



米 蘭 站 控 股 有 限 公 司

MILAN STATION HOLDINGS LIMITED

(Incorporated in Cayman Islands with limited liability)

STOCK CODE : 1150

2024

ENVIRONMENTAL, SOCIAL  
AND GOVERNANCE REPORT

環 境、社 會 及 管 治 報 告

# Environmental, Social and Governance Report

## ABOUT THE GROUP

Milan Station Holdings Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) is principally engaged in the retail of fashion accessories. Our competitive strength is the ability to provide timely and reliable products to consumers. Over the years, our solid track record and experienced management team have established an excellent reputation within the industry.

The Group understands that the board (the “**Board**”) of directors (the “**Directors**”) has overall responsibility for decision making with respect to ESG management and reporting. The Board has reviewed the material ESG issues, and will manage and monitor these issues and take them into consideration in determining the Group’s business directions and strategies. The Group will actively undertake social responsibility in pursuing a better environment.

## ABOUT THIS REPORT

The Group is pleased to present its Environmental, Social and Governance (“**ESG**”) Report (the “**ESG Report**”) for the year ended 31 December 2024 (the “**Reporting Period**”). This ESG Report provides an annual update on the sustainability performance, accomplishments and challenges faced over the past years. It has been updated to reflect the interests of various stakeholders.

### Reporting Principles

The ESG Report has been prepared in accordance with the Environmental, Social and Governance Reporting Guide (the “**ESG Reporting Guide**”) as set out in Appendix C2 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

According to the guideline, the following principles are underpinned:

1. **Materiality:** ESG issues that have major impacts on investors and other stakeholders must be set out in this ESG Report.
2. **Quantitative:** If the key performance indicators (KPIs) have been established, they must be measurable and applicable to valid comparisons under appropriate conditions. They must also be able to describe the purpose and impacts of quantitative information.
3. **Balance:** This ESG Report must provide an unbiased picture of the ESG performance of the Group. It should avoid selecting, omitting, or presenting formats that may inappropriately influence a decision or judgement by the reader.
4. **Consistency:** This ESG Report should use consistent and statistical methodologies to allow meaningful comparisons of related data over time. Any changes to the methods used must be specified in the ESG Report.

# Environmental, Social and Governance Report

## Confirmation

The information documented in this ESG Report is sourced from official documents, statistical data, management and operation information and collected by the Group in accordance with relevant internal policies. The Group has established internal controls and a formal review process to ensure that any information presented in this ESG Report is as accurate and reliable as possible.

## Feedback

The Group discloses the latest business information regularly to investors and the public. We also welcome investors and shareholders to share their views with the board of directors of the Company by emailing [ms\\_ir@milanstation.net](mailto:ms_ir@milanstation.net).

## ESG GOVERNANCE

The Group strongly believes that a sound governance structure is critical to the effective management and implementation of ESG-related issues.

The Board has overall responsibility for the Group's ESG strategy and reporting. The Board is responsible for evaluating and determining the Group's ESG-related risks, and ensuring that appropriate and effective ESG risk management and internal control systems are in place. The Board leads and provides direction to management by instituting ESG policies and initiatives, supervising their implementation and monitoring ESG performance. The Board continues to explore ways to further strengthen the ESG governance of the Group. The Board reviews ESG affairs regularly and implements appropriate measures to enhance the ESG performance of the Group.

The Board has delegated the responsibility of data collection, preparation and review of the ESG Report to ESG working group. The ESG working group comprises representatives from various departments and has been established to plan and coordinate ESG initiatives within the Group. The everyday implementation of the Group's ESG approach relies on the ESG working group. Key responsibilities include implementing tailored policies and programmes in support of the Group's ESG objectives, strategies, priorities, initiatives and goals.

## STAKEHOLDER ENGAGEMENT

As part of our business strategies, the Group communicates with the stakeholders in an open, honest and proactive way. To achieve this objective and improve transparency, we take active measures to promote investor relations and communication. In addition, we have developed the investor relations policy to ensure that investors have fair and timely access to the information of the Group.

Stakeholder engagement helps the Group review potential risks and business opportunities and also facilitates the mitigation of these risks as well as the identification of opportunities. Understanding stakeholders' views allow the Group to better fulfill their needs and expectations with the Group's business practices and also to manage different stakeholders' opinions.

## Environmental, Social and Governance Report

### MATERIALITY ASSESSMENT

Identifying the material ESG issues that matter the most to the Group is a prerequisite for setting the framework for the ESG Report and formulation of ESG management strategies. As such, the Group regularly conducts internal materiality assessments to determine the sustainability issues that matter the most to the Group, which will become the main focus of our sustainability strategy and facilitate the implementation of relevant initiatives.

Material topics are defined as any issues in which the Group's businesses have the most impact and influence on the operations and stakeholders. The Group prioritizes the ESG topics in the social aspects specified in the ESG Reporting Guide to be the material focus of this ESG Report. The material ESG topics of the Group were listed in the table below.

Aspects	Material ESG Issues
<b>B. Social Aspect</b>	
B1. Employment	<ul style="list-style-type: none"> <li>Employee welfare</li> <li>Inclusion and equal opportunities</li> <li>Talent attraction and retention</li> </ul>
B2. Health and Safety	<ul style="list-style-type: none"> <li>Occupational health and safety</li> </ul>
B3. Development and Training	<ul style="list-style-type: none"> <li>Development and training</li> </ul>
B4. Labour Standards	<ul style="list-style-type: none"> <li>Prevention of child and forced labour</li> </ul>
B6. Product Responsibility	<ul style="list-style-type: none"> <li>Protection of intellectual property rights</li> <li>Customer satisfaction</li> <li>Protection of customer privacy</li> </ul>
B7. Anti-corruption	<ul style="list-style-type: none"> <li>Corporate governance</li> <li>Anti-corruption</li> </ul>
B8. Community Investment	<ul style="list-style-type: none"> <li>Community investment</li> </ul>

# Environmental, Social and Governance Report

## ENVIRONMENTAL ASPECTS

As corporate citizen, we understand and respect that the Group has a responsibility for environmental protection and sustainable development. The Group is principally engaged in retailing, which does not generate any significant hazardous and non-hazardous emissions, wastes or pollutants. In order to pursue sustainable development, we are committed to eco-friendly operations and the conservation of resources.

### Emissions

The Group complies strictly with relevant environmental laws, rules and regulations in all our locations and we do not directly produce any emissions, discharges into water or land, hazardous or non-hazardous waste. Our retail operations generate small amounts of packaging waste and indirect carbon emissions through the use of electricity, which is both monitored and regulated by our internal Group policies.

#### *Air and Greenhouse Gas emissions*

As the Group did not own vehicles and its operation did not involve the use of the fossil-fueled machinery, the emissions of air pollutants are negligible.

During the Reporting Period, the Group has indirectly, via the use of electricity ("**Scope 2 emissions**") and the paper waste disposed at landfills ("**Scope 3 emissions**"), generated 89.3 tonnes of carbon dioxide equivalent ("**CO<sub>2</sub>-e**") (2023: 79.8 tonnes) with an intensity of 0.79 tonnes CO<sub>2</sub>-e per million revenues in Hong Kong Dollar (2023: 0.46 tonnes CO<sub>2</sub>-e per million revenues in HKD). The Group is developing its long-term reduction targets. In short term, the Group targets to maintain or reduce the greenhouse gas emissions level in the next reporting period.

Greenhouse gas emissions	2024	2023	Unit
Scope 1 emissions	—	—	Tonnes CO <sub>2</sub> -e
Scope 2 emissions	<b>88.8</b>	76.8	Tonnes CO <sub>2</sub> -e
Scope 3 emissions	<b>0.5</b>	3.0	Tonnes CO <sub>2</sub> -e
Total greenhouse gas emissions	<b>89.3</b>	79.8	Tonnes CO <sub>2</sub> -e
Intensity (by revenue)	<b>0.79</b>	0.46	Tonnes CO <sub>2</sub> -e/HKD million

#### *Hazardous and Non-hazardous Wastes*

The Group did not generate any hazardous waste and a significant amount of non-hazardous waste during the daily operation. Non-hazardous wastes are generally gathered at a designated place as required by the property management office of the buildings or the shopping malls. Attention should be paid to waste utilization, reuse and recycling of the waste generated. Waste that cannot be further utilized is either sold to waste recycling companies or disposed of through the property management office. At this current stage, the Group has not been able to set a target for waste reduction as there is negligible waste generated from our operations.

During the Reporting Period, our administrative headquarters and retail locations did not have any record of any material non-compliance with relevant laws and regulations related to air, water or waste pollution and discharge from any environmental department or alerts from any environmental agencies, including but not limited to Air Pollution Control Ordinance, Waste Disposal Ordinance, Water Pollution Control Ordinance and Noise Control Ordinance.

## Environmental, Social and Governance Report

### Use of Resources

The Group is committed to conserving resources in order to minimize its impact on the environment as well as improve shareholder returns. We actively promote energy efficiency, conservation and environmental awareness to our employees and stakeholders.

#### Energy Consumption

As set out in our Employee Handbook, staff should pay attention to the use of air conditioning and electricity, and implement practices, such as turning off lights, air conditioning and computers when not in use.

To reduce energy consumption, the Group regularly monitors its electricity consumption in our headquarters and retail locations. During the Reporting Period, the Group consumed an aggregate of 134.6 MWh of electricity (2023: 177.4 MWh). The Group is developing its long-term reduction targets. In short term, the Group targets to maintain or reduce the greenhouse gas emissions level in the next reporting period.

Direct and/or indirect energy consumption by type	2024	2023	Unit
Direct energy consumption	—	—	MWh
Indirect energy consumption	134.6	177.4	MWh
Total energy consumption	134.6	177.4	MWh
Intensity (by revenue)	1.20	1.02	MWh/HKD million

#### Water Consumption

The Group does not consume material amounts of water in its operations and encourages water saving during the operation. Water is mainly used by revenues for drinking and hygiene needs and is supplied from and discharged into the city's water supply and treatment network. The Group, therefore, has no water supply problem nor any impact on the water resources.

While the Group has not set any targets for water consumption reduction due to its minimal impacts, the Group nonetheless promotes reasonable water use initiatives and water-saving measures among its employees. It also succeeded in reducing the water consumption in the Reporting Period as compared to the last year by 28%.

Water consumption in total and intensity	2024	2023	Unit
Total water consumption	1.80	2.50	m <sup>3</sup>
Intensity (by revenue)	0.016	0.014	m <sup>3</sup> /HKD million



## Environmental, Social and Governance Report

### *Paper Consumption*

Paper is one of the resources consumed in the daily operation and the Group is dedicated to the utilization of online communication and a paperless office. During work, drafts and non-approved reports should be circulated on the intranet, e-mail, etc., as much as possible. Manuscripts should be printed on both sides to save paper. Paper that has been used on one side should be reused for internal use or draft.

### *Packaging Materials Used*

Most of the Group's packaging materials are paper and plastic sheets which are used to pack the main products of our retailing. The Group strictly complies with the Product Eco-responsibility (Amendment) Ordinance (Cap. 603) and the plastic shopping bag levy in Hong Kong. We will continue to investigate the design of environmentally friendly packaging materials for our products and encourage their use with our suppliers. We will also review our operations to minimize the use of packaging materials.

Packaging material used for finished products	2024	2023	Unit
Total packaging material used	0.43	0.75	Tonnes
Intensity (by revenue)	3.84	4.37	Kg/HKD million

## THE ENVIRONMENT AND NATURAL RESOURCES

The Group disposes of its waste according to relevant rules and regulations and encourages its staff to pay close attention to the use of waste and recycling, and the preservation of office equipment for the sake of conservation. We encourage regular maintenance and prolonged use of our computers, printers, fax machines, photocopiers, POS machines and other common office and retail equipment to reduce the frequency of replacement.

## CLIMATE CHANGE

The Group recognizes that the emissions of greenhouse gases through business activities contribute to climate change, which affects our livelihood and business operation. The climate-related risk of the Group includes the acute physical risks caused by extreme weather events.

### Physical Risk

Extreme weather events, such as typhoons and rainstorms, have become more frequent due to climate change. The Group's services will be affected under extreme weather as the safety of our employees is threatened and they may not be able to perform daily business. To safeguard the safety of employees and reduce property loss, the Group has established an internal guideline on working arrangements in times of typhoons, rainstorms and extreme conditions after super typhoons. The Group would stay alert to any announcements by the local governments on weather conditions and prepare for emergency actions. Therefore, we are committed to lowering the level of greenhouse gas emissions and reviewing the current practices on energy-saving and resource utilization.

Annual incremental changes in the climate and weather pattern changes may impact the Group in the long run, such as rising sea levels and temperature changes. Since the Group's business nature is retail-orientated, these chronic physical risks will be relatively low.

## Environmental, Social and Governance Report

### Transition Risk

To follow the footprint of the global trend on carbon neutrality, the Group expects an evolution of the regulatory, technological and market landscape due to climate change, including the tightening of related policies and listing rules. Stricter environmental laws and regulations may expose enterprises to higher risks of claims and lawsuits, which might incur additional compliance costs.

In response to the political and legal risks as well as the reputation risks, the Group constantly monitors the changes in laws or regulations and global trends on climate change to avoid cost increments, non-compliance fines or reputational risks due to delayed response.

### SOCIAL ASPECT

#### Employment and Labour Practices

##### *Employment*

The Group maintains an Employee Handbook and company guidelines for hiring and termination, working hours, attendance, holidays, performance assessment, awards and criteria, equal opportunity, diversity, anti-discrimination and other benefits and welfare.

In Hong Kong, the Group complied with the Labour Law of Hong Kong and relevant employment laws and regulations throughout the Reporting Period, including the Mandatory Provident Fund Schemes Ordinance (Cap. 485) by participating in the Mandatory Provident Fund retirement benefit scheme for our eligible employees, Minimum Wage Ordinance (Cap. 608), Employment Ordinance (Cap. 57) and Employees' Compensation Ordinance (Cap. 282). During the Reporting Period, the Group was not aware of any material non-compliance with laws and regulations in respect of employment.

The Group recognizes our employees are key stakeholders in our operations and key contributors to our business growth, and therefore we are committed to providing our staff with a satisfying and equitable workplace where our staff and our company can grow together. The Employee Handbook and company policies cover a wide range of employment protection and benefits and comply with labour laws, rules and regulations.

The Group values the career development of the employees and promotes the most qualified employees from within the company, to take over vacancies with higher grades and greater responsibility. Employees' remuneration is determined with reference to the prevailing market level as well as their competence, qualifications and experience. The Group also provides a range of incentives to staff including best staff awards, promotions, pay raises, annual bonuses and commissions based on the Employee Performance Review Report. Salary is credited to the bank account of the employee within five business days after the end of each month.

Employee leaves are divided into the following categories: annual leave, menstrual leave, sick leave, birthday leave, maternity leave, marriage leave, paternity leave, bereavement leave and compassionate leave.

Any employee who resigns must notify the division manager/department head in writing. The division manager/department head will then submit the resignation letter to the Human Resources and Administration Department. Resignation interviews will be conducted with the resigned employees.



## Environmental, Social and Governance Report

The Group is an employer providing equal opportunities. Employees are selected based on ability without discrimination on sex, religion, race, colour or age. The recruitment process and decision making involve both the related department head and the Human Resource Department.

Our Employee Handbook requires that all management and employees actively ensure that the Group's working environment is not subject to any form of discrimination and harassment. The Group's Employment Handbook refers to the Sex Discrimination Ordinance (Cap. 480), the Disability Discrimination Ordinance (Cap. 487) and the Family Status Discrimination Ordinance (Cap. 527).

An "Employment Data" KPI with the breakdown of the total number of employees, gender ratio, and age distribution has been set up to review the Group's employment status regularly. In 2024, we employed a total of 18 staff of which 7 were male and 11 were female. As of 31 December 2024, the number of employees for Milan Station was 18. The majority of our employees being female employees was mainly due to the nature of our retailing business which is predominantly the sale of female-centric products.

Total workforce		2024	2023	Unit
Total number of employees		18	23	Employee
By Gender	Male	7	7	Employee
	Female	11	16	Employee
By employment type	Permanent	17	22	Employee
	Contractual	1	1	Employee
By age group	<=30	1	0	Employee
	31-40	8	11	Employee
	41-50	6	8	Employee
	>50	3	4	Employee
By employment category	Managerial	5	5	Employee
	Senior	3	4	Employee
	Middle	6	9	Employee
	Junior	4	5	Employee
By function	Executive	2	16	Employee
	Sales	12	24	Employee
	Administrative	4	5	Employee
By geographical region	Hong Kong	18	23	Employee
	China	0	0	Employee

## Environmental, Social and Governance Report

Employee turnover rate		2024	2023	Unit
Total employee turnover rate		29	5	%
By Gender	Male	29	3	%
	Female	30	3	%
By employment type	Permanent	31	5	%
	Contractual	0	0	%
By age group	<=30	0	0	%
	31-40	32	0	%
	41-50	29	0	%
	>50	29	3	%
By employment category	Managerial	20	0	%
	Senior	29	3	%
	Middle	27	3	%
	Junior	44	0	%
By geographical region	Hong Kong	29	5	%
	China	0	0	%

### Health and Safety

It is the responsibility of the Group to protect its staff and provide a safe working environment that is not dangerous or discriminatory. The Group complies with all relevant laws and regulations including the Occupational Safety and Health Ordinance to minimize the risk of any occupational hazards.

During the past three years, including the Reporting Period, the Group did not record any accidents that resulted in death or serious physical injury and did not identify any material non-compliance with laws and regulations relevant to the health and safety of employees.

Health and Safety	2024	2023	Unit
Number of work-related fatalities	0	0	No.
Rate of work-related fatalities	0	0	%
Lost days due to work injury	0	0	No.

### Development and Training

To improve the efficiency and effectiveness of each employee and the long-term development of the Group, the Group encourages staff to participate in training courses related to their work and establish a training record. These records will be used to assess, in part, the employee's abilities.

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For the improvement and job satisfaction of its employees, the Group provides an education allowance for the course fees of approved courses for its staff in service for over 4 years. The maximum entitlement of such allowance ranges from HK\$10,000 to HK\$30,000 per year depending on the staff's position.

In addition to the education allowance, the Group also offers in-house classrooms, providing occasional free training courses to shop staff, so that they can effectively learn sales skills, trend information, and product examination procedures of the Group.

The Group has established a "Staff Training Record" showing the number of staff, their positions and the amount of education allowance paid for the management's review regularly. During the Reporting Period, we provided education training for 100% of staff members with an average of 0.7 training hours per employee from operational and retailing divisions.

Percentage of trained employees		2024	2023	Unit
Total number (rate) of trained employees		6 (33%)	16 (43%)	No. (%)
By Gender	Male	29	48	%
	Female	36	38	%
By employee category	Managerial	60	0	%
	Senior	67	90	%
	Middle	17	41	%
	Junior	0	0	%
By Function	Executive	100	38	%
	Sales	17	21	%
	Administrative	50	80	%
Average training hours completed		2024	2023	Unit
Average training hours per employee		0.7	3.2	Hour/employee
By Gender	Male	0.6	1	Hour/employee
	Female	0.7	1.87	Hour/employee
By employee category	Managerial	1.2	0	Hour/employee
	Senior	1.0	4.2	Hour/employee
	Middle	0.5	0.53	Hour/employee
	Junior	0.0	0	Hour/employee
By function	Executive	1	0.75	Hour/employee
	Sales	0.5	0	Hour/employee
	Administrative	1	1	Hour/employee

## Environmental, Social and Governance Report

### *Labour Standards*

The Group regulates the recruitment process in order to ensure compliance with relevant rules and regulations, and strongly forbids any child and forced labour. In order to prevent illegal use of child or forced labour, the human resource department of the Group requires candidates to provide effective identification certification before confirmation of employment to ensure they can be employed according to the law.

The Group strictly complied with the Labour Laws of Hong Kong and provided the required labour protection, safety and health conditions to ensure employees' safety during their services. The Group also paid wages and salaries, benefits and compensations on schedule. During the Reporting Period, there have been no cases of prosecution against the Group due to violation of any relevant laws related to forced or child labour.

### Operating Practices and Social Investment

#### *Supply Chain Management*

The Group strives to manage risks in its supply chain through an established set of procedures. For its handbags, fashion accessories and embellishments products, the Group follows such procedures to determine whether its products are unused or second-hand and to ensure the products sold and distributed through the Group's retail shops are genuine and authentic products. All international luxury branded products sold by the Group undergo at least two product examinations before being sold at the Group's retail locations. The Group prepares a set of product examination guidelines and organizes in-house training sessions for relevant staff.

For the Reporting Period, there was 1 major supplier from Thailand and there were no environmental or social risks identified with the supplier. The Group maintains close communication with various suppliers to ensure that the suppliers' businesses comply with local environmental and social laws and regulations in their operating countries.

Number of suppliers by geographical region		2024	2023	Unit
Total number of suppliers		1	1	Supplier
By geographical region	Thailand	1	1	Supplier

#### *Product Responsibility*

The Group is deeply aware of the importance of product quality on its reputation, brand name and the returns of its retail business. We are committed to ensuring the utmost confidence and satisfaction in our customers.

Since 2002, Milan Station has maintained its status as an accredited establishment under the Quality Tourism Services Scheme and has appeared in the Scheme's dedicated shopping directory on the Hong Kong Tourism Board's website. During the Reporting Period, the Group did not identify any material non-compliance with the laws and regulations related to the quality of products and services.

Product Responsibility		2024	2023	Unit
Percentage of total products sold or shipped subject to recalls		0	0	%
Number of products and service-related complaints received		0	0	Nos.

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### *Product and Service Quality*

Our handbags and fashion accessories are sold with a product quality warranty to our customers to assure they have confidence in our products, which are often second-hand items. Our spa and wellness products are also sold with an exchange policy in the case of any defective products.

In order to properly handle complaints from customers, the Group has established the mechanism and handling procedures for complaints. The colleagues of the Human Resources and Administrative Department are responsible for handling, recording, and filing the customer's complaints. The case will be referred to the relevant area manager and department head/store manager for investigation on the same day or the next day. The store manager needs to fill in a detailed investigation report within two days after receiving the case to explain the relevant matter to the regional manager. Within one day of receiving the store manager's report, the regional manager shall comment on the relevant report and suggest actions to be taken. The report will be referred to the Complaints Sub-Committee for decision.

The Group strongly believes that this practice preserves our brand image as a retailer of quality products our customers can trust. The Group did not receive any customers' complaints and sales returns during the Reporting Period.

### *Intellectual Property Rights*

The Group recognizes intellectual property rights but does not own the intellectual property rights of the products we sell. The Group is also a member of the "No Fakes Pledge" scheme launched by the Hong Kong Intellectual Property Department. Under the scheme, the Group is required to sell only genuine goods and pledge not to sell or deal in counterfeit products.

For its handbags, fashion accessories and embellishments products, the Group uses the procedures stated in the "Supply Chain Management" section above to prevent the Group from purchasing counterfeit products from its suppliers. The Group did not receive any intellectual property rights complaints during the Reporting Period.

### *Consumer Data Protection*

The Group's business operation has generated large volumes of private and confidential information of buyers and suppliers. We morally and legally treat these types of information and data seriously and safely and have committed to abiding by the requirements of the Personal Data (Privacy) Ordinance of Hong Kong and other relevant laws, regulations and requirements. The data of our customers and suppliers are kept under a secure system by our senior management, and employees have been warned not to access or use this information without approval. Directors and employees who have access to or manage internal information must take adequate precautions to prevent disclosure or misuse of information. The Group did not experience any private information leakage during the Reporting Period.

### *Anti-Corruption*

The Group strictly prohibits all bribery and corruption, and all staff are required to comply with relevant laws and regulations in their place of employment which are laid out in our Employee Handbook. Directors and employees are required to comply with the Group's policy on the acceptance of benefits, and in any case, are required to discharge their duties with integrity and comply with relevant laws and regulations.

## Environmental, Social and Governance Report

An ethical culture will become the basis for employees to make business decisions, which will help us win the trust of our stakeholders, build long-term customer relationships, improve the overall operating efficiency of the Group, promote mutual respect among employees, and naturally increase the company's profits.

Under the Prevention of Bribery Ordinance, it is an offence for any director or employee to solicit or accept any advantage without the permission of the Group as an inducement or reward for him/her to give any favourable treatment in relation to the principal's affairs or business. Any person who provides such benefits will also be in breach of the Prevention of Bribery Ordinance. Employees working in Mainland China or overseas must also comply with local laws on the prevention of bribery.

Under no circumstances shall a director or employee use bribes or similar payments to influence any person or other company in order to win, maintain or solicit business for the company. When any director or employee is required to pay any commission, money, or provide any preferential or other benefits during the handling of the company's business, they must comply with the company's current relevant policies and obtain written permission from the department heads or the board in advance. Department heads are required to keep records of any commissions or payments made for review purposes.

The Group strictly prohibits all bribery and corruption activities. Directors and employees are required to abide by the Group's policy on accepting benefits, and under no circumstances should they use the Group's inside information for personal gain. Directors and employees are encouraged to attend special anti-corruption training courses organised by professional bodies, such as the Independent Commission Against Corruption (ICAC).

During the Reporting Period, there have been no cases of prosecution against the Group due to violation of any relevant laws and regulations that had a significant impact on the Group relating to corruption, bribery, extortion, fraud and money laundering.

Anti-Corruption	2024	2023	Unit
Number of concluded legal cases regarding corruption	0	0	No.

### *Community Investment*

The Group is committed to improving our community and the lives of our stakeholders. The Group encourages its staff to participate in voluntary and charitable events to serve the community and society, and staff may apply for paid leave for volunteer work. During the Reporting Period, the Group has provided luxury good examination services for a charity function.

The Group works closely with the social enterprises and supports the needs of the community to fulfil the corporate social responsibilities. We highly encourage ethical consumption and changing the world by donating to social enterprises with positive impacts on underprivileged people. The Group will make additional provisions for donations to charity in the future.



# Environmental, Social and Governance Report

## SUMMARY OF KEY PERFORMANCE INDICATORS

KPIs	Disclosure Requirements	Sections
1 Governance Structure	Disclosure of the board's oversight of ESG issues;	ESG Governance
	Board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues) (including risks to the issuer's businesses)	ESG Governance
	How the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses.	ESG Governance
	Reporting Principles	About This Report
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. If there is a change in the scope, the issuer should explain the difference and reason for the change	About This Report
Environmental		
Aspect A1: Emissions		
A1 General Disclosure	Policies	Emissions
	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
A1.1	The types of emissions and respective emissions data.	Emissions
A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Emissions
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Waste Management

# Environmental, Social and Governance Report

KPIs	Disclosure Requirements	Sections
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Waste Management
A1.5	Description of emission target(s) set and steps taken to achieve them.	Emissions
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
A2	Use of Resource	
A2	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials. Energy Consumption
A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Energy Consumption
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Water Consumption
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Energy Consumption
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Water Consumption
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Packaging Materials

# Environmental, Social and Governance Report

KPIs	Disclosure Requirements	Sections
A3    The Environment and Natural Resources		
A3    General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Environment and Natural Resources
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environment and Natural Resources
A4    Climate Change		
A4    General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Climate Change
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
Social		
B1    Employment		
B1    General Disclosure	Policies	Employment and Labour Practices
	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, antidiscrimination, and other benefits and welfare.	Employment and Labour Practices
B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Employment and Labour Practices
B1.2	Employee turnover rate by gender, age group and geographical region.	Employment and Labour Practices

# Environmental, Social and Governance Report

KPIs	Disclosure Requirements	Sections
B2	Health and Safety	
B2	General Disclosure	Policies
	Compliance with relevant laws and regulations that have a significant impact on the issuer	Health and Safety
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Health and Safety
B2.2	Lost days due to work injury.	Health and Safety
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Health and Safety
B3	Development and Training	
B3	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.
		Development and Training
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Development and Training
B3.2	The average training hours completed per employee by gender and employee category.	Development and Training
B4	Labour standards	
B4	General Disclosure	Policies
	Compliance with relevant laws and regulations that have a significant impact on the issuer	Labour standards
B4.1	Description of measures to review employment practices to avoid child and forced labour.	Labour standards
B4.2	Description of steps taken to eliminate such practices when discovered.	Labour standards

## Environmental, Social and Governance Report

KPIs	Disclosure Requirements	Sections
B5	Supply chain management	
B5	General Disclosure	Policies on managing environmental and social risks of the supply chain.
B5.1	Number of suppliers by geographical region.	Supply chain management
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.	Supply chain management
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
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply chain management
B6	Product Responsibility	
B6	General Disclosure	Policies
	Compliance with relevant laws and regulations that have a significant impact on the issuer	Product Responsibility
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Product Responsibility
B6.2	Number of products and service related complaints received and how they are dealt with.	Product Responsibility
B6.3	Description of practices relating to observing and protecting intellectual property rights.	Product Responsibility
B6.4	Description of quality assurance process and recall procedures.	Product Responsibility
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Product Responsibility

# Environmental, Social and Governance Report

KPIs	Disclosure Requirements	Sections
B7 Anti-corruption		
B7 General Disclosure	<p>Policies</p> <p>Compliance with relevant laws and regulations that have a significant impact on the issuer.</p>	<p>Anti-corruption</p> <p>Anti-corruption</p>
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.	Anti-corruption
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Anti-corruption
B7.3	Description of anti-corruption training provided to directors and staff.	Anti-corruption
B8 Community investment		
B8 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
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community investment
B8.2	Resources contributed (e.g. money or time) to the focus area.	Community investment





米 蘭 站 控 股 有 限 公 司  
MILAN STATION HOLDINGS LIMITED

(Incorporated in Cayman Islands with limited liability)

STOCK CODE : 1150

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