2</sub> emission (kg) 2023	Equivalent CO <sub>2</sub> emission (kg) 2022
Scope 1 Direct emissions	12,879	1,914
Scope 2 Indirect emissions (note 2)	229,803	161,667
Total	242,682	163,581
Intensity (kg/thousand HK\$ revenue)	0.12	0.11

Notes:

- The calculation of environmental KPIs are with reference to the "How to prepare an ESG Report — Appendix 2: Reporting Guidance on Environmental KPIs" issued by the HKEx.
- In light of the renewed tenancy agreement in 2021, bill of electricity for office in the United States was included in rental. Thus, record of electricity consumption for operation in the United States during 2023 and 2022 are not available for calculation of GHG emission.



# ENVIRONMENTAL ASPECTS

## USE OF RESOURCES

The Group highly prioritises the efficient use of resources. The major resources used by the Group are electricity, unleaded petrol, water and paper. Due to our business nature, no packaging material is used. The Group strives to improve the efficient use of natural resources, such as minimising waste/emissions and implementing effective recycling programs. Practical measures are implemented as follows:

### Electricity

Electricity charge does not form a separate item in the rent of certain offices. However, electricity saving measures are encouraged so that electrical appliances are required to be set in the energy saving mode where possible. Computers are turned to sleep mode automatically within 20 minutes. The room temperature should be set within a reasonable range. Also, power supplies should be switched off when they are not in use. Preference will be given to office equipment with relatively high energy efficiency.

The energy consumption during the Reporting Period and the corresponding period of 2022 are as follows:

### Energy Consumption

Type of energy	Energy consumed (kWh) 2023	Energy consumed (kWh) 2022
Unleaded petrol	46,092	6,852
Purchased electricity (note)	376,665	264,985
Total	422,757	271,837
Energy intensity (kWh/thousand HK\$ revenue)	0.21	0.19

Note:

In light of the renewed tenancy agreement in 2021, bill of electricity for office in the United States was included in rental. Thus, record of electricity consumption for operation in the United States during 2023 and 2022 are not available.

### Water

The impact of freshwater use is relatively insignificant for the Group as its businesses are services-focused. The Group did not encounter any problems in sourcing water that is fit for the purpose. Water rate charges do not form a separate item in the rent, yet the Group encourages its staff to reduce water wastage, for example, by preventing running water taps while cleaning their lunch boxes in the pantry.

In view of our continuous effort, we target to maintain zero substantial non-compliance case in relation to the emission of GHG and energy consumption in coming five years.

# ENVIRONMENTAL ASPECTS

During the Reporting Period, the Group consumed/generated no significant hazardous waste, non-hazardous waste, water, paper or packaging materials due to its business nature. The Group is not aware of any material violation of any applicable environmental laws or regulations.

## THE ENVIRONMENT AND NATURAL RESOURCES

The Group raises its staff's awareness of environmental issues through education and training, and encourages its employees' support for improving the Group's performance, promotes environmental awareness amongst the customers, business partners and shareholders, supports community activities in relation to environmental protection and sustainability and evaluates regularly and monitors past and present business activities impacting upon health, safety and environmental matters. With the integration of policies mentioned in the sections headed "Emissions" and "Use of Resources", the Group strives to minimise the impacts on the environment and natural resources.

## CLIMATE CHANGE

The Group is committed to mitigating the climate change and enhancing its resilience to adapt to the increasing threat of climate-related consequences.

The Board is responsible for maintaining an effective risk management (including ESG related risks) and internal control systems and reviewing their effectiveness to safeguard the Company's assets and the interests of Shareholders. The Audit Committee assists the Board in leading the management and overseeing their design, implementation and monitoring of the risk management and internal control systems.

As a result of above risk management process, physical risk and transitions risks arising from climate change may not bring significant impacts to the Group's business. As a supporter of the recommendations of the Taskforce on Climate-Related Financial Disclosure (TCFD), the Group has assessed the potential climate related risks and identified the rising mean temperature and increasing severity and likelihood of extreme weather events such as rainstorms, floods, fire and heatwaves as major physical risks impacting our daily operation.

The Group's ESG working group is responsible for identifying and assessing any climate-related risks to which the Group's operations are exposed, and updating the Board with the latest news and developments on climate regulations and industry benchmark. In order to cope with climate-related risk, the Group implemented various emergency response mechanism and purchased adequate insurance against natural disasters so as to cope with extreme weather.

In the future, we will continue to identify potential business activities impacting the environment and develop corresponding improvement measures, so as to further prevent the possible negative impacts of our operation on climate change.

# SOCIAL ASPECTS

## EMPLOYMENT

Our success depends on our ability to attract, retain and motivate qualified personnel. The Group adopts high standards in recruitment with strict procedures to ensure the quality of new hiring. The Group's employee handbook sets out the standards for compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. The Group had complied with the relevant laws and regulations relating to employment, compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare during the Reporting Period. The Group is not aware of any material non-compliance with related laws or regulations during the Reporting Period.

As at 31 December 2023, there are 578 full-time employees (2022: 572 full-time employees) in our Group that mainly located in our offices in California and Hangzhou and their breakdown by gender is 286 males and 292 females (2022: 285 males and 287 females), respectively. Regarding total workforce by age group, there are 302 persons aged below 30, 196 persons aged between 31–40, 59 persons aged between 41–50 and 21 persons aged over 50 as at 31 December 2023 (2022: 325 persons aged below 30, 179 persons aged between 31–40, 47 persons aged between 41–50 and 21 persons aged over 50).

### Equal Opportunity

The Group provides equal employment opportunities to all employees in all Company facilities and this applies to all terms and conditions of employment, including, but not limited to, hiring, placement, promotion, termination, layoff, recall, transfer, leaves of absence, compensation and training.

### Anti-discrimination, Harassment and Bully

The Group is committed to a work environment in which all individuals are treated with respect and dignity and are free from all forms of discrimination, harassment and bully. Any form of discrimination, harassment and bully, even if not unlawful or directed at a protected category, is prohibited and will not be tolerated.

The Group has a policy and communication protocol for any alleged discrimination, harassment and bully and all reports of alleged discrimination, harassment or bully will be treated seriously and confidentially.

Any violation of applicable laws and regulations shall be reported to the management for investigation according to the Group's internal policies and the relevant department will be notified to perform remedial actions in case any non-compliance was identified during the investigation.

## HEALTH AND SAFETY

The Group strives to provide and maintain a safe, healthy and hygienic workplace for our employees and protect them from occupational hazards. The Group has established occupational safety and sanitation systems, implemented the occupational safety and sanitation rules and standards, and provided employees with workplace safety training on a regular basis to increase their awareness of work safety issues.

During the Reporting Period, there were no non-compliance cases noted in relation to the laws or regulations for health and safety. Besides, there were no work-related fatalities and work injuries during the Reporting Period.

## DEVELOPMENT AND TRAINING

The Group attached great importance to talent retaining and cultivation, and paid attention to mutual progress between employees and the Group, therefore, the Group provided employees with lots of opportunities to learn. Coordination and sustainability are two principles of vocational development of employees, therefore, we determined the career development intentions for employees coordinated with the Group. Our trainings are mainly on-the-job training by senior employees to junior employees. We also encourage and support our employees in personal and professional training through seminars and regular sharing sessions. Training expenses of employees are borne by the Group which are subject to approval by management under considerations such as vocation plan of employees and technical knowledge of position. We believe it is mutually beneficial to provide development and training opportunity to the employees and our Group.

## LABOUR STANDARDS

The maxim of the Group's labor standards is to comply with the local labor laws. In order to uphold children's rights to safety and health, no child labor was employed during the Reporting Period. The human resources department strictly complies with relevant labour laws and regulations to implement recruitment. In the recruitment processes, the human resources department takes effective procedures to verify applicants' age and inspects their identification documents and valid proof of identity before hiring any of them. Employment contracts and other records documenting all relevant details of the employees (including age) are properly maintained for verification by relevant statutory body upon request.

In order to help the employees get work life balance and relieve their working stress, the Group regularly provides benefits to employees and organises activities for recreational purpose. It has provided employees with the opportunities to socialise, have better understanding of and exchanges between departments, foster the spirit of teamwork and create a pleasant working atmosphere. During the Reporting Period, the Group has complied with the policies and relevant laws and regulations regarding the prevention of child labor or forced labor.

## SUPPLY CHAIN MANAGEMENT

The Group primarily relies on third-party suppliers for the provision of office space, computing server, data storage, and network bandwidth for SaaS business.

In the course of selecting suppliers, the Group will conduct screening according to certain criteria under the established purchase policy (including certification and qualification related to environmental protection). Besides, the Group will also regularly monitor the performance of supplies through different channels and periodically assess whether the supplier's performance meets the standards. Thus, we believe there are no significant environmental and social risks for our management decision on supply chain management.

# SOCIAL ASPECTS

## PRODUCT RESPONSIBILITY

### Communication with customers

The Group's customers include movie studios, television networks, record labels, DTC service providers, subscription video on-demand content aggregators, sports leagues, toys and games companies. The Group considers its customers as a major stakeholder and enables the worldwide sales team to address its customer's concerns and requests on a timely basis.

The Group's marketing strategy focuses on increasing brand awareness and generating sales leads through events and digital marketing as well as referrals by its existing customers. At marketing events, marketing team can provide public presentations, set up display booths, and hold private meetings and product demonstrations to promote products and services. Regarding digital marketing, the Group's corporate website serves as the primary channel to inform potential customers about product and services offered with corporate news. Email marketing can follow up with existing customer and new customers for sharing corporate news and white papers.

### Quality assurance

The Group's newly developed or updated SaaS products are subject to several quality tests performed by its quality assurance teams before they are deployed. These quality assurance tests typically include pre-deployment test, sanity test, regression test and performance and scalability test.

An agile software development process is implemented when we break down the complex software development into incremental releases where the development cycle for each incremental release lasts for a certain period of time such as two weeks. Before such release, the quality assurance team will perform regression tests by defining the scope of the tests and selecting the appropriate minimum sets of tests required to adequately cover the areas of the SaaS software products with the proposed updates, new features and any other areas that are vulnerable to such proposed updates. The purpose of the regression test is to ensure that the overall quality of our SaaS products will not be affected when releasing updates and new features.

Besides, maintaining strong research and development capabilities is essential to success. The Group's research and development team consists of several experts who have at least 10 years of experience in the related fields. We currently conduct most of our research and development in-house, and are not reliant on any outsourced research and development.

### Intellectual property

Intellectual property rights are an essential element of the Group's business operations. The Group makes use of copyright, trademark, protection of trade secrets, proprietary domain names and other intellectual property law such as non-competition, confidentiality and license agreements with our employees, suppliers, business partners and others to protect our intellectual property rights.

The Group primarily relies on trade secrets for keeping our source code and other know-how confidential. The Group implements comprehensive measures to protect our intellectual property in addition to making trademark and patent registration applications. The Group's employees are generally required to execute a standard employment contract, which includes a clause acknowledging that all inventions, trade secrets, works of authorship, developments and other processes generated by them on the Group's behalf are our properties, assigning to the Group any ownership rights they may have in those works, and requiring them not to disclose or use the Group's confidential information except for our benefit as the Group may authorise.



### Data protection

The Group has developed an extensive technology infrastructure that supports the operation of our SaaS business. A majority of our computational servers are hosted by cloud service providers and others are hosted by our two physical data centers located in California and Oregon. Our strategy to migrate computing servers to cloud service providers reduces our in-house operation complexity and personnel costs and leverages new technology to enhance our service quality, capability and flexibility.

For computing servers hosted by cloud service providers, the Group has two main types of service contracts: (1) on-demand agreements with fees based on our actual server usage, data storage or bandwidth usage, which allows us to maintain flexibility in our business needs, and (2) periodic agreements for a fixed amount of servers and bandwidth, which can help us secure larger discounts.

For servers hosted in our physical data centers, the Group purchases and owns all the hardware equipment. The Group rents hosting space and associated power supplies and network bandwidth through third-party data center colocation service providers. The Group normally enters into a 3-year leasing agreement with the data center colocation service providers and with renewal after the expiration of the 3-year initial lease. The Group has exclusive access to the data and software on the servers in our server network.

The Group utilises high-availability clusters comprising groups of servers to provide sufficient redundancy and ensure continued services in the event of server failure. Our system utilises server architecture to ensure our system can automatically switch to backup servers when and if technical issues occur. In addition, our internally developed operation and maintenance system closely and constantly monitors the usage of resources and the health of resources for immediate response.

Moreover, all of our data are encrypted and protected by access control. We also implement a global server backup architecture for key operations and services for disaster recovery. During the reporting period, the Group has not experienced any material network disruptions or incidents of hacker attacks.

During the Reporting Period, there were no cases of non-compliance with the relevant laws or regulations regarding health and safety, advertising, labelling and privacy matters.

### ANTI-CORRUPTION

To ensure operation efficiency and the employees' development in a fair and honest working environment, the Group has formulated policies, established guidelines to avoid suspected corruption and provided channel for employees to report suspected corruption. The Group has established an anti-corruption policy to ensure the compliance by the Group. The Group has also set up a whistleblowing email. If there is any suspected case related to corruption, employees are encouraged to report the related cases to the senior management. Besides, anti-corruption training were provided to senior management of the Company through internal training during the Reporting Period. .

The Group has been in strict compliance with the relevant laws and regulations relating to bribery, extortion, fraud and money laundering. During the Reporting Period, there was not any legal case regarding corrupt practices brought against the Group or its employees.



## **SOCIAL ASPECTS**

### **COMMUNITY INVESTMENT**

As a socially responsible company, the Group is committed to understanding the needs of the communities in which we operate. The Group strives to develop long-term relationships with our stakeholders and seeks to make contributions to programs that have a positive impact on the community development. During the Reporting Period, the Group had donated HK\$5,365,000 to various charitable organisations in order to show our support and care to the community. (2022: HK\$920,000)

# THE STOCK EXCHANGE OF HONG KONG LIMITED'S ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE

Subject areas, aspects, general disclosures and KPIs		Section
<b>A. Environmental</b>		
Aspect A1:	Emissions General Disclosure	Emissions
KPI A1.1	The types of emissions and respective emissions data.	Emissions
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions in total and, where appropriate, intensity.	Emissions
KPI A1.3	Total hazardous waste produced and, where appropriate, intensity.	The Group does not generate significant hazardous waste.
KPI A1.4	Total non-hazardous waste produced and, where appropriate, intensity.	The Group does not generate significant non-hazardous waste.
KPI A1.5	Description of emission targets set and steps taken to achieve them.	Use of Resources
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction targets set and steps taken to achieve them.	The Group does not generate significant hazardous and non-hazardous waste.
Aspect A2:	Use of Resources General Disclosure	Use of Resources
KPI A2.1	Direct and indirect energy consumption by type in total.	Use of Resources
KPI A2.2	Water consumption in total and intensity.	The Group does not consume significant amount of water.
KPI A2.3	Description of energy use efficiency and a description of targets set and steps taken to achieve them.	Use of Resources
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency and a description of targets set and steps taken to achieve them.	Use of Resources
KPI A2.5	Total packaging material used for finished products and, if applicable, with reference to per unit produced.	The Group does not generate any packaging material due to business nature.
Aspect A3:	The Environmental and Natural Resources General Disclosure	The Environmental 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.	Emissions & Use of Resources
Aspect A4:	Climate Change General Disclosure	Climate Change
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact the issuer, and the actions taken to manage them.	Climate Change

# THE STOCK EXCHANGE OF HONG KONG LIMITED'S ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE

Subject areas, aspects, general disclosures and KPIs	Section
<b>B. Social</b>	
Employment and Labour Practices	
Aspect B1: Employment	
General Disclosure	Employment
KPI B1.1 Total workforce by gender, employment type, age group and geographical region.	Employment Total workforce by geographical region is not disclosed as it is not considered as material.
KPI B1.2 Employee turnover rate by gender, age group and geographical region.	Employee turnover rate is not considered as material during the Reporting Period.
Aspect B2: Health and safety	
General Disclosure	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.	Health and safety
KPI B2.2 Lost days due to work injury.	Health and safety
KPI B2.3 Description of occupational health and safety measures adopted, how they are implemented and monitored.	Health and safety
Aspect B3: Development and Training	
General Disclosure	Development and Training
KPI B3.1 The percentage of employee trained by gender and employee category.	In light of our result of materiality assessment, such KPIs is considered as not material and thus not disclosed.
KPI B3.2 The average training hours completed per employee by gender and employee category.	In light of our result of materiality assessment, such KPIs is considered as not material and thus not disclosed.
Aspect B4: Labour Standards	
General Disclosure	Labour Standards
KPI B4.1 Description of measures to review employment practices to avoid child and forced labour.	Labour Standards
KPI B4.2 Description of steps taken to eliminate such practices when discovered.	Labour Standards
Operating Practices	
Aspect B5: Supply Chain Management	
General Disclosure	Supply Chain Management
KPI B5.1 Number of suppliers by region.	In light of our result of materiality assessment, such KPIs is considered as not material and thus not disclosed.

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Subject areas, aspects, general disclosures and KPIs		Section
KPI B5.2	Description of practices relating to engaging supplies, number of supplies where the practices are being implemented, how they are implemented and monitored.	Supply Chain Management
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply Chain Management
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, how they are implemented and monitored.	Supply Chain Management
Aspect B6:	Product Responsibility General Disclosure	Product Responsibility
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Nil noted
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Nil noted
KPI B6.3	Description and practices relating to observing and protecting intellectual property rights.	Product Responsibility — Intellectual property
KPI B6.4	Description of quality assurance process and recall procedures.	Product Responsibility — Quality assurance
KPI B6.5	Description of customer data protection and privacy policies, how they are implemented and monitored.	Product Responsibility — Data protection
Aspect B7:	Anti-corruption General Disclosure	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 case.	No concluded cases
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Anti-corruption
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Anti-corruption
Aspect B8:	Community Investment General Disclosure	Community Investment
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community Investment
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Community Investment