TWI GROUP

Time Watch Investments Limited
時計寶投資有限公司

(Incorporated in the Cayman Islands with limited liability)
Stock code: 2033



Environmental, Social and Governance Report 2025

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ABOUT TIME WATCH

Time Watch Investments Limited (the "Company", together with its subsidiaries, collectively the "Group" or "we") mainly focuses on the manufacturing, retail sales, and e-commerce business of two proprietary brands, namely Tian Wang (天王) and Balco Watch, and other brands in the People's Republic of China (the "PRC") and our ancillary Watch Movements Trading Business. We have approximately 1,575 directly managed and controlled points of sale and sales channels in various major e-commerce platforms.

The Group's principal proprietary brand, Tian Wang has been established as a prominent national watch brand in the PRC, catering to the mass market. Another proprietary brand of the Group, Balco, offers Swiss-made watches targeting younger middle-income consumers in the PRC.

To meet the needs for future business development, the Company has been listed on the main board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 2013.



ABOUT TIME WATCH

VISION

The Group endeavours to offer stylish and high-quality watches at reasonable prices, reinforce our market-leading position, deliver sustainable value to our shareholders, and support our employees' growth while sharing our success.

MISSION

To ensure sustainable business growth and enhance our overall competitiveness, we are dedicated to:



Improving our efficiency in production and store operation through strategically expanding sales network and devoting greater effort one-commerce, enhancing the Group's overall competitiveness.

Focusing on achieving good financial performance to deliverstable returns and long-term value to our shareholders.

Delivering quality experience to our customers through provision of excellence pre-sale and after sale service.

Hiring talents who participate in the success of the Company and investing in the development of all employees.

ABOUT THE REPORT

We are delighted to present our ninth Environmental, Social and Governance ("ESG") Report (the "Report"), which highlights our performance, strategies, and initiatives, as well as the risks, challenges, and opportunities related to ESG.

REPORTING STANDARDS

The Report is prepared in accordance with the mandatory disclosure requirements and the "comply or explain" provisions of the "Environmental, Social and Governance Reporting Guide" in Appendix C2 to the Rules Governing the Listing of Securities on the Stock Exchange.

REPORTING PRINCIPLES

We have prepared the Report based on the following reporting principles:

Materiality
Material ESG issues are identified through engaging with stakeholders and considering the nature and development of the business. These material issues are then disclosed in the Report.

Quantitative
The key performance indicators are calculated with reference to Appendix 2 and 3 of "How to Prepare an ESG Report" published by the Stock Exchange and disclosed quantitatively where appropriate.

Consistency
Consistent reporting scopes and statistical methodology are adopted to allow for meaningful comparisons of ESG data over time. Any changes to the reporting scope or the methods used have been specified in the Report for stakeholders' reference.

ABOUT THE REPORT

REPORTING PERIOD AND SCOPE

The businesses of the Group were principally engaged in Hong Kong and Chinese Mainland. There have been no material changes in the Group's major businesses and therefore the reporting scope for the period from 1 July 2024 to 30 June 2025 (the "Reporting Period") is consistent with last year. The performance evaluation and statistics disclosure summarize the performance of the Group's offices, factories, warehouses, and points of sale.

Unless otherwise stated, the Report covers the key business operations of the Group that are considered material during the Reporting Period:

i. Manufacturing, distributing, and retailing of watches in the PRC; and

ii. Watch Movements Trading Business.

ACCESS TO THE REPORT

The Report is available in English and Chinese versions and is uploaded to the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.timewatch.com.hk). If there is any conflict or discrepancy, the English version shall prevail.

ABOUT SUSTAINABILITY

SUSTAINABILITY GOVERNANCE

Since 2015, all United Nations Member States have adopted the 2030 Agenda for Sustainable Development, introducing the 17 Sustainable Development Goals ("SDGs"). The SDGs are a comprehensive framework for attaining sustainability. Companies across industries recognize the vital role of sustainability in long-term growth and have incorporated these principles into their strategic planning.

With reference to the SDGs, the Group emphasizes corporate social responsibility while maximizing profits. We focus on environmental benefits, employee well-being and benefits, and the prosperity of the community and society. The Group has formulated its own ESG policy and strategies with consideration of the concerns and targets to design and establish an ambitious, comprehensive, and integrated framework and targets for sustainable development.

We believe that the responsibility for ESG development is shared collectively throughout the entire organization, encompassing not only the Board of Directors (the "Board") of the Company but also every individual employee. With a well-established ESG management framework and governance process, the Board can effectively execute its oversight of ESG-related opportunities and risks within the Group. We are adopting a top-down approach in ESG management.





ABOUT SUSTAINABILITY

Board of Directors	The Board holds the primary responsibility for ESG strategy and reporting, including developing the Group's ESG strategies, overseeing the environmental and social performance, setting ESG targets, and ensuring effective internal control and risk management within the Group. Additionally, the Board evaluates, reviews, and approves the ESG performance, business strategy, and sustainability policies of the Group. To address market changes, the Board also takes on the responsibility of identifying, analyzing, and evaluating key risks, and formulating relevant recommendations in Board meetings. Being informed of the risks in advance, the Group enhances resilience and optimizes capital spending. Through equipment upgrades and adopting more eco-friendly technologies, the Group can prevent or mitigate the threats and pave the way for sustainable development towards a low-carbon economy. Furthermore, the Board is responsible for the veracity, accuracy, and completeness of the ESG Report's contents. The Company has engaged Riskory Consultancy Limited, an independent ESG consultant, to assist the Group in ESG reporting and provide ESG-related advisory services.
ESG Management Team	The ESG management team is dedicated to strengthening the implementation of proposed policies, tracking progress against ESG targets, and avoiding any adverse outcomes. Additionally, the management team supervises the daily operational practices and reports significant ESG issues to the Board directly.
Internal Task Force	A designated internal task force is responsible for executing, monitoring, reviewing, and reporting on the efficacy of ESG measures.

CORPORATE GOVERNANCE

The Group is dedicated to upholding good corporate governance to protect the interests of its shareholders. An effective Board directs the business affairs of the Company. The Audit Committee, the Nomination Committee, the Remuneration Committee, and the Corporate Governance Committee have been established to cover specific functions of the Board. For more details on our corporate governance, please refer to the "Corporate Governance Report" of the Annual Report 2025.

STAKEHOLDER ENGAGEMENT

The Group strives to create value for all parties and foster effective communication channels and positive relationships with all stakeholders.

Stakeholders are groups and individuals who have a significant impact on our businesses or may be affected by our businesses, including but not limited to employees, shareholders and investors, customers, government and regulatory authorities, suppliers, and the community.

Through active engagement with stakeholders, the Group gains a thorough understanding of their concerns and expectations. This allows us to effectively incorporate key ESG and sustainability-related issues into our business strategy and operations.

The Group communicates with the key stakeholders through different effective channels:



Employees

- Meetings and trainings
- Performance appraisals
- Employee activities



Government and Regulatory Authorities

- Direct communication
- Qualification assessment



Shareholders and Investors

- Annual General Meeting
- Annual report and financial report
- Announcements and circulars
- Company website



Suppliers

- On-site inspections
- Business conference
- Annual review



Customers

- Face-to-face meetings and on-site visits
- Customer satisfaction surveys
- Email and customer service hotline
- Company website



Community

- Media conference
- Company website and publications



STAKEHOLDER ENGAGEMENT

STAKEHOLDERS' FEEDBACK

We highly value the feedback from our stakeholders. You are encouraged and welcomed to share your opinion on our ESG report and performance through:

Tel: (852) 2945 0703

Email: ir@timewatch.com.hk

Postal address: 27th Floor, CEO Tower, 77 Wing Hong Street, Cheung Sha Wan, Kowloon, Hong Kong

STAKEHOLDER ENGAGEMENT

MATERIALITY ASSESSMENT

An annual internal review is conducted to identify stakeholders' concerns and interests regarding ESG topics. We will adjust our business strategies and sustainability initiatives with reference to the results of the materiality assessment to achieve the Group's sustainable development plans and goals. We adopted a three-step approach to confirm the material topics:

1. Identification

The Group has identified 24 ESG issues from 5 main categories as follows, based on the previous year's assessment result and considering the regulatory trends of the Stock Exchange, the Sustainability Accounting Standards Board (SASB) standards for disclosure topics, the ESG Industry Materiality Map of MSCI, and the material topics of peer companies.



Environmental Protection | **Operating Practices** | **Product Responsibility** | **Human Rights and Employee** | **Community Investment**

2. Review

The Group reviewed and assessed the 24 identified ESG issues, and determined the overall materiality level of each sustainability issue, and a prioritized list can be derived.

3. Confirmation

The Group adjusted and confirmed the materiality level of the topics. 10 issues are classified as the highest importance for the Reporting Period and are disclosed in the Report.

STAKEHOLDER ENGAGEMENT

ESG Material Issues	Materiality
Environmental Protection	
Air pollutants and greenhouse gas emissions	Most important
Effective use of resources	
Risks associated with climate change	
Waste management	Relevant
Environmental impact of business activities	
Operating Practices	
Supply chain management	Most important
Anti-corruption and whistle-blowing system	
Suppliers' environmental and social risk evaluation	Important
Green procurement (e.g., using environmentally friendly materials, etc.)	Relevant
Crisis or emergency management	
Product Responsibility	
Product and service quality and safety	Most important
Customer satisfaction	
Handling of complaints	Important
Intellectual property protection	
Customer information privacy and data security	
Marketing and advertisement	Relevant
Human Rights and Employee	
Employment relationship and employee benefits	Most important
Occupational health and safety	
Training and development	
Equal opportunity, diversity, and anti-discrimination	Important
Preventing child labour and forced labour	
Community Investment	
Participation or organization of volunteer activities	Relevant
Charitable donation	
Community-inclusive activities	

SOCIAL SUSTAINABILITY

OPERATING PRACTICES

Supply Chain Management

The Group prioritizes supply chain management and standardized procedures to ensure consistent quality in the production of high-precision timepieces, given the complexity of watch assembly and its sophisticated components.

We cultivate long-term supplier relationships across multiple sectors to source watch components, materials, electronics, equipment, and services. The Group has implemented comprehensive internal policies and a robust management system, guided by international standards and industry best practices. To maintain competitive, fair, and transparent trade in products and services, we have formulated a systematic supplier management system with clear criteria for supplier identification, analysis, selection, and management. Quality and cost performance are two crucial indicators of supplier evaluation. Furthermore, in alignment with the Company's new operating system, we have incorporated the supplier management workflows into system management.

Strict Supplier Selection

Our suppliers undergo thorough evaluation based on the Group's established internal assessment protocols. Under normal circumstances, the Procurement Department, Project Department, and other relevant departments jointly conduct supplier assessments according to internal policies, including the Quality Management System Control Policy, Intellectual Property Certification Requirements, and Supplier Quality/Price Management Policy.

The Group utilizes a "Supplier Audit Report" that evaluates suppliers based on key metrics, including delivery performance, quality standards, and cost efficiency. In addition, we have formulated a set of selection criteria in alignment with the requirements and recommendations outlined in the Quality Management Systems (ISO 9001:2015). The selection criteria include factors of reputation, production environment, quality standards, delivery performance, pricing, and location. The Group exclusively partners with suppliers who fully satisfy our qualification criteria, ensuring consistent delivery of high-quality and reliable products.

In the Reporting Period, the Group had 219 key suppliers adhering to the principles of the Green Procurement. 200 of the suppliers were from Chinese Mainland, 17 were Hong Kong suppliers, and 2 was an overseas supplier.

Quality Assurance and Control

To guarantee supply chain stability and consistent product quality, we periodically monitor suppliers' overall performance. Specifically, we conduct inspections and on-site audits with documented reports for continuous improvement and ongoing cooperation with suppliers. During the Reporting Period, 96 main suppliers of the Group have been assessed.

SOCIAL SUSTAINABILITY

The Group enters a "Supplier Quality Assurance Agreement (供應商質量保證協議)" with its selected suppliers to maintain and regulate product quality by verifying the following documents provided by suppliers:



To minimize the risks of using defective raw materials, we have formulated detailed procedures on incoming goods inspections in accordance with Sampling Procedures for Inspection by Attributes-Part1: Sampling Schemes Indexed by Acceptance Quality Limit (AQL) for Lot-by-lot Inspection (GB/T 2828.1-2003計數抽樣檢驗程序第1部分：按接收質量限 (AQL) 檢索的逐批檢驗抽樣計劃).

To maintain product quality standards, we actively monitor and oversee suppliers' operational processes. Additionally, suppliers are not permitted to make any modifications to the product design, processing techniques, or significant raw materials at any stage of production unless a formal written document, such as a PCN/ECN/ECR sheet, is submitted and the Group's approval is received.

Environmental and Social Risk Consideration

The Group evaluates business partners based on environmental and social performance alongside traditional quality metrics. Priority is given to suppliers offering environmentally sustainable products and services during the procurement process.

All suppliers are required to provide an Environmental Protection Test Report as part of supply chain environmental risk management. This requirement, outlined in the "Supplier Quality Assurance Agreement" (供應商質量保證協議), ensures the delivery of environmentally compliant products while minimizing environmental risks throughout the supply chain.

The use of child labour or forced labour by our suppliers is strictly prohibited. To manage social risks, we have scrutinized all our business partners in terms of compliance with relevant labour standards and respect for human rights.

The Group remains committed to rigorous supply chain due diligence and is actively exploring the allocation of additional resources and the engagement of an independent third party to further enhance the credibility of these assessments.

SOCIAL SUSTAINABILITY

Product Responsibility

Product quality is the priority of the Group's operation, and the key to customer satisfaction. We are committed to product and service excellence, meeting customer expectations, and enhancing our corporate competitiveness in the market.

We strictly comply with all the relevant rules, regulations, and standards in Hong Kong and Chinese Mainland, including but not limited to:

- The Consumer Council Ordinance (Cap. 216 of the Laws of Hong Kong);
- The Trade Descriptions Ordinance (Cap. 362 of the Laws of Hong Kong);
- The Personal Data (Privacy) Ordinance (Cap. 486 of the Laws of Hong Kong);
- The Patents Ordinance (Cap. 514 of the Laws of Hong Kong);
- The Product Quality Law of the People's Republic of China (中華人民共和國產品質量法);
- The Law of the People's Republic of China on Protection of Consumer Rights and Interest (中華人民共和國消費者權益保護法);
- The Advertising Law of the People's Republic of China (中華人民共和國廣告法);
- The Patent Law of the People's Republic of China (中華人民共和國專利法); and
- The Trademark Law of the People's Republic of China (中華人民共和國商標法).

During the Reporting Period, the Group was not aware of any material non-compliance with laws and regulations relating to health and safety, advertising, labeling, and privacy matters relating to products and services that would have a significant impact on the Group.

Product Quality

The Group operates under the service principles of "Sincerity Wins Trust, Service Creates Value" and "Customer First", delivering innovative, high-quality products and services to customers. Our concept for innovation stays market-oriented with pragmatic craftsmanship.

SOCIAL SUSTAINABILITY

To deliver safe, reliable, and good-quality final products to customers, the Group has formulated a set of internal policies and procedures according to the Quality Management Systems (ISO 9001:2015) to ensure that the manufacturing process in different stages of watchmaking is in strict compliance with the procedures stipulated in the Quality Control Manual as follows:

Inventory Control	• Product quality depends significantly on material standards and operational procedures. The Quality and Engineering Department performs thorough testing and inspection of raw materials to verify their production suitability and maintain quality standards. • The Group has established a Raw Material Storage and Management Policy to improve warehouse efficiency and optimize material handling. This policy ensures inventory accuracy, efficient goods placement, clear record-keeping, and standardized, timely warehouse operations for incoming and outgoing products.
Production Process	• Factory managers perform regular machinery and equipment inspections throughout production process to proactively reduce the risk of breakdowns and maintain operational continuity.
Quality Control and After-sales Services	• The qualified experts implement comprehensive quality assurance measures, including dimensional and waterproof testing. • The Quality and Engineering Department manager bears overall responsibility for product quality and must approve all testing procedures. The department also manages marketing and after-sales quality complaints. Defective products, if any, will be collected from customers and either repaired or replaced with new batch of products in general.

During the Reporting Period, the Group did not encounter any product recall due to safety and health reasons.

SOCIAL SUSTAINABILITY

Handling of Complaints

The Group highly values customer feedback, recognizing these insights as essential guidance for continuous improvement and sustainable development. We hope to utilize customer feedback to enhance our product and service quality and are committed to maintaining open and efficient communication channels. The Customer Service Department oversees the after-sales services and deals with customers' feedback through customer satisfaction surveys.

The Group has established standardized procedures to manage and handle customer complaints of product defects and service quality issues:

Complaints received	• The Customer Service Department verifies the authenticity of complaints, provides customers with updates on progress, and communicates with the office.
Investigation and response	• The office examines the complaint and initiates the rectification process, makes proposals for return, exchange or repair of defective products. In addition, the office also prevent recurrence of similar incidents through summary, meeting and warning.
Follow up measures	• The Customer Service Department receives customers' feedback on complaint-solving process and result through customer satisfaction surveys.

According to the Customer Complaint Handling Process (客訴流程) of the Group, all inquiries and substantiated complaints are required to be handled and addressed promptly and efficiently. We have implemented strict requirements for addressing substantiated complaints:

Raise the solutions within 24 hours of receiving the related complaint.

Resolve the complaints with a satisfactory outcome within 48 hours.

During the Reporting Period, the Group received 8 complaints concerning product and service quality; all complaints were properly handled.

SOCIAL SUSTAINABILITY

Intellectual Property Rights

Intellectual Property ("IP") rights are one of the Group's intangible and valuable assets. With intensifying global innovation competition, IP development and protection have become critical issues for the future. We recognize the importance of the promotion and protection of IP rights to our sustainable business development.

The Group currently owns and has successfully registered several trademarks, patents, and domain names. We strictly complied with relevant intellectual property rights laws and regulations to safeguard the interests of the Group and our customers. During the Reporting Period, our IP management system covering the research and development, production, and sales of watches was certified to conform to GB/T29490-2013 Enterprise Intellectual Property Management.

Furthermore, we have entered into confidentiality agreements and non-competition agreements with relevant employees, imposing upon them the obligation to maintain trade secrets and prevent the infringement of IP rights. Any employees suspected of breaching the regulations concerning corporate IP rights will be subject to investigation, and appropriate actions will be taken following the Group's Trade Secret Protection Policy (公司商業秘密保護政策). In the meantime, we also impose strict requirements on our suppliers to respect our IP rights.

During the Reporting Period, the Group did not encounter any material claims for IP rights infringement.

Customer Data Protection and Privacy

The Group prioritizes customer information protection, recognizing that information privacy is essential for maintaining business reputation and customer trust. We are committed to safeguarding the privacy and confidentiality of customer information and ensuring data protection and security by establishing internal policies to strictly comply with the regulations concerning data collection, disclosure, usage, retention, and storage, including but not limited to the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong).

To safeguard the information from unauthorized access or disclosure, we rigorously manage and protect all data collected from customers, employees, suppliers, and other business partners. The Employee Handbook clearly states that employees are made aware of their responsibility to respect the privacy of customers and to protect any customer data from external parties. Furthermore, the company servers and computers are secured with access passwords to prevent unauthorized access and potential information leakage. Employees are held liable for any direct or indirect information breaches they cause.

The Group did not encounter any breaches of customer privacy, loss of customer data, or any private information leakage during the Reporting Period.

SOCIAL SUSTAINABILITY

Advertising and Labeling

The Group strictly prohibits any form of misrepresentation or exaggeration of offerings in its marketing materials. We strictly complied with relevant laws and regulations in the regions where we operate, including but not limited to the Trade Description Ordinance (Cap. 362 of the Laws of Hong Kong) and the Advertising Law of the People's Republic of China (中華人民共和國廣告法).

We have formulated internal policies to govern the practices of brand promotion involving celebrities, marketing, and planning, as well as graphic design to ensure that the Marketing Department delivers accurate product descriptions and information that align with the applicable local laws, regulations, and code of ethics.

During the Reporting Period, the Group did not have any material non-compliance with laws and regulations in relation to the advertising and labeling of its products and services.

Anti-Corruption

Business ethics and integrity are at the core of our operations. The Group values honest and ethical practices throughout our business operations. We strictly comply with the local laws and regulations relating to anti-corruption, including but not limited to:

- The Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Cap. 615 of the Laws of Hong Kong);
- The Prevention of Bribery Ordinance (Cap. 201 of the Laws of Hong Kong); and
- The Law of the People's Republic of China on Anti-Money Laundering (中華人民共和國反洗錢法).

To demonstrate our commitment to integrity, the Group has formulated and implemented the code of conduct and internal policies, such as "Company rules on the Acceptance of Benefits by Employees" (有關僱員收受利益之公司規則). Our business operations are led by honesty, transparency, and legality. The Group strictly prohibits any forms of misconduct such as corruption, bribery, extortion, fraud, and money laundering within the organization. All employees must adhere to relevant professional ethics codes and are expected to fulfil their responsibilities with integrity, fairness, and professionalism. They must refrain from bribery or any activities that may exploit their positions to harm the Group's interests. In addition, we have appointed relevant departments and employees to monitor and address any such cases that may arise.

Furthermore, employees are explicitly forbidden from seeking any personal benefits or advantages from customers, suppliers, or any business partners, as stated in the policy. To further prevent conflict of interest, employees are obligated to report to the management and seek approval if they or their immediate family members possess any interests in business transactions involving the Group. In addition, employees must obtain written consent from the Group before engaging in any part-time employment.

SOCIAL SUSTAINABILITY

To ensure our directors and employees have the latest knowledge of the Group's internal policies, anti-corruption initiatives, and updates of the relevant laws and regulations, we provided them with e-learning opportunities and other training programmes to enhance their understanding of the corporate policies and strengthen their awareness and compliance with the code of conduct.

During the Reporting Period, no concluded legal cases were being reported regarding corrupt practices against the Group or our employees. The Group was not aware of any material non-compliance with laws and regulations relating to bribery, extortion, fraud, and money laundering that would have a significant impact on the Group.

Whistle-blowing Mechanism

The Group encourages the reporting of any suspected misconduct. Accordingly, we have set up a robust whistle-blowing system that enables employees to report any suspected cases through either verbal or written means. A designated whistle-blowing document collection box is provided for submission of suspected cases with comprehensive details and supporting evidence. Prompt investigations are conducted upon receiving any report of suspicious or unlawful behavior to safeguard the Group's interests.

All reported incidents will be handled diligently and treated with utmost confidentiality to protect the identities of the complainants and the report content. In cases where criminal activity is suspected, we will promptly notify the relevant regulators or law enforcement authorities, as deemed necessary.

To ensure the effectiveness in safeguarding whistleblowers from unfair dismissal or victimization, the mechanisms and procedures are evaluated and enhanced from time to time.

SOCIAL SUSTAINABILITY

EMPLOYMENT AND LABOUR PRACTICES

Employment

The Group's business operations and sustainable growth rely on the dedicated efforts of our employees. One of our core management philosophies is to empower our employees, upholding the following three concepts:

"People-oriented" **"Respect and trust every employee"** **"Selection and training of talents are in the first place"**

We strictly adhere to all the relevant laws and regulations in Hong Kong and Chinese Mainland, including but not limited to:

- The Employment Ordinance (Cap. 57 of the Laws of Hong Kong);
- The Mandatory Provident Fund Schemes Ordinance (Cap. 485 of the Laws of Hong Kong);
- The Labour Law of the People's Republic of China (中華人民共和國勞動法); and
- The Social Insurance Law of the People's Republic of China (中華人民共和國社會保險法).

We have established an Employee Handbook that outlines work ethics and internal guidelines for all employees to follow. The guidelines include all aspects of operations, company management practices, employment, benefits, welfare, rights, obligations, and responsibilities. Being a useful instrument, the Employee Handbook assists management and employees in defining their expectations, roles, and responsibilities, enhancing employees' work efficiency, fostering a sense of responsibility, and cultivating a strong sense of belonging within the organization. The Human Resources Department periodically reviews and updates the Employee Handbook and employment policies to adapt to social changes and ensure compliance with all applicable laws and regulations.

Furthermore, employees are encouraged to optimize their talents, leverage their strengths in their respective roles, and proactively take leadership roles in various initiatives. This approach aims to enable employees to develop a strong sense of belonging, aligning their aspirations with the Group's shared future. The alignment ensures the Group's sustained competitiveness and dynamism within the market.

During the Reporting Period, the Group was not aware of any material non-compliance with the laws and regulations in relation to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare that would have a significant impact on the Group.

SOCIAL SUSTAINABILITY

Total Workforce

As at 30 June 2025, the Group had 2,359 employees (2024: 3,025), consisting of one part-time and 2,358 full-time employees. The relevant employment data was as follows:

Number of Employees	2025
By gender	
– Male	327
– Female	2,032
By age group	
– 18-25	62
– 26-35	416
– 36-45	1,232
– 46-55	597
– 56 or above	52
By geographical location	
– Chinese Mainland	2,328
– Hong Kong	31

Recruitment and Promotion

Talent acquisition and retention are fundamental to corporate success. The Group prioritizes recruitment, retention, and professional development of human resources. We have formulated a set of clear recruitment policies and procedures:

The Human Resources Department selects qualified candidates for first-round interview with departmental managers. → The Human Resources Department conducts background screening and scrutinization to ensure that suitable, eligible and lawful candidates are selected following the selection interviews. → The Human Resources Department and department supervisors conduct multiple rounds of evaluations before candidates are accepted and employed.

All promotions within the Group strictly follow established procedures in accordance with the guidelines outlined in the Employee Handbook. We take into account the market benchmarks and provide equal opportunities for promotion and development to eligible employees who have shown outstanding performance and potential.

SOCIAL SUSTAINABILITY

Remuneration and Dismissal

Competitive remuneration and benefits are offered to applicants considering their educational backgrounds, personal attributes, job experiences, and career aspirations to attract high-caliber talents. To comply with local and national laws and regulations, we provide provident fund and social insurance, including endowment insurance, medical insurance, unemployment insurance, employment injury insurance, and maternity insurance.

Regular assessments are conducted to evaluate and acknowledge the performance of employees and to review their compensation packages following the Employee Handbook and internal policies. Staff Performance Appraisal is performed in December every year. The department directors are responsible for evaluating employees' work performance and completing the Performance Appraisal Sheet. Adjustment of compensation and termination of employment are determined by various factors, such as the performance of the relevant employee and the Group.

We strictly prohibit any form of unfair or unlawful dismissal and implement robust policies to regulate and govern the procedures associated with employee termination in compliance with the applicable laws and regulations in Hong Kong and Chinese Mainland. During the Reporting Period, the turnover rates were as follows:

Turnover Rates	2025
By gender	
– Male	29%
– Female	46%
By age group	
– 18-25	69%
– 26-35	46%
– 36-45	37%
– 46-55	53%
– 56 or above	44%
By geographical location	
– Chinese Mainland	44%
– Hong Kong	6%

SOCIAL SUSTAINABILITY

Employee Benefits and Welfare

We believe that employees' well-being is closely linked to their productivity and sense of belonging to the Group. Therefore, we value and prioritize employees' interests and welfare. The Employee Handbook clearly states the working hours and rest periods. Furthermore, in addition to basic annual leave and statutory holidays, various benefits and welfare are provided to employees, including but not limited to:

- Alternative days off for employees who have worked overtime once the application is approved;
- Additional benefits, such as attendance awards, overtime allowances, festival gifts, and performance bonuses;
- Recreational activities during festivals; and
- Tour packages.

We also strive to cultivate a corporate culture that enables smooth and effective communications among employees and facilitates a sense of belonging and employee motivation.

Equal Opportunity and Anti-discrimination

As an equal-opportunity employer, we endeavor to provide an equal, diverse, and respectful work environment for employees. The equal opportunity policies have been established in accordance with applicable laws and regulations, including but to limited to the Disability Discrimination Ordinance (Cap. 487 of the Laws of Hong Kong) and the Sex Discrimination Ordinance (Cap. 480 of the Laws of Hong Kong).

We maintain a zero-tolerance policy for any workplace discrimination, harassment, or vilification. Training and promotion opportunities, as well as dismissal policies, are based on factors unrelated to employees' age, sex, marital status, pregnancy, family status, disability, race, colour, descent, national or ethnic origins, nationality, religion, or any other discriminatory elements. We strive to regulate and monitor corporate daily practices to avoid any circumstances that are contrary to the principles of equal opportunity and anti-discrimination.

Employee Communication

The Group recognizes that fostering effective employee communication and encouraging staff suggestions contribute to a more collaborative work environment. To address any incidents of discrimination, the Group has implemented a corporate grievance mechanism, encouraging employees to report such incidents. The Human Resources Department holds responsibility for evaluating, documenting, and taking appropriate disciplinary measures upon receiving relevant reports.

SOCIAL SUSTAINABILITY

Health And Safety

Throughout the Group's operations, the health and safety of our employees always come first. A safe and healthy working environment is provided for all employees. The Group strictly complies with applicable policies, laws, and regulations in Chinese Mainland and Hong Kong, including but not limited to:

- The Occupational Safety and Health Ordinance (Cap. 509 of the Laws of Hong Kong);
- The Law of the People's Republic of China on Prevention and Control of Occupational Diseases (中華人民共和國職業病防治法);
- The Work Safety Law of the People's Republic of China (中華人民共和國安全生產法); and
- The Regulation on Work-Related Injury Insurance (工傷保險條例).

During the Reporting Period, the Group was not aware of any material non-compliance with laws and regulations relating to providing a safe working environment and protecting employees from occupational hazards that would have a significant impact on the Group.

Workplace Safety

We place great emphasis on maintaining safe and hygienic working conditions to prevent any potential work-related accidents or injuries. There were no lost days due to work injury reported in the Reporting Period, and no work-related fatalities were reported to have occurred in each of the past three years, including the Reporting Period.

To maintain workplace safety, the Group has adopted various health and safety measures, including but not limited to:

Work environment condition evaluation

Safety equipment installation

Appropriate lighting and ventilation

Safety briefing and notice

Noise level monitoring

Furthermore, regular inspections of potential occupational hazards in the workplace will be conducted by an independent testing agency. In addition, personal protective equipment, such as uniforms, face masks, and gloves are provided to employees engaged in the production process.

To ensure the safety of the equipment in the manufacturing facilities, our suppliers are required to provide relevant testing certificates, conduct functional and safety checks, and arrange maintenance periodically.

Emphasizing Mental Health

In addition to work safety, we are also concerned about the mental well-being of all employees. We plan to implement various measures and programmes to foster a healthy work-life balance, enhance employees' awareness of maintaining good mental health, improve stress management, and mitigate the risk of illnesses arising from accumulated fatigue. For instance, we will provide regular stress checks, an external counseling desk, and seminars.

SOCIAL SUSTAINABILITY

Development and Training

The Group is committed to supporting employee growth in both personal and professional capacities, striving to help staff members strengthen their technical competencies and specialized knowledge. Accordingly, the Human Resources Department coordinates and arranges diverse training programmes to ensure all employees receive appropriate and comprehensive training, especially professional training for staff in designated positions. During the Reporting Period, employees from different position levels including senior management, middle management, and general staff attended internal and external training courses. The internal training programmes are organized by the senior employees for new and existing staff to ensure they possess adequate job knowledge and skills. In addition, we also arrange public courses held by external organizations and professional consultants for employees.

Courses	Course Objectives
Internal Courses	
• Induction Training	To introduce the corporate history and culture of the Group to new employees.
• Pre-job Training • After-probation Training • Watch Knowledge and Updates	To ensure employees are familiar with the Group's products and technological procedures.
• Fire Safety Knowledge • Garbage Classification	To raise employees' awareness of workplace safety and environmental protection.
External Courses	
• DISC Team Leadership and Management • Cross-Department Communication and Cooperation	To strengthen employees' future career progression and development.

SOCIAL SUSTAINABILITY

The relevant training data for the Reporting Period were as follows:

2025	Percentage of employees trained (%)	Average training hours per employee (hours)
By gender		
– Male	78%	15.6
– Female	88%	71.3
By employee category		
– Senior management	14%	0.6
– Middle management	63%	11.1
– General staff	89%	67.1

We will explore more training and educational programmes to ensure that employees maintain sufficient job-related knowledge while strengthening the Group's competitiveness within the market.

Labour Standards

The use of child and forced labour is strictly prohibited in the Group. We adhere to all relevant labour laws and regulations in Hong Kong and Chinese Mainland, including but not limited to the Employment Ordinance (Cap. 57 of the Laws of Hong Kong) and the Labour Law of the People's Republic of China (中華人民共和國勞動法).

During recruitment, the Human Resources Department requires all job applicants to submit valid identity documents for verification to prevent the unlawful employment of child labour, underage workers, or forced labour. If any case in breach of the labour standards is found, we will terminate the employment immediately and promptly check for any loopholes in the recruitment process to avoid recurrence of similar issues.

During the Reporting Period, the Group was not aware of any material non-compliance with laws and regulations in relation to the prevention of child and forced labour that would have a significant impact on the Group.

SOCIAL SUSTAINABILITY

COMMUNITY

Community Investment

The Group is passionate about giving back to the community. We participate in various kinds of community investment initiatives while simultaneously cultivating a positive corporate culture and enhancing our reputation. We have five main focuses in community investment, including:



During the Reporting Period, the Group donated RMB100,000 to Society of Entrepreneurs & Ecology ("SEE") Conservation and RMB10,000 to Mangrove Conservation Foundation through a charitable fund established with donations made by the Group in earlier years, for mangrove conservation and education work. The SEE Conservation was established by around 100 entrepreneurs in 2004, aiming to bear social responsibility and protect ecology. It has set up project centers in 26 counties, cities and autonomous regions in the PRC to initiate conservation actions, including the protection of natural habitats, such as mangroves, the ocean, wetlands etc., and the conservation of animals, such as leopards, pandas and porpoises. Some project centers are also involved in the education and promotion about ecological protection and waste management.

ENVIRONMENTAL SUSTAINABILITY

Apart from our social responsibility, the Group recognizes our role as a corporate citizen in environmental stewardship. As a member of society and one of the leading national watch brands in the PRC, we have the corporate responsibility to mitigate the environmental impacts and demonstrate our determination to support sustainable development. Accordingly, environmental protection is one of the key areas in the Group's sustainable strategy.

We adhere to all applicable laws and regulations in Chinese Mainland and Hong Kong, including but not limited to:

- The Environmental Protection Law of the People's Republic of China (中華人民共和國環境保護法);
- The Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes (中華人民共和國固體廢物污染環境防治法);
- The Law of the People's Republic of China on Prevention and Control of Pollution From Environmental Noise (中華人民共和國環境噪聲污染防治法);
- The Water Pollution Prevention and Control Law of the People's Republic of China (中華人民共和國水污染防治法); and
- The Atmosphere Pollution Prevention and Control Law of the People's Republic of China (中華人民共和國大氣污染防治法).

During the Reporting Period, the Group was not aware of any material non-compliance with laws and regulations relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous wastes that would have a significant impact on the Group.



ENVIRONMENTAL SUSTAINABILITY

EMISSIONS

To minimize the environmental impact of our operations, we are committed to reaching the targets of reducing air pollution, greenhouse gas emissions, and waste generation gradually, while concurrently enhancing resource utilization.

Air Emissions

The main source of air emissions generated by the Group is the vehicle fuel used for transportation. During the Reporting Period, the emission data were as follows:

Air emissions	Unit	2025	2024
Nitrogen Oxides (NO_x)	Kg	54.71	63.65
Sulphur Oxides (SO_x)	Kg	0.94	1.13
Particulate Matters (PM)	Kg	4.56	5.28

Greenhouse Gas Emissions

The use of vehicle fuel during daily operations (Scope 1 – Direct Emissions) and electricity consumption (Scope 2 – Energy Indirect Emissions) are the primary sources of greenhouse gas ("GHG") emitted from the Group. Energy Indirect (Scope 2) emissions accounted for approximately 81% of the Group's total GHG emissions. It is mainly derived from the use of electricity for lighting, air conditioning, and electrical appliances and equipment during the manufacturing process and the office area.

During the Reporting Period, the GHG emissions data were as follows:

GHG emissions	Unit	2025	2024
Scope 1 - Direct Emissions	Tonnes of CO_2e	170.39	209.05
Scope 2 - Energy Indirect Emissions	Tonnes of CO_2e	722.68	710.97
Total GHG Emissions	Tonnes of CO_2e	893.07	920.02
Intensity	Tonnes of CO_2e/ million revenue (HKD)	1.30	1.04

ENVIRONMENTAL SUSTAINABILITY

To achieve our aim of continuously reducing air and GHG emissions, as well as enhancing employees' energy conservation awareness, we have incorporated our environmental code and targets into the internal management policies, and designed and implemented various energy conservation strategies and measures, including not limited to:

Emission Reduction	Enhancement of Employee Awareness
Adopt energy-saving lighting fixtures. Switch off idle air-conditioning, lighting, and equipment. Conduct periodic reviews to improve the daily operating practices.	Post energy-saving slogans at the office, production facilities entrances, and next to power control switches. Actively participate in environmental-related corporate activities and campaigns.

Solid Waste

We did not directly generate any significant hazardous waste during the Reporting Period due to our business nature. Our major non-hazardous waste included wastepaper, food waste, other domestic waste, and production waste. The relevant data as follows:

Non-hazardous waste	Unit	2025	2024
Total non-hazardous waste produced	Tonnes	28.64	34.47
Intensity	Kg/million revenue (HKD)	41.54	39.13

The Group is committed to reducing waste generation continuously and adhering to relevant environmental laws and regulations. We will continue to reduce process residuals, optimize management costs, streamline operations, as well as develop sustainable waste stewardship by adopting various measures, such as making use of technological innovation.

ENVIRONMENTAL SUSTAINABILITY

Wastepaper Management

Since wastepaper represented a primary source of our non-hazardous waste output, the Group emphasizes wastepaper management to minimize resource waste. Wastepaper was collected either by the designated service supplier for recycling or by the property management office for further treatment.

Furthermore, we have implemented and advocated for a "paperless office" concept to achieve our target of paper consumption reduction. Consequently, notable advancements have been made. During the Reporting Period, we continue to optimize the operating practices and enhance employees' environmental awareness by promoting the concepts of "Reduce" and "Reuse" and implementing the following measures to further reduce paper consumption:

Reduce

- Disseminate information by electronic means (i.e. emails or e-bulletin boards) if possible to embrace the concept of the paperless office and office automation.
- Place posters and stickers in the offices to remind the staff to avoid unnecessary printings and spread the idea of 'think before you print'.
- Utilize digital technology for operations instead of paper.

Reuse

- Prioritize to use of recycled paper.
- Use the back of old single-sided documents for printing or as draft paper.

"Green" Life – Classification approach

We actively advocated for a "Green" lifestyle and encouraged employees to enhance their operating practices to minimize waste and adopt more eco-friendly approaches for disposal. We have established a sorting system for solid waste collection, including but not limited to the separation of waste paper, glass containers, disposed cans, and plastics, among other materials.

To further strengthen employees' environmental awareness, we have placed clearly labelled collection bins near the cargo lift to provide guidance for waste sorting. The non-recyclable solid wastes, such as general refuse, were normally transported to local waste disposal plants for further treatment. The special solid waste, such as watch components, will be recycled and collected by third parties.

Reducing at Source

The Group emphasizes "source reduction of waste", which focuses on the generation and handling of waste from the production process. Accordingly, we prefer raw materials and containers that can be reused and recycled in the procurement stage.

To ensure a thorough and systematic approach to waste material recycling and disposal, we have established the Waste Material Recycling Policy to provide detailed guidance throughout the entire recycling process, encompassing activities such as devising disposal plans, accurate inventory counting and packaging, and conducting thorough reviews of reports. We also formulated a proper treatment for packaging wastes generated from materials and components such as watch movements, straps, and bezels.

Ongoing monitoring and reviewing of the materials consumption and the forms of product packaging materials and containers are conducted to obtain more detailed data, such as waste generation and recycling, to minimize unnecessary waste.

ENVIRONMENTAL SUSTAINABILITY

USE OF RESOURCES

Energy

During the Reporting Period, the energy consumption sources of the Group were primarily from the use of diesel, gasoline, gas oil fuel for ships, and electricity. The relevant data were as follows:

Energy consumption	Unit	2025	2024
Direct energy consumption			
– Diesel	kWh	30,421.97	33,742.50
– Gasoline	kWh	554,768.78	668,908.42
– Gas oil for ship	kWh	N/A	17,599.59
– Sub-total	kWh	585,190.75	720,250.51
Indirect energy consumption			
– Purchased electricity	kWh	1,220,556.64	1,284,367.36
Total energy consumption	kWh	1,805,747.39	2,004,617.87
Intensity	kWh/million revenue (HKD)	2,619.19	2,275.30

Fossil fuel

The majority of direct energy consumption can be attributed to the use of diesel, and gasoline, during the transportation of products. Compared to the previous year, the direct energy consumption of the Group has decreased by 19%.

Electricity

Electricity accounted for 68% of the total energy consumption of the Group, which was the largest consumption among all kinds of energy uses. Compared to the previous year, the electricity consumption of the Group has decreased by 5%.

The Group aims to enhance our energy efficiency and to further reduce our energy consumption gradually. We continue to develop the Environmental Management System (EMS) to effectively manage and monitor energy consumption. We have implemented various measures across different operational aspects in our factories and offices, and we strive to enhance our logistics management through the overall logistical process improvement to reduce energy consumption.

ENVIRONMENTAL SUSTAINABILITY

Green building design and adaptation of new technologies and equipment	• Utilize natural sunlight to light up the workplace during the daytime; • Adopt energy-saving technologies and equipment for production in the factories and administrative operations in the offices; • Strictly follow maintenance schedules of appliances with reference to the instruction manual; and • Adopt natural ventilation or ventilation fans for areas where air-conditioning is not required.
Operational improvement	• Encourage employees to modify their electricity usage habits during working hours; and • Switch off office equipment after office hours.
Enhancement of employee's environmental awareness	• Provide relevant trainings and guidances to ensure employees understand and engage in energy-saving practices.

Water

We value water resources and prioritize water utilization efficiency. Considering the business nature of the Group, we did not encounter any issues in sourcing water that is fit for purpose.

During the Reporting Period, the water consumption data were as follows:

	Unit	2025	2024
Total water consumption	m^3	16,990.97	18,736.32
Intensity	m^3/million revenue (HKD)	24.64	21.27

The water consumption of the Group during the Reporting Period has decreased by approximately 9% compared to the previous year. We have implemented the following initiatives to achieve the target of enhancing water utilization efficiency:

- Remind employees to turn off water taps after use through emails and notices;
- Place 'Saving water resources' posters in prominent locations throughout factories and offices; and
- Repair dripping taps immediately to prevent any unnecessary waste.

We will consistently optimize the operational processes to improve the precision of water usage measurement and promote environmentally friendly practices in water utilization.

ENVIRONMENTAL SUSTAINABILITY

Packaging Materials

Due to our business nature, the Group utilizes packaging materials for product storage and protection. These packaging materials include watch boxes, bags, paper products, and various other materials. The packaging wastes, such as carton boxes and plastic bags, were properly handled. We have established the Policy of Procurement, Management, and Use of Product Packaging Materials to establish a standardized process for regulating packaging materials. The policy is regularly reviewed and updated to comply with the latest applicable regulations and policies.

During the Reporting Period, the relevant consumption data were as follows:

Packaging Materials	Unit	2025	2024
Watch Box	Tonnes	252.25	286.15
Bags	Tonnes	35.76	41.50
Paper	Tonnes	7.36	51.03
Others	Tonnes	89.42	117.09
Total amount of packaging materials	Tonnes	384.79	495.77
Intensity	Tonnes/million revenue (HKD)	0.56	0.56

Compared to the previous year, the total amount of packaging materials consumed by the Group has decreased by 22%. To further reduce packaging material consumption and minimize environmental effects, we continuously research and explore new and innovative approaches, such as incorporating environmentally friendly materials into the packaging process.



ENVIRONMENTAL SUSTAINABILITY

THE ENVIRONMENT AND NATURAL RESOURCES

Environmental and natural resources are critical to the sustainability of corporations and communities. We acknowledge our responsibility to protect natural resources and preserve the environment as part of our community commitment. Our operations do not have a significant impact on the environment due to our business nature. Nevertheless, we have adopted different initiatives to minimize the adverse impacts on the environment and to better use natural resources. We comply with all environmental protection laws and regulations.

Enhancement of employees' environmental awareness and daily operation practices

- Promote electricity conservation in factories and offices through posters, emails, and a variety of formats to reduce GHG emissions;
- Adopt paper-saving initiatives to reduce paper consumption; and
- Organize a series of seminars and activities to encourage employees to be more aware of environmental protection and energy conservation.

Enhancement of energy efficiency and better use of resource

- Monitor and control the consumption of natural resources;
- Consistently optimize the production process and improve daily operating practices;
- Phase out outdated equipment that may jeopardize the environment;
- Shift from traditional energy supply to renewable alternatives for its daily operations; and
- Explore feasible applications of innovative and eco-friendly technologies and design.

ENVIRONMENTAL SUSTAINABILITY

To demonstrate our commitment, we have signed the Energy Saving Charter 2025. This is the third consecutive year we have signed the charter, which is issued by the Environment and Ecology Bureau and Electrical and Mechanical Services Department of the Hong Kong SAR Government. Our ongoing participation underscores our dedication to reducing energy consumption.



Looking forward, we will continue exploring more efficient methods to optimize our production process and minimize any detrimental effects on the environment in daily operations.

ENVIRONMENTAL SUSTAINABILITY

CLIMATE CHANGE

The Group recognizes the impact of climate change on corporations globally and the urgency of mitigation and adaptation efforts. One of our major priorities in the coming years is to ensure our environmental compliance and build climate resilience in order to adapt to increasingly stringent international policies and regulations on climate change, as well as the recent change in customers' expectations and behaviors.

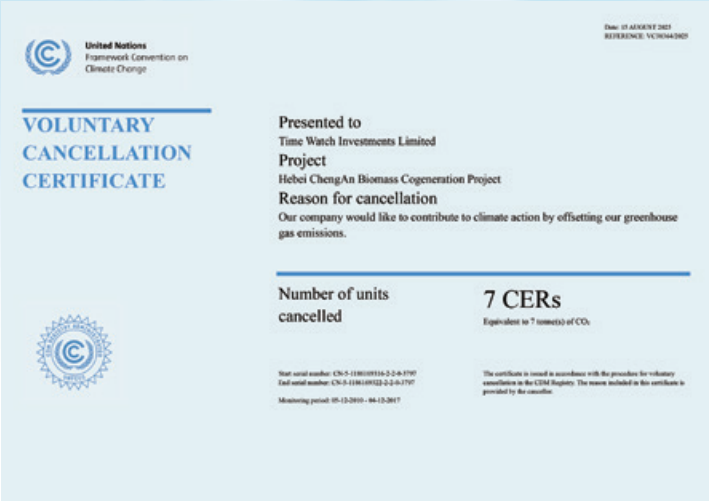
We have been identifying related risks and opportunities affecting business development with reference to the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD") from the perspective of Governance, Risk Management, Strategy, Metrics, and Targets. We endeavor to periodically evaluate our business model, strengthen staff's knowledge of climate change, optimize daily practices, and identify potential climate-related risks together with opportunities alongside corporate growth, to establish the fundamental interconnections with the environment. Additionally, we will persist in maintaining and reinforcing the robustness of our governance structure while emphasizing the conformance assessment in corporate ESG management. This approach ensures that the Board remains promptly informed about emerging regulatory changes and can swiftly respond to them.

Considering our business nature, we might be affected by physical climate risks, such as intensified and more frequent extreme weather events, which may lead to suspension of business and safety risks to employees. To address this risk, the Emergency Work Plan has been implemented to safeguard employees during extreme weather conditions.

Aligning with the TCFD recommendations, we endeavor to optimize business operations, enhance energy efficiency, and explore alternative solutions within the value chain to actively mitigate the effects of global warming. We are committed to contributing to the goal of limiting global temperature increase to well below 1.5°C compared to pre-industrial levels, and supporting the national "dual carbon" goal. We have implemented various measures outlined in the "Use of Resources" section of the Report to reduce and monitor emissions, aiming to address the escalating levels of GHG emissions.

In addition, we have utilized carbon offsets to achieve a reduction in our greenhouse gas emissions. The carbon offset project we have utilized is the Hebei ChengAn Biomass Cogeneration Project (Project ID: 3797) from the United Nations Clean Development Mechanism ("CDM"), which focuses on generating electricity by utilizing local straw from cotton. The electricity generated from this project is being sold to the Hebei Provincial Power Grid, replacing the capacity of coal-fired power plants. The project contributed to greenhouse gas emission reduction, comprehensive utilization of resources, environmental protection, and provided job opportunities and increased income of local residents. Certified Emission Reductions ("CERs") from this project were also used for carbon neutrality at the 19th Asian Games Hangzhou 2022 and the 4th Asian Para Games Hangzhou 2022.

ENVIRONMENTAL SUSTAINABILITY



United Nations
Framework Convention on
Climate Change

VOLUNTARY
CANCELLATION
CERTIFICATE

Presented to
Time Watch Investments Limited
Project
Hebei ChengAn Biomass Cogeneration Project
Reason for cancellation
Our company would like to contribute to climate action by offsetting our greenhouse gas emissions.

Number of units cancelled

7 CERs

Furthermore, in response to the globally recognized initiatives of environmental conservation and local regulatory requirements, we will set appropriate environmental goals and develop a progress management system. We are working toward setting suitable emission targets based on a comprehensive analysis of business impacts in combination with the latest climate science.



ESG REPORTING GUIDE CONTENT INDEX

Content		Relevant Section
Mandatory Disclosure Requirements		
Governance Structure	A statement from the board containing the following elements: (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, prioritize 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.	About Sustainability – Sustainability Governance
Reporting Principles	A description of, or an explanation on, the application of the Reporting Principles (Materiality, Quantitative and Consistency) in the preparation of the ESG Report.	About the Report – Reporting 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.	About the Report – Reporting Period and Scope

ESG REPORTING GUIDE CONTENT INDEX

Content		Relevant Section
'Comply or explain' Provisions		
A. Environmental		
Aspect A1: Emissions		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Environmental Sustainability
KPI A1.1	The types of emissions and respective emissions data.	Emissions – Air Emissions
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity.	Emissions – Greenhouse Gas Emissions
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity.	Emissions – Solid Waste
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity.	Emissions – Solid Waste
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	Emissions – Greenhouse Gas Emissions
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Emissions – Solid Waste
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water, and other raw materials.	Use of Resources
KPI A2.1	Direct and/or indirect energy consumption by type in total (kWh in '000s) and intensity.	Use of Resources – Energy
KPI A2.2	Water consumption in total and intensity.	Use of Resources – Water
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Use of Resources – Energy
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
KPI A2.5	Total packaging materials used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Use of Resources – Packaging Materials

ESG REPORTING GUIDE CONTENT INDEX

Content		Relevant Section
'Comply or explain' Provisions		
A. Environmental		
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources.	The Environment and Natural Resources
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	The Environment and Natural Resources
Aspect A4: Climate Change		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Climate Change
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Climate Change
B. Social		
Employment and Labour Practices		
Aspect B1: Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Employment
KPI B1.1	Total workforce by gender, employment type, age group, and geographical region.	Employment – Total Workforce
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Employment – Remuneration and dismissal

ESG REPORTING GUIDE CONTENT INDEX

Content		Relevant Section
B. Social		
Aspect B2: Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Health and Safety
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Health and Safety – Workplace Safety
KPI B2.2	Lost days due to work injury.	Health and Safety – Workplace Safety
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Health and Safety – Workplace Safety
Aspect B3: Development and Training		
General Disclosure	Policy on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Development and Training
KPI B3.1	The percentage of employees trained by gender and employee category.	Development and Training
KPI B3.2	The average training hours completed per employee by gender and employee category.	Development and Training
Aspect B4: Labour Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Labour Standard
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Labour Standard
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Labour Standard

ESG REPORTING GUIDE CONTENT INDEX

Content		Relevant Section
B. Social		
Operating Practices		
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	Supply Chain Management – Strict Supplier Selection
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 – Strict Supplier Selection, Quality Assurance and Control
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 – Environmental and Social Risk Consideration
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 – Environmental and Social Risk Consideration
Aspect B6: Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Product Responsibility
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Product Responsibility – Product Quality
KPI B6.2	Number of products and service-related complaints received and how they are dealt with.	Product Responsibility – Handling of Complaints
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Product Responsibility – Intellectual Property Rights
KPI B6.4	Description of quality assurance process and recall procedures.	Product Responsibility – Product Quality
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Product Responsibility – Customer Data Protection and Privacy