



**裕程物流集團有限公司**

**Grand Power Logistics Group Limited**

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 8489

**2024**

**Environmental, Social and  
Governance Report**

## ABOUT THIS REPORT

Grand Power Logistics Group Limited (the “**Company**” together with its subsidiaries, hereinafter referred to as the “**Group**” or “**we**” or “**us**”) is pleased to present our annual environmental, social and governance (“**ESG**”) report (this “**ESG Report**” or “**Report**”) for the year ended 31 December 2024 (the “**Reporting Period**”) to provide an overview of the Group’s management of significant issues affecting its operation, including ESG matters.

Both the English and Chinese versions of this ESG Report are available on the Company’s website at [www.grandpowerexpress.com](http://www.grandpowerexpress.com) (under “Announcements and Circulars” of the “Investor Relations” section) and the website of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). If there is any conflict or inconsistency, the English version shall prevail. The corporate governance sections can be found in the Group’s annual report for the year ended 31 December 2024 on pages 31 to 48 therein, as well as in the ESG STRUCTURE and RISK MANAGEMENT sections of this ESG Report.

## ESG STRUCTURE

The board of directors (the “**Board**”) of the Company has the overall responsibility of overseeing the Group’s ESG strategy and reporting. The Board is responsible for evaluating and determining the Group’s ESG-related risks and ensuring that appropriate and effective ESG risk management and internal control systems are in place. The executive directors of the Company are responsible for formulating ESG management policies, strategies, goals, and annual reporting and promoting related implementation. They also identify, evaluate, review, prioritize and manage material ESG issues, risks, and opportunities; while other departments of the Company (such as operation department, human resources & administration department and finance department) are responsible for organizing, promoting, and implementing various ESG-related tasks under the Group’s ESG management policies and strategies. All tasks and the progress made against the ESG-related goals and targets will be reported to the Board regularly in order for the Board to review and re-formulate the policies and plans for achievement of goals and targets. The Group has set short-term and long-term sustainable development vision and goals to achieve ongoing emission reduction according to governmental requirements. Relevant emission reduction targets and corresponding strategies are established and sustainable development factors have been incorporated into the Group’s strategic planning, business model and other decision-making processes. The Board regularly monitors and reviews the effectiveness of management approach, including reviewing the Group’s ESG performance and adjusting corresponding action plans.

## REPORTING PERIOD

This ESG Report illustrates the Group’s initiative and performance regarding the environmental and social aspects during the Reporting Period.

## REPORTING SCOPE

This ESG Report only covers Hong Kong, Shanghai, Shenzhen, Xiamen and Suzhou offices of the Group with core business segments principally engaged in air and ocean export and import freight forwarding services (the “**Reporting Scope**”), as the revenue from the Reporting Scope accounted for approximately 100% of the total revenue of the Group and the number of employees in the Reporting Scope constituted 100% of the total number of full-time employees of the Group during the Reporting Period, while these are also where the major office premises of the Group located.

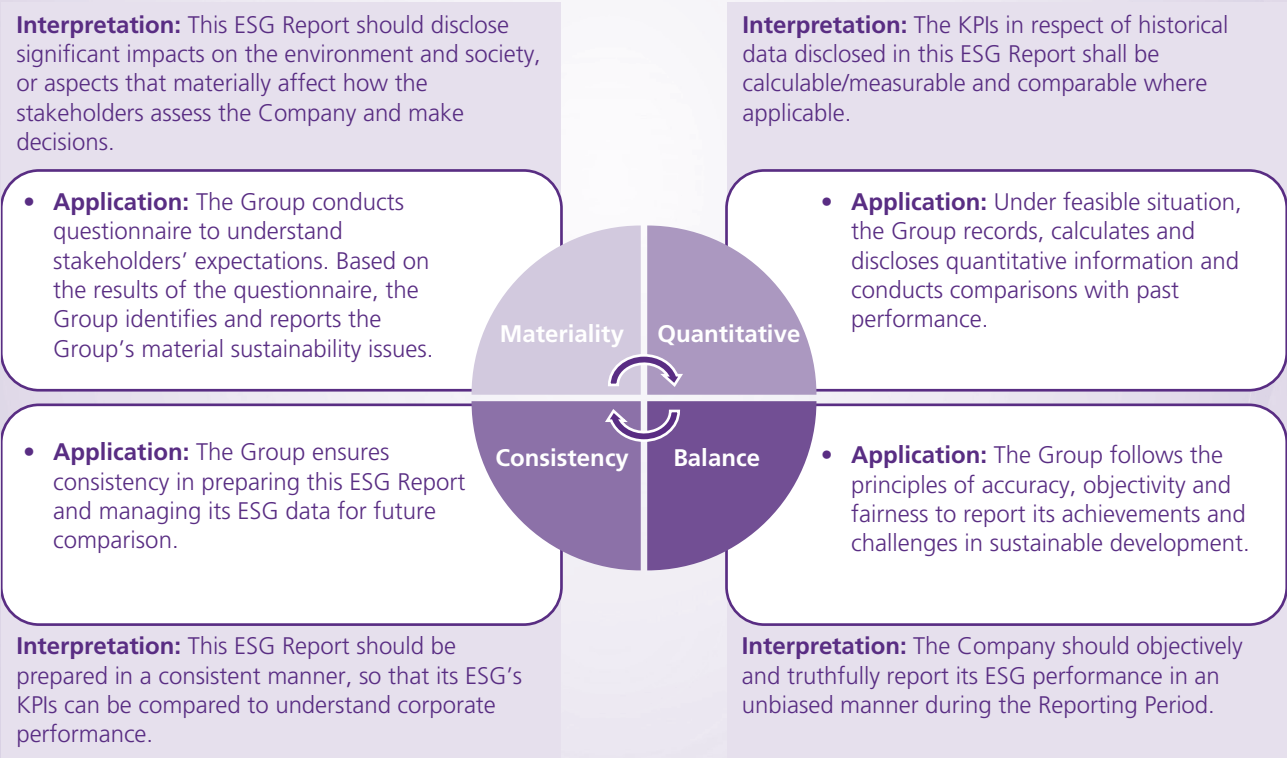
Comparing to the Reporting Scope of 2023, which included offices in Hong Kong, Shanghai, Shenzhen, Tianjin and Suzhou, this ESG Report also includes the environmental and social performance of the Xiamen office, which has been recognized as one of the Group’s key offices due to its significant contribution to revenue and allocation of human resources during the Reporting Period. Meanwhile, the Tianjin office, which was included in the previous year’s reporting scope was closed down in March 2024 and is therefore no longer included in the Reporting Scope for the Reporting Period. The Group will continue to assess the impacts of its business on the major ESG aspects and to include the results of such assessment in this ESG Report.

## REPORTING BASIS

This ESG Report is prepared in accordance with the ESG Reporting Guide (the “**ESG Guide**”, which has been renamed as the ‘Environment, Social and Governance Reporting Code’ since January 1, 2025) as set out in Appendix C2 to the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM Listing Rules**”) and Rule 17.103 under Chapter 17 of the GEM Listing Rules. The Group has complied with the mandatory disclosure requirements and the “comply or explain” provisions set out in the ESG Guide. Certain key performance indicators (“**KPIs**”), which are considered material by the Group are disclosed during the Reporting Period, the Group will continue to optimize and improve the disclosure of KPIs.



During its preparation, the Group adhered to the reporting principles of materiality, quantitative, balance and consistency by:



### RISK MANAGEMENT

The Group identifies and manages ESG risks in order to achieve its business objectives and ensure its stable development. We adopt a risk management system under a top-down risk management structure. The Board has the overall responsibility of maintaining sound ESG risk management and internal control systems within the Group. Through exercising oversight on the Group’s management and active and conducive communication with management personnel and employees who are involved in the day-to-day operation of the Group’s business, the Board is able to identify material ESG risks in the aspects of emissions, consumption of resources, impact on natural resources and climate change, as well as other social aspects pertaining to our Group. As part of this, the Board is responsible for identifying and assessing the Group’s significant ESG risks, determining related risk levels, and formulating counter measures which management implements through relevant departments and business units. The Board is also responsible for reviewing and monitoring the effectiveness of the Group’s ESG risk management and internal control systems, and for ensuring that the Group has taken reasonable measures to manage significant risks. The Group believes that ESG risks have gradually become an important factor in its business, and has taken the approach to incorporate ESG risks into its routine risk management process as a means of enhancing its overall risk evaluation, prioritizing and management and control capabilities.

## APPROVAL OF THE REPORT

This ESG Report was approved by the Board on 24 March 2025.

## CONTACT INFORMATION

The Group welcomes your feedback on this ESG Report for its sustainability initiatives. Please contact us through the Company's website at [www.grandpowerexpress.com](http://www.grandpowerexpress.com).

## STAKEHOLDER ENGAGEMENT

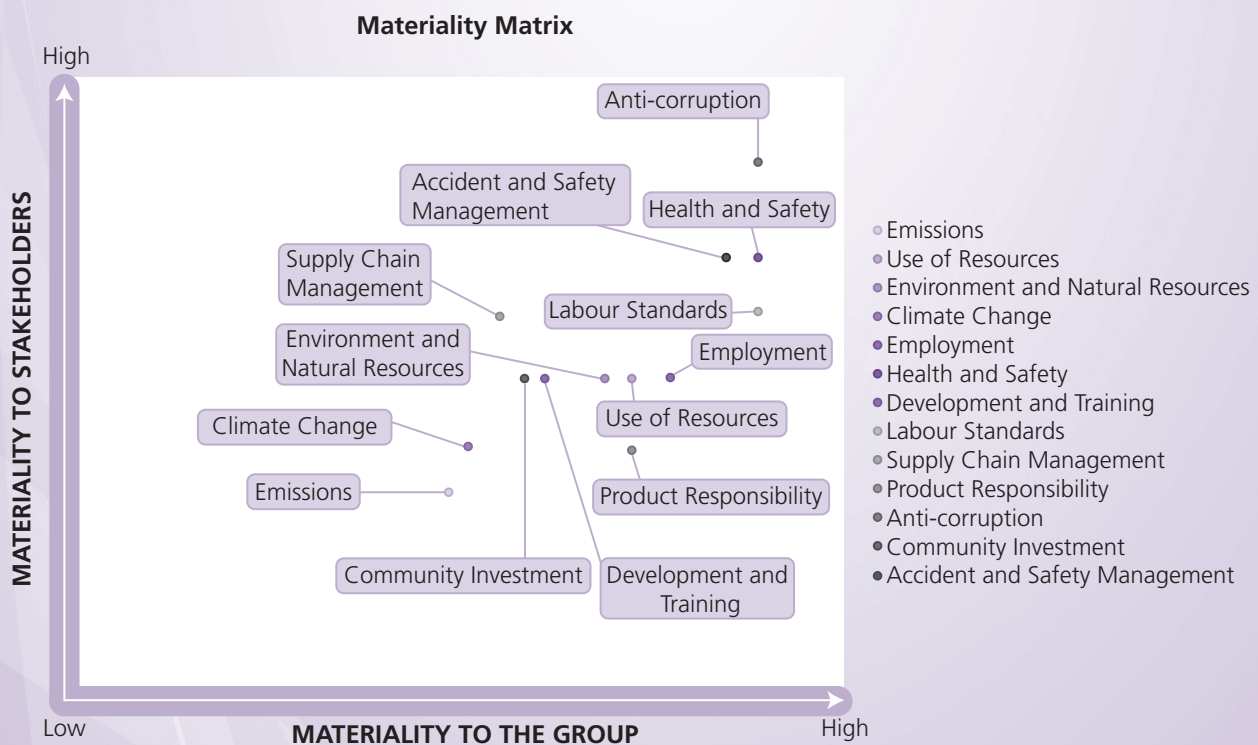
We identified the key stakeholders of our business operations and interacted with our stakeholders regularly through various communication channels. The following table illustrates the issues of concern of our major stakeholders and the methods we use to communicate with them:

Stakeholders	Expectation	Engagement Channels	Measures
Government	– Abide by laws and regulation	– On-site inspections and checks	– Operated, managed and settled taxes according to laws and regulations, strengthened safety management – Cooperated with the government's supervision, inspection and evaluation
	– Timely tax payment	– Company's website	
	– Promote regional economic development and employment		
Shareholders and investors	– Provide high transparency of information disclosure	– Annual general meeting and shareholders' meetings	– Issued notices of general meetings and proposed resolutions according to the GEM Listing Rules – Disclosed corporate information by publishing annual reports, interim reports, quarterly reports and announcements – Disclosed corporate contact details on Company's website and in reports and ensured all communication channels are available and effective
	– Protect shareholders' rights and interests	– Annual report, interim report and corporate announcements	
		– Company's website	

Stakeholders	Expectation	Engagement Channels	Measures
Employees	<ul style="list-style-type: none"> <li>– Education and training</li> <li>– Career development opportunities</li> <li>– Healthy and safe working environment</li> <li>– Safeguard the rights and interests of employees</li> </ul>	<ul style="list-style-type: none"> <li>– Employee communication</li> <li>– Training, seminars and briefing sessions</li> <li>– Intranet and emails</li> </ul>	<ul style="list-style-type: none"> <li>– Provided healthy and safe working conditions and environment</li> <li>– Provided training to employees</li> <li>– Provided attractive remuneration packages</li> </ul>
Customers	<ul style="list-style-type: none"> <li>– Provide safe and high-quality products and services</li> <li>– Stable business relationship</li> <li>– Uphold business ethics</li> </ul>	<ul style="list-style-type: none"> <li>– Company's website, brochures and annual reports</li> <li>– Email and customer service hotline</li> <li>– Complaint handling mechanism</li> <li>– Regular meetings</li> <li>– Sales representatives' visits</li> </ul>	<ul style="list-style-type: none"> <li>– Provided prompt, quality and customized services</li> <li>– Maintained transparent and open communication channels between the Company and customers</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>– Long-term cooperation</li> <li>– Strong business relationship</li> </ul>	<ul style="list-style-type: none"> <li>– Suppliers' reviews and assessments</li> <li>– Regular meetings</li> </ul>	<ul style="list-style-type: none"> <li>– Performed contractual obligations according to agreements</li> <li>– Enhanced daily communication and established long-term cooperation with quality suppliers and contractors</li> </ul>
Public and communities	<ul style="list-style-type: none"> <li>– Discharged social responsibilities</li> <li>– Community involvement</li> </ul>	<ul style="list-style-type: none"> <li>– Charity and social investment</li> <li>– Annual report</li> </ul>	<ul style="list-style-type: none"> <li>– Maintained transparent and open communication channels between the Company and communities</li> </ul>

## MATERIALITY ASSESSMENT

In order to better understand stakeholders' opinions and expectations on the Group's ESG performance, the Group has adopted a systematic approach to conduct the annual materiality assessment, by inviting relevant stakeholders (as mentioned in the section headed "STAKEHOLDER ENGAGEMENT" in this ESG Report) to participate in the materiality survey and rate the potentially significant issues, and taking the Group's business development strategies and industry practices as reference. The Group analyzed the results of the materiality survey into a materiality matrix. The identified significant issues and stakeholders' concerns will be reviewed and discussed with the management and disclosed in this ESG Report. During the Reporting Period, the Group's materiality matrix is as follows:





## A. ENVIRONMENTAL ASPECTS

### Aspect A1: Emissions

Due to the nature of our business, our Group's operations do not directly generate industrial pollutants, and as such our Group did not incur direct costs of compliance with applicable environmental protection rules and regulations in past years. Our Board expects that our Group will not directly incur significant costs for compliance with applicable environmental protection rules and regulations in the future.

The Group is committed to reducing its impact on the environment and its carbon footprint whilst pursuing our quest to deliver quality services with competitive prices to our customers. Consumption of fuel and energy has been a significant contributor to greenhouse gases ("**GHGs**", individually, "**GHG**") as well as other environmental concerns. The Group has adopted various practical measures to reduce the use of natural resources (thus in turn reduce emissions) as mentioned in "Aspect A2: Use of Resources" in this ESG Report.

Regarding waste, no material hazardous and non-hazardous wastes were generated during the Reporting Period in view of our nature of business. The Group therefore did not set quantitative targets for reducing waste production as it is considered immaterial. However, the Group remains committed to minimizing waste generation and promoting sustainable practices across its operations. As part of our efforts to reduce environmental impact, the Group has implemented the following waste minimization practices:

- **Paper Reduction:** The Group encourages the use of electronic document processing systems to minimize paper usage. Employees are also advised to print or photocopy on both sides of paper, whenever applicable.
- **Digital Communication:** To reduce the use of physical materials, the Group promotes digital communication channels such as emails, virtual meetings, and electronic reporting.
- **Responsible Disposal:** Any minimal waste generated, such as from office supplies, is handled in accordance with local waste disposal regulations to ensure proper treatment and minimal environmental impact.

The Group will continue to assess waste management practices and explore additional opportunities to further reduce waste generation and contribute to environmental sustainability.

During the Reporting Period, there was no material breach of or non-compliance with the applicable laws and regulations relating to air and GHG emissions, discharges into water and land, generation of hazardous and non-hazardous waste and environmental protection by the Group. The Group will continue to assess, record and disclose its GHG emissions and other environmental data annually, and evaluate the effectiveness of existing measures.



**A. ENVIRONMENTAL ASPECTS** *(Continued)*

**Aspect A1: Emissions** *(Continued)*

In addition, the Group advocates emission reduction, and is committed to achieving sustainable operations. To this end, we have set preliminary directional targets in terms of reducing emissions (including air pollutants and GHG). The Group will review the progress and explore more opportunities for various environmental protection goals. In the future, we will set more specific quantitative environmental goals to nurture the environment and cherish natural resources.

Environmental aspects	Targets	Steps taken to achieve the targets
Air Pollutants Emissions	Maintain or reduce the intensity of air pollutant emissions in 2025 compared to 2024	<ul style="list-style-type: none"><li>– Carrying out regular maintenance of vehicles with good condition for operational efficiency</li><li>– Encouraging the use of public transportation</li></ul>
GHG Emissions	Maintain or reduce the intensity of GHG emissions in 2025 compared to 2024	<ul style="list-style-type: none"><li>– Adopting LED lighting in some offices</li><li>– Setting the temperature of air-conditioning systems between 25°C and 26°C</li><li>– Switching off lights and unnecessary energy-consuming devices when they are not in use</li><li>– Promoting environmental protection measures such as saving water and electricity by means of slogans or posters in the office</li></ul>

## A. ENVIRONMENTAL ASPECTS *(Continued)*

### Aspect A1: Emissions *(Continued)*

Besides, the Group had developed the 2024 environmental target for air pollutant emissions and GHG emissions, and the results as at the end of Reporting Period are as follows:

Environmental KPI	Targets	Baseline Year	Results as at the end of Reporting Period
The intensity of air pollutant emissions	Maintain or reduce the intensity of air pollutant emissions in 2024 compared to 2023.	2023	Target achieved
The intensity of GHG emissions	Maintain or reduce the intensity of GHG emissions in 2024 compared to 2023.	2023	Target achieved

Major air pollutant emissions from vehicles during the Reporting Period and the corresponding period in 2023 are as follows:

Air Pollutant Emissions		
Type of Air Pollutants	2024 Air Pollutant Emissions (kg)	2023 Air Pollutant Emissions (kg)
Sulphur Dioxide	0.0231	0.0739
Nitrogen Oxides	1.1015	5.4839
Particulate Matter	0.0811	0.4038
<b>Total</b>	<b>1.2056</b>	<b>5.9616</b>
<b>Intensity (kg/revenue HK\$'000)</b>	<b>0.0000012</b>	<b>0.0000073</b>

Notes:

1. The calculation of the air pollutant emissions is based on the "How to prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs" issued by the Stock Exchange.
2. During the Reporting Period, air pollutant emissions decreased compared to the corresponding period in 2023, primarily due to the increased use of electric vehicles and a decrease in the use of fuel-powered vehicles.

## A. ENVIRONMENTAL ASPECTS *(Continued)*

### Aspect A1: Emissions *(Continued)*

During the Reporting Period and the corresponding period in 2023, details of the GHG emissions from the Group's operations are set out below:

Type of GHG emissions	GHG Emissions	
	2024 Equivalent CO <sub>2</sub> emissions (tonnes)	2023 Equivalent CO <sub>2</sub> emissions (tonnes)
Scope 1	4.18	13.37
Scope 2	55.21	54.90
<b>Total</b>	<b>59.39</b>	<b>68.27</b>
<b>Intensity (tonne/revenue HK\$'000)</b>	<b>0.00006</b>	<b>0.00008</b>

*Notes:*

1. The calculation of the GHG emissions is based on the "How to prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs" issued by the Stock Exchange.
2. Scope 1 mainly refers to direct emissions from vehicles owned by the Group.
3. Scope 2 mainly refers to indirect emissions from the generation of purchased electricity consumed by the Group.
4. Scope 3 emissions, are not included in this ESG Report as the Group is still in the process of developing a robust methodology to accurately measure and disclose these emissions across its operations. The Group is prioritizing the enhancement of its data collection systems and expanding its monitoring capabilities. While Scope 3 emissions are currently not reported, the Group acknowledges the potential significance of these emissions and plans to assess the materiality in the future.
5. During the Reporting Period, GHG emissions decreased compared to the corresponding period in 2023, primarily due to the increased use of electric vehicles and a decrease in the use of fuel-powered vehicles.

## **A. ENVIRONMENTAL ASPECTS** *(Continued)*

### **Aspect A2: Use of Resources**

The Group places high priority on the efficient use of resources. The major resources used by the Group are fuels, electricity and water.

The Group uses water mainly for daily needs of employees in the course of office operation. The Group has been vigorously advocating water conservation, encouraging all employees and customers to develop a habit of saving water, and guiding employees to use water reasonably. The Group is also committed to improving energy efficiency and advocating resource conservation. By implementing appropriate energy and material management programs in each business segment, we can positively influence our environment and economy while also ensuring business sustainability.

The Group strives to improve the efficient use of natural resources, such as minimizing waste/emissions and implementing effective recycling program. Practical measures are implemented as follows:

- adopting LED lighting in some offices;
- setting the temperature of air-conditioning systems between 25°C to 26°C;
- switching off lights and unnecessary energy-consuming devices when they are not in use;
- promoting environmental protection such as saving water and electricity by means of slogans or posters in the office;
- using electronic document processing systems to minimize the use of paper;
- using online meeting tools to reduce business trips;
- encouraging printing or photocopying on both sides of paper, where applicable;
- carrying out regular maintenance of vehicles with good condition for operational efficiency;
- adopting the use of electric cars; and
- focusing on quality management to reduce wastage and scrap resulting in less pollution.



## A. ENVIRONMENTAL ASPECTS *(Continued)*

### Aspect A2: Use of Resources *(Continued)*

During the Reporting Period and the corresponding period in 2023, the Group had not consumed significant packaging materials due to our business nature. The Group's core activities, which primarily focus on air and ocean freight forwarding services, do not involve the production, manufacturing, or direct handling of goods that require substantial packaging materials. However, the Group remains committed to promoting environmental sustainability. Additionally, the Group will continue to monitor its packaging material usage as part of its broader resource efficiency efforts and will explore opportunities to integrate sustainable practices where applicable.

Details of energy and water consumption by the Group during the Reporting Period and the corresponding period in 2023 are set out below:

#### Energy Consumption

Type of energy	2024 Energy consumed (kWh '000)	2023 Energy consumed (kWh '000)
Unleaded petrol	15.22	48.70
Purchased electricity	130.10	131.90
<b>Total</b>	<b>145.32</b>	<b>180.60</b>
<b>Intensity (kWh '000/revenue HK\$'000)</b>	<b>0.00014</b>	<b>0.00022</b>

*Note:*

1. The calculation of energy consumption is based on the "How to prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs" issued by the Stock Exchange.
2. During the Reporting Period, Energy Consumption decreased compared to the corresponding period in 2023, primarily due to the increased use of electric vehicles and a decrease in the use of fuel-powered vehicles.

## A. ENVIRONMENTAL ASPECTS *(Continued)*

### Aspect A2: Use of Resources *(Continued)*

#### Water Consumption

	2024 (m <sup>3</sup> )	2023 (m <sup>3</sup> )
Running water consumed	324.70	265.92
Intensity (m <sup>3</sup> /revenue HK\$'000)	0.00031	0.00032

*Note:* During the Reporting Period, water consumption increased compared to the corresponding period in 2023, primarily due to the growing number of employees in Shenzhen offices and the expansion of business activities.

The Group did not encounter any problem in sourcing water that was fit for purpose and did not note any abnormal water usage during the Reporting Period.

The Group will continue to assess, record and disclose its resource usage data annually, and evaluate the effectiveness of existing measures.

In addition, the Group advocates energy and resources saving, and is committed to achieving sustainable operations. To this end, we have set preliminary directional targets in terms of energy use efficiency and water efficiency. The Group will review the progress and explore more opportunities for various environmental protection goals. In the future, we will set more specific quantitative environmental goals to nurture the environment and cherish natural resources.

## A. ENVIRONMENTAL ASPECTS *(Continued)*

### Aspect A2: Use of Resources *(Continued)*

Environmental aspects	Targets	Steps taken to achieve the targets
Energy Conservation	Maintain or reduce the intensity of energy consumption in 2025 compared to 2024.	<ul style="list-style-type: none"> <li>– Adopting LED lighting in some offices</li> <li>– Setting the temperature of air-conditioning systems between 25°C and 26°C</li> <li>– Switching off lights and unnecessary energy-consuming devices when they are not in use</li> </ul>
Water Conservation	Maintain or reduce the intensity of water consumption in 2025 compared to 2024.	<ul style="list-style-type: none"> <li>– Promoting environmental protection such as saving water and electricity by means of slogans or posters in the office</li> </ul>

Besides, the Group had developed the 2024 environmental targets for energy consumption and water consumption, and the results as at the end of Reporting Period are as follows:

Environmental KPI	Targets	Baseline Year	Results as at the end of Reporting Period
The intensity of energy consumption	Maintain or reduce the intensity of energy consumption in 2024 compared to 2023.	2023	Target achieved
The intensity of water consumption	Maintain or reduce the intensity of water consumption in 2024 compared to 2023.	2023	Target achieved

## **A. ENVIRONMENTAL ASPECTS** *(Continued)*

### **Aspect A3: The Environment and Natural Resources**

The Group raises staff awareness on environmental issues through education and training and enlists employees' support in improving the Group's performance, promotes environmental awareness among customers, business partners and shareholders, supports community activities in relation to environmental protection and sustainability, and evaluates and monitors regularly the impact of past and present business activities upon health, safety and environmental matters. With the integration of policies mentioned in the sections headed "Aspect A1: Emissions" and "Aspect A2: Use of Resources" of this ESG Report, the Group strives to minimize the impacts on the environment and natural resources. The principal business activities of the Group do not have a significant impact on the environment and natural resources.

### **Aspect A4: Climate Change**

Climate change has caused frequent extreme weather and has an impact on the business operations of the Group. In response, the Group has established mechanisms to identify, prevent, and mitigate potential climate change-related risks which could significantly impact its operations. A climate risk assessment exercise was implemented by the Group in identifying and mitigating climate-related risks. The Group's management and operating departments identify material risks via self-assessment questionnaires annually. Regarding the material risks identified, the Group organizes and develops prevention and control measures. The operating departments would then organize the supervision of material risks prevention and control, and report the material risks to the management. Relevant operating departments arrange the implementation of the material risks prevention and control measures, continuously monitor the implementation, and timely report the progress or any issues encountered to the management. At the same time, we would adjust the use of resources and energy. In response to disasters and accidents which are easily induced by extreme weather, we always enhance the capability to the disaster response.



**A. ENVIRONMENTAL ASPECTS** *(Continued)*

**Aspect A4: Climate Change** *(Continued)*

***Physical Acute Risk***

The Group has identified extreme weather such as typhoons, heavy rain and flooding that can cause physical acute risks. The potential consequences include delivery or shipment delays or even damage to employees' health and life. The above potential consequences can lead to economic losses and increased operating costs to the Group.

The Group has established different measures as set out below to prevent and minimize the negative effect of extreme weather:

Physical Acute Risks	
Extreme weather	Preventative and mitigation measures
Typhoons	<ul style="list-style-type: none"><li>– Close office operation with advance notice</li><li>– Inform staff to stay home if Typhoon Signal No.8 is hoisted during working hours</li><li>– Inform and negotiate with clients and forwarders regarding potential shipment delays in advance</li></ul>
Heavy rain and Flooding	<ul style="list-style-type: none"><li>– Inform staff to stay home if Black Rainstorm Warning is hoisted during working hours</li><li>– Require staff who are already at work to stay at the office unless the location is dangerous</li></ul>

## A. ENVIRONMENTAL ASPECTS *(Continued)*

### Aspect A4: Climate Change *(Continued)*

#### ***Physical Chronic Risks***

The Group has identified extreme weather such as extremely hot weather which can cause physical chronic risks. The potential consequences include a higher chance of getting heatstroke for employees, an increasing turnover rate and work-related injuries. The demand for cooling for the working environment will be increased, which may lead to an increase in power demand and operating costs of the Group.

The Group has established different measures as set out below to prevent and minimize the negative effects of extreme weather.

#### **Physical Chronic Risks**

<b>Extreme weather</b>	<b>Preventative and mitigation measures</b>
Extremely hot weather	<ul style="list-style-type: none"><li>– Keep windows open to facilitate ventilation</li><li>– Keep a first-aid kit readily available</li><li>– Keep cold water available at all times</li></ul>

#### ***Transitional Risks***

The Group has identified related matters such as the tightened laws and regulations imposed by the government which can cause transitional risks. The potential consequences include a higher chance of breach of relevant laws and regulations.

The Group has established different measures as described below to prevent and minimize the negative effects of transitional risks.

## A. ENVIRONMENTAL ASPECTS *(Continued)*

### Aspect A4: Climate Change *(Continued)*

#### **Transitional Risks** *(Continued)*

Transitional Risks	
Climate-related risks description	Preventative and mitigation measures
<b>Legal risk</b>  We have to adapt to the tightened laws and regulations imposed by the government or any regulatory bodies due to climate change, as well as bear the risk of potential litigation once we fail to comply with the new regulations.	<ul style="list-style-type: none"><li>– Monitored the updates of environmental laws and regulations in advance</li><li>– Continued monitoring of the ESG reporting standards of the Hong Kong Listing Rules</li></ul>
<b>Market risk</b>  More customers are concerned about climate-related risks and opportunities, which may lead to changes in customer preference.	<ul style="list-style-type: none"><li>– Fulfilled the climate-related regulations set by the government and any requirements from our customers</li><li>– Prioritize climate change as a high concern in the market decisions to demonstrate to the clients that the company is concerned about the problem of climate change</li></ul>
<b>Reputational risk</b>  The Group being perceived as environmentally unfriendly may invite backlash from consumers and investors, affecting brand value and financial performance.	<ul style="list-style-type: none"><li>– Establish channels for feedback to listen to the opinions of consumers and investors, and adjust environmental strategies accordingly</li></ul>
<b>Technology risk</b>  The rising demand for sustainable technology or solutions to address climate change may increase operating costs, in turn, the failure to invest in new technologies may cause increases in expenditure.	<ul style="list-style-type: none"><li>– Closely monitor and evaluate the progress of new technology research and development, and strengthen control over investments in new technologies through cost analysis, investment return analysis, and other means</li></ul>

## B. SOCIAL ASPECTS

### Aspect B1: Employment

We believe that we have always maintained a good working relationship with our employees. The Group believes that a key to our success is our ability to recruit, retain, motivate and develop talented and experienced staff members. We have a recruitment policy in place to maintain a fair and effective recruitment procedure. Under such policy, we normally recruit employees with the appropriate skills, both technical and personal, in order to meet our current and future needs and to ensure that the appointed employees are qualified and competent to carry out the duties.

We entered into individual labor contracts with each of our employees in accordance with the applicable labor laws in Hong Kong and the People's Republic of China ("PRC"), which cover matters such as wages, employee benefits and grounds for termination. The remuneration package which our Group offers to our employees includes salary, bonuses, allowances and medical benefits. In general, we determine an employee's salary based on each employee's qualifications, experience, capability as well as the prevailing market remuneration rate.

The Group strictly complies with national and local government regulations, including but not limited to the Labor Law of the PRC\*(《中華人民共和國勞動法》), the Employment Promotion Law of the PRC\*(《中華人民共和國就業促進法》), the Labor Contract Law of the PRC\*(《中華人民共和國勞動合同法》) and the Employment Ordinance (Chapter 57 of the Laws of Hong Kong), the Sex Discrimination Ordinance (Chapter 480 of the Laws of Hong Kong), the Race Discrimination Ordinance (Chapter 602 of the Laws of Hong Kong), the Family Status Discrimination Ordinance (Chapter 527 of the Laws of Hong Kong), by adopting a fair, just and open recruitment process to eliminate discrimination in the recruitment process, whose employees face no discrimination regardless of race, gender, color, age, family background, ethnic tradition, religion, physical fitness and nationality, thus allowing them to enjoy a fair treatment in every aspect including recruitment, salary, training and promotion, labor contract termination and retirement, with an endeavor to attract professionals with diverse backgrounds joining the Group. The Group is committed to providing equal opportunities in all respects and maintaining employee diversity, and strongly prohibit any unfair treatment. We also ensure that there is gender diversity when recruiting staff at middle to senior levels, engage more resources in career development and conduct female staff training with the aim of promoting them to the senior management or directorship of our Company.

During the Reporting Period, there was no material non-compliance regarding recruitment and promotion, compensation and dismissal, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare brought against the Group or its employees.



## B. SOCIAL ASPECTS *(Continued)*

### Aspect B1: Employment *(Continued)*

Below is a detailed breakdown of our employees within the Reporting Scope by gender, age group, employee category, geographical region and employment type as at 31 December 2024 and as at 31 December 2023:

	2024		2023	
	Number of staff	% of total	Number of staff	% of total
<b>By gender</b>				
Male	21	56.8	21	51.2
Female	16	43.2	20	48.8
Total	37	100.0	41	100.0
<b>By age group</b>				
25 or below	2	5.4	2	4.9
26-40	13	35.1	16	39.0
41-50	15	40.6	18	43.9
51 or above	7	18.9	5	12.2
Total	37	100.0	41	100.0
<b>By employee category</b>				
General	17	46.0	20	48.8
Supervisor	12	32.4	12	29.3
Middle and Senior Management	8	21.6	9	22.0
Total	37	100.0	41	100.0
<b>By geographical region</b>				
Hong Kong	22	59.46	28	68.3
PRC	15	40.54	13	31.7
Total	37	100.0	41	100.0
<b>By employment type</b>				
Full-time	36	97.3	40	97.6
Part-time	1	2.7	1	2.4
Total	37	100.0	41	100.0

## B. SOCIAL ASPECTS *(Continued)*

### Aspect B1: Employment *(Continued)*

Below is a detailed breakdown of the turnover rate of our employees employed within the Reporting Scope by gender, age group and geographical region as at 31 December 2024 and as at 31 December 2023. They are defined by the categories of employees leaving employment divided by the average number of employees in those specified categories during the Reporting Period.

	2024		2023	
	Number of staff	% of total	Number of staff	% of total
<b>Turnover rate by gender</b>				
Male	4	19.0	3	14.6
Female	8	44.4	5	25.6
Overall	12	30.8	8	20.0
<b>Turnover rate by age group</b>				
25 or below	1	50.0	–	–
26-40	4	27.6	5	29.4
41-50	2	12.1	2	11.8
51 or above	5	83.3	1	20.0
Overall	12	30.8	8	20.0
<b>Turnover rate by geographical region</b>				
Hong Kong	8	32.0	7	26.4
PRC	4	28.6	1	7.4
Overall	12	30.8	8	20.0

*Note:*

1. Turnover rate for employees in the relevant categories =  $L(x)/E(x) \times 100$ ,  $L(x)$  = Number of employees leave employment in the specified category,  $E(x)$  = The average total number of employees at the beginning and end of the Reporting Period in the specified category.

## **B. SOCIAL ASPECTS** *(Continued)*

### **Aspect B2: Health and Safety**

We place a strong emphasis on the occupational safety of our staff. To demonstrate our care for employees' health and safety, the Group established a safe and healthy working environment and policy for all employees by establishing monitoring procedures for safety management. The policies include but not limited to the following:

- posting warning signs on bright and transparent glass doors, where appropriate, to avoid collision;
- cautioning employees to carefully store and work with sharp items such as paper knives, scissors and tacks to prevent injury;
- cautioning employees to keep long hair or loose clothing away from the shredder's feed opening and turn off the shredder before removing and emptying the waste box or cleaning the shredder;
- placing computer screens at right angles to the window to avoid unfavorable reflection of light;
- prohibiting smoking in the office premises;
- prohibiting storage of excessive inflammables in the office premises;
- prohibiting blocking or locking exit doors (which should give access to an open and safe area) or passageways;
- preventing obstruction to access to fire facilities and educate employees on the usage of fire equipment such as fire extinguishers and fire hoses and reels;
- recommending that employees take a break after long periods of continuous work;
- providing personal protective and medical supplies in the office, such as first aid kits, masks, and rapid test kits even after COVID-19;
- providing air purification equipment in the office and regularly cleaning air conditioners;
- recommending that employees keep a comfortable viewing distance from the computer screen; and
- educating employees on the correct postures when handling heavy objects.

## **B. SOCIAL ASPECTS** *(Continued)*

### **Aspect B2: Health and Safety** *(Continued)*

During the Reporting Period, there were no material accidents nor claims for personal or property damage. There were also no interruptions or non-compliances in our business which may or have a significant impact on our Group during the Reporting Period.

We also maintain insurance coverage for employees' compensation, medical, social securities and public liability insurance. Additionally, the Group organizes employee gatherings from time to time to foster closer connections among team members, strengthen team cohesion, support mental well-being, and enhance employees' sense of belonging to the Company.

In each of the past 3 years including the Reporting Period, no work-related fatalities or lost days due to work injury were recorded; and the Group was not aware of any material non-compliance with the relevant laws and regulations, such as the Occupational Safety and Health Ordinance (Chapter 509 of the Laws of Hong Kong), which relate to providing a safe working environment and protecting employees from occupational hazards and have significant impacts on the Group.

The Group has established an internal management team which is responsible for monitoring the implementation of the aforementioned occupational health and safety policies and measures.

### **Aspect B3: Development and Training**

Our management considers our employees to be key assets that play a pivotal role in our continuous growth. It is our policy to maximize the potential of our employees through training and development. Our employee training and development aim to equip our employees with the knowledge and skills necessary to perform their job functions and enhance their capabilities.

We encourage our staff to participate in the training courses requested by relevant government departments, such as the Civil Aviation Department for practitioners in the logistics field.

During the Reporting Period, we arranged our staff to take part in the Dangerous Goods Regulations and Regulated Agent courses hosted by a consultancy corporation. We believe it is a win-win approach for achieving both employees and corporate goals as a whole.



## B. SOCIAL ASPECTS *(Continued)*

### Aspect B3: Development and Training *(Continued)*

Below is a detailed breakdown of the percentage of employees who received training by gender and employee category during the Reporting Period and the corresponding period in 2023:

	2024		2023	
	Number of staff who received training	Percentage of employees who received training in the category <sup>1</sup>	Number of staff who received training	Percentage of employees who received training in the category
<b>By employee category</b>				
General	–	–	2	10.0
Supervisor	2	16.7	6	50.0
Middle and Senior Management	4	50.0	–	–
<b>Overall</b>	<b>6</b>	<b>16.2</b>	<b>8</b>	<b>19.5</b>
<b>By gender</b>				
Male	5	23.8	6	28.6
Female	1	6.3	2	10.0
<b>Overall</b>	<b>6</b>	<b>16.2</b>	<b>8</b>	<b>19.5</b>

## B. SOCIAL ASPECTS *(Continued)*

### Aspect B3: Development and Training *(Continued)*

Below is a detailed breakdown of the composition of employees who received training by gender and employee category during the Reporting Period and the corresponding period in 2023:

	2024		2023	
	Composition of employees who received training in the category <sup>2</sup> (%)		Composition of employees who received training in the category (%)	
	Number of staff who received training		Number of staff who receive training	
<b>By employee category</b>				
General	–	–	2	25.0
Supervisor	2	33.3	6	75.0
Middle and Senior Management	4	66.7	–	–
<b>Total</b>	<b>6</b>	<b>100.0</b>	<b>8</b>	<b>100.0</b>
<b>By gender</b>				
Male	5	83.3	6	75.0
Female	1	16.7	2	25.0
<b>Total</b>	<b>6</b>	<b>100.0</b>	<b>8</b>	<b>100.0</b>

*Note:*

1. The calculated percentage represents the proportion of employees in the specified category who have participated in training (including the employees who resigned during the Reporting Period), out of the total employees in that specified category.
2. The calculations are made with reference to the methods, assumptions and guidelines set out in the following Guidance and Standards: HKEX's Appendix 3: Reporting Guidance on Social KPIs in "How to prepare an ESG Report", to calculate the percentage of employees trained. Percentage of employees trained in the relevant categories =  $T(x)/T \times 100$ ,  $T(x)$  = Number of employees who took part in training in the specified category,  $T$  = Number of total employees who took part in training.

## B. SOCIAL ASPECTS *(Continued)*

### Aspect B3: Development and Training *(Continued)*

Below is a detailed breakdown of the training hours received by employees by gender and employee category during the Reporting Period and the corresponding period in 2023:

	2024		2023	
	Total number of training hours	Average Number of training hours per employee	Total number of training hours	Average Number of training hours per employee
<b>By employee category</b>				
General	–	–	10	0.5
Supervisor	54	4.5	84	7.0
Middle and Senior Management	4	0.5	–	–
<b>Total</b>	<b>58</b>	<b>1.6</b>	<b>94</b>	<b>2.3</b>
<b>By gender</b>				
Male	57	2.7	84	4.0
Female	1	0.1	10	0.5
<b>Total</b>	<b>58</b>	<b>1.6</b>	<b>94</b>	<b>2.3</b>

*Note:*

1. Average training hours for employees in relevant categories = Total number of training hours for employees in the specified category / Number of employees in the specified category.

## **B. SOCIAL ASPECTS** *(Continued)*

### **Aspect B4: Labor Standards**

The Group is fully aware that child labor and forced labor violate fundamental human rights and pose threat to sustainable social and economic development. The Group strictly complies with relevant labor laws in Hong Kong and PRC, such as the Labor Law of the PRC\*(《中華人民共和國勞動法》), the Labor Contract Law of the PRC\*(《中華人民共和國勞動合同法》), the Regulations on Paid Annual Leave for Employees of the PRC\*(《中華人民共和國職工帶薪年休假條例》), the Social Insurance Law of the PRC\*(《中華人民共和國社會保險法》) and Regulations on Management of Housing Provident Fund of the PRC \*(《中華人民共和國住房公積金管理條例》), as well as the Employment Ordinance (Chapter 57 of the Laws of Hong Kong).

The Group strictly prohibits the employment of any child labor and forced labor. To prevent any form of child labor in the business operation, employment is only be permitted for staff at the legal age of employment. New employees are required to provide true and accurate personal data when they are employed. Recruiters should strictly review the entry data including medical examination reports, academic credentials, ID cards, household registration, degree certificates and other information. The Group has established comprehensive recruitment procedures to check candidates' background in order to prevent any child labor or forced labor in operation. Once any violation is found, the Group will follow up in a more serious manner and handle such case in accordance with national and local laws and regulations, and the Group's internal rules depending on the actual situation. For example, we will timely examine the child's education status, and timely contact the local education department and its guardian to escort the child home.

The Group and its employees signed legal labor contracts in accordance with laws, which ensures that employees can resign within the terms of their employment contract, so that there is no compulsory use of labor. For the use of false information or in violation of the provisions of the Group, the Group will terminate the probation period or the labor contract immediately.

Employment contracts and other records documenting all relevant details of the employees (including age) are properly maintained for verification by relevant statutory bodies upon request.

During the Reporting Period, (i) we did not identify any issue relating to child labor or forced labor within the Group that had a significant impact on the Group; and (ii) we had complied with all the laws and regulations as mentioned above.



## B. SOCIAL ASPECTS *(Continued)*

### Aspect B5: Supply Chain Management

Our suppliers include airlines, freight forwarders and shipping liners for cargo space and other suppliers for logistics related services such as transportation and warehousing related services. We had 157 suppliers (2023: 190) during the Reporting Period, which are mainly from the PRC (including Hong Kong, Macau and Taiwan), etc. and are all subject to suppliers' engagement practices outlined below. Below is a detailed breakdown of our Group's suppliers by geographical region during the Reporting Period and the corresponding period in 2023:

	2024		2023	
	Number of suppliers	% of total	Number of suppliers	% of total
<b>By geographical region</b>				
The PRC (including Hong Kong, Macau and Taiwan)	156	99.4	186	97.9
Other regions	1	0.6	4	2.1
Total	157	100.0	190	100.0

We source cargo space from our suppliers under different arrangements including direct booking, block space arrangements and flight charters. We have long established business relationships with various international airlines since 2009. Our relationship with airlines has been recognized, as we were granted various awards by different airlines in the past years. To maximize our flexibility in securing cargo space, we also source cargo space from other freight forwarders depending on their cargo spaces' availability, capacity, routing and timing. Our ability to secure cargo space from these airlines as well as other freight forwarders enable us to reach a wide range of destinations.

## **B. SOCIAL ASPECTS** *(Continued)*

### **Aspect B5: Supply Chain Management** *(Continued)*

The Group selects cargo space suppliers for each shipment by taking into account various factors, such as rate, delivery schedule and availability of cargo spaces. The Group works closely with its suppliers who are committed to high quality, environmental, health and safety standards. They are not considered to pose any significant environmental and social risks to the Group's business operations. The Group has maintained high level of ethical standards for choosing the right providers through careful selection and continuous measurement. For selection of suppliers, in order to ensure the quality of our suppliers, we implement certain quality control procedures over our suppliers:

- (i) Suppliers' selection – We maintain a list of approved suppliers which we review and update from time to time. We generally select suppliers based on their track record, their availability, ability or capability to handle relevant orders and the cost of service. In addition, we evaluate if the suppliers consider the environmental and social criteria including the prohibition on the recruitment of child and forced labor, eliminating discrimination to employees, providing a safe working environment, considering if the products and services provided are beneficial to environmental protection and fulfilling the Group's internal environmental requirement while minimizing the negative impact on the natural environment, and strictly obeying the law. The Group monitors the environmental and social performance of its suppliers to ensure that its requirements are met, and to reduce the environmental and social risks along the supply chain.
- (ii) Price and performance review – We review the performance, turnaround time and pricing terms offered by our suppliers on a routine basis. We also assess whether a supplier has sufficient resources and skills to fulfill our requirements. If any suppliers repeatedly fail to meet our quality standards without immediate rectification, we may terminate the agreement with the suppliers.
- (iii) Licenses check – We will check whether the supplier possesses the relevant licenses for operating their business.

The Group has established an internal management team which is responsible for monitoring the implementation of the aforementioned procedures.

## **B. SOCIAL ASPECTS** *(Continued)*

### **Aspect B6: Product Responsibility**

Our customers include freight forwarders and direct customers (i.e. customers that are not freight forwarders who purchase cargo space from our Group and directly ship their consignments, for example, manufacturers which directly ship their products to their customers through purchasing cargo space directly from our Group, or buyers of goods which arrange shipment by themselves).

The Group strictly adheres to the applicable laws and did not identify any material non-compliance with the relevant laws and regulations on health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress during the Reporting Period.

#### ***Quality control***

We believe our established reputation and track record are important factors influencing customers' choice over freight forwarders. We have provided freight forwarding services to hundreds of customers, including direct customers and freight forwarders during the Reporting Period. We have maintained business relationships with our customers for years. We believe that this is an indication of the customers' loyalty and recognition of our service quality. We are of the view that even though our Group does not enter into fixed-term contracts with its customers, our Group, with its good reputation and track record, is able to retain existing customers and attract new customers.

In addition, having established a foothold in the freight forwarding market in Hong Kong since 2002 and expanded our Group's presence into the PRC since 2004, our directors believe that our Group's established reputation and our track record of over 20 years are important factors affecting customers' choice over freight forwarders. Over the 20 years of track record, our Group has weathered various crisis in the global economy, in particular, the global financial crisis in 2008 and 2012, and successfully operated in the past difficult business/financial environments. Over the years, our Group has adapted to the ever-changing global economy by establishing a sustainable and proven business model to position our Group to meet the demands of the freight forwarding market in Hong Kong by striving for a larger market share when the opportunities arise, and maintaining a sustainable business operation when the market condition is challenging.

## **B. SOCIAL ASPECTS** *(Continued)*

### **Aspect B6: Product Responsibility** *(Continued)*

#### **Quality control** *(Continued)*

Further, our quality of service has been recognized by The International Air Transport Association (“**IATA**”) as evidenced by the certificates issued by the association to us for more than 10 years. It is an industry practice that airlines generally only offer cargo space to freight forwarders who are IATA accredited agents. In order to become an IATA accredited agent, an applicant has to, among other requirements, have at least two staff members who have attended recognized training courses on handling dangerous goods. An applicant also has to submit its audited financial statements, insurance policies and sales reports on IATA member airlines for inspection by IATA to demonstrate that it has sufficient financial resources which are satisfactory to IATA. By being an IATA accredited agent, we believe that our quality of service is recognized by the association. At the same time, with the quality of our freight forwarding services, our comprehensive knowledge and excellent performance in freight and logistics, we have acquired the membership of International Federation of Freight Forwarders Associations (“**FIATA**”) and World Cargo Alliance (“**WCA**”) China Global for 3 consecutive years. Since, the performance of suppliers are closely related to the service quality we provide, being a member of these associations will enable us to find qualified and reliable freight forwarders, and establish long-term cooperation with overseas partners, so as to provide high-quality services for our customers. Such accreditation also serves as an entry barrier to the freight forwarding industry as it takes time to build up the reputation in the industry. We consider such recognitions as one of the key factors leading to our success.

#### **Customer services**

We generally do not have any specific agreements with our customers on liability for damage of goods during transit and we maintain insurance policies to cover such losses, which is an industry norm. We maintain insurance policies to cover claims against us from our customers for damage or loss on their goods. We did not encounter any incident relating to liability for damage of goods of a material nature, did not recall any items due to safety and health reasons, and did not implement any recall procedures, as our business operation did not involve the sales of products during the Reporting Period.

Our customer service team handles general enquiries, complaints and feedback from customers. We did not receive any material complaint or claim from our customers in relation to our services during the Reporting Period.



## **B. SOCIAL ASPECTS** *(Continued)*

### **Aspect B6: Product Responsibility** *(Continued)*

#### ***Intellectual Property Rights***

The Group makes timely applications to register its new trademarks, labels and product designs to protect its intellectual property rights. Internal legal personnel and external legal advisers are hired to provide legal advice on the protection and infringement (if any) of intellectual property rights. The Group also requires its employees to keep trade secrets and other proprietary intellectual property rights of the Group confidential.

The Group is the registrant of 10 domain names and had registered one trademark in Hong Kong. We had not experienced any infringement to our intellectual property during the Reporting Period which had a material adverse effect on our business, results of operations, financial condition and prospects, and we had not received any infringement claims nor had we filed any infringement claims against any third party during the Reporting Period.

#### ***Consumer Data Protection and Privacy***

The Group values the privacy of personal data. We strictly comply with the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong) and Personal Information Protection Law of the PRC\*(《中華人民共和國個人信息保護法》) in our operations and adopt them as our Personal Data Privacy Policy.

The collective objective of the data protection principle is to ensure that personal data is collected on a fully informed basis and in a fair manner, with due consideration towards minimizing the amount of personal data collected. Once collected, the personal data should be processed in a secure manner and should only be kept for as long as necessary for the fulfilment of the purposes of using the data. Use of the data should be limited or related to the original collection purpose. Data subjects are given the right to access and make correction to their data.

The Group has established an internal management team which is responsible for monitoring the implementation of the aforementioned policy.

## **B. SOCIAL ASPECTS** *(Continued)*

### **Aspect B7: Anti-corruption**

To ensure operational efficiency and employees' development in a fair and honest working environment, the Group has formulated whistleblowing policy in the corporate governance manual to promote business ethics and integrity so as to avoid suspected corruption, extortion and money laundering. Our employees are encouraged to report suspected cases of corruption within the Group through channels such as letter and email. All these practical actions not only win the trust of customers, but also enhance the sense of belonging and fair play among our employees.

During the Reporting Period, we had engaged an external professional agency to provide anti-corruption training, including seminars and case studies, to our directors and staff. Looking ahead, we will invest more resources in our anti-corruption training and expand the scope of anti-corruption training data disclosure.

The Group has been in strict compliance with laws and regulations related to anti-corruption and the prevention of bribery, extortion, fraud and money laundering, including but not limited to the Company Law of the PRC\*(《中華人民共和國公司法》), the Tendering and Bidding Law of the PRC\*(《中華人民共和國招標投標法》), and the Prohibition of Commercial Bribery Interim Provisions of the PRC\*(《中華人民共和國禁止商業賄賂行為的暫行規定》) and the Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Chapter 615 of the Laws of Hong Kong) and the Prevention of Bribery Ordinance (Chapter 201 of the Laws of Hong Kong).

Whistle-blowers can report verbally or in writing to the audit committee of the Company (the "Audit Committee") for any suspected misconduct with supporting evidence. The Audit Committee will conduct investigations against any suspicious or illegal behavior to protect the Group's interests. The Group has established an effective grievance mechanism to protect the whistle-blowers from unfair dismissal or victimization. In addition, requirements related to the prevention of bribery are also listed in our Employee Manual. Employees should not solicit or accept any such advantage when carrying out their duties. If employees are offered any such advantage, they should not accept it but refer the matter to their Department Head. Where any crime is suspected by the Group, a report will be submitted promptly to the relevant regulators or law enforcement authorities when the management of the Group considers it necessary. The management of the Group is responsible for overseeing the implementation and monitoring of the Group's measures to prevent bribery, extortion, fraud and money laundering and whistleblowing procedures.

## **B. SOCIAL ASPECTS** *(Continued)*

### **Aspect B7: Anti-corruption** *(Continued)*

During the Reporting Period, the Group did not identify any material non-compliance of laws and regulations related to the prevention of bribery, extortion, fraud and money laundering, and there was no legal case regarding corrupt practices, extortion and money laundering brought against the Group or its employees.

### **Aspect B8: Community Investment**

As a socially responsible company, the Group is committed to understanding the needs of the communities in which we operate. The Group strives to develop long-term relationships with our stakeholders and seek to make contributions to programs which have a positive impact on community development. The Group has always been concerned about the health issue of the vulnerable groups. Despite that no donations were made during the Reporting Period (2023: Nil), the Group is considering the appropriate resources to contribute in order to strike a balance between financial conditions and social investment in the future.

## REFERENCES TO THE ESG GUIDE

Subject areas, aspects, general disclosures and KPIs		Chapter/Disclosure
<b>A. Environmental</b>		
<b>Aspect A1: Emissions</b>		
<b>General Disclosure</b>	Information on:	Emissions
	(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.	
KPI A1.1	The types of emissions and respective emissions data.	Emissions
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity.	Emissions
KPI A1.3	Total hazardous waste produced and, where appropriate, intensity.	Emissions
KPI A1.4	Total non-hazardous waste produced and, where appropriate, intensity.	Emissions
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	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



## Subject areas, aspects, general disclosures and KPIs

## Chapter/Disclosure

### Aspect A2: Use of Resources

<b>General Disclosure</b>	Policies on the efficient use of resources, including energy, water and other raw materials.	Use of Resources
<b>KPI A2.1</b>	Direct and/or indirect energy consumption by type in total and intensity	Use of Resources
<b>KPI A2.2</b>	Water consumption in total and intensity.	Use of Resources
<b>KPI A2.3</b>	Description of energy use efficiency target(s) set and steps taken to achieve them.	Use of Resources
<b>KPI A2.4</b>	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
<b>KPI A2.5</b>	Total packaging material used for finished products and, if applicable, with reference to per unit produced.	Use of Resources

### Aspect A3: The Environment and Natural Resources

<b>General Disclosure</b>	Policies on minimizing the issuer's significant impact on the environment and natural resources.	Emissions, Use of Resources and The Environment and Natural Resources
<b>KPI A3.1</b>	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Emissions, Use of Resources and The Environment and Natural Resources

### Aspect A4: Climate Change

<b>General Disclosure</b>	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Climate Change
<b>KPI A4.1</b>	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

## Subject areas, aspects, general disclosures and KPIs

## Chapter/Disclosure

### B. Social

#### Employment and Labor Practices

##### Aspect B1: Employment

**General Disclosure** Information on: Employment

(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.

**KPI B1.1** Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region Employment

**KPI B1.2** Employee turnover rate by gender, age group and geographical region. Employment

##### Aspect B2: Health and Safety

**General Disclosure** Information on: Health and Safety

(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.

**KPI B2.1** Number and rate of work-related fatalities occurred in each of the past three years including the reporting year. Health and Safety

**KPI B2.2** Lost days due to work injury. Health and Safety

**KPI B2.3** Description of occupational health and safety measures adopted, and how they are implemented and monitored. Health and Safety

## Subject areas, aspects, general disclosures and KPIs

## Chapter/Disclosure

### Aspect B3: Development and Training

<b>General Disclosure</b>	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities	Development and Training
<b>KPI B3.1</b>	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Development and Training
<b>KPI B3.2</b>	The average training hours completed per employee by gender and employee category.	Development and Training

### Aspect B4: Labor Standards

<b>General Disclosure</b>	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 labor.	Labor Standards
<b>KPI B4.1</b>	Description of measures to review employment practices to avoid child and forced labor.	Labor Standards
<b>KPI B4.2</b>	Description of steps taken to eliminate such practices when discovered.	Labor Standards

## Operating Practices

### Aspect B5: Supply Chain Management

<b>General Disclosure</b>	Policies on managing environmental and social risks of the supply chain.	Supply Chain Management
<b>KPI B5.1</b>	Number of suppliers by geographical region.	Supply Chain Management
<b>KPI B5.2</b>	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
<b>KPI B5.3</b>	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply Chain Management
<b>KPI B5.4</b>	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply Chain Management

## Subject areas, aspects, general disclosures and KPIs

## Chapter/Disclosure

### Aspect B6: Product Responsibility

<b>General Disclosure</b>	Information on:	Product Responsibility
	(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, labeling and privacy matters relating to products and services provided and methods of redress.	
<b>KPI B6.1</b>	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Product Responsibility
<b>KPI B6.2</b>	Number of products and service related complaints received and how they are dealt with.	Product Responsibility
<b>KPI B6.3</b>	Description of practices relating to observing and protecting intellectual property rights.	Product Responsibility
<b>KPI B6.4</b>	Description of quality assurance process and recall procedures.	Product Responsibility
<b>KPI B6.5</b>	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Product Responsibility

### Aspect B7: Anti-corruption

<b>General Disclosure</b>	Information on:	Anti-Corruption
	(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.	
<b>KPI B7.1</b>	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Anti-Corruption
<b>KPI B7.2</b>	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Anti-Corruption
<b>KPI B7.3</b>	Description of anti-corruption training provided to directors and staff.	Anti-Corruption



## Subject areas, aspects, general disclosures and KPIs

## Chapter/Disclosure

### Community

#### Aspect B8: Community Investment

<b>General Disclosure</b>	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Community Investment
<b>KPI B8.1</b>	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	Community Investment
<b>KPI B8.2</b>	Resources contributed (e.g. money or time) to the focus area.	Community Investment

*\* For identification purpose only*