



中國萬天控股有限公司

CHINA WANTIAN HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock code: 1854

2024

ENVIRONMENTAL, SOCIAL
AND GOVERNANCE REPORT

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ABOUT THIS REPORT

OVERVIEW

China Wantian Holdings Limited (the “**Company**” or “**China Wantian**”) is an investment holding company and its subsidiaries (collectively, the “**Group**” or “**we**”) are principally engaged in three main businesses, namely food supply, catering, and environmental protection and technology. The Group is committed to becoming a leading global green food service provider across the entire industry chain. From farm to table, the Group remains steadfast to uphold its commitment to quality and innovation, bringing healthier and better dining experiences to every household. During the period from 1 January 2024 to 31 December 2024 (the “**Reporting Period**” or “**2024**”), the Group continued to expand its catering business to the Guangdong-Hong Kong-Macao Greater Bay Area (the “**Greater Bay Area**”) and was laying out the food industry chain at full speed.

The Group is committed to fulfilling its corporate social responsibilities. As part of our core values, it is our goal to safeguard the environment, provide a harmonious workplace for our employees and contribute to the local community. Looking ahead, the Group will continue to uphold the concept of sustainable development, actively innovate and improve service quality. We are committed to becoming China’s leading provider for a better life, striving to make greater contributions to the coordinated development of society, the environment and the economy, whilst creating a better living experience.

REPORTING SCOPE

The environmental, social and governance report (the “**Report**”) describes the performance of environmental, social and governance (“**ESG**”) aspects of the Group during the Reporting Period.

The Report generally covers the Group’s business activities in Hong Kong and the Greater Bay Area, including its office in Kowloon Bay, warehouses and food processing facilities in Cheung Sha Wan, Kwai Chung and Sha Tin, and its functional departments in Shenzhen Bay, Shenzhen and Wangu Plaza, Zhongshan, in the Greater Bay Area, which are consistent with the disclosure in the Company’s annual report for the year ended 31 December 2024 (the “**Annual Report**”).

REPORTING STANDARDS AND PRINCIPLES

The Report has been prepared in accordance with the requirements of 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 (“**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (“**HKEX**”) as well as adhering to the mandatory disclosure and “comply or explain” provisions thereof. Corporate governance is addressed separately in the Corporate Governance Report on pages 44 to 65 of the Annual Report.



ABOUT THIS REPORT (continued)

While preparing this Report, the Group applied the following principles:

Materiality	The materiality of issues was reviewed and confirmed by the Board (the “ Board ”) of Directors (the “ Directors ”) of the Company and the Environmental, Social and Governance Committee (the “ ESG Committee ”). For further details, please refer to the sections headed “Stakeholder Engagement” and “Materiality Assessment”.
Quantitative	The standards, methodologies, sources of conversion factors and applicable assumptions used for the calculation of key performance indicators (“ KPIs ”) data were supplemented by explanatory notes.
Balance	The information is presented without the inappropriate use of selections, omissions or other forms of manipulation that would influence a decision or judgment by the reader.
Consistency	Unless otherwise stated, the preparation approach of this Report is consistent with the previous reports for comparison. If there are any changes in the scope of disclosure or calculation methodologies that may affect the comparison with previous reports, explanations will be provided to the corresponding data.

REPORT ASSURANCE

To ensure the accuracy of the content of the Report, we have engaged an independent assurance agency to perform the assurance work. The external verification statement can be found in the Appendix III – Verification Statement.

CONTACT US

The Group welcomes stakeholders’ feedback on its ESG approach and performance. For any suggestion or opinion, please share your views with us by email at enquiries@cwth.com.hk.

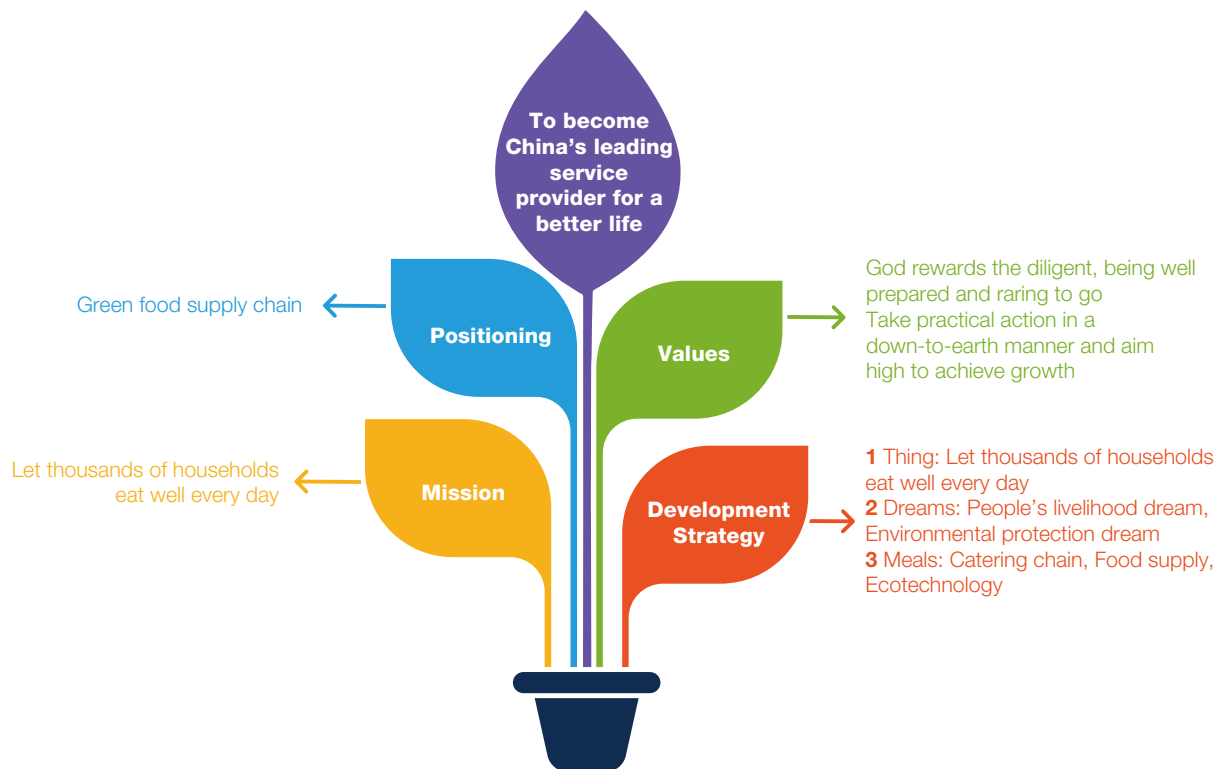


ABOUT CHINA WANTIAN

We are committed to providing high-quality, fresh, healthy and safe food to every household and has established business operations in Shenzhen and Zhongshan to become an industry-leading green food and ingredients supplier in the Greater Bay Area. The Group is engaged in three core business areas, including: Dining and retail, supply chain for food ingredients, and environmental technologies, in order to enhance the value chain of the entire food industry.

The Group's "1854 strategic blueprint" serves as its core strategy, driving the development of eight key sectors: dining, group catering, new retailing, supply chain, functional food and health, environmental technology, digital agriculture and Industrial M&A Investments. These sectors work synergistically to create a comprehensive green industrial ecosystem.

CORPORATE CULTURE





2024 ESG PERFORMANCE

China Wantian's 2024 ESG Performance

United Nations' Sustainable Development Goals (UNSDGs)

Sustainable Governance

The Group has established a sound governance structure and manages potential risks in a structural manner. We maintain high standards of ethical business operations and have established an effective whistleblowing mechanism:

- Established an Environmental, Social and Governance Committee and a Climate Change Committee to assist the Board in advancing the management and strategy of the Group's sustainability and climate change-related matters
- Identified emerging risks that may impose a significant impact on future business and developed corresponding mitigation strategies
- Adopted double materiality approach for the first time in assessing the Group's material issues from both financial and impact materiality perspectives



Green Business Practice

The Group has implemented a variety of policies to proactively reduce the environmental impacts brought by the business:

- Successfully achieved the established environmental goals
- Total greenhouse gas emission intensity (tCO₂e/revenue (HK\$'000)) decreased by 62% compared to 2023
- Non-hazardous waste emission intensity (tonnes/revenue (HK\$'000)) decreased by 37% compared to 2023
- Conducted a thorough climate change risk assessment and actively developed climate strategy planning
- Reduced the use of resources by implementing environmental protection practices, such as using a closed-loop approach to reduce food loss and waste in our entire value chain





2024 ESG PERFORMANCE (continued)

China Wantian's 2024 ESG Performance	United Nations' Sustainable Development Goals (UNSDGs)
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People-oriented Workplace

We foster an equal and inclusive workplace, and are keen on safeguarding the rights, health and well-being of our employees:

- Ensured compliance with labour standards and eliminated discrimination, whilst promoting gender equality and establishing a culture of women care
- Established a flexible and fair performance appraisal system, creating a transparent, equitable and highly motivating work environment
- Established an Occupational Health and Safety Policy and a Health, Safety and Environmental Committee to take care of the health and wellbeing of our employees



Product Responsibility

We ensure our product quality is up to standard and provide quality services to our catering customers by implementing tailored policies and procedure:

- Implemented strict quality control procedures across all business aspects and obtained ISO 22000 and HACCP certifications
- Actively responded to the “Healthy China 2030” strategy by advancing nutrition and health initiatives, providing customers with healthy and delicious dining options



Sustainable Supply Chain

We apply strict supplier assessment and promote sustainable practices in our supply chain:

- Formulated the Sunshine Procurement Agreement to regulate procurement and tendering practices, strengthening the development of an open, fair and just procurement environment
- Encouraged suppliers to adopt sustainable operating models and prioritised suppliers who implement green practices in their operations





2024 ESG PERFORMANCE (continued)

China Wantian's 2024 ESG Performance

United Nations' Sustainable Development Goals (UNSDGs)

Community Contributions

The Group strives to make a positive impact on the community by integrating its business operation with community services:

- In collaboration with Zhongshan Wangu Skyfarm Limited ("**Wangu Skyfarm**"), thrived to promote "Campus Comprehensive Practice Base" in campuses and encouraged labour education in the youth to increase their knowledge in technical skills
- Actively donated food and supplies to vulnerable groups in the community. In the Reporting Period, the Group donated approximately 9.1 tonnes of fruits, vegetables and other food items to food assistance organisations
- Donated HK\$500,000 to educational funds in support of children with special needs





AWARDS AND RECOGNITION

China Wantian has consistently made deep commitments in the field of sustainable development. This year, we have received numerous accolades, demonstrating our outstanding performance and continuous efforts in sustainability. Being motivated by these awards, we will further deepen our sustainable development practices, continue to innovate, and strive to become a leader and driving force of sustainable development in the industry.



Outstanding Listed Companies Award 2024

China Wantian has been awarded the “Outstanding Listed Companies Award 2024” by the Hong Kong Institute of Financial Analysts and Professional Commentators Limited, in recognition of our outstanding performance in innovation and industry contribution. We will strengthen the development of our green supply chain, advancing with our leading industry layout and entire value chain service model, striving to become a world-leading green food service provider. We will continue to invest in the innovative upgrade of the food industry value chain, setting new benchmarks for the development of the green food industry.



Best ESG Pioneer Award

China Wantian upholds the vision of “Delivering Freshness and Health to Every Household, Every Day”, achieving excellence in ESG through continuous technological innovation and market expansion. This year, we were honoured with the “Best ESG Pioneer Award” at the Hong Kong International ESG Annual Awards, held during the Hong Kong International Financial Forum. This award recognises the Group’s outstanding contributions in promoting sustainable development and ESG practices, reflecting our commitment to realising a green future.



2024 GBA Outstanding Regional Performance Organisation

The “Outstanding ESG Performance Commendation Ceremony” in celebration of the 7th Anniversary of the Guangdong-HK-Macao Bay Area Entrepreneurs Alliance, sponsored by China Wantian, was grandly held in November. China Wantian was recognised as the “2024 GBA Outstanding Regional Performance Organisation”. We will continue to work hand in hand with all sectors of society, deepening ESG development, laying a solid foundation for the green and sustainable development of the Bay Area, and creating a brilliant chapter of ecological and economic co-prosperity.





ESTABLISHING A SOUND GOVERNANCE STRUCTURE

The Group strictly adheres to the requirements of relevant national laws and regulations such as the Company Law of the People's Republic of China ("**PRC**") and the Appendix C1 Corporate Governance Code of the Main Board Listing Rules of the HKEX, and continuously optimises the Group's governance structure in combination with its development situation, in order to improve the level of governance, enhance corporate operations and maintain high transparency and accountability to all stakeholders.

CORPORATE GOVERNANCE STRUCTURE

The Board of Directors is responsible for formulating the Group's overall strategies and policies, evaluating business performance, and monitoring the performance of senior management, while also overseeing the Company's risk management system. The Board has established five Board committees, namely, the Audit Committee, Remuneration Committee, Nomination Committee, Environmental, Social and Governance Committee ("**ESG Committee**"), and Climate Change Committee. These committees support the Board with their respective areas of expertise, ensuring that each department can fulfil its duties and maintain checks and balances, achieving efficient operations. The main duties of each committee are published on the websites of the Stock Exchange and the Company. For more detailed information on corporate governance, please refer to the Corporate Governance Report section in the Annual Report.

Board Independence and Diversity

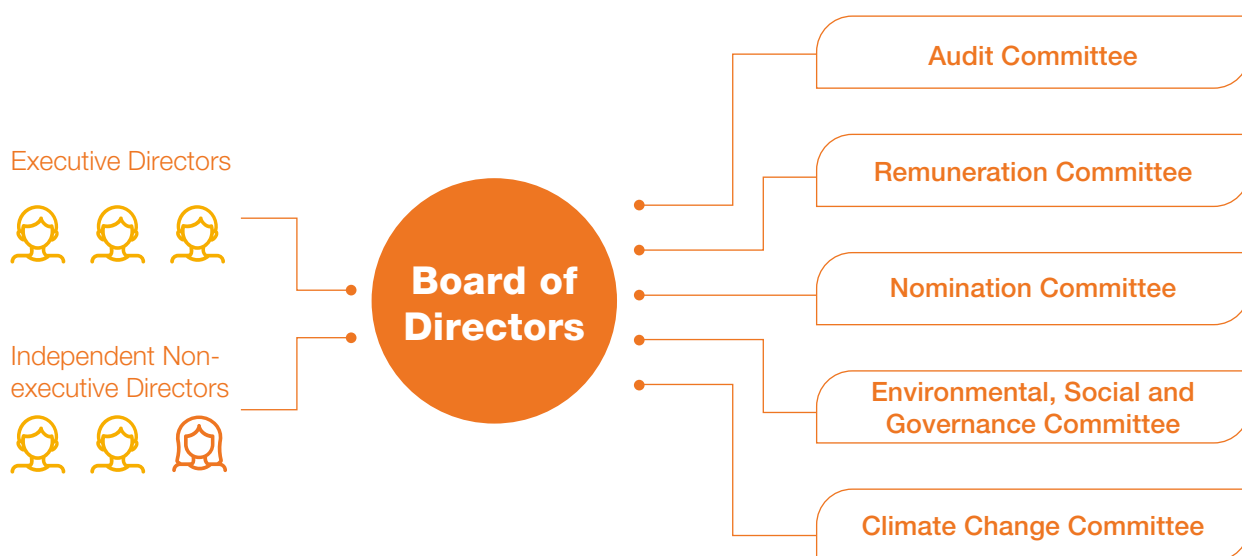
The Group continuously refines its governance structure and emphasises the Board independence to maximise protection of shareholders and stakeholder interests, ensuring an objective and impartial decision-making process. The Nomination Committee under the Board is responsible for ensuring that the appointment of independent non-executive directors complies with the independence criteria set out in the Listing Rules, and conducts annual assessments of their independence. Independent non-executive directors constitute half of the Board, effectively providing checks and balances.



ESTABLISHING A SOUND GOVERNANCE STRUCTURE (continued)

Meanwhile, the Group believes that having directors from diverse backgrounds helps the Board better oversee the Company's management and operations, and assess risks and opportunities in the business model from a variety of perspectives. The Group has adopted the Board Diversity Policy, which sets out our approach to maintain a balanced composition of skills, experience and diverse perspectives. In determining the Board's composition, board diversity is considered from a number of perspectives, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service. All Board appointments are based on merit, and the Nomination Committee is responsible for reviewing the Board's structure, size, and composition, as well as making recommendations to the Board on new director appointments.

Name	Age	Gender	Position	Tenure (Approx.)	Experience/Skill
Dr. Hooy Kok Wai	66	Male	Executive Director and Chairman	3 years	Industry expert
Mr. Zhong Xueyong	41	Male	Executive Director, Vice-chairman and Chief executive officer	3 years	Industry expert
Mr. Liu Chi Ching	59	Male	Executive Director	8 years	Industry expert
Ms. Lui Choi Yiu Angela	51	Female	Independent Non-executive Director	2 years	Financial expert
Mr. Siu Chun Pong Raymond	45	Male	Independent Non-executive Director	3 years	Legal expert
Mr. Lam Chi Wing	45	Male	Independent Non-executive Director	1 years	Business administration expert





ESTABLISHING A SOUND GOVERNANCE STRUCTURE (continued)

Board Effectiveness

To ensure Board effectiveness, structured performance evaluations are conducted regularly. When necessary, external independent consultants are commissioned to conduct formal assessments of the Board and individual members, ensuring objectivity and fairness in the evaluation process. The Company has formulated the Remuneration Policy, with the emoluments of the Directors are determined by the Remuneration Committee, comprising primarily a fixed component (base salary) and a variable component (discretionary bonuses and other merit payments), taking into account factors such as the profit performance of the Group, individual performance, experience, level of responsibility, time commitments and general market conditions. Performance-linked annual bonuses are based on the achievement of evaluation indicators set by the Company, encompassing multiple key metrics including the attainment of sustainability goals. The Remuneration Committee conducts annual reviews of the Directors' remuneration to ensure it adequately reflects their performance.

The Board also holds regular meetings, allowing all Directors to collectively discuss important matters such as the Group's development strategy, operational status, financial performance, internal control, and risk management. During the Reporting Period, the Board has held 21 meetings, with a 100% attendance rate from Directors.

Furthermore, the Group proactively arranges various specialised research and training sessions for Directors, covering key areas such as social investment, energy conservation, human resource management, and performance evaluation, further enhancing Board members' understanding of and engagement with sustainability-related issues.

Annual Board Meeting

21 times

Average attendance
rate of Directors

100%

Directors received annual
performance evaluation

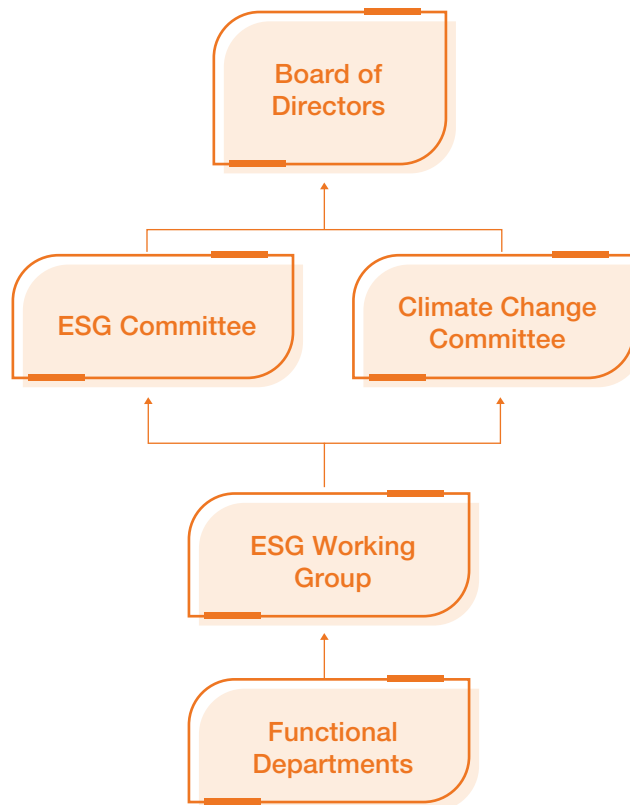
100%



ESTABLISHING A SOUND GOVERNANCE STRUCTURE (continued)

ESG GOVERNANCE STRUCTURE

The Group has established a top-down ESG governance structure. The Board, as the highest decision-making body, has established the ESG Committee and the Climate Change Committee (collectively known as the “Committees”), composed of Executive Directors and senior management from various departments. These two Committees are responsible for assisting the Board in advancing the management and strategy of the Group’s sustainability and climate change-related matters, and overseeing the progress of strategy implementation. To further implement the Group’s ESG strategy, an ESG Working Group has also been formed to regularly review the Group’s ESG performance, including environmental aspects, employment and labour practices, and report to the Committees and the Board.





ESTABLISHING A SOUND GOVERNANCE STRUCTURE (continued)

Board of Directors

The Board is responsible for formulating and overseeing the Group's ESG strategy, ensuring the effective operation of risk management and internal control systems, assessing and prioritising significant ESG matters, and approving the annual ESG report. The Board will also annually review the progress of ESG objectives and ensure adequate resource allocation.

ESG Committee

The ESG Committee is responsible for developing and recommending the Group's ESG vision, strategy and objectives, and overseeing the execution and progress of the Group's ESG initiatives, ensuring ESG strategies align with the Group's long-term goals. Simultaneously, it monitors and assesses ESG-related risks, opportunities and material issues, reviews and approves the Group's ESG performance indicators and targets, and oversees the preparation and publication of the Group's ESG report.

Climate Change Committee

The Climate Change Committee formulates and reviews the Company's long-term strategies and objectives for energy conservation and emission reduction, providing recommendations to the Board. It identifies climate change risks and opportunities, assesses the impact of climate change on the Company's business, and develops mitigation plans.

ESG Working Group

The ESG Working Group is responsible for collecting relevant ESG data and compiling the Report, assisting in the implementation of ESG-related strategies and policies, and regularly reporting their progress and effectiveness to the Board. Additionally, the Working Group closely monitors ESG market trends, regulatory changes, and industry best practices, providing timely and professional advice to the Board and relevant Committees.

RISK MANAGEMENT

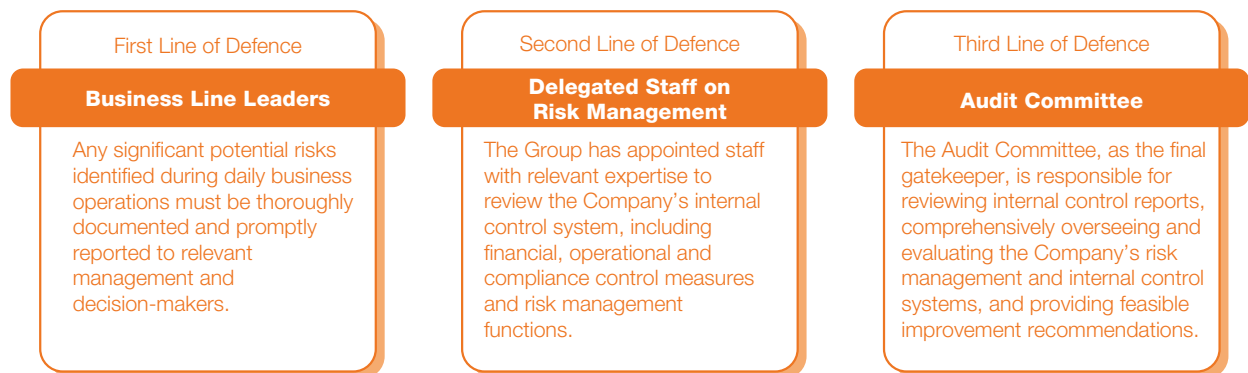
The Group strictly adheres to laws and regulations related to business operations, firmly believing that effective risk management is the cornerstone of long-term corporate development. Based on the Group's business characteristics, we have constructed a robust risk governance structure. Through proactive risk management, we strive to maintain the integrity, stability, and resilience of our business operations. The Group has formulated a robust Risk Management Policy that clearly defines the risk management mechanism, covering the risk management framework, strategy, and processes. This ensures an active approach to identifying, assessing, and mitigating risks across various aspects of the Group, safeguarding the Group's sustainable development.



ESTABLISHING A SOUND GOVERNANCE STRUCTURE (continued)

Risk Governance Structure

The Group has established a comprehensive risk governance structure, adopting the “Three Lines of Defence” framework, clearly delineating the structure and responsibilities of risk management. The Board, as the highest governing body, is responsible for reviewing and approving the Group’s risk management procedures and strategies, while maintaining an effective risk management system. The Board will conduct an annual review of the effectiveness of the risk management and internal control systems to reduce risks and take appropriate measures. The Board, together with the Audit Committee, reviews internal control reports, assesses their effectiveness and adequacy, and ensures that appropriate risk mitigation strategies are executed to protect the interests of stakeholders and shareholders.



The Group adheres to a “Risk Prevention and Control” orientation, actively fostering the development of a comprehensive risk management culture. We regularly organise risk management training, covering all levels from Directors to frontline employees, as needed. This aims to enhance risk awareness and management capabilities among all employees.

Risk Management Procedure

The Group has established a robust risk management procedure, encompassing a thorough process for risk identification and response, as well as the effective implementation of risk management practices. We consistently conduct comprehensive risk assessments to identify and prioritise potential risks, develop appropriate response strategies, and diligently monitor the implementation of risk controls.



ESTABLISHING A SOUND GOVERNANCE STRUCTURE (continued)

Our Risk Management Policy outlines a clear procedure consisting of six key steps: risk identification, risk analysis, risk evaluation, review and monitoring, risk prioritisation, and communication and consultation. By diligently implementing our risk management procedure, we strive to minimise potential operational risks, safeguard our operations, and maintain the long-term sustainability of the Group. Risk identification and assessment are performed or updated annually, and the results of risk assessment, evaluation and mitigation of each function or operation are documented in the Risk Register to communicate to the Board and management for reviews.





Emerging risk assessment and management

The Group recognises that emerging risks may impose significant potential impacts on business operations. We closely monitor changes in both internal and external environments, actively identifying emerging risks that may significantly affect future business, and developing corresponding mitigation strategies. To continuously enhance our risk management system, we will continue to monitor changes in emerging risks and regularly report relevant situations to the Management, ensuring that the Group maintains its competitive edge in an ever-changing business environment.



ESTABLISHING A SOUND GOVERNANCE STRUCTURE (continued)

Emerging Risks	Business Impacts	Mitigation Actions
 Food Quality and Safety	Regarding the food supply and catering businesses, we may face risks such as food contamination, spoilage, improper handling, and supply chain instability. These potential food safety hazards could not only endanger customer health but also seriously affect customer trust and satisfaction. They may also lead to legal and regulatory compliance issues, resulting in financial losses and damage to the Company's reputation.	<ul style="list-style-type: none">• Implement a stringent supplier selection and evaluation system to ensure quality of raw materials, and conduct regular sample testing to ensure compliance with food safety standards• Establish a food traceability system for rapid identification and handling of potential issues• Provide employees with standard guidelines including proper food handling, storage, and preparation techniques, while regularly organising training to enrich staff knowledge of food safety practices
 Environmental Regulations	As global attention to environmental protection and sustainable development continues to increase, the catering industry will face increasingly stringent environmental regulations and social expectations. To comply with strict environmental standards, the Company may need to invest in new equipment and technologies, while sustainable sourcing of ingredients may lead to increased costs, resulting in higher operational expenses.	<ul style="list-style-type: none">• Optimise menus by introducing low-carbon dishes, which not only reduces food waste but also provides customers with more environmental-friendly dining options, meeting the growing demand for eco-conscious choices• Implement an energy management system to optimise energy use, reducing energy consumption and related costs• Actively explore cooperation opportunities to jointly develop sustainable and cost-effective supply chains



ESTABLISHING A SOUND GOVERNANCE STRUCTURE (continued)

STAKEHOLDER ENGAGEMENT

Stakeholder engagement is a key success factor in the formulation of our ESG strategies. It helps us define our key objectives and establish relevant policies, as well as identify and assess areas of materiality. Our key stakeholders include but not limited to customers, employees, suppliers, shareholders and the community. To fully understand, respond and address the core concerns of various stakeholders, we have been maintaining close communication with key stakeholders through the use of surveys and discussions, which enables us to provide effective responses to better suit their needs and expectations, balance the interests of all parties and foster sustainable development. We value the opinions of every stakeholder. Through adopting a systematic approach to consolidate and prioritise valuable feedback, we continuously improve our ESG performance to create greater value for all stakeholders.

Stakeholders	Expectation and Concerns	Communication Channels
Customers	<ul style="list-style-type: none">• Quality products and services• Integrity operation• Privacy protection	<ul style="list-style-type: none">• After-sales services• Feedback channels
Employees	<ul style="list-style-type: none">• Rights and interests protection• Staff salary and benefits• Healthy and safe working environment• Career development	<ul style="list-style-type: none">• Training• Performance review and interviews• Internal announcements and publications• Suggestion box
Suppliers	<ul style="list-style-type: none">• Timely payment• Fair procurement	<ul style="list-style-type: none">• Site visits• Business meetings• Performance selection and assessment
Shareholders	<ul style="list-style-type: none">• Compliance operation• Return on investment• Transparent financial information	<ul style="list-style-type: none">• General meetings• Financial reports• Press releases and announcements• Company's website
Community	<ul style="list-style-type: none">• Community involvement• Environmental protection awareness	<ul style="list-style-type: none">• Community activities• Subsidies and charitable donations



ESTABLISHING A SOUND GOVERNANCE STRUCTURE (continued)

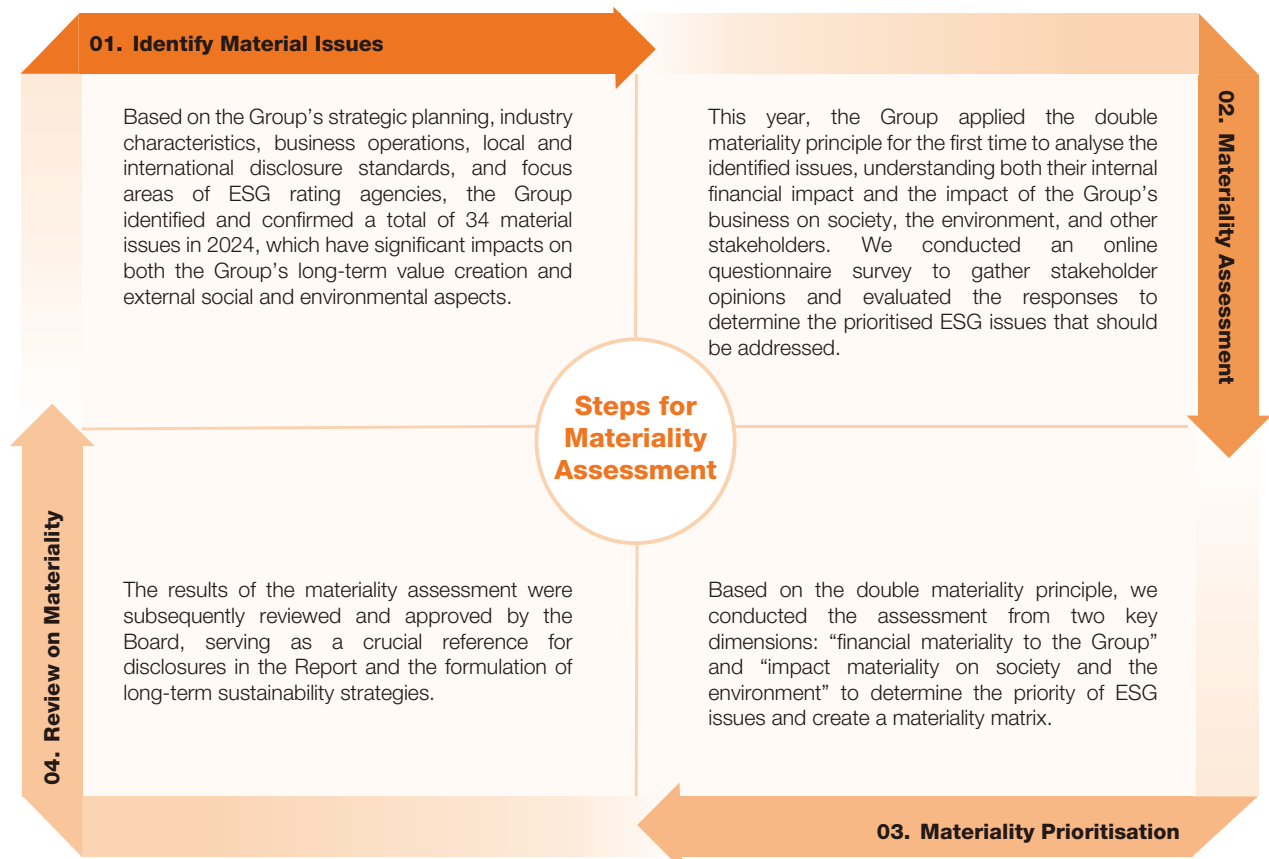
MATERIALITY ASSESSMENT

The Group acknowledges and values stakeholders' concerns and expectations regarding the Group's ESG issues. To better respond to stakeholder expectations and ensure the effectiveness of our sustainability strategy, during the Reporting Period, the Group engaged a professional independent third-party consultant to conduct a comprehensive materiality assessment, identifying and prioritising issues that are important to both the Group and its stakeholders, which facilitate the determination of issue priorities for advancing our sustainability agenda.

This year, we have also adopted a double materiality approach for the first time, assessing material issues from two dimensions: financial materiality and impact materiality:

- **Financial Materiality:** Evaluating the impact of issues on the Group's financial performance and long-term value creation, as well as their potential to create value for investors.
- **Impact Materiality:** Assessing the impact of the Group's business, products, and services on environmental, social, and governance aspects.

The entire materiality assessment process was facilitated by the ESG Working Group, and the results have been reviewed and approved by the Board, laying a solid foundation for report compilation. The following outlines the steps taken by the Group in conducting the materiality assessment:





ESTABLISHING A SOUND GOVERNANCE STRUCTURE (continued)

The assessment results for this year are shown in the following materiality matrix:





ESTABLISHING A SOUND GOVERNANCE STRUCTURE (continued)

High Importance		Medium Importance		Low Importance	
19	Product Health and Safety	15	Supply Chain Management	27	Community Investment
22	Data Security and Customer Privacy Protection	3	Water and Sewage Management	5	Climate Change
18	Product Quality Management	16	Green Procurement	25	Animals Welfare
29	Anti-corruption	10	Equal Opportunity, Diversity and Anti-discrimination	1	Greenhouse Gas Emissions
23	Intellectual Property Rights Protection	34	Corporate Governance and Risk Management		
30	Whistle-blowing Mechanism	26	Green Restaurant		
17	Raw Materials Management	4	Waste Management		
24	Product Advertising and Labelling	20	R&D and Technology Innovation		
12	Occupational Health and Safety	6	Environmental and Natural Resources		
14	Human Rights Protection	2	Energy Management		
13	Child Labour and Forced Labour Management	28	Contribution to Industry Development		
33	Social and Economic Compliance	7	Environmental Compliance		
9	Employee Remuneration and Benefits				
11	Employee Communication				
32	Tax Transparency				
31	Generation of Economic Value				
8	Talent Recruitment, Training and Development				



ESTABLISHING A SOUND GOVERNANCE STRUCTURE (continued)

During the Reporting Period, the Group had identified a total of 18 material ESG issues, scattered on the upper right corner. “Anti-corruption” was assessed as the issue with the highest impact materiality, reflecting stakeholders’ concern and high emphasis on corporate integrity. Closely following, “Product Health and Safety” and “Human Rights Protection” were jointly ranked second. From a financial impact perspective, “Product Health and Safety” and “Data Security and Customer Privacy Protection” were rated as the most important issues, demonstrating the direct impact of these areas on our business operations and long-term value creation.

To better manage material ESG issues, we have developed appropriate and effective management policies and internal control systems, ensuring that the disclosed content complies with the requirements of the ESG Reporting Guide.

INTELLECTUAL PROPERTY MANAGEMENT

The Group places high importance on intellectual property protection and strictly adheres to relevant laws and regulations, including the Patent Law of the PRC, the Trademark Law of the PRC, the Copyright Law of the PRC, as well as other regulations from the Hong Kong Intellectual Property Department. The Group has clearly outlined the Copyright Policy within the Code of Conduct and Ethical Guidelines, not only protecting our own intellectual property but also maintaining a zero-tolerance attitude towards any infringement of third-party copyrights. The Group has also registered property rights for its operations, products, and designs, and obtained 20 trademark registrations this year.

Furthermore, the Group’s information technology team has acquired all the requisite licences for software and information procurement in line with its business operations. This demonstrates the Group’s commitment to lawful and responsible use of technology resources. If any employee is found to be infringing on intellectual property rights, disciplinary action will be followed. During the Reporting Period, there was no confirmed case of non-compliance in relation to the infringement of intellectual property rights.

BUSINESS ETHICS

“Integrity at heart, Probity comes first; Diligence in duty, and Empathy in action” are the Group’s compliance philosophy and guiding principles. We have deeply embedded our operational philosophy of strict quality and safety control into our products and services, and the daily behaviour of all employees. We recognise compliance as a crucial element for enhancing operational management standards and effectively mitigating risks, as well as a key aspect of corporate culture construction. The Group firmly believes that compliance extends beyond mere adherence to laws, regulations, and internal policies, which encompasses respect for social norms and the pursuit of higher ethical standards.



ESTABLISHING A SOUND GOVERNANCE STRUCTURE (continued)

Business Ethics Management

To ensure comprehensive compliance implementation, the Group has established a robust Compliance Code of Conduct, covering several critical areas: conflict of interest management, insider trading prevention and control, gift and business entertainment standards, anti-corruption, anti-bribery and anti-money laundering, maintaining fair competition, information confidentiality, prevention of discrimination and harassment, environmental and resource protection, among others. This code aims to promote a healthy business environment and drive positive industry development. We also require all employees to sign a compliance commitment letter, confirming that they have read and pledge to adhere to the Compliance Code of Conduct.

To ensure the effective implementation of various compliance initiatives, we have established a rigorous compliance system from multiple aspects and actively promoted the development of business ethics. Through a series of strict and comprehensive measures, we are committed to embedding a compliance culture into every aspect of corporate operations, adhering to high standards of business ethics and compliant management.

Employee Commitment Mechanism

All employees are required to sign the "Commitment to Professional Conduct and Personal Integrity" commitment letter, as well as the Group's "50 Prohibitions – 'High Standard Lines'" document.

100%

Employee Signing Rate

Continuous Compliance Training

We regularly arrange internal training sessions on business ethics and corporate ethical conduct for employees, ensuring that compliance awareness is integrated into their daily behaviour.

412

Employees have participated in ethics and compliance-related trainings

Clear Accountability Mechanism

We have established a clear accountability system, encouraging employees to consult their supervisors or the Legal Center on compliance-related issues. The Legal Center is responsible for maintaining the Group's compliance matters.

Anti-corruption Management

The Group upholds the highest standards of integrity and compliance in its business operations, firmly implementing the core principle of "Probity comes first". We maintain a zero-tolerance policy towards any form of fraud, corruption, and other non-compliant behaviours, striving to maintain a fair and transparent business environment. We strictly adhere to the Prevention of Bribery Ordinance (Chapter 201 of the Laws of Hong Kong), the Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Chapter 615 of the Laws of Hong Kong), the Criminal Law of PRC, the Anti-Unfair Competition Law of the PRC, the Anti-Money Laundering Law of the PRC and other relevant laws and regulations. During the Reporting Period, the Group did not identify any non-compliance with the relevant laws and regulations of bribery, extortion, fraud and money laundering nor any concluded legal cases regarding corrupt practices.



ESTABLISHING A SOUND GOVERNANCE STRUCTURE (continued)

The Group is firmly committed to combating all fraudulent activities that harm our economic interests. We have established a comprehensive Anti-Fraud and Anti-Corruption Policy that clearly defines various fraudulent behaviours, prohibiting employees from accepting any benefits from customers, suppliers, colleagues, or other parties whilst performing their duties. Any activities involving conflicts of interest, bribery, extortion, fraud, and money laundering are also strictly banned. To ensure effective implementation, the Group's Audit Committee is responsible for monitoring the execution of the Anti-Fraud and Anti-Corruption Policy and regularly reviews the content to ensure its continued effectiveness and applicability. Additionally, during the Reporting Period, the Group arranged anti-corruption related training for the Board to ensure their understanding on the importance of anti-corruption work.

Sunshine Procurement Agreement

The Group recognises that the importance of anti-corruption efforts extends beyond internal management to encompass the entire supply chain. This year, we have formulated the Sunshine Procurement Agreement, aimed at regulating procurement and tendering behaviours, strengthening integrity management, and creating an open, fair, and just procurement environment. The implementation of the Sunshine Procurement Agreement marks a significant milestone in our supplier management. We are planning to gradually incorporate this agreement into the procurement process, requiring all new suppliers to sign. This agreement explicitly commits to prohibiting any form of conflict of interest, bribery, and other non-compliant behaviours, thereby maintaining the integrity of the procurement process and elevating ethical standards across the entire supply chain.

Whistle-blowing Mechanism

The Group is committed to maintaining a high standard of integrity, good corporate governance, openness, probity and accountability. The Group has formulated the Whistle-blowing Policy to encourage employees, customers, suppliers or other parties to report incidents relating to any conflicts of interest, bribery, extortion, fraud and money laundering through confidential channels. Upon receiving reports, we will conduct inspections promptly and take necessary measures while protecting the identity of the whistle-blower to prevent any conflict of interest or behaviour that will bring harm to the Group and the stakeholders. The Audit Committee is required to report to the Board, disclosing information pertaining to misconduct reports and the respective investigation findings, if any.



Reporting Email
whistleblower@cwth.com.hk



Mailing Address
Suite 2106, 21/F., Exchange Tower,
33 Wang Chiu Road, Kowloon Bay, Hong Kong



ESTABLISHING A SOUND GOVERNANCE STRUCTURE (continued)

The Whistle-blowing Policy of the Group has set forth a clear guidance and procedures on reporting possible improprieties in matters relating to the Group. The Company is fully dedicated to safeguarding the legitimate rights and interests of whistle-blowers and maintains a strict information confidentiality system throughout the entire reporting and investigation process. To ensure the whistle-blowers' protection against unfair dismissal, victimisation or reprisal, their identity will be kept confidential and undisclosed.

Procedures of the investigation:



Assessing the Report

The Audit Committee will assess each report received to determine the need for a full investigation. If it is deemed necessary, the Audit Committee will examine the matter and make informed decisions regarding the appropriate course of action for the investigation.



Collecting Evidence

Throughout the investigation process, the Audit Committee will collect and authenticate the documents and information pertaining to the suspected case.



Investigating Report

The investigation report will provide a clear and comprehensive account of the investigation procedures, findings and the subsequent actions taken. Cases of suspected corruption or other criminal offences will be reported to the relevant regulators or authorities.



Record Retention

All pertinent information of the case will be preserved for record-keeping purposes, including comprehensive documentation of any corrective actions implemented and investigation results.



BUILDING A LOW-CARBON FUTURE

ENVIRONMENTAL MANAGEMENT SYSTEM

The Group recognises the importance of protecting the natural environment for the benefit of the earth. Therefore, we are committed to integrating the philosophy of sustainable development into our business activities to minimise any negative impacts on the environment and to fulfil the social responsibilities of the Group. The Group has formulated the Environmental Policy, which outlines its commitment to environmental protection by introducing a series of environmental measures and practices in its operations. We strive to implement relevant monitoring measures to minimise our impacts on the environment and raise employees' environmental awareness.

The Group strictly complies with all applicable laws and regulations regarding environmental protection in Hong Kong and the PRC, including but not limited to the Air Pollution Control Ordinance (Chapter 311 of the Laws of Hong Kong), the Waste Disposal Ordinance (Chapter 354 of the Laws of Hong Kong), the Water Pollution Control Ordinance (Chapter 358 of the Laws of Hong Kong), the Product Eco-responsibility Ordinance (Chapter 603 of the Laws of Hong Kong), the Environmental Protection Law of the PRC, the Energy Conservation Law of the PRC, the Law of the PRC on Prevention and Control of Water Pollution and the Law of the PRC on Prevention and Control of Environmental Pollution by Solid Waste.

During the Reporting Period, there was no incident of non-compliance with the relevant environmental laws and regulations in Hong Kong and the PRC relating to air emissions and Greenhouse Gas ("GHG") emissions, discharges into water and land, and generation of hazardous or non-hazardous wastes that have a significant impact on the Group.

Environmental Impact Assessment

The Group proactively minimises direct environmental impacts of operations with the aim to meet or exceed all applicable and relevant environmental legislation. We identify key environmental impacts with the help of government officials, conservation organisations and local communities. We consult for feedback on environmental issues on a regular basis to produce a final assessment plan and work closely with regulators and relevant stakeholders to develop appropriate mitigation measures in a timely manner, thereby alleviating environmental burden.

Raising Employees' Awareness






The Group provides resources to support environmental initiatives and promote environmental awareness among our employees. In addition to requiring employees to follow the guidance and implement environmental measures formulated by the Group, we organise various environmental protection campaigns for all employees, including site visits, material reuse and recycling. We also encourage employees to put forward ideas about new ways to protect the environment and contribute to the improvement of the environmental performance of the Group, thereby fulfilling the commitment to the environment.



BUILDING A LOW-CARBON FUTURE (continued)

OUR ENVIRONMENT TARGETS

To effectively drive the Group's sustainability efforts, we have developed a series of specific, measurable environmental objectives, using 2023 as the baseline year, while monitoring and evaluating the achievement annually. This approach enables us to accurately track and comprehend our progress in environmental protection, and promptly adjust our strategies based on actual performance. We are delighted to report that the Group's performance in 2024 has successfully met our established environmental targets, which motivates us to continue advancing our environmental initiatives in the future.

Aspects	2023 Baseline Year	2026 Targets (Compared to Baseline Year)	2024 Performance
 Energy Consumption	Energy Consumption Intensity 12.30 kWh/revenue (HK\$'000)	↓2%	Energy Consumption Intensity 5.04 kWh/revenue (HK\$'000) Achieved
 GHG Emissions	GHG Emission Intensity 0.0057 tCO ₂ e/revenue (HK\$'000)	↓2%	GHG Emission Intensity 0.0022 tCO ₂ e/revenue (HK\$'000) Achieved
 Non-hazardous Waste	Non-hazardous Waste Intensity 0.00033 tonnes/revenue (HK\$'000)	↓1%	Non-hazardous Waste Intensity 0.00021 tonnes/revenue (HK\$'000) Achieved
 Paper Consumption	Paper Consumption Intensity 0.000011 tonnes/revenue (HK\$'000)	↓2%	Paper Consumption Intensity 0.000059 tonnes/revenue (HK\$'000) Achieved
 Water Consumption	Water Consumption Intensity 0.09 m ³ /revenue (HK\$'000)	↓2%	Water Consumption Intensity 0.04 m ³ /revenue (HK\$'000) Achieved



BUILDING A LOW-CARBON FUTURE (continued)

TACKLING CLIMATE CHANGE

On the globally issue of climate change, the Group is committed to fully supporting international efforts, actively progressing towards the goal of achieving net-zero emissions by 2050. We actively embrace the national sustainable development concept of “lucid waters and lush mountains are invaluable assets”, transitioning towards a low-carbon economic model. We systematically conduct climate change risk identification and response work, adopting various mitigation and adaptation measures aimed at reducing our carbon footprint while enhancing our business’s climate resilience.

To ensure our climate-related information disclosure aligns with international best practices, we have adopted the reporting framework recommended by the Task Force on Climate-related Financial Disclosures (“**TCFD**”), comprehensively assessing and managing climate-related risks and opportunities to provide more transparent and comparable climate-related information to all stakeholders.

Climate Governance

As the Group’s highest decision-making body, the Board plays a pivotal role in addressing climate risks. Board members are tasked with overseeing climate-related risks and opportunities, developing sustainable strategies, annual budgets, and climate mitigation targets. They also supervise relevant significant capital expenditures, whilst ensuring that climate considerations are fully integrated into the Group’s decision-making processes.



BUILDING A LOW-CARBON FUTURE (continued)

To further advance the Group's climate risk management, we have established a dedicated Climate Change Committee, responsible for identifying climate-related risks and opportunities, and formulating climate risk management policies. The committee comprises independent directors, other board members, and senior management from operational departments. It convenes quarterly meetings to discuss and review climate risk-related issues, reporting directly to the Board. Through this top-down climate risk governance structure, we ensure the effective implementation of our climate risk management strategies.



Climate Strategy

With the support from senior management, the Group has actively carried out the identification of climate-related risks and opportunities. Our risk identification work primarily focuses on two key aspects: transition risks and physical risks. The risk identification process is based on different time frames, assessing short-term (1–3 years), medium-term (3–5 years), and long-term (5 years or more) impacts, comprehensively evaluating the potential effects of climate change on the Group's business. Based on the identification results, the Group commits to continuously refining and improving mitigation measures, constantly enhancing our ability to identify and address climate risks. To ensure our strategies can adapt to the changing climate landscape, the Board and the newly established Climate Change Committee will regularly review and update our risk assessments, adjusting strategies in a timely manner to address emerging risks and opportunities.



BUILDING A LOW-CARBON FUTURE (continued)

Category	Risks and Opportunities	Description of Potential Impacts	Timeframe	Operational and Financial Impacts
Transition Risks				
Regulation and Compliance Risks	GHG Emissions Regulation and Carbon Tax	As the Government implements stricter GHG emission controls and carbon tax, the Group will face higher compliance costs and operational pressures.	Short	<ul style="list-style-type: none">Increased operational costs due to the carbon pricingIncreased costs for energy use and raw material procurement
	Stricter Renewable Energy Policies and Regulations	The Government may require businesses to increase their proportion of renewable energy use, necessitating increased investment in renewable energy facilities.	Medium	<ul style="list-style-type: none">Procurement of renewable energy certificates leads to increased energy costsFines for violating regulatory requirements result in increased operating expenses
Technology Risks	Transition to Low Carbon/Plastic Reduction Technologies	To reduce carbon emissions, investment in research, development, and adoption of new low carbon/plastic reduction technologies or changes of existing production processes and supply chains are required.	Medium	<ul style="list-style-type: none">Developing new low carbon processes and plastic reduction technologies will increase R&D costs, while failure in development could result in financial losses
Market Risks	Shifts in Consumer Demands and Preferences	Consumers may increasingly prefer environmentally friendly, low-carbon products and services, requiring companies to adjust their product lines and market strategies.	Medium	<ul style="list-style-type: none">Reduced market sales leading to decreased revenueIncreased expenditure on product research and development and marketing



BUILDING A LOW-CARBON FUTURE (continued)

Category	Risks and Opportunities	Description of Potential Impacts	Timeframe	Operational and Financial Impacts
	Net-Zero Emission Trends	The global trend towards net-zero emissions is driving stricter emission standards and higher social expectations, necessitating adjustments to business models.	Long	<ul style="list-style-type: none"> Increased R&D costs due to corporate transformation, affecting profitability
Reputation Risks	Insufficient Climate Action affecting Brand Reputation	Consumers and investors are increasingly concerned about companies' climate actions and environmental performance. Insufficient climate action may lead to a decline in brand image.	Medium	<ul style="list-style-type: none"> Negative climate reputation can result in customer loss, investor divestment, and even potential litigation risks
Physical Risks				
Acute Risks	Increased Flooding	With climate change, the frequency and intensity of extreme weather events such as heavy rainfall and floods may increase, posing threats to the company's physical assets and operations.	Short	<ul style="list-style-type: none"> Direct losses to factories, equipment, and inventory, requiring additional expenses for repairs and replacements Temporary halt in production and business activities, resulting in loss of revenue Increased insurance costs



BUILDING A LOW-CARBON FUTURE (continued)

Category	Risks and Opportunities	Description of Potential Impacts	Timeframe	Operational and Financial Impacts
Chronic Risks	Increased Drought Causing Supply Chain Disruptions	The increasing frequency of droughts may affect agricultural production, leading to instability in raw material supply.	Medium	<ul style="list-style-type: none"> Pressure from rising raw material prices due to supply shortages Revenue being affected by the production stagnation due to the disruption in the supply of critical raw materials
	Increase in Average Temperature	The rising global average temperature may affect a company's daily operations, employee working environment, equipment performance and energy consumption.	Long	<ul style="list-style-type: none"> Increased use of air conditioning and cooling systems may lead to higher energy costs Change in demand patterns for seasonal products which requires adjustments to production and inventory strategies
Opportunities				
Market Opportunities	Research and Innovation in New Low-Carbon Products and Services	As market awareness of climate change increases, the demand for low-carbon products and services continues to grow, providing new market opportunities.	Short	<ul style="list-style-type: none"> Successfully developed low-carbon products and services may bring new revenue streams and expand market share Low-carbon innovations may enhance the company's attractiveness in the capital markets, facilitating financing opportunities



BUILDING A LOW-CARBON FUTURE (continued)

Category	Risks and Opportunities	Description of Potential Impacts	Timeframe	Operational and Financial Impacts
Technology Opportunities	Improving Resource Use Efficiency	By enhancing the efficiency of energy, water, and raw material usage, businesses can reduce operational costs.	Medium	<ul style="list-style-type: none">Requires initial investment in high-efficiency equipment and technologies, but may lead to long-term cost savingsImproved efficiency may help in meeting environmental regulatory requirements, reducing potential fines
Reputation Opportunities	Enhancing Corporate Reputation	By actively addressing climate change and promoting sustainable development, companies can enhance their reputation among consumers and investors.	Long	<ul style="list-style-type: none">Environmentally friendly businesses may attract more loyal customers, reducing customer acquisition costsA good environmental reputation can attract more ESG investors, potentially lowering capital costs



BUILDING A LOW-CARBON FUTURE (continued)

Based on the results of risk identification and in line with the Group's business development direction, we are actively formulating a climate strategy plan to address potential risks and seize new opportunities. Our climate strategy plan focuses on the following key areas:

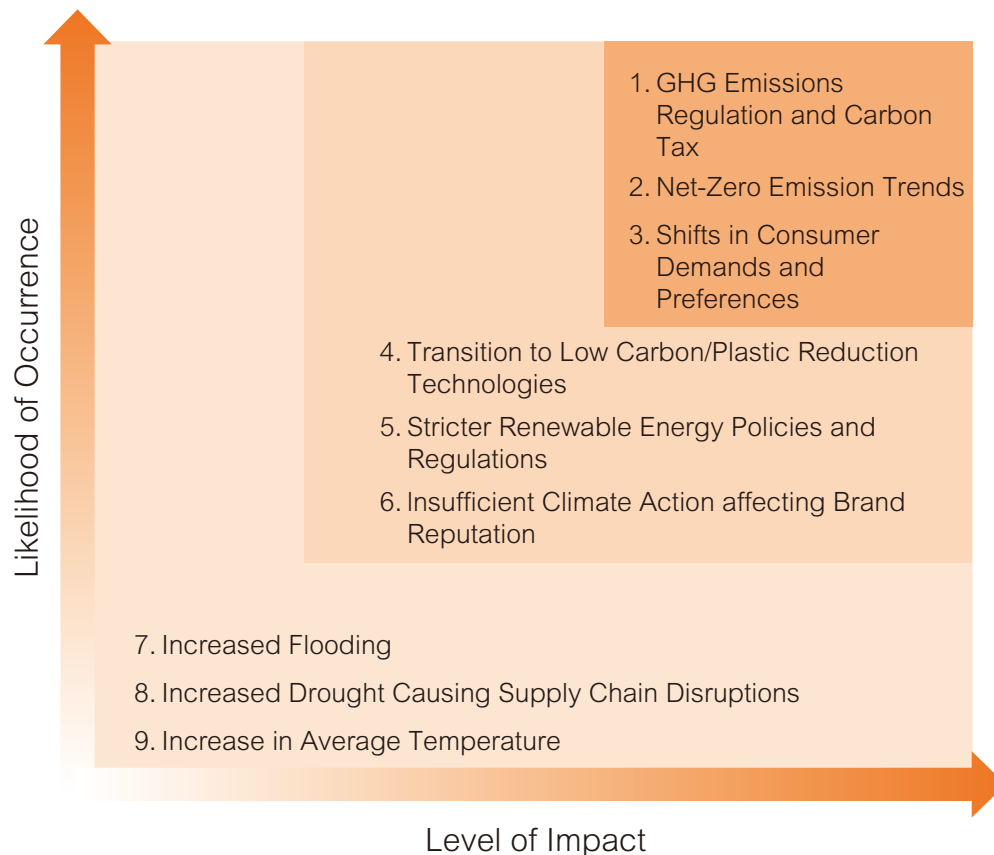




BUILDING A LOW-CARBON FUTURE (continued)

Climate Risk Management

We have fully integrated climate change risks into the Group's overall risk management system, establishing a systematic and refined climate risk management process. This process encompasses in-depth risk identification, assessment, and the development of targeted response plans, aimed at continuously enhancing our climate risk management capabilities. We have adopted a systematic analysis and prioritisation of various risks and opportunities based on two key dimensions: "level of impact" and "likelihood of occurrence", to formulate corresponding response strategies.



To prevent and mitigate climate change-related risks and opportunities, we have incorporated climate change risks into our corporate risk management process and business continuity plans. We will allocate sufficient data and resources to monitor and regularly review the impact of climate change on our employees and operations, demonstrating our commitment to addressing climate change.



BUILDING A LOW-CARBON FUTURE (continued)

Risks	Risk Prioritisation	Mitigation Strategy
GHG Emissions Regulation and Carbon Tax	High Risk	<ul style="list-style-type: none">• Implement an internal carbon pricing mechanism, incorporating carbon costs into investment decisions• Invest in energy-saving and emission-reduction technologies to improve energy efficiency• Establish clear emission reduction targets and roadmaps• Explore carbon trading opportunities and optimise carbon asset management
Shifts in Consumer Demands and Preferences	High Risk	<ul style="list-style-type: none">• Develop and promote environmentally friendly, low-carbon product lines• Improve product design to enhance product sustainability• Strengthen green marketing to boost the Company's eco-friendly image
Net-Zero Emission Trends	High Risk	<ul style="list-style-type: none">• Continue to implement GHG reduction actions• Construct green factories and obtain green building certifications• Encourage suppliers to adopt climate mitigation actions
Transition to Low Carbon/Plastic Reduction Technologies	Medium Risk	<ul style="list-style-type: none">• Establish a dedicated research and development team, and seek collaboration with external research teams to jointly develop optimised, low-carbon and manageable technologies for carbon and plastic reduction
Stricter Renewable Energy Policies and Regulations	Medium Risk	<ul style="list-style-type: none">• Improve energy use efficiency and invest in green energy equipment• Strengthen green R&D capability and innovation
Insufficient Climate Action affecting Brand Reputation	Medium Risk	<ul style="list-style-type: none">• Regularly publish climate-related financial disclosure reports to increase transparency• Actively participate in industry climate initiatives and international cooperation



BUILDING A LOW-CARBON FUTURE (continued)

Risks	Risk Prioritisation	Mitigation Strategy
Increased Flooding	Low Risk	<ul style="list-style-type: none">Assess flooding risks for key facilities and develop flood emergency response plansAvoid establishing new operational sites in high-risk areas
Increased Drought Causing Supply Chain Disruptions	Low Risk	<ul style="list-style-type: none">Diversify supply sources to reduce dependence on a single regionReduce reliance on water-intensive raw materials
Increase in Average Temperature	Low Risk	<ul style="list-style-type: none">Upgrade cooling systems in production facilities to improve energy efficiency

Climate Metrics and Targets

To ensure that our climate-related response system is traceable and effectively reviewed, we have established a series of indicators for management and control. These indicators have been integrated into our ESG management system, enabling regular monitoring, analysis, and business adjustments. For the corresponding indicators and progress, please refer to the “Our Environment Targets” section of this Report. Our goal-oriented approach continually enhances our performance and provides an objective, quantifiable framework for regularly assessing the effectiveness of our climate change risk management implementation.

EMISSIONS MANAGEMENT

The Group is not engaged in a business that enormously pollutes the ecological environment and is dedicated to minimising our environmental footprint by conducting operations in an environmentally responsible manner. The Group has implemented standardised emissions management processes, established stringent standards and continuously innovated the green production procedures.

In line with the commitment to pollution prevention and control, the Group actively monitors its air emissions, GHG emissions, discharges into water and land, as well as the generation of hazardous and non-hazardous wastes. We strive to ensure that all emissions are appropriately disposed of in an environmentally sound manner, mitigating its impact on the environment and contributing to sustainable development.

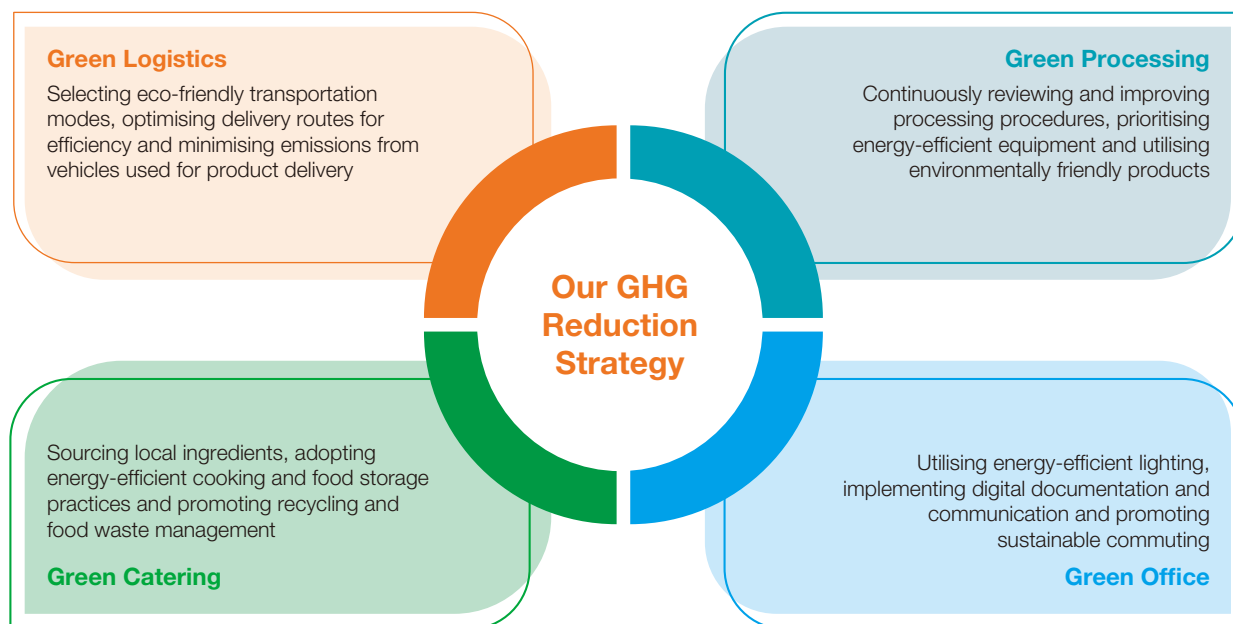


BUILDING A LOW-CARBON FUTURE (continued)

GHG Emissions Management

The Group strictly adheres to laws and regulations such as the Environmental Protection Law of the PRC, the Law of the PRC on the Prevention and Control of Atmospheric Pollution, and the Environmental Impact Assessment Law of the PRC, as well as complying with atmospheric emission standards in all areas of operation. We have established Waste Gas Management Standard to strictly standardise GHG emissions in our business operations, including food processing, catering services, and office operations. This ensures the establishment of green business practices and the cultivation of a sustainable development culture throughout the entire Group.

The Group's green strategy encompasses four key aspects: green logistics, green processing, green catering and green office. Each aspect is essential in promoting sustainability and reducing the environmental impact of the Group's operations.





BUILDING A LOW-CARBON FUTURE (continued)

Green Logistics

Green logistics, as a core pillar of our emission reduction strategy, plays a crucial role in the Group's overall green strategy. Considering the nature of our business, logistics and transportation are one of the main sources of carbon emissions. We have formulated a series of efficient green logistics management measures to reduce carbon emissions in the transportation process, whilst also improving overall logistics efficiency, achieving a win-win situation for both environmental and economic benefits. The Group has implemented green logistics management methods and selected the most feasible environmentally friendly transportation modes for arranging suppliers to deliver materials and products to customers.

The Group has taken the following measures to minimise GHG emissions:

- Employing environmentally friendly equipment and cleaner fuels
- Optimising transportation routes to reduce the overall travel distance
- Ensuring trucks used for long-distance transportation are filled to optimal capacity
- Maintaining vehicles properly, including maintaining proper tyre inflation pressure, checking tyre wear and replacing fuel filters at the proper intervals
- Cleaning the filters at regular intervals to avoid blocking air vents and ducts, thereby ensuring good airflow and efficient fuel combustion
- Regularly inspect refrigeration systems, select the most suitable refrigerants, and improve the performance of cooling systems

Green Processing

Through continuous review and improvement of our food processing processes, we are establishing a more environmentally friendly and efficient production system. The Group strives to minimise GHG emissions from food processing through the selection and use of environmental equipment, such as the biomass boiler and low NO_x burners, and adopt environmentally safe products for cleaning products whenever possible. We also ensure that all equipment used in the processing factory is designed with automation features, reducing unnecessary power usage and optimising energy efficiency.



BUILDING A LOW-CARBON FUTURE (continued)

Green Catering

The Group has developed a comprehensive and detailed green management strategy for catering operations, aimed at effectively managing the GHG emissions. Our guidelines cover several key areas, including managing air conditioning systems, implementing water-saving technologies, and strictly enforcing equipment usage protocols to ensure timely shutdown when not in use. To ensure these measures are implemented effectively and continuously, we have incorporated relevant environmental indicators into the employee performance evaluation system. This not only effectively motivates all staff to participate but also cultivates their environmental awareness.

Green Office

The Group has fully promoted the concept of a low-carbon office and established the philosophy of environmental protection and conservation. We develop a simple and moderate, green and low-carbon lifestyle and office habits for employees. The Group focusses on optimising energy usage by implementing energy-efficient lighting systems, utilising power-saving settings on electronic devices, and encouraging employees to turn off lights and equipment when not in use. The operating performances of office air conditioning systems are regularly inspected for leaks and operations efficiency.

Moreover, the Group recognises that the disposal of paper waste can indirectly contribute to its GHG emissions. The Group actively promotes the use of digital documentation and communication to reduce paper consumption and minimise the indirect emissions associated with paper waste disposal in landfills. To further minimise paper usage, employees are encouraged to carefully preview and review documents before printing to avoid unnecessary or incorrect printing. Additionally, the practice of double-sided or duplex printing is in place whenever feasible, which helps reduce paper waste and conserve resources.

Below highlights some measures taken by the Group in the office area to reduce GHG emissions:

- Installing energy-efficient lighting
- Making use of standby mode for all electrical appliances, including computers, photocopiers and printers
- Placing recycling boxes next to photocopiers for the collection of paper for recycling
- Encouraging employees to use electronic means such as emails and data storage devices to reduce paper consumption
- Encouraging low-carbon travel and reduce unnecessary travel activities

During the Reporting Period, the total GHG emissions were 1,703.37 tCO₂e while the total GHG emissions intensity was 0.0022 tCO₂e/revenue (HK\$'000).



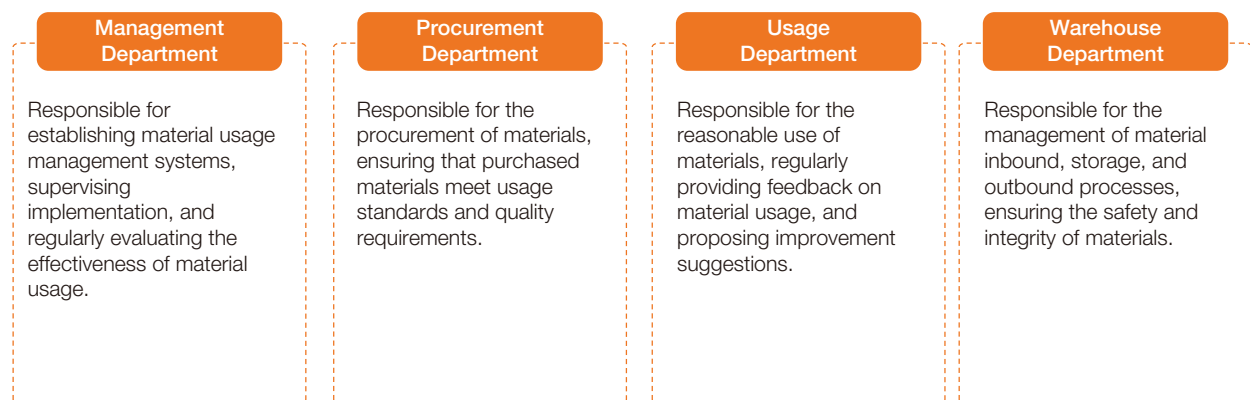
BUILDING A LOW-CARBON FUTURE (continued)

Waste Management

The Group strictly abides by the Waste Disposal Ordinance (Chapter 354 of the Laws of Hong Kong), the Law of the PRC on the Prevention and Promotion of Environmental Pollution by Solid Waste, the Standard for Pollution Control on Hazardous Waste Storage, and other applicable laws and regulations in Hong Kong and the PRC. We have established internal management systems such as Waste Management Standards and Waste Classification and Recycling Management, which provide clear guidelines and standardised processes for the Group's waste management, minimising waste generated during operations and improving resource utilisation efficiency.

Our primary sources of waste include food waste generated from operations, domestic waste, wastepaper, and packaging waste from processing plants, logistics centres, warehouses, offices, and restaurants. All waste from the Group is handled by qualified disposal contractors, with the entire disposal process subject to comprehensive tracking management to ensure compliant disposal.

To effectively manage waste, the Group adheres to the "5R" principle: Reduce, Reuse, Recycle, Recover, and Reduce Landfill. We actively implement a series of waste reduction measures and have established a Waste Classification and Recycling Management system to regulate the entire product lifecycle from procurement, use, and management to final disposal, ensuring resource utilisation efficiency. It also outlines the specific responsibilities of each department in waste management, ensuring the implementation and execution of policies.



Employee education and participation are crucial components of our waste management strategy. We continuously promote the concept of waste sorting to all employees, raising environmental awareness and engagement through various means such as training, promotional activities, and daily reminders.



BUILDING A LOW-CARBON FUTURE (continued)

The following are the measures adopted by the Group to address its main waste sources:

Paper Waste

Recycling bins are placed in designated areas to collect recyclables which are then collected by recyclers for proper recycling. Employees are encouraged to use electronic means such as emails to reduce paper consumption.

Packaging Materials

Packaging waste, including plastic and paper waste, is separated for collection and then recycling. Also, the Group adopts biodegradable packaging materials to minimise the environmental impact.

Food Waste

Food waste is mainly generated from our catering services and food processing operations. We collaborate with third-party food rescue organisations to donate unused food. Unused food will also be utilised for preparing in-house meals for our employees, minimising the food waste discarded.

Office Supplies

The Group purchases supplies or equipment with an option to be upgraded and with longer lifespans to limit the number of replacements. In addition, stationery items such as paper clips, folders and binders are reused as much as possible to reduce wastage.

The Group strictly regulates the temporary storage, processing and disposal of hazardous waste, ensuring that all products or parts do not contain any chemicals banned by law and fully comply with environmental laws, directives, standards and customer requirements. Due to the nature of the Group's businesses, no significant quantity of hazardous waste was generated during the Reporting Period. In the event that any hazardous waste is produced, the Group will engage authorised chemical waste collectors to handle and separate such waste and make a record for collection in order to comply with relevant environmental laws and regulations. In addition, the Group actively participates in official recycling programmes for the safe disposal of hazardous waste, including the Computer Recycling Programme, Waste Electrical and Electronic Equipment (WEEE) Recycling Programme, Fluorescent Lamp Recycling Programme and Rechargeable Battery Recycling Programme.

During the Reporting Period, the total non-hazardous waste generated was 164.53 tonnes and the total non-hazardous waste intensity was 0.00021 tonnes/revenue (HK\$'000).



BUILDING A LOW-CARBON FUTURE (continued)

Sewage Management

The Group strictly adheres to the Water Pollution Control Ordinance (Chapter 358 of the Laws of Hong Kong) and the Water Pollution Prevention and Control Law of the PRC, ensuring that the treatment, utilisation, and discharge of industrial wastewater and domestic sewage comply with legal requirements. Considering the sewage created by the Group is discharged directly into the municipal sewage pipe network to the regional water purification plant, the water consumed in the offices and warehouses is considered to be sewage discharged. In terms of catering operations, given their high-water consumption characteristics, we pay particular attention to wastewater discharge in the restaurant water usage process.

The Group employs cost-effective measures by utilising reclaimed water to fulfil water requirements, such as the operation of cooling towers and other non-potable purposes. We also prioritise the promotion of clean production technologies and implement various initiatives to minimise water consumption. For example, we implement initiatives to recycle cooling water for non-processing uses, such as cleaning applications.

Use of Electrolysed Water

In the product disinfection process, the Group has adopted electrolysed water technology, which converts ordinary saline solution into a highly effective disinfectant through electrolysis, thereby reducing the use of chemicals. After use, the electrolysed water naturally reverts to water, avoiding chemical residue pollution of water bodies and soil. This not only ensures the hygiene and safety of products but also significantly reduces negative environmental impacts.

USE OF RESOURCES

The Group adheres to the core concept of sustainable development, which comprehensively guides our production and operational activities. Effective resource management is not only a manifestation of corporate social responsibility but also a key strategy for improving operational efficiency and reducing costs. Therefore, we actively implement resource optimisation measures throughout our business processes, covering the use of energy, water resources, and other raw materials.



BUILDING A LOW-CARBON FUTURE (continued)

Energy Consumption

To fulfil our environmental commitments, the Group has implemented Environmental Policy to increase the use of clean energy in our operations, maximise energy efficiency, and reduce total energy consumption. For example, regularly assessing energy efficiency, closely monitoring energy consumption, identifying areas for improvement, and implementing energy-saving measures.

Below are some key measures taken by the Group regarding energy-saving:

- Procurement of electrical appliances with high energy efficiency ratings, such as China Energy Label Grade 1, will be prioritised over those with lower energy efficiency performance. The majority of the lighting systems in the processing factory are installed with LED lights
- Employees are encouraged to minimise the utilisation of lighting and electric equipment as much as possible, and turn off the power supply when electrical appliances are not in use.
- The use of devices capable of performing multiple functions is promoted. For example, one device handling all of the printing, scanning, photocopying and faxing can be used to reduce the quantity of electrical equipment and associated energy consumption at our facilities.

During the Reporting Period, the total energy consumption was 3,978,201.15 kWh while the total energy consumption intensity was 5.04 kWh/revenue (HK\$'000).

Use of Packaging Materials

The disposal of products and packaging materials at the end of their consumption has become an increasingly severe environmental challenge. The Group endeavours to adopt a lifecycle assessment approach to evaluate and minimise the environmental impact of our products and packaging materials throughout their entire lifecycle, encompassing material selection, acquisition, processing, consumption, disposal and recycling.

To optimise resource usage during our operations, we have embraced a “design for manufacturing” approach, focusing on minimising resources required throughout the entire life cycle. In line with our commitment, all packaging materials used by the Group are biodegradable to reduce the environmental impact associated with the disposal of packaging materials. Furthermore, we actively encourage employees to use recycled or renewable packaging materials and aim to design the packaging to be returnable, reusable and renewable where possible.

The Group will continuously improve its packaging strategies both in the short term and long term so as to deliver the products in a manner that minimises packaging materials consumption. The total packaging materials consumption in the Reporting Period is 15.57 tonnes, while the total packaging materials consumption intensity is 0.00002 tonnes/revenue (HK\$'000).



BUILDING A LOW-CARBON FUTURE (continued)

Water Management

Water consumption has a direct effect on the Group's environmental footprint as well as operational costs. To achieve efficient use of water, relevant policies are in place to control the usage of water to limit wastage. The Group widely adopts water-efficient devices at all facilities, including water taps with automatic open or close devices or automatic closing mechanisms, dual flush cisterns for toilets, and high efficiency plumbing fixtures and appliances.

During the planning stage of the Group's warehouses, a water availability assessment was performed to assess water supply sustainability, including the likelihood of water scarcity in the future. It is also of priority to ensure that necessary engagements are arranged with stakeholders of local water resources. Therefore, the Group does not have any issues in sourcing water that is fit for purpose. Moreover, we have assigned particular personnel to monitor the water consumption in the food processing procedures. Employees have also taken measures to minimise daily water usage and improve the efficiency of water sources, and they are encouraged to turn off water taps after use, check faucets and pipes for any potential leakage and adopt the use of water saving appliances.

During the Reporting Period, the total water consumption was 30,328.48 m³ while the total water consumption intensity was 0.04 m³/revenue (HK\$'000).

Food Loss and Waste

The Group is fully committed to reducing food loss and waste throughout our daily operations. We have implemented a comprehensive closed-loop approach that encompasses our entire value chain, from food purchasing and processing to recycling and education.

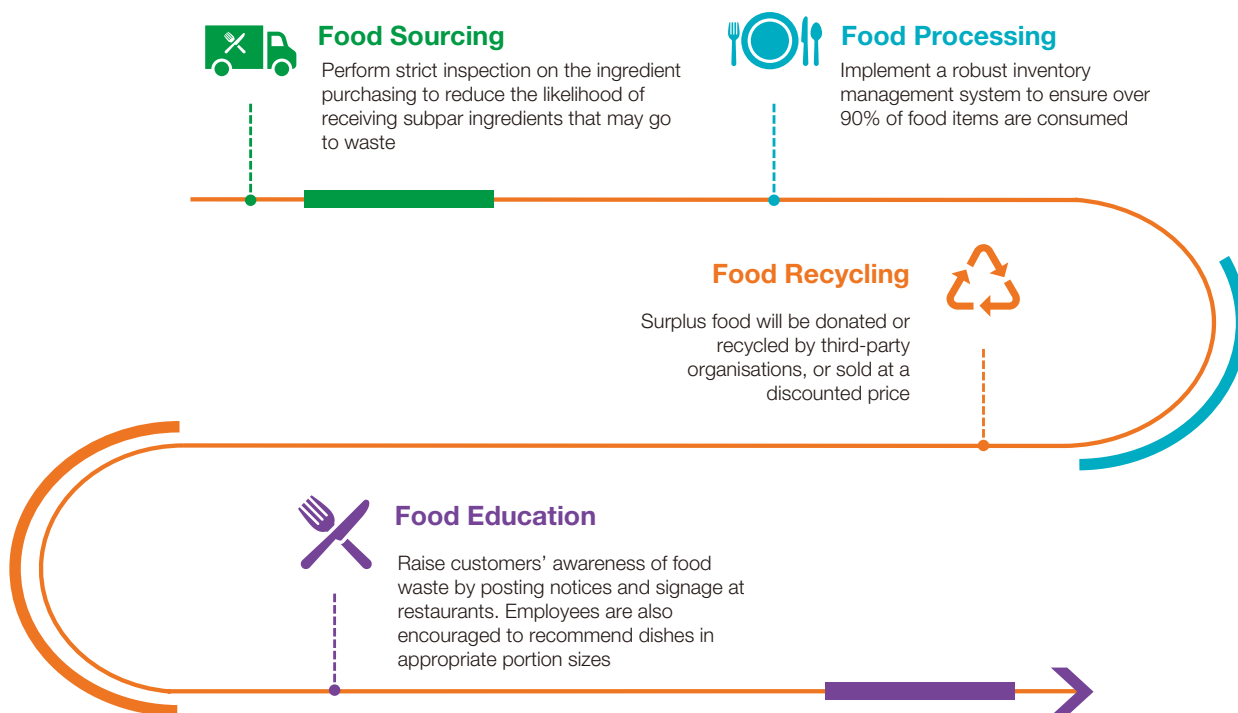
The Group has implemented a stringent food purchasing and inspection system to ensure the quality of ingredients before procurement, minimising the risk of receiving subpar items that could lead to waste. Additionally, we have established a robust inventory management system that tracks food items and their expiration dates, following a "first in, first out" approach. This approach guarantees that over 90% of our food items are utilised efficiently, reducing the chances of food expiry and waste. Our excess food ingredients are repurposed for in-house meals, minimising food waste and ensuring optimal resource utilisation.

Furthermore, the Group actively engages in food donation initiatives. Surplus food is donated to local food rescue organisations or individuals in need, contributing to the reduction of food waste and supporting communities.



BUILDING A LOW-CARBON FUTURE (continued)

Promoting the concept of food waste reduction is of great importance to the Group. We prominently display notices and signage in our restaurants, emphasising the significance of reducing food waste. Our frontline employees are required to recommend dishes to customers in appropriate portion sizes, which would be a part of the performance assessment. We actively engage employees and customers in the pursuit of sustainable practices, ensuring that we contribute to a more responsible and environmentally conscious food industry.





ACHIEVING A PEOPLE-ORIENTED WORKPLACE

EMPLOYMENT

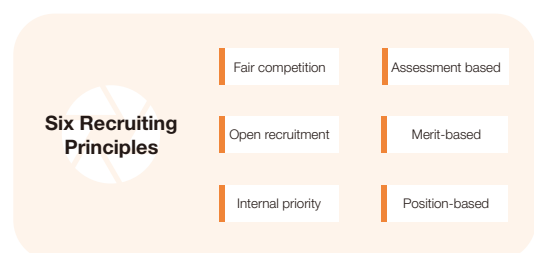
Adhering to the development strategy of “people-oriented”, the Group is committed to cultivating an equal and inclusive workplace environment, protecting the rights and interests of employees, strengthening the compensation and benefits system, establishing a talent development mechanism, providing a healthy and comfortable working environment, and enhancing employees’ well-being. We firmly believe that by continuously focusing on and investing in talent, we can ensure the long-term sustainable development of our enterprise and maintain a leading position in fierce market competition.

Compliance Employment

The Group is fully committed to adhering to all relevant employment laws and regulations, including the Employment Ordinance in Hong Kong (Chapter 57 of the Laws of Hong Kong), the Labor Law of the PRC, the Labor Contract Law of the PRC, and other applicable legislation. The Group strives to improve the employment system and establish a harmonious relationship with the employees so as to attract, cultivate and retain talents. To ensure clear guidelines and expectations, the Group has developed a comprehensive set of manuals and guidelines, including Human Resources Management Policy, Code of Conduct and Ethical Guidelines and Employee Handbook, covering compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination as well as other benefits and welfare. During the Reporting Period, the Group had no incident of non-compliance with laws and regulations relating to employment that would have a significant impact on the Group.

Talent Attraction and Dismissal

The Group has established a comprehensive recruitment strategy, which is designed to attract a diverse pool of talented individuals. Various sources of recruiting channels are applied such as internal referrals and targeted job advertisements, ensuring that the Group has a robust talent pipeline to meet its business needs and enhance its overall competitiveness. In our assessment and selection process, we adhere to six key principles to ensure objectivity and fairness throughout the entire process, guaranteeing that the best candidates are chosen based on their qualifications, capabilities, and potential to contribute to the Group’s success.



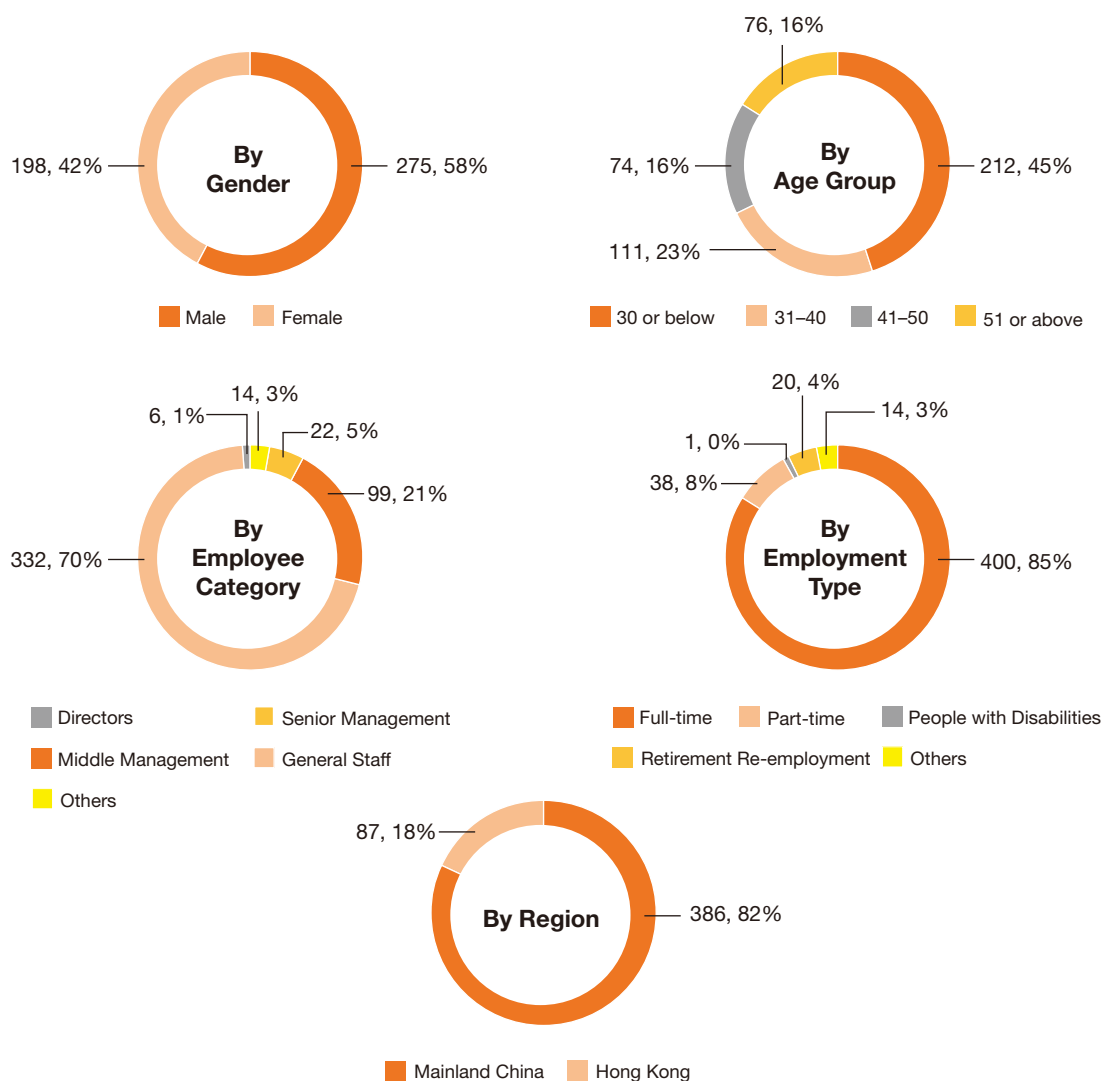
We place great importance on legal compliance and ethical standards in our recruitment process. We strictly adhere to laws and regulations regarding gender equality, prohibition of child labour, and protection of female employees’ rights, ensuring that all candidates are treated equally and not discriminated against based on factors such as religion, race, ethnicity, or gender. During the recruitment and hiring process, the personal information of applicants and employees is protected. Regardless of the conditions or the environment, appropriate measures must be taken to safeguard the personal privacy of employees.



ACHIEVING A PEOPLE-ORIENTED WORKPLACE (continued)

In terms of employee dismissal, the Group follows the procedures and provides reasonable compensation to the dismissed employees in compliance with employment laws and regulations. Dismissal based purely on employees' gender, marital status, pregnancy, disability, age or family status is strictly prohibited. For its retrenched employees in Hong Kong, we provide counselling and assistance to help them locate alternative job opportunities and/or introduce them to public employment services provided by the Employment Services Division of the Labour Department.

As at 31 December 2024, the Group had employed 473 employees with the total turnover rate of approximately 75%. Demographic data of our staff, with breakdown by gender, age group, employee category, employment type and geographical region, are presented below:





ACHIEVING A PEOPLE-ORIENTED WORKPLACE (continued)

Remuneration and Performance Appraisal

The Group values and deeply understands that a competitive remuneration package is not only key to attracting and retaining excellent talent, but also an important driving force for unleashing employee potential and promoting continuous business development.

We have established a flexible and fair compensation system, strictly adhering to relevant laws and regulations on minimum wages and statutory social benefits to ensure basic rights are protected. On this foundation, we conduct annual employee appraisals and determines employees' salaries and discretionary bonuses based on their work performance, ability, experience, responsibility and efficiency, combined with the Group's financial status, life index and market trends, etc. Remuneration packages are reviewed periodically and benchmarked against industry norms and the Group's annual profitability to ensure consistency against the employment market.

100%

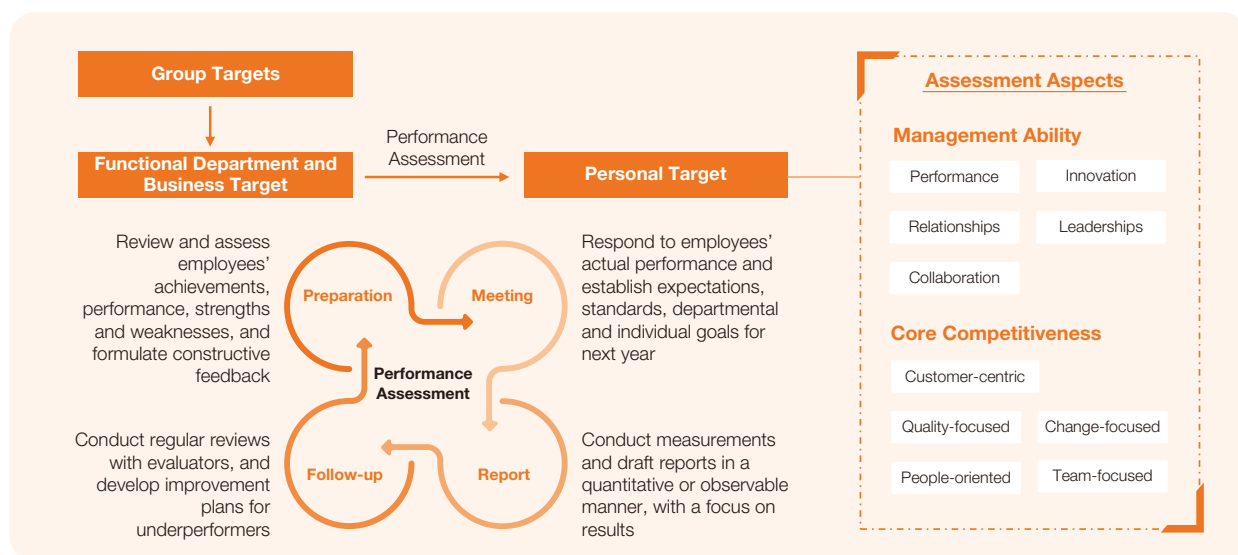
Employees have undergone annual performance

In terms of internal promotion and career development, we provide abundant opportunities and clear pathways. We adhere to the principle of internal competitive selection, offering fair promotion opportunities to employees. Simultaneously, we implement a strict reward and punishment mechanism aimed at increasing employee motivation and mobility. The Group continuously improves its performance management system, having implemented an employee performance management system designed to achieve corporate goals and establish incentive programmes to recognise and reward high-performing employees. By directly linking annual assessment results with year-end performance pay, basic salary adjustments, performance bonus distribution, promotion opportunities, and lateral transfers, we have created a transparent, fair, and highly motivating work environment.



ACHIEVING A PEOPLE-ORIENTED WORKPLACE (continued)

The following diagram illustrates the Group's performance appraisal system:



Talent Care and Benefits

The Group recognises the crucial role of its employees as the core driving force of the Company's development. We place significant importance on the interests and happiness of our employees and their families, striving to create a strong corporate culture that cares about our employees and provides humane support. To enhance the employee experience, the Group is committed to providing a diverse and fulfilling journey throughout their employment.

The Group places a strong emphasis on the physical and mental well-being of its employees, promoting a healthy work-life balance. Efforts are made to improve the coordination of work and production plans to enhance work efficiency and minimise the need for overtime work. By supporting employees in pursuing activities outside of work, the Group recognises the importance of holistic well-being and the positive impact it can have on employee satisfaction and overall productivity.

The Group's commitment to enhancing employee well-being and fostering a strong sense of belonging extends to organising various employee activities. Activities are designed to promote camaraderie, happiness and corporate cohesion among employees in addition to building a warm and responsible employer brand image. By actively encouraging employees to participate in the event, the Group demonstrated its emphasis on the importance of health and the promotion of physical and mental well-being.



ACHIEVING A PEOPLE-ORIENTED WORKPLACE (continued)

Meanwhile, the Group is dedicated to providing comprehensive benefits to its employees that go beyond basic compensation and cover a range of additional provisions. For example:



Statutory and Additional Leave

Entitled to annual leave, sick leave, maternity leave, paternity leave, compassionate leave, and other types of leave



Retirement Plan

The Group provides “5+1” social insurance for all eligible employees in Mainland China and participates in the Mandatory Provident Fund scheme in Hong Kong



Well-being

Purchase outpatient and medical insurance, as well as labour insurance for employees



Other Welfares

Provide holiday benefits, such as Spring Festival, Mid-Autumn Festival, birthday gifts, etc., in celebrate of festive occasions

Equal Opportunities, Diversity and Anti-discrimination

The Group is committed to providing a fair workplace for employees and adheres to principles of equality and non-discrimination, including but not limited to the Employment Ordinance (Chapter 57 of the Laws of Hong Kong), Sex Discrimination Ordinance (Chapter 480 of the Laws of Hong Kong), Disability Discrimination Ordinance (Chapter 487), Family Status Discrimination Ordinance (Chapter 527 of the Laws of Hong Kong), Race Discrimination Ordinance (Chapter 602 of the Laws of Hong Kong), Labour Law of the PRC, and the Law of the PRC on the Protection of Women’s Rights and Interests. During the Reporting Period, the Group had no incidents of non-compliance involving discrimination and sexual harassment.

Our Anti-discrimination and Equal Opportunity Policy covers all aspects of human resource management, including recruitment, compensation, promotion, and benefits. We explicitly prohibit any form of discrimination based on factors such as gender, race, age, colour, nationality, religion, disability, sexual orientation, pregnancy, marital or family status. To further strengthen this commitment, we have established a Code of Conduct and Ethics, providing clear behavioural guidelines and standards for employees, with particular emphasis on prohibiting workplace sexual harassment and bullying.

This year, we have newly established the Diversity and Inclusivity Human Resource Management System and Safety Management Guidelines for Female Employees, further promoting gender equality and building a culture of care for women within the Group. These policies not only ensure the implementation of the principle of equal pay for equal work but also provide additional safety guarantees for female employees, ensuring they enjoy equal work rights as their male counterparts. We adhere to the principle of “appoint people of the right calibre”, with particular emphasis on increasing the proportion of women in management. This brings diverse perspectives and innovative thinking to the Company, thereby enhancing overall decision-making quality and performance.



Percentage of Female Management

31 % Junior Management

26 % Middle Management

45 % Senior Management



ACHIEVING A PEOPLE-ORIENTED WORKPLACE (continued)

Employee Communication

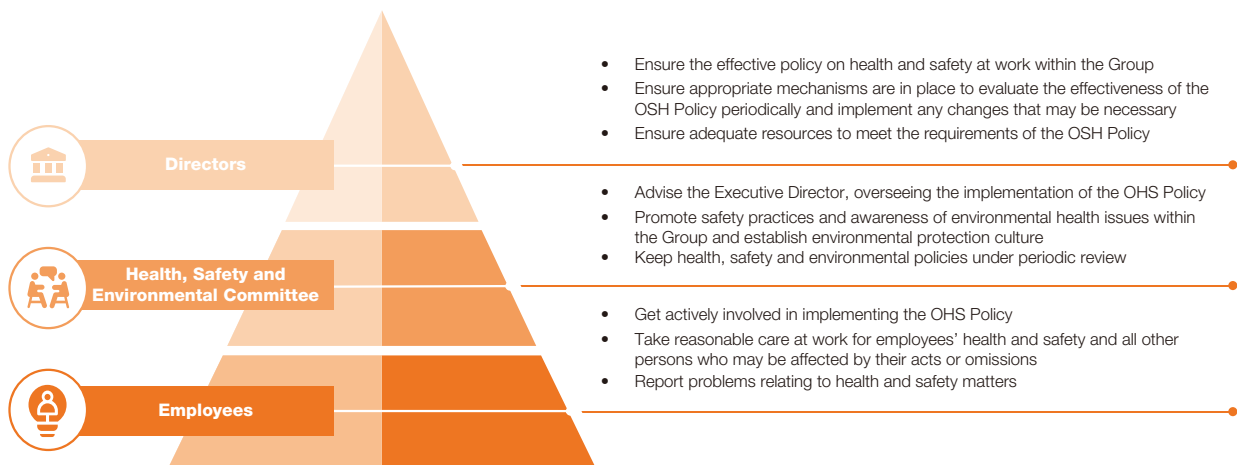
The Group attaches great importance to employees' communication. Therefore, we have established various communication channels such as holding regular meetings and arranging informal gatherings to enhance and maintain close relationships between management and employees. We respect employees' views and are devoted to growing along with our employees. Therefore, we also encourage them to provide feedback on business operations, workplace practice and sustainability performance.

HEALTH AND SAFETY

The Group places the utmost importance on the health and safety of our employees. Strict compliance has been maintained with all applicable laws and regulations pertaining to occupational safety and health in the PRC and Hong Kong, including but not limited to the Occupational Safety and Health Ordinance (Chapter 509 of the Laws of Hong Kong), the Work Safety Law of the PRC and the Law of the PRC on the Prevention and Control of Occupational Diseases. The Group actively promotes a culture of safety, implements effective safety measures and protocols, provides necessary training and resources, and continually evaluates and improves occupational safety and health practices.

Occupational Health and Safety Structure

To ensure the effective management of occupational health and safety, the Group has established an Occupational Health and Safety Policy (the "**OHS Policy**"), which outlines the responsibilities and duties of each party, identifies potential hazards and corresponding measures, and sets targets for the safety of employees. We have established a dedicated Health, Safety and Environmental Committee, responsible for formulating, implementing and auditing the OHS Policy and related initiatives.





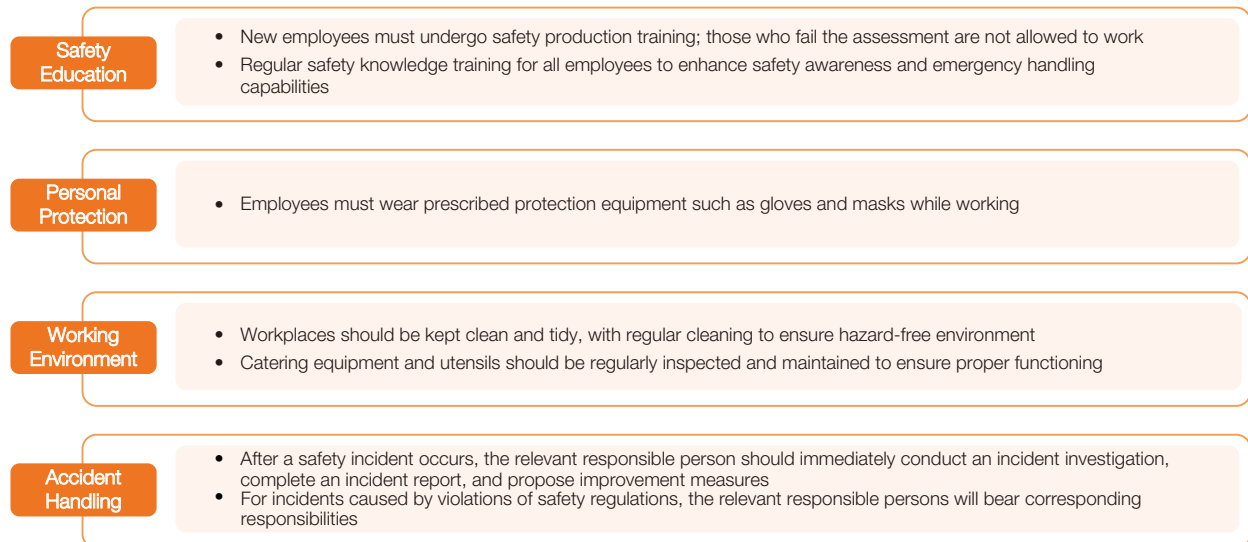
ACHIEVING A PEOPLE-ORIENTED WORKPLACE (continued)

The Group's commitment to occupational health and safety extends beyond its own operations, recognising the importance of ensuring the health and safety of our suppliers and service providers. All appointed suppliers and service providers are required to comply with all legal requirements, as well as the OHS Policy and related requirements of the Group, in addition to maintaining their own exemplary health and safety standards in their operations. As part of the requirements, suppliers and service providers are also expected to provide the Group with the necessary information regarding the hazards associated with the items supplied, such as plants, equipment, tools, materials and substances, enabling the Group to assess potential risks and implement appropriate safety precautions.

Occupational Health and Safety Management

To ensure workplace safety and compliance, we have established corresponding management systems, including Work Injury Accident Management System, Production Safety Management System, Fire Safety Management System, and Emergency Situation Handling Workflow and Implementation Guidelines, covering various aspects from daily operations to emergency handling to provide clear guidance and standards for safety management work. We regularly conduct comprehensive safety inspections of various workplaces such as processing plants, logistics centres, warehouses, restaurants, and offices, closely monitoring their cleanliness, pest control, safety, supply of emergency items, and compliance with applicable fire safety regulations. Through regular monitoring, we can promptly identify and address potential safety hazards, effectively preventing accidents.

We adhere to the principle of "Safety First, Prevention Crucial" and have adopted the following series of preventive measures:





ACHIEVING A PEOPLE-ORIENTED WORKPLACE (continued)

The success of safety management not only relies on hardware facilities and regulations but also on the active participation and high awareness of every employee. Therefore, we place particular emphasis on safety awareness education and training, effectively reducing the occurrence of accidents by enhancing employee safety awareness, especially for those operating equipment and tools. For instance, during the Reporting Period, we organised fire drills for employees in the catering department to improve their response capabilities in emergency situations.

Case

Case: Fire Drills

During the Reporting Period, we organised fire drills for catering department staff and arranged fire safety knowledge sharing sessions for store managers, aimed at improving employees' response capabilities in the face of fire incidents. Through practical simulations, employees became familiar with emergency evacuation procedures and fire extinguishing equipment usage methods, while strengthening team collaboration skills. This effectively enhanced employees' safety awareness and practical operational skills and helped us identify areas for improvement in existing safety measures.



	For the year ended 31 December 2024	For the nine months ended 31 December 2023	For the year ended 31 March 2023
Work-related fatalities	0	0	0
Work-related accidents	4	0	3
Lost days of work-related injury	561	0	420

During the Reporting Period, the Group was not in any non-compliance with health and safety laws and regulations that would have a significant impact on the Group relating to the provision of a safe working environment and the protection of employees from occupational hazards. There was no significant incident of safety and work-related fatalities within three years (including the Reporting Period).



ACHIEVING A PEOPLE-ORIENTED WORKPLACE (continued)

DEVELOPMENT AND TRAINING

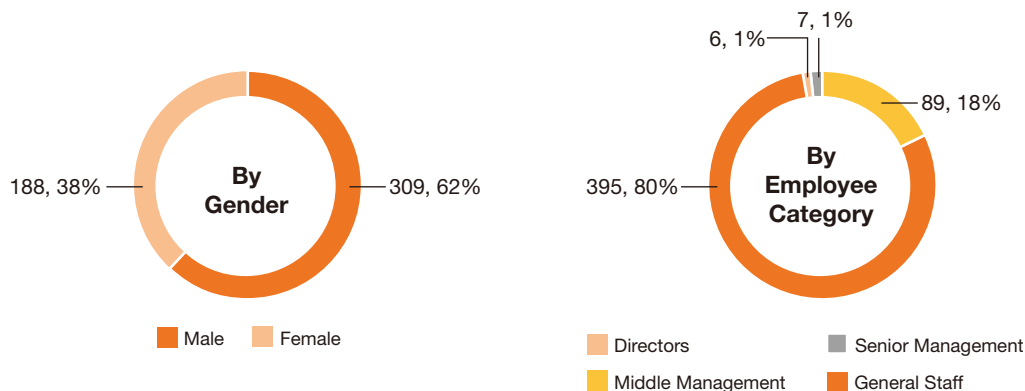
The Group values continuous professional development, recognising the importance of equipping employees with the necessary knowledge and skills to excel in their roles. The establishment of a training management system and the inclusion of relevant practices in the Human Resources Management Policy demonstrate the Group's dedication to providing adequate training opportunities.

To cater to the diverse needs of employees, the Group encourages participation in various training programmes, such as formal training courses, staff coaching and guidance, meetings, on-the-job training and job rotation. Both internal and external training options are provided to ensure a comprehensive and well-rounded learning experience. We also arrange work-related subscriptions or educational materials so that employees can refer to the news, articles and other materials that help them to complete their work more effectively.

During the Reporting Period, the Group had introduced the New Employee Orientation Procedure to provide timely and effective new employee training services to new hires, adhering to the Group's philosophy of "comprehensive care". This system is designed to standardise the onboarding training process for new employees and provide a solid platform for them to quickly adapt to the work environment.

To enhance employees' knowledge and skills for their job positions, all qualified employees who have worked for more than three months are eligible to participate in the external training programme. The Group will subsidise the costs fully or partially within an annual training budget for each employee. The Group will also engage third-party experts occasionally to offer training to our employees, bearing all training costs. Examples of such training and development include food safety training, and accounting and reporting training.

During the Reporting Period, approximately 497 employees of the Group (including trained employees who have left) received a total of about 1,029 hours of training. A breakdown of the Group's training statistics by gender and by employee category is presented in the charts below:





ACHIEVING A PEOPLE-ORIENTED WORKPLACE (continued)

LABOUR STANDARDS

Child Labour and Forced Labour Management

The Group has established policies and procedures related to child labour and forced labour in its Code of Conduct and Ethical Guidelines and Human Resources Management Policy. The Group has strictly complied with all applicable laws and regulations in Hong Kong and the PRC, including but not limited to the Employment Ordinance (Chapter 57 of the Laws of Hong Kong), the Labor Law of the PRC and the Labor Contract Law of the PRC. During the Reporting Period, the Group was not in any non-compliance with child labour-and forced labour-related laws and regulations that would have a significant impact on the Group.

The Group tolerates neither the use of child labour nor the exploitation of children in any of its operations and facilities. The Human Resources and Administration Department and other departments work together to identify and prevent the use of child labour in the workforce. We require all new employees to provide us with true and accurate personal identification information. All personal information, including identity cards and bank accounts, will be strictly scrutinised by the Human Resources and Administration Department. The Group has established a refined recruitment process for checking candidates' backgrounds and formal reporting procedures to handle any exceptional cases.

Human Rights Protection

We prohibit forced labour to protect human rights and endeavour to create a workplace with respect, fairness and free will for our employees. Working hours and relevant policies have been clearly outlined in the Employee Handbook and our employment contracts. The Group's employees work overtime only on a voluntary basis to avoid any violation of the labour standards. The Group also prohibits any punitive measures, management practices and behaviours involving verbal abuse, physical punishment, oppression, sexual harassment (including inappropriate language, postures and physical contact), etc. against its employees for any reason. If any violation of child labour or forced labour is discovered, it will be handled strictly according to the Group's internal policies.

The Group is unwavering in its commitment to protecting and promoting human rights, which is reflected not only in our commitment to employees but also extends throughout the entire supply chain. We have established a Management System for Prohibiting the Use of Forced Labour and Underage Labour, strictly prohibiting any form of human trafficking, forced labour, child labour, and other such practices. At the same time, we fully respect employees' rights to organise and join trade unions, recognise employees' collective bargaining rights, and adhere to the principle of equal pay for equal work.

During the Reporting Period, the Group did not identify any situations related to human rights violations.



UPHOLDING STRONG PRODUCT RESPONSIBILITY

PRODUCT QUALITY MANAGEMENT

The Group places paramount importance on quality control and maintains stringent procedures across all its food processing operations. In order to guarantee the delivery of exceptional products and services to our valued customers, the Group has implemented the Product Responsibility Policy to meticulously monitor and inspect operational practices at various management levels. By adhering to this policy, we ensure that our commitment to quality remains unwavering throughout the Group.

The Group strictly abides by the Consumer Goods Safety Ordinance (Chapter 456 of the Laws of Hong Kong), Food Safety Ordinance (Chapter 612 of the Laws of Hong Kong), the Food Safety Law of the PRC, the Product Quality Law of the PRC and other applicable laws and regulations in Hong Kong and the PRC. By diligently following the legal framework, we ensure that our operations consistently meet the highest standards of safety and quality in accordance with applicable requirements.

Quality Control Across Value Chain

The Group places a strong emphasis on effectively monitoring and safeguarding the food quality throughout our value chain. Multiple layers of precautionary measures are specifically undertaken to guarantee the safety and quality of food ingredients throughout the supply chain from the selection, sourcing, storage and delivery processes.





UPHOLDING STRONG PRODUCT RESPONSIBILITY (continued)

Food Sourcing and Selection

Starting from the food sourcing and selection processes, the Group has implemented stringent criteria and standards to carefully choose reputable suppliers who adhere to strict quality control measures. We conduct thorough assessments and audits of potential suppliers to ensure their compliance with food safety regulations and industry best practices. Whenever possible, we also conduct on-site inspections and sampling checks to verify the quality and safety of the ingredients. Furthermore, the Group maintains the traceability in our food sourcing practices. We make sure that all sourced food ingredients can be traced back to their origins, promoting the transparency and accountability throughout the supply chain to ensure that we have full control over the quality and safety of the ingredients used in our products.

Logistics and Delivery

During the delivery process, we maintain close collaboration with our logistics partners to ensure that the food is properly handled, which includes maintaining appropriate temperature controls and employing hygienic practices to preserve the quality and freshness of the ingredients during transit. In the event of food spoilage or contamination during the transportation, we may isolate affected items and prevent them from being used, document the incident, and report the case to the relevant parties for further investigation and resolution.

Restaurant Operations

In our catering operations, we have developed Standard Operating Procedures ("**SOP**") to establish standardised working procedures and effectively manage product quality. These SOPs are documented in our SOP Manual, which covers various aspects of our operations from new employee training, service processes to appearance, ensuring consistency and maintaining a high standard of quality across different stores. A structured training programme comprising "Explanation", "Training", "Practical Operation" and "Assessment" will be provided to our new employees, equipping them with the necessary skills and knowledge required for each role. Furthermore, the SOP Manual includes detailed instructions on food preparation and quality control, which cover the full process from ingredient preparation to cooking techniques and portion control. By developing a strict guideline, we maintain a consistent level of quality in the dishes we serve.



UPHOLDING STRONG PRODUCT RESPONSIBILITY (continued)

PRODUCT QUALITY AND SAFETY

The Group is dedicated to maintaining exceptional service quality in its catering operations, with the primary objective of delivering an outstanding dining experience for customers. Alongside providing new employees with systematic and comprehensive training, we conduct regular performance evaluations to assess and enhance service quality. These assessments are tailored to different job positions and responsibilities, covering aspects such as service quality management, food safety, hygiene standards, daily management, professional skills, and problem-solving abilities. For employees who underperform, we provide ongoing performance guidance and support to ensure all staff are capable of delivering high-quality service. Furthermore, the Group actively provides training courses for frontline employees to enhance their professional skills and service quality.

Product Nutrition and Innovation

China Wantian upholds the mission of providing a healthier and better dining experience for thousands of households. We firmly practise our commitment to nutrition and health, actively responding to consumers' ever-increasing dietary needs by offering diverse and balanced meal choices. Simultaneously, we actively respond to the "Healthy China 2030" strategy, comprehensively advancing nutrition and health work, and integrating national health development goals into our products and services.

Percentage of products with nutritional components

100%

Providing Balanced Meal Choice



Qingfeng Fish Restaurant (慶豐魚莊)

upholds the concept of "Eating ecologically to enjoy health". With the believe that healthy food sources from a healthy environment, we are committed to providing ecologically farmed aquatic products and healthy, green dishes to meet customers' dual demands for delicious taste and health. We uphold the concepts of environmental protection and sustainability, advocating a lifestyle of harmonious coexistence between humans and nature, while offering healthy and delicious dining options to our customers.



Xiao Man Ji (小滿記)

uses seasonal vegetables grown in our own sky farm, adhering to organic farming methods without pesticides or chemical fertilisers, ensuring the safety and purity of the vegetables. All cultivation processes follow natural laws, protecting the soil and ecological environment. By combining high-quality ingredients with the purest cooking methods, we ensure that each dish conveys natural flavour and healthiness.



UPHOLDING STRONG PRODUCT RESPONSIBILITY (continued)

Developing the Functional Food and Health Sector

To further strengthen the business presence in the health sector, China Wantian, in collaboration with Hin Sang Group, is driving the development and upgrading of the functional food market. This includes jointly establishing health soup chain stores, providing consumers with a natural and healthy wellness experience. Meanwhile, co-developing premium health gift series, catering consumers' pursuit of quality living and health products. Also, two parties will establish the Functional Food and Herbal Life Science Research Institute, promoting the innovative development of the functional food and herbal medicine industry, and providing consumers with more comprehensive and professional health products and services.



The Group is committed to fostering a culture of innovation. By regularly hosting new dish development competitions, we provide employees with a platform to showcase their creativity, effectively enhancing the menu diversity and overall innovative capacity. This not only enriches our dish offering categories but also meets customers' evolving needs and maintains market competitiveness, further improving customer satisfaction and brand loyalty.

PRODUCT HEALTH AND SAFETY

The Group is fully responsible for the products sold to its consumers, with considerations of health and safety relating to the products. We pay close attention to aspects such as product design and the selection of food ingredients with health and safety considerations. Also, we employ strict quality control in the course of food processing, perform sampling checks for each batch of our finished products, and provide proper delivery and after-sales services. The food processing factory and Wangu Skyfarm, our supplier in environmental protection and technology, are accredited with HACCP certification. In addition, the food processing factory is also accredited with ISO 22000 Food Safety Management System certification.

Besides, the Group has formed a food safety team to monitor the execution of food safety procedures and ensure that they are being followed. Responsibilities of the food safety team include:

- Determining the business operations and safety assurance procedures and protocols;
- Formulating and reviewing HACCP plan;
- Monitoring the implementation of HACCP plan;
- Approving documents relating to ISO 22000, which addresses food safety management;
- Developing employees' training programmes;



UPHOLDING STRONG PRODUCT RESPONSIBILITY (continued)

- Verifying the operation of ISO 22000;
- Assessing the appropriateness and effectiveness of ISO 22000 regularly; and
- Reporting to the top management on the effectiveness of ISO 22000.

In our catering sector, we are firmly committed to the philosophy of responsible catering, which encompasses prioritising natural food ingredients that are free from chemicals and additives. We will perform regularly onsite inspections on our upstream suppliers, verifying that food ingredients we source are cultivated using environmentally friendly methods and also adhere to strict food safety standards. To ensure the freshness and safety of our food ingredients, we have also established clear guidelines on food storage periods that clearly outline the recommended storage durations for different types of perishable ingredients so as to avoid food expiry and spoilage.

During the Reporting Period, the Group had maintained compliance with laws and regulations related to health and safety concerning the products and services provided. There were no incidents of non-compliance that would have had a significant impact on the Group.

CUSTOMER RIGHTS PROTECTION

Responsible Marketing

The Group holds great respect for the rights of our customers and is dedicated to providing them with accurate marketing information to facilitate informed purchase and consumption decisions. To safeguard our customers' interests, the Group enforces a stringent information disclosure responsibility system across all subsidiaries. We carefully review advertising materials to ensure their compliance with relevant regulations and to protect the interests of our customers. Our Sales and Marketing Department diligently ensures that all label statements required by regulations are prominently and conspicuously displayed on the label or packaging, making them readily noticed and understood by consumers during customary purchasing conditions.

In addition, the Group ensures that all the trademarks have been registered properly and insists that the labelling of our products should be accurate, timely, legitimate, clear and not misleading. This is to affirm that the information about our products does not violate any relevant laws and regulations and is accurately understood by the customers for safe consumption.

During the Reporting Period, there were no incidents of non-compliance relating to marketing and advertising that would have had a significant impact on the Group.



UPHOLDING STRONG PRODUCT RESPONSIBILITY (continued)

Customer Satisfaction

The Group believes that its customers are the core of its business and that enhancing customer confidence and satisfaction in food and services will help to strengthen the Group's value proposition, brand and reputation. Therefore, the Group has formulated the Commercial Activities Management Policy to standardise customer management procedures from customer classification and quotation to after-sales services, with an aim to ensure high-quality services. We also strive to understand the needs of our customers and handle customer complaints appropriately by means of the Product Responsibility Policy.

4.42/5

Annual Customer Satisfaction Rate

Product Recall

While ensuring the quality of our products, the Group places equal emphasis on addressing any issues related to quality, safety or health. To effectively manage customer complaints and product recalls, the Group has implemented the Complaint and Recall Policy as part of our Product Responsibility Policy, outlining clear procedures and responsibilities for handling customer complaints and managing product recalls. Our Sales and Marketing Department plays a crucial role in systematically logging and managing customer feedback. When necessary, internal investigations are conducted to address the concerns raised.

To handle urgent product-related incidents, the Group has established a crisis management team comprising senior management from relevant functions. A comprehensive recall plan has also been established, encompassing specific procedures covering complaint receipt, processing and evaluation of complaints, identification of affected products, notification of relevant parties and the removal of affected products from circulation. The Group strives to ensure that any product-related incidents are managed efficiently and in compliance with the established protocols.

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Product recall due to safety and health reasons

During the Reporting Period, no products sold had been subject to recalls due to significant safety and health reasons and no major complaints were received regarding the products and services we provided.



UPHOLDING STRONG PRODUCT RESPONSIBILITY (continued)

DATA SECURITY AND PRIVACY PROTECTION

The Group is committed to protecting customers' data and privacy information and maintaining the confidentiality of business information. The Group has strictly adhered to the Data Protection Principles of the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong), the Personal Information Protection Law of the PRC and the Cybersecurity Law of the PRC and other relevant laws and regulations in Hong Kong and the PRC.

Our employees are required to sign the company confidentiality and non-compete agreement and observe the confidentiality obligations. They are also provided with on-the-job training in this regard for control and monitoring of consumers' data and business information, including but not limited to financial records, employees' information, business strategies and marketing plans. Proper information system security has also been put in place to prevent unauthorised data access processing, erasure, loss or use (including transfer). The Group is allowed to use customers' data in direct marketing only if consent is made. If any data leak occurs, the Group will take immediate remedial actions to lessen any difficulties or damage that may be caused to the data subjects, investigate the insufficiency or inadequacy of the information system security and devise a clear strategy to prevent future reoccurrence.

The Group adheres to the procurement principles of "honesty, competition, fairness, and transparency", continuously optimising its supplier management system. We focus on conducting comprehensive risk assessments and effective management of suppliers, while strengthening communication and collaboration. We are committed to establishing a sustainable supply chain, ensuring the stability and reliability of business operations, while promoting sustainable development practices in upstream and downstream businesses.



ESTABLISHING SUSTAINABLE SUPPLY CHAIN

SUPPLY CHAIN MANAGEMENT

Supply chain management is crucial to the Group's continuous operations. We have developed and consistently refined supplier management systems, including the Procurement Management Policy and Supplier Code of Conduct, Sustainable Procurement Policy, and Supplier Evaluation Management Measures. These protocols govern the complete lifecycle of supplier relationships, from supplier selection, daily management, performance assessment to discontinuation. Our management team conducts regular assessments and monitoring of supplier performance, ensuring the quality of goods provided by suppliers.

Supplier Assessment	Due diligence is conducted on each supplier to ensure their compliance with relevant laws and assess their suitability to meet our business needs. Suppliers must submit copies of relevant qualified business licence documents as basic proof of compliance.
Supplier Evaluation	We follow the Supplier Evaluation Management Measures to eliminate unqualified suppliers while introducing outstanding ones, ensuring that suppliers can provide high-quality products at reasonable prices. The procurement department is responsible for maintaining an Approved Supplier List, which is reviewed at least annually to maintain its effectiveness and accuracy.
Supplier Management	Existing suppliers are re-evaluated annually, covering three key dimensions: product quality, delivery timeliness, and service level. This allows for continuous monitoring of supplier performance, enabling timely identification and resolution of potential issues.

We have formulated on-site assessment procedure for food factories which sets out the assessment items during the on-site visit. Our staff are required to check the environment, the facility and equipment, the products and the documentations of the food factory as well as the relevant documentation proofs such as Professional Certifications and Test Reports so as to ensure that the Group's suppliers have an up-to-standard food factory and are able to provide safe and quality food to us.

During the Reporting Period, the Group had a total of 148 suppliers and all passed the relevant practices of engaging suppliers. Below is the distribution of suppliers by geographical region:

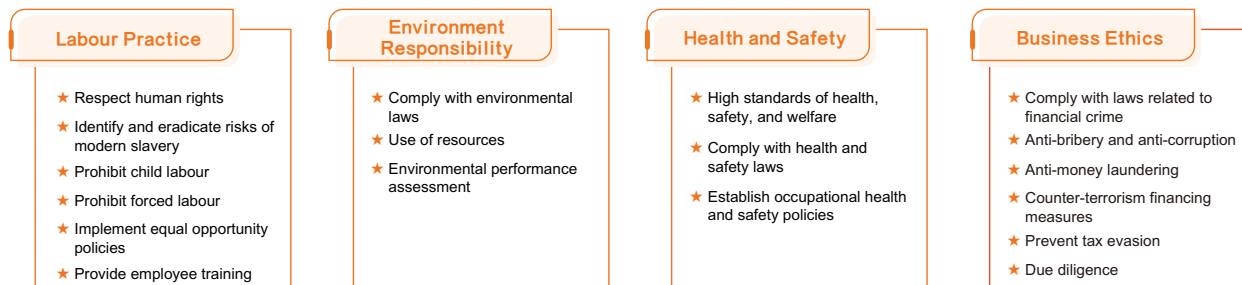
As at 31 December 2024	Distribution of Suppliers in 2024		
Total Suppliers	Mainland China	Hong Kong, China	Overseas
148	89	52	7



ESTABLISHING SUSTAINABLE SUPPLY CHAIN (continued)

Supplier ESG Management

The Group places high importance on environmental and social risk management within its supply chain, adopting a proactive strategy to ensure sustainability and compliance throughout the entire supply chain. By signing the Supplier Code of Conduct, we effectively communicate sustainability requirements to upstream and downstream business partners, ensuring that they provide products and services that meet quality, health, and safety standards, while also ensuring compliance with relevant legal and regulatory requirements.



The Group understands that we procure items from many suppliers and the supplier management is important for our business. Therefore, we regularly review the supplier-related policies and practices to ensure their effectiveness. We hope to share our value and enable sustainability and long-term positive impacts on the global community by working with the suppliers that are committed to meet the Group's expectations. We have a zero-tolerance approach to improper business conduct and any kind of financial crime. All suppliers must go through the review process of negotiation, inspection and bidding or quotation. In addition, our suppliers shall be reviewed at least once a year with approvals from the procurement manager/director.

The Group not only focuses on selecting and managing suppliers but also emphasises establishing long-term partnerships with them, striving for mutual growth and sustainable development. We continuously provide targeted resources and support to suppliers. For those in need, we offer specialised ESG training covering key areas such as environmental protection, social responsibility, and corporate governance, helping suppliers establish and improve their own ESG management systems. We believe that through working closely with suppliers, we can build a sustainable and resilient supply chain, providing solid support for our long-term business development and social responsibility goals.



ESTABLISHING SUSTAINABLE SUPPLY CHAIN (continued)

GREEN PROCUREMENT

As set out in our Procurement Management Policy and Supplier Code of Conduct, Sustainability and Environmental Credentials are the most concerned factors that we expect our suppliers possess. We ensure that suppliers' environmental and social practices in their own operations are considered, and aim to engage suppliers with a socially responsible attitude to achieve our green procurement goals.

We have established environmental policies and provide environmental training to our suppliers' staff. In selecting suppliers, we prioritise those who are certified with ISO 14001. We also encourage our suppliers to conduct regular reviews and audits of their environmental performance and develop action plans to address any negative environmental impacts. We have also set our expectation of the environmental responsibility of the suppliers. We expect the suppliers to take a proactive approach in reducing the environmental impact.

The Group places a strong emphasis on promoting green procurement practices. Before making procurement decisions, we carefully assess our needs and stock availability to minimise waste. Additionally, we strive to purchase items in bulk to reduce packaging materials and lower carbon emissions during transportation. Moreover, we actively seek out eco-friendly products and services, including those with energy-efficient labels and those made from recycled or renewable materials, for our day-to-day operations.

The Group understands the importance of actively contributing to the community and engaging in meaningful community initiatives. We believe that our success as a company goes hand in hand with the well-being and prosperity of the communities we serve. As part of our commitment to ESG principles, we strive to make a positive impact by supporting local organisations, promoting sustainable practices and fostering community engagement.

During the Reporting Period, recognising our ability to help the ones in need, we had offered discounts and/or free meals to the elderly in our restaurants. Through this heartwarming initiative, we aimed to alleviate their struggles and bring a sense of warmth and comfort to their life.



CONTRIBUTING TO COMMON PROSPERITY

Our environmental protection and technology division is dedicated to advocating the principles of environmental consciousness and green practices, and promoting a low-carbon economy. We aim to inspire other companies and parties to embrace sustainable development as their own responsibility. We integrate environmental considerations and management throughout our entire business operations, with the goal of realising our corporate vision to contribute to a more sustainable society. Combining our initiatives with the relevant policies on low-carbon environmental protection, labour education and quality education, our promotion on use of land could be able to contribute to great social benefits and sustainable development in the Greater Bay Area.

During the Reporting Period, the Group had actively donated food and materials to the underprivileged population in the community. We donated about 9.1 tonnes of fruits, vegetables and other foodstuff (equivalent to an amount of approximately HK\$173,000) to local food aid organisations. Additionally, we donated HK\$500,000 to educational funds. In the future, we will continue to seek opportunities to cooperate with other external organisations to increase our community outreach and contributions.



Donation to Educational Funds

China Wantian upholds the principle of “gratitude for the source of benefit” and actively fulfils its corporate social responsibility. This year, as a co-sponsor, the Group donated HK\$500,000 to an educational fund, which was specifically earmarked to help vulnerable groups in society, particularly to provide therapeutic services for children requiring special education.





APPENDIX I – SUSTAINABILITY PERFORMANCE OVERVIEW

Environmental Indicators	Unit	For the year ended 31 December 2024	For the nine months ended 31 December 2023	For the year ended 31 March 2023
Air Emissions¹				
NO _x	Kg	335.68	296.34	338.44
SO _x	Kg	0.92	0.55	0.69
PM	Kg	17.35	14.75	15.85
GHG Emissions^{2, 4}				
Scope 1 – Direct Emissions	tCO₂e	404	184	201
Fuel consumption	tCO ₂ e	367	148	123
Refrigerant consumption	tCO ₂ e	38	37	78
GHG removal by newly planted trees	tCO ₂ e	0.7	–	–
Scope 2 – Energy Indirect Emissions	tCO₂e	1,246	895	528
Electricity consumption	tCO ₂ e	1,246	895	528
Scope 3 – Other Indirect Emissions	tCO₂e	54	34	30
Paper waste disposed of at landfills	tCO ₂ e	40	27	24
Fresh water processing	tCO ₂ e	8	5	5
Sewage processing	tCO ₂ e	6	2	1
Total GHG Emissions	tCO₂e	1,703	1,114	760
Total GHG Emissions Intensity³	tCO₂e/employee number	3.60	3.95	5.20
	tCO₂e/revenue (HK\$'000)	0.0022	0.0057	0.0038
Non-hazardous Waste⁴				
Total Non-hazardous Waste	tonnes	165	64	51
Total Non-hazardous Waste Intensity	tonnes/ employee number	0.35	0.23	0.35
	tonnes/revenue (HK\$'000)	0.00021	0.00033	0.00025



APPENDIX I – SUSTAINABILITY PERFORMANCE OVERVIEW (continued)

Environmental Indicators	Unit	For the year ended 31 December 2024	For the nine months ended 31 December 2023	For the year ended 31 March 2023
Energy Consumption^{4, 5}				
Direct Energy Consumption				
Petrol	kWh	189,974	165,851	92,861
Diesel	kWh	422,833	198,952	333,459
Liquefied petroleum gas	kWh	914,047	223,243	7,120
Indirect Energy Consumption				
Electricity consumption	kWh	2,451,347	1,800,142	1,180,012
Total Energy Consumption	kWh	3,987,201	2,211,128	1,613,452
Total Energy Consumption Intensity	kWh/employee number	8,410.57	8,468.75	11,051.04
	kWh/revenue (HK\$'000)	5.04	12.30	7.98
Water Consumption⁴				
Total Water Consumption	m³	30,328	17,783	11,098
Total Water Consumption Intensity	m³/employee number	64.12	63.06	76.01
	m³/revenue (HK\$'000)	0.04	0.09	0.05
Packaging Materials Consumption⁴				
Total Packaging Materials Consumption	tonnes	16	12	17
Total Packaging Materials Consumption Intensity	tonnes/ employee number	0.033	0.043	0.12
	tonnes/revenue (HK\$'000)	0.00002	0.000061	0.00008



APPENDIX I – SUSTAINABILITY PERFORMANCE OVERVIEW (continued)

Social Indicators	Unit	For the year ended 31 December 2024	For the nine months ended 31 December 2023	For the year ended 31 March 2023
Employment				
Total number of employees	Person	473	281	146
By gender				
Male	Person	275	156	75
Female	Person	198	125	71
By age group				
30 or below	Person	212	89	27
31–40	Person	111	82	44
41–50	Person	74	53	35
51 or above	Person	76	57	40
By employment type⁶				
Full-time	Person	400	232	118
Part-time	Person	38	34	28
People with disabilities	Person	1	–	–
Retirement re-employment	Person	20	14	–
Others	Person	14	1	–
By employment category				
Directors	Person	6	3	5
Senior Management	Person	22	41	17
Middle Management	Person	99	48	23
General Staff	Person	332	189	101
Others	Person	14	–	–
By geographical region				
Hong Kong, China	Person	87	74	74
Mainland China	Person	386	207	72



APPENDIX I – SUSTAINABILITY PERFORMANCE OVERVIEW (continued)

Social Indicators	Unit	For the year ended 31 December 2024	For the nine months ended 31 December 2023	For the year ended 31 March 2023
Employee Turnover Rate⁷				
By gender				
Male	%	82	51	84
Female	%	65	46	62
By age group				
30 or below	%	80	65	115
31–40	%	102	44	66
41–50	%	45	32	46
51 or above	%	50	44	78
By geographical region				
Hong Kong, China	%	21	18	86
Mainland China	%	87	59	60
Health and Safety				
Number of work-related fatalities	Person	–	–	–
	%	–	–	–
Lost days due to work injury	Lost day	561	–	420



APPENDIX I – SUSTAINABILITY PERFORMANCE OVERVIEW (continued)

Social Indicators	Unit	For the year ended 31 December 2024	For the nine months ended 31 December 2023	For the year ended 31 March 2023
Training and Development				
Breakdown of employees trained⁸				
By gender				
Male	%	62	39	43
Female	%	38	61	57
By employment category				
Directors	%	3	2	3
Senior Management	%	1	23	3
Middle Management	%	18	36	13
General Staff	%	79	39	81
The average training hours completed per employee⁹				
By gender				
Male	hours	2.3	8.2	8.7
Female	hours	2.0	7.2	10.3
By employment category				
Directors	hours	1.0	1.0	0.6
Senior Management	hours	0.6	6.0	5.6
Middle Management	hours	1.9	9.8	8.9
General Staff	hours	2.5	7.7	10.7



APPENDIX I – SUSTAINABILITY PERFORMANCE OVERVIEW (continued)

Social Indicators	Unit	For the year ended 31 December 2024	For the nine months ended 31 December 2023	For the year ended 31 March 2023
Supply Chain Management				
Hong Kong, China	number	52	53	35
Mainland China	number	89	28	76
Overseas Region	number	7	7	6
Product Responsibility				
Percentage of total products sold subject to recall	%	–	–	–
Number of products and service-related complaints	number	–	–	–
Anti-corruption				
Number of concluded legal cases regarding corrupt practices		–	–	–
Community Investment				
Resources contributed				
Food surpluses, fruit and vegetables	Tonnes	9.1	3.1	8.5
Donations	HK\$	500,000	184,000	500,000



APPENDIX I – SUSTAINABILITY PERFORMANCE OVERVIEW (continued)

Notes:

1. The calculation method of air emissions and the related emission factors were based on, including but not limited to, “How to Prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs” issued by HKEX.
2. GHG emissions are presented in terms of carbon dioxide equivalent and are based on, including but not limited to, “The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standards” issued by the World Resources Institute and the World Business Council for Sustainable Development, “How to prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs” issued by HKEX, the Guidelines for Accounting and Reporting Enterprise Greenhouse Gas Emissions Power Infrastructure (2022 Revision) issued by the Ministry of Ecology and Environment of the PRC and the 2023 Sustainability Report published by CLP Power Hong Kong Limited.
3. The employee number and revenue are used to calculate all intensity data. During the Reporting Period, the total employee number of the Group was 473 (31 December 2023: 281) and the Group recorded a revenue of approximately HK\$788,632,000 (31 March 2023: HK\$194,109,000).
4. During the reporting period, the Group’s business scale expanded significantly, particularly with the opening of several new stores in the catering sector. This led to a substantial increase in environmental indicators compared to the previous year, including GHG emissions, waste generation, energy use, water consumption, and packaging material usage.
5. calculation of unit conversion refers to the “How to prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs” issued by HKEX.
6. The Group has reclassified employee categories, with the “Others” category primarily referring to interns. To maintain consistency in the Report, the Group has also reclassified the number of employees for the nine-month period ending 31 December 2023 according to employment type, while the total number of employees remains unchanged.
7. Employee turnover rate by category = Total number of employees leaving employment during 2024 by category/Total number of employees as at 31 December 2024 by category × 100%. To maintain consistency in the Report, the Group has restated the employee turnover rate by category for 2023. The restated calculation method is: total number of employees leaving employment by category during the period from 1 April 2023 to 31 December 2023/total number of employees by category as of 31 December 2023.
8. Breakdown of employees trained = Total employees trained during the Reporting Period by category/Total employees trained during the Reporting Period × 100%.
9. The average training hours completed per employee = Total training hours completed during the Reporting Period by category/Total number of employees as of 31 December 2024 by category.



APPENDIX II – HKEX ESG REPORTING GUIDE INDEX

ESG Reporting Guide		Section
Mandatory Disclosure Requirements		
Governance Structure	<p>A statement from the board containing the following elements:</p> <ul style="list-style-type: none"> (i) a disclosure of the board's oversight of ESG issues; (ii) the board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer's businesses); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses. 	ESG Governance Structure
Reporting Principles	<p>A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG report:</p> <p>Materiality: The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer's stakeholder engagement.</p> <p>Quantitative: Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed.</p> <p>Balance: The ESG report should provide an unbiased picture of the issuer's performance. The report should avoid selections, omissions, or presentation formats that may inappropriately influence a decision or judgment by the report reader.</p> <p>Consistency: The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.</p>	About this Report – Reporting Standards and Principles
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 – Reporting Scope



APPENDIX II – HKEX ESG REPORTING GUIDE INDEX (continued)

ESG Reporting Guide		Section
A. Environmental		
Aspect A1: Emissions		
A1	<p>General Disclosure</p> <p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.</p>	Environmental Management System
KPI A1.1	The types of emissions and respective emission data.	<p>Emissions Management</p> <p>Sustainability Performance Review</p>
KPI 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 Management – GHG Emissions Management
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	<p>Emissions Management – Waste Management</p> <p>(Not applicable as explained)</p>
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Emissions Management – Waste Management
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	Our Environment Targets
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	<p>Emissions Management – Waste Management</p> <p>Our Environment Targets</p>



APPENDIX II – HKEX ESG REPORTING GUIDE INDEX (continued)

ESG Reporting Guide		Section
Aspect A2: Use of Resources		
A2	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.	Use of Resources
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Use of Resources – Energy Consumption
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Use of Resources – Water Management
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Use of Resources – Energy Consumption Our Environment Targets
KPI 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.	Use of Resources – Water Management
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Use of Resources – Use of Packaging Materials
Aspect A3: The Environment and Natural Resources		
A3	General Disclosure Policies on minimising the issuer's significant impact on the environment and natural resources.	Environmental Management System
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environmental Management System



APPENDIX II – HKEX ESG REPORTING GUIDE INDEX (continued)

ESG Reporting Guide		Section
Aspect 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.	Tackling 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.	Tackling Climate Change
B. Social		
Employment and Labour Practices		
Aspect B1: Employment		
B1	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Employment
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Employment – Talent Attraction and Dismissal Sustainability Performance Review
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Sustainability Performance Review



APPENDIX II – HKEX ESG REPORTING GUIDE INDEX (continued)

ESG Reporting Guide		Section
Aspect B2: Health and Safety		
B2	<p>General Disclosure</p> <p>Information on:</p> <ul style="list-style-type: none"> (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards. 	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.	<p>Health and Safety – Occupational Health and Safety Structure</p> <p>Sustainability Performance Review</p>
KPI B2.2	Lost days due to work injury.	<p>Health and Safety – Occupational Health and Safety Structure</p> <p>Sustainability Performance Review</p>
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Health and Safety – Occupational Health and Safety Structure
Aspect B3: Development and Training		
B3	<p>General Disclosure</p> <p>Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.</p>	Development and Training
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	<p>Development and Training</p> <p>Sustainability Performance Review</p>
KPI B3.2	The average training hours completed per employee by gender and employee category.	<p>Development and Training</p> <p>Sustainability Performance Review</p>



APPENDIX II – HKEX ESG REPORTING GUIDE INDEX (continued)

ESG Reporting Guide		Section
Aspect B4: Labour Standards		
B4	<p>General Disclosure</p> <p>Information on:</p> <ul style="list-style-type: none"> (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour. 	Labour Standards
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Labour Standards – Child Labour and Forced Labour Management
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Labour Standards – Child Labour and Forced Labour Management
Operating Practices		
Aspect B5: Supply Chain Management		
B5	<p>General Disclosure</p> <p>Policies on managing environmental and social risks of the supply chain.</p>	Supply Chain Management – Supplier ESG Management
KPI B5.1	Number of suppliers by geographical region.	Supply Chain Management
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	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 – Supplier ESG Management
KPI 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 – Supplier ESG Management Green Procurement



APPENDIX II – HKEX ESG REPORTING GUIDE INDEX (continued)

ESG Reporting Guide		Section
Aspect B6: Product Responsibility		
B6	<p>General Disclosure</p> <p>Information on:</p> <ul style="list-style-type: none"> (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. 	Product Quality Management
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Customer Rights Protection – Product Recall
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Customer Rights Protection – Product Recall
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Intellectual Property Management
KPI B6.4	Description of quality assurance process and recall procedures.	Customer Rights Protection – Product Recall
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Data Security and Privacy Protection
Aspect B7: Anti-corruption		
B7	<p>General Disclosure Information on:</p> <ul style="list-style-type: none"> (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. 	Business Ethics
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Business Ethics – Anti-corruption Management
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Business Ethics – Whistle-blowing Mechanism
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Business Ethics – Business Ethics Management



APPENDIX II – HKEX ESG REPORTING GUIDE INDEX (continued)

ESG Reporting Guide		Section
Community		
Aspect 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.	Contributing to Common Prosperity
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Contributing to Common Prosperity
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Contributing to Common Prosperity



APPENDIX III – VERIFICATION STATEMENT

To the Board of Directors of China Wantian Holdings Limited:

1. OBJECTIVE OF VERIFICATION

Jones Lang LaSalle Corporate Appraisal and Advisory Limited (“**JLL**”) has been engaged by China Wantian Holdings Limited (the “**Company**” or “**China Wantian**”) to undertake verification of its 2024 Environmental, Social and Governance Report (the “**ESG Report**”).

JLL carried the assurance work of the ESG Report in accordance with the four assurance principles (Inclusivity, Materiality, Responsiveness and Impact) set out in the AA1000 Assurance Standard v3 (“**AA1000AS v3**”). In addition, JLL provided assurance on the reliability and quality of specific performance information disclosed in the ESG Report that have been selected in accordance with Appendix C2 Environmental, Social and Governance Reporting Guide (“**Appendix C2**”) of the Main Board Listing Rules of The Stock Exchange of Hong Kong Limited (“**SEHK**”).

This verification statement is intended for the use by the Board of Directors, management personnel, and relevant stakeholders of China Wantian. Should there be any discrepancies between English version and Chinese version of this verification statement, the English version shall prevail.

2. RESPONSIBILITY

The Board of Directors and senior management of China Wantian uphold full responsibility for the completeness and accuracy of the information and data presented in the ESG Report. JLL, as an independent third party, is responsible to provide opinions on the textual content, data statements, graphical presentations, and related statements within the specified assurance scope, in accordance with the AA1000AS V3 standard.



APPENDIX III – VERIFICATION STATEMENT (continued)

3. LEVEL AND SCOPE OF ASSURANCE

The process applied in this verification was based on Type 2 Moderate Level of Assurance in accordance with the AA1000 Assurance Standard v3 (“**AA1000AS v3**”) issued by the Accountability. Our evidence gathering process was designed to obtain a reasonable level of assurance as set out in the standard for the purpose of devising the verification conclusion.

The ESG Report stated the environmental and social performance of China Wantian in the period of 1 January 2024 to 31 December 2024, while the specified performance indicators include.

- Direct (Scope 1) GHG emissions
- Indirect (Scope 2) GHG emissions
- Other indirect (Scope 3) GHG emissions – Fresh water processing and Sewage processing
- Total Fuel Consumption
- Total electricity consumption
- Total water consumption
- Total packaging materials consumption

4. METHODOLOGY

JLL’s assurance works included the following:

- Review of ESG Report compilation process including stakeholder engagement and materiality assessment processes.
- Process for collecting, collating and reporting sustainability performance data were verified.
- Interview with managers responsible for sustainability performance and data collection.
- Verification of the selected representative sample of data and information, including an audit of conversion factors and calculations. Raw data and supporting evidence of the selected samples were also thoroughly examined during the verification process.
- Assessment of the extent to which China Wantian’s sustainability activities adhere to the AA1000AS v3 Principles of inclusivity, materiality, responsiveness and impact.
- Performing other procedures JLL deemed necessary.



APPENDIX III – VERIFICATION STATEMENT (continued)

5. INDEPENDENCE

JLL was not involved in collecting and calculating data, or in the development of the ESG report. JLL's verification works are independent from China Wantian.

6. COMPETENCY

JLL is composed of experienced professionals in the industry. JLL's expertise and experience in non-financial information, sustainability management and social and environmental issues are well-equipped to conduct the assurance. Relevant members have received professional training on sustainability-related standards such as AA1000AS v3, HKEX's ESG Reporting Guide, TCFD, ISO 14064, ISO14065, ISO17029 and other standards.

7. LIMITATION

Financial data extracted from independently audited financial data has not been checked as it is not part of JLL's assurance process. Also, JLL assumes that all information provided is complete, truthful, and accurate.

8. CONCLUSION

In accordance with the principles of Inclusivity, Materiality, Responsiveness and Impact in the AA1000AS v3, our findings and conclusions are detailed as follows:

- **Inclusivity:** China Wantian has identified key stakeholders and established channels for its stakeholders to understand their concerns and expectations.
- **Materiality:** China Wantian has identified its material issues through appropriate methods based on the expectations and concerns of the key stakeholders, its own industry characteristics, legal and regulatory requirements, and outward economic and social impacts. China Wantian has disclosed the methodology, process and results of materiality assessment in the ESG Report.
- **Responsiveness:** China Wantian has established channels for its stakeholders to understand their concerns and expectations. Meanwhile, through the ESG Report, China Wantian has disclosed corporate sustainability strategies, management systems, management key points, key stakeholder participation activities as well as major sustainability development related issues to respond to key stakeholders.
- **Impact:** China Wantian has evaluated its impacts and realised its impacts on stakeholders, for making a more effective decision-making and result-based management within the organisation.



APPENDIX III – VERIFICATION STATEMENT (continued)

- Specified Performance Information: Based on the procedures that JLL has performed and the evidence obtained, no specific issue has come to our attention that causes us to believe that the disclosed Specified Performance Information in the ESG Report is not accurate or not been prepared in all material respects in accordance with the basis of reporting.
- The ESG Report has complied with all mandatory disclosure requirements and “comply or explain” provisions set out in the Appendix C2. The ESG Report illustrates China Wantian’s sustainability performance covering all material and relevant aspects and/or topics in a balanced, clear, consistent, and timely manner.

Yours sincerely,

For and on behalf of

Jones Lang LaSalle Corporate Appraisal and Advisory Limited



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