



FORWARD FASHION  
HOLDINGS

# Forward Fashion (International) Holdings Company Limited

## 尚晉(國際)控股有限公司

*(incorporated in the Cayman Islands with limited liability)*

Stock Code : 2528



**Environmental, Social and  
Governance Report 2019**

# CONTENTS

	Page
ABOUT THIS REPORT	2
Scope of the Report	2
Reporting Standard	2
Contact & Feedback	2
STAKEHOLDER ENGAGEMENT	3
MATERIALITY ASSESSMENT	4
CUSTOMER SATISFACTION	7
Services/Product Excellence	7
Supply Chain Management	8
RESPONSIBLE EMPLOYMENT	10
Employment Practices	10
Healthy and Safe Workplace	12
Development and Training	13
OPERATIONAL SUSTAINABILITY	15
Business Integrity	15
Environmental Protection	16
HKEx ESG REPORTING GUIDE INDEX	18

## ABOUT THIS REPORT

Forward Fashion (International) Holdings Company Limited (the “Company”) with its subsidiaries (hereafter the “Group”) principally engages in the retail of fashion apparel of international brands ranging from established designer label brands, popular global brands to up-and-coming brands in Mainland China, Macau, Hong Kong and Taiwan. With over 10 years of experience in the fashion industry, the Group possesses an extensive distribution network that includes over 200 self-operated stores and managed stores and a talent force of over 1500 throughout Macau, Mainland China, Hong Kong and Taiwan. To stay at the forefront of the fashion industry, apart from building up a strong reputation on its brand and store quality, the Group is committed to integrating sustainability principles into the Group’s strategic planning and daily operation through transparent measures, in view of delivering enduring value to the Group’s major stakeholders.

Having a deep ambition to construct long-term trusted ties with its stakeholders in the community, the Group is pleased to publish its first environmental, social and governance (“ESG”) report (the “Report”) summarizing the Group’s ESG performance and initiatives.

### *Scope of the Report*

As the Group’s fashion apparel retail operations in Macau contributed to more than one half of its revenue during the period from 1 January 2019 to 31 December 2019 (the “Reporting Period”, “FY2019”), this Report examines only the ESG management approaches, environmental and social performance and material topics of the Group’s core operations in Macau, as listed below:

- Macau Ieng Nam Limited; and
- Ieng Leong Company Limited.

The reporting boundary is defined by the materiality of the businesses. The Group selects operations which principally engage in the retail of fashion apparel and are Macau-based as the operations in Macau contribute to the major part of the Group’s total revenue.

### *Reporting Standard*

The Report has been prepared in accordance with the “Comply or Explain” provisions and the “Recommended Disclosure” of the Environmental, Social and Governance Reporting Guide under Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“HKEx ESG Reporting Guide”). Should there be any discrepancy between the English and Chinese versions, the English version shall prevail. The Report has been reviewed and approved by the Board of Directors of the Group.

### *Contact & Feedback*

The Group believes a strong trusted relationship with the community is critical for its business sustainability. The Group strives to manage its affairs for the best interests of its stakeholders; therefore, the Group treasures your feedback on this Report and its sustainability performance. If you have any comments or suggestions, please feel free to contact the Group via [ir@forward-fashion.com](mailto:ir@forward-fashion.com)

## STAKEHOLDER ENGAGEMENT

Engaging and responding to stakeholders is the cornerstone of the Group's overall governance and management approach. The Group regularly engages a broad group of key stakeholders to gauge how it can appropriately respond to their needs. It is vital for the Group to capture and understand how their views change and ultimately how it can implement improvement to the business today and in the future.

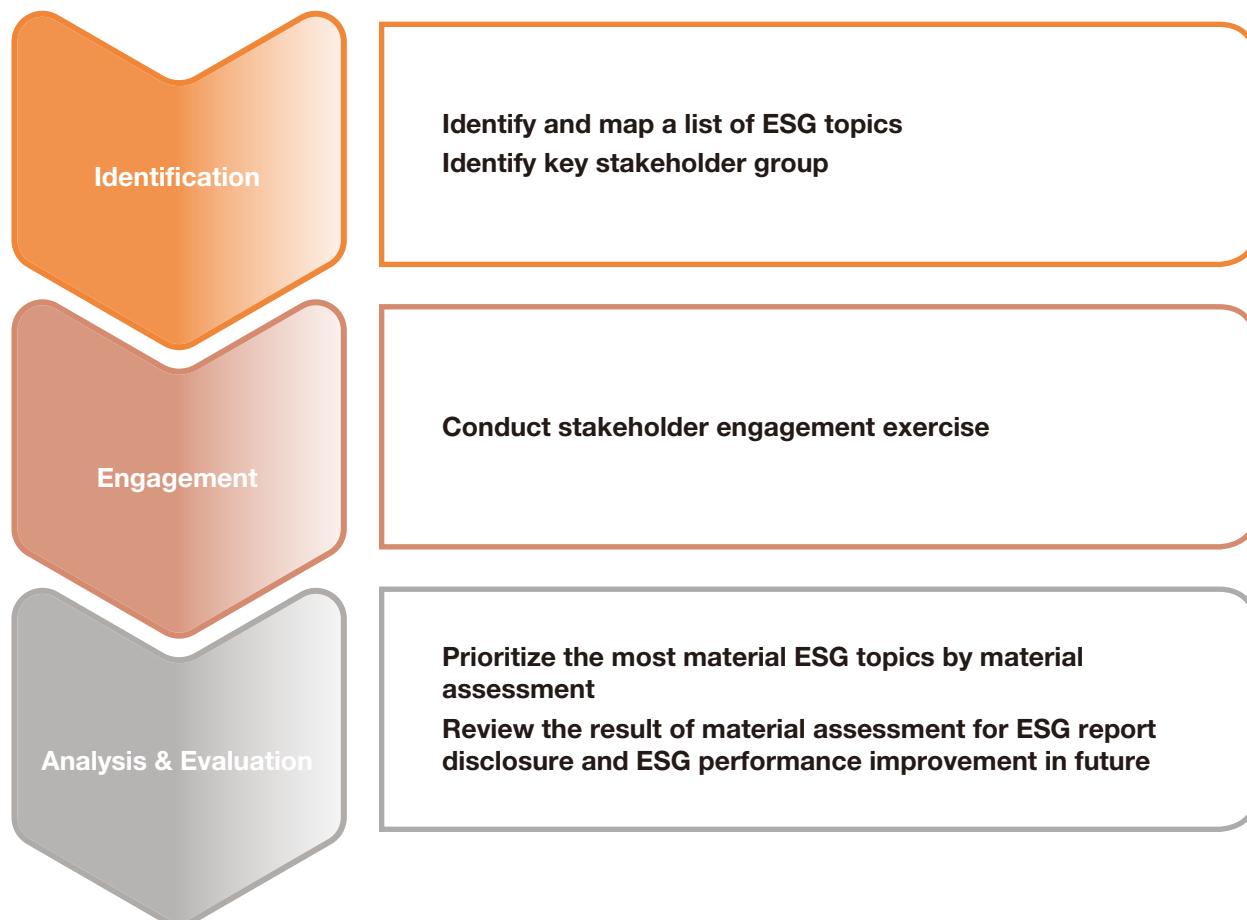


To identify stakeholders' insights and concerns in relation to business operations, the Group not only has identified key stakeholder groups which have concern about issues that may have a significant impact on its business or those who could be significantly affected by its operations, it also maintains regular communication with these groups through various channels, which are illustrated in the table below:

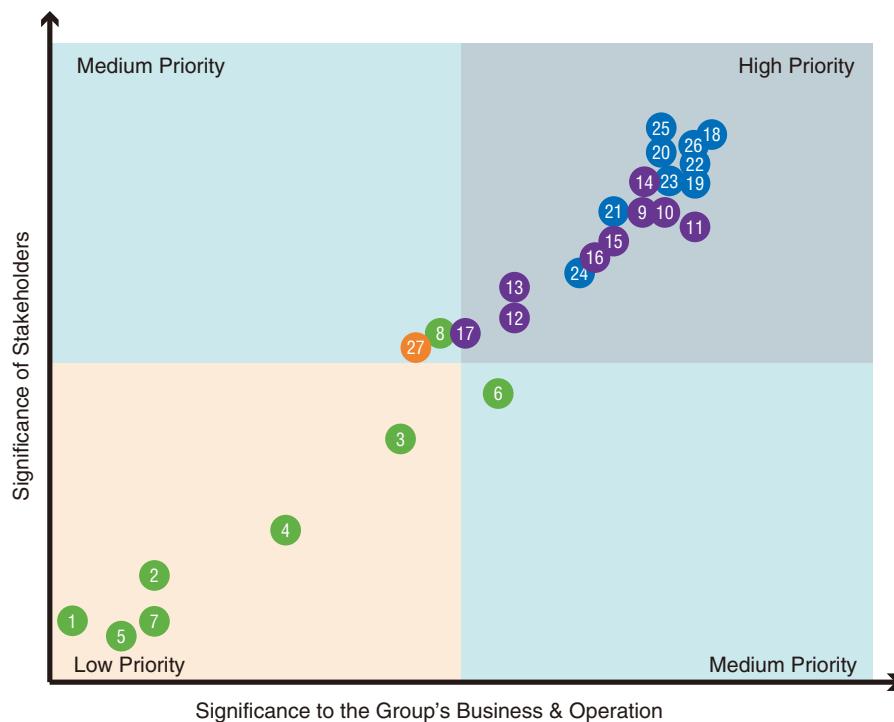
<b>Stakeholder groups</b>	<b>Communication channels</b>
Investors and shareholders	<ul style="list-style-type: none"> <li>• Company website</li> <li>• Company's announcements</li> <li>• Annual general meetings and special general meetings</li> <li>• Annual and interim reports</li> </ul>
Customers	<ul style="list-style-type: none"> <li>• Company website</li> <li>• Customer direct communication</li> <li>• Customer feedback and complaints</li> </ul>
Employees	<ul style="list-style-type: none"> <li>• Training and orientation</li> <li>• Emails and opinion box</li> <li>• Regular meetings</li> <li>• Employee performance evaluation</li> <li>• Employee activities</li> </ul>
Suppliers and business partners	<ul style="list-style-type: none"> <li>• Selection assessment</li> <li>• Procurement process</li> <li>• Performance assessment</li> <li>• Regular communication with business partners (e.g. emails, meetings, on-site visits etc.)</li> </ul>
Government authorities and regulators	<ul style="list-style-type: none"> <li>• Documented information submission</li> <li>• Compliance inspections and checks</li> <li>• Forums, conferences and workshops</li> </ul>
Non-governmental organizations	<ul style="list-style-type: none"> <li>• Emails</li> <li>• Phones</li> <li>• Charity donations</li> </ul>
Communities	<ul style="list-style-type: none"> <li>• Company website</li> <li>• Community activities</li> </ul>
Media	<ul style="list-style-type: none"> <li>• Company website</li> <li>• Company's announcements</li> </ul>

## MATERIALITY ASSESSMENT

In order to identify the ESG issues that are material to the Group in formulating the appropriate ESG strategies on ESG management and determining the direction of this Report, the Group has commissioned an independent consultant to conduct a materiality assessment in the form of an online questionnaire inviting stakeholders involved to fill in the questionnaire and identified twenty seven ESG issues in accordance with their relevance and importance to the business operations and the stakeholders themselves respectively.



Based on the scores of each of the ESG issues expressed by the stakeholders, the ESG issues are prioritized and shown in the materiality matrix below. The issues which fell in the upper right corner of the matrix were defined as the topics that mattered most to the Group's business operations and its stakeholders were concerned about.



<b>Environment</b>			<b>Social</b>		
		<b>Employment</b>			<b>Operation</b>
1. Air emission	9. Labour rights	18. Customer satisfaction			
2. Greenhouse gas emission	10. Labour-management relations	19. Customer service quality and complaints handling			
3. Climate change	11. Employee retention	20. Customer health and safety			
4. Energy efficiency	12. Diversity and equal opportunity	21. Marketing and product and service labelling compliance			
5. Water and effluents	13. Non-discrimination	22. Intellectual property			
6. Use of materials	14. Occupational health and safety	23. Customer privacy and data protection			
7. Waste management	15. Employee training	24. Responsible supply chain management			
8. Environmental compliance	16. Employee development	25. Business ethics			
	17. Prevention of child labour and forced labour	26. Socio-economic compliance			
<b>Community</b>					
27. Community investment					

Staying at the forefront of the fashion apparel retail industry, the Group regards customer satisfaction, responsible employment and operational sustainability as the three pillars of its sustainable growth. According to the results of the materiality matrix which is illustrated above, the Group should place tremendous attention on the operation and employment sustainability issues. Looking forward, the Group will continue to review and develop corresponding ESG policies and targets, as well as optimizing the ESG reporting disclosure in order to pursue continuous improvement in its ESG performance in future.



## CUSTOMER SATISFACTION

### *Services/Product Excellence*

Customer satisfaction is one of the top material issues of the Group according to its materiality assessment. This reinforces the importance of the Group's strategic focus on bringing quality products and services. The Group has therefore imposed a stringent quality standard for both its products and services in every single stage, from supplier engagement to product sale.



With the dedication to construct a fashion kingdom with the concept of a mix of luxury and contemporary brands with offerings from fashion to lifestyle collection, the Group devotes itself in gathering various international designer brands and the latest trending fashion and lifestyle goods. Having over 10 years of experience in the fashion apparel retail industry in Mainland China and Macau and leveraging its reputation in the industry, the Group operates mono-brand retail stores for over 30 international fashion brands. Apart from a wide variety of product choices, the Group is committed to building up an extensive business network for its customers' convenience, and has over 200 retail stores during the Reporting Period. Looking forward, the Group will continue to improve, advance, and innovate, with higher standards of retail operation and management among the fashion apparel retail industry. In addition, the Group will examine the turnover rate of its sales and business, the number of new brands and the number of new stores regularly to assess its service quality.

#### ***Key Indicators for Product and Service Quality***

1. Turnover rate of business and sales
2. Number of new brands
3. Number of new stores

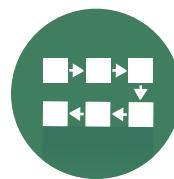
The Group endeavors to standardize its product and service quality in its retail stores. All of the products sold in the Group's retail stores should undergo visual inspection prior to sales. Products that do not meet the standards will be replaced or rectified by the Group's suppliers. Store inspection is conducted in both regular and irregular form to ensure that the product and service quality, staff team spirit, data management and training management are highly standardized.

In addition, the Group understands how important privacy means to its customers, and the Group by all means secures their privacy. Employees are prohibited from disclosing or divulging confidential information to unauthorized parties without prior consent from the Group as stipulated in the employment contract. Therefore, the Group strictly abides by the relevant laws and regulations such as Personal Data Protection Act in Macau related to privacy matters in Macau and the Group believes such compliance is the pre-requisite for its customers to build up trust and loyalty. During the Reporting Period, there is no breach of Personal Data Protection Act in Macau related to privacy matters in the Group.

Product responsibility issues of the Group mainly stem from the supply side due to the business nature of the fashion apparel retailing industry. Therefore, there are no laws and regulations pertaining to health and safety, advertising and labelling relating to products and services that have a significant impact on the Group. However, the Group has introduced stringent criteria for selecting suppliers that fully comply with laws and regulations related to product responsibility. Details will be illustrated in the following section. During the Reporting Period, the Group has not identified any breach of relevant laws and regulations pertaining to product responsibility among suppliers. Besides, no products sold or shipped were subject to recalls for safety and health reasons and no complaints relating to safety and health issues related to the Group's products and services were received during the Reporting Period.

### *Supply Chain Management*

Supply chain management is another cornerstone for securing product quality that satisfies customers' demands; thus, the Group is committed to establishing a close collaboration with qualified suppliers for its long-term development. The Group's reputation on reliability, dependability and consistency builds up the foundation of trust between suppliers and the Group.



The Group assesses all potential new suppliers based on stringent evaluation before entering into cooperation to ensure they are in line with the Group's standards and requirements regarding product quality, environmental awareness and safety. A brand introduction management system is established for exploring products that fulfil the Group's customers' ever-changing needs and expectations. It is then followed by a vetting process in their management and operational systems and standards through online research, brand exhibition, conference and site visit. A strong emphasis is laid on their corporate social responsibility. Procurement will not be made if suppliers generate severe environmental pollution or have products that potentially pose serious health issues or have practices that deprive labour rights, such as employment of child and forced labour, operating without a transparent working hour system or employee compensation insurance is identified after due diligence of potential suppliers. Suppliers that comply with international standards and requirements, such as ISO 9001, ISO 14001, ISO 18001, SA 8000, WRAP or other CSR accreditations are highly prioritized.

#### ***Criteria for Suppliers to Minimize Environmental and Social Risks***

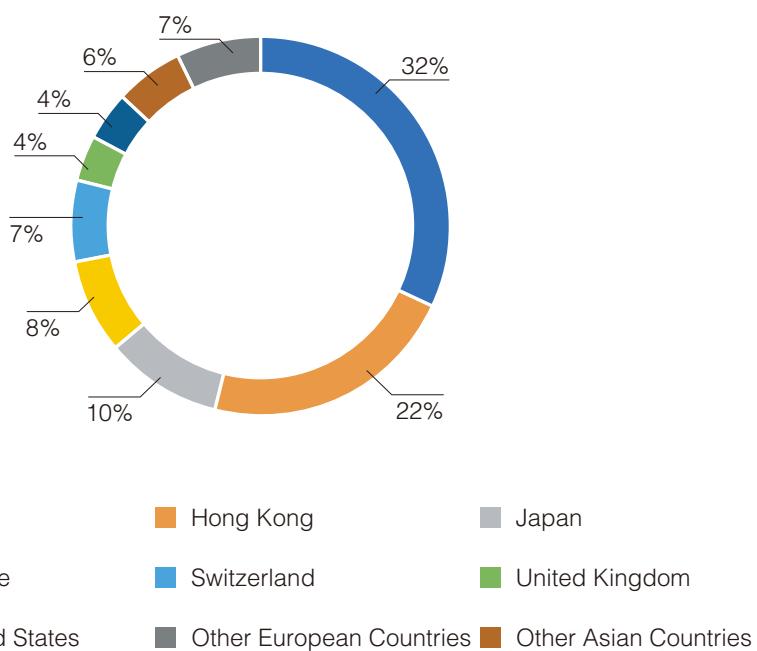
- No severe environmental pollution
- No serious potential health issues
- Respect labour rights
- Compliance with international standards and requirements
- Protect intellectual property rights

Besides, performance of existing suppliers will be reviewed annually, including their product and service quality. The goal is to evaluate and review all the Group's suppliers with consistent criteria regularly, and to act according to principles aligned with expectations. In order to minimize the potential environmental and social risks along the Group's supply chain, their efforts on environmental protection, safety management and intellectual property rights protection would be assessed at the same time. Suppliers are expected to possess a high environmental awareness and a proper protection of intellectual property rights, including provision of training for their employees during their operation. An effective safety management system that offers sufficient training and precautionary measures to their staff is also valued. Suppliers who fail to meet the standards should implement corrective actions promptly, and the Group will discontinue the business cooperation if they cannot pass its evaluation subsequently.

At the end of the Reporting Period, the Group has a total of 131 suppliers globally, ranging from Europe, the United States to Asia, all of which are under the policies of supplier management mentioned above. Suppliers from Italy and Hong Kong account for half of the Group's supplier chain. Most of them are fashion apparel suppliers. Distribution of suppliers by geographical region is illustrated below.

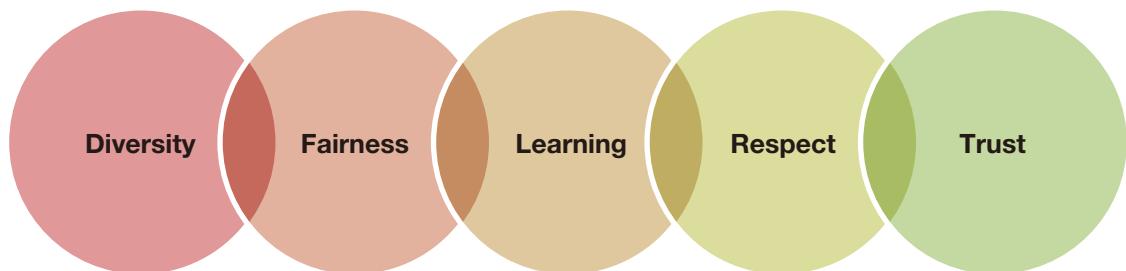
**Distribution of Suppliers by Geographical Region**

Italy	42	United Kingdom	5	Taiwan	2	Norway	1
Hong Kong	29	United States	5	Australia	1	Poland	1
Japan	13	Macau	3	Belgium	1	Spain	1
France	11	Mainland China	2	Germany	1	Sweden	1
Switzerland	9	Malaysia	2	Netherlands	1	<b>Total</b>	<b>131</b>



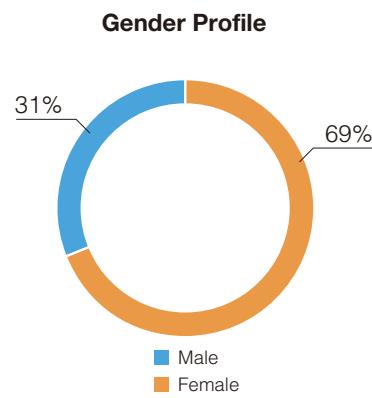
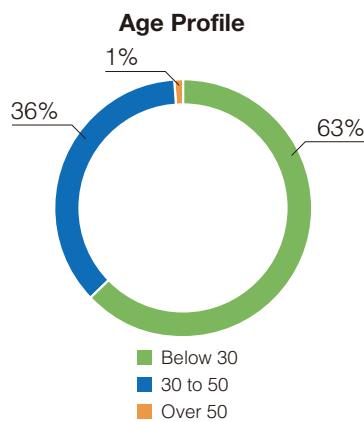
## RESPONSIBLE EMPLOYMENT

The Group believes attracting and retaining talents is the key to sustainable development of its business; thus, employment conditions and standards have always been the Group's prime concerns. With the growing concern about labour standards and rights in the Group as illustrated in the materiality assessment, the Group is committed to maintaining a quality workplace that values diversity, fairness, learning, respect and trust.

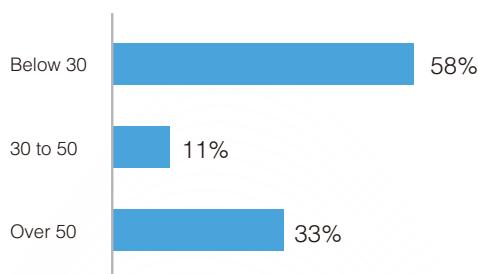


### *Employment Practices*

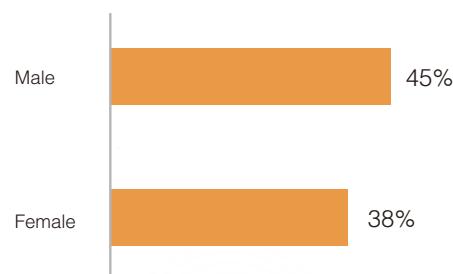
At the end of the Reporting Period, the total number of full-time employee is 413<sup>1</sup> in Macau. With retailing fashion apparel being the Group's principal business activities, its workforce is dominated by the younger generation. 99% of the employees is below 50 and 63% is below 30. The ratio of male to female employees is 4:9.



### **Turnover Rate by Age**



### **Turnover Rate by Gender**



<sup>1</sup> Total number only covers Macau Ieng Nam Limited and Ieng Leong Company Limited of the Group as at 31 December 2019.

Upholding the core principle of providing equitable and market-competitive remuneration packages that are commensurate with employees' experience, qualification and responsibilities, and that support the performance culture to enable the achievement of strategic business goals, the Group conducts salary review annually with reference to the Group's performance, general economic conditions, and the relevant trends and conditions in the market. In order to attract and retain experienced people of high calibre to oversee its business and development, the Group conducts benchmarking against a mix of regional and local practices, and in accordance with applicable regulations regularly. Besides, compensation and promotion opportunities are positively correlated to individual's performance. Performance appraisal is conducted biannually and upon completion of probation; thus, work performance of employees will be assessed and discussed regularly for their personal development. Qualified employees will be considered for job openings before outside candidates are sought based on the appraisal.

Besides, the Group seeks to foster a diverse workplace and prohibits any forms of discrimination, and insists that talents are hired, remunerated and promoted solely based on their education qualifications, abilities, knowledge and experience. There is zero tolerance for discrimination or harassment based on age, gender, race, disability, marital status or other non-work related reasons. Meanwhile, The Group is committed to providing equal opportunities for all employees in all aspects of their work, from recruitment, training to performance evaluation. Employees of all rankings are entitled to equal opportunities for training to ensure that they have adequate opportunities in career development.

The Group highly respects labour rights and is committed to protecting them. Apart from statutory holidays and paid annual leave, all of the Group's eligible staff are entitled to sick leave, maternity leave, paternity leave, compassionate leave, marriage leave, compensation leave and jury duty leave. Additional benefits, such as medical insurance, travel insurance, employees' compensation insurance, social security insurance, travel and meal allowances, clothing and staff discount benefits are offered to the Group's staff. Employees with outstanding performance are also rewarded with discretionary bonus. Furthermore, the Group promotes the culture of work-life balance by implementing fixed working hours so that working overtime is not encouraged. Besides, any forms of child or forced labour are strictly prohibited in the Group's business operations. All candidates qualified for employment must have reached the statutory required age and have been in possession of valid identification documents. All employees are required to enter into labour contracts for the prevention of forced labour and are employed on a voluntary and equal basis.

The Group also values employees' opinion and grievances. Employees are encouraged to report to their immediate supervisors or department heads in case of any unfair treatment or possible improprieties. All grievances or complaints received or settled will be reported to senior management for investigation if applicable. Disciplinary actions may be taken, and even be reported to the authorities in case of severe violations.

During the Reporting Period, the Group had no material non-compliance of Labour Relations Law in Macau relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, other benefits and welfare, and child and forced labour. Compliance of such laws and regulations showcases the Group's respect to labour rights so as to strengthen trust, loyalty and motivation of its employee.

### *Healthy and Safe Workplace*

The Group's retail business does not pose a high risk for workplace safety issues for its employees. However, the Group is aware that workers' health can be influenced by indoor air quality. The Group maintains a non-smoking policy and carried out periodic cleaning in both its offices and retail stores. In addition, fire drills are held regularly to ensure the employees are familiarized with evacuation routes, skills of evacuation, and proper application of the relevant equipment to handle in emergency situations. Emergency preparedness plans are in place to guide the Group's employees to report, respond and investigate in emergency situations.

The Group has also extended its stringent safety standards to its suppliers, demanding them to carry out relevant precautionary measures as mentioned in the Supply Chain Management section. During the Reporting Period, the Group has zero cases of work-related fatality and lost days due to work injury. The Group had no material non-compliance of laws and regulations relating to providing a safe working environment and protecting employees from occupational hazards that have a significant impacts on the Group.

Besides, the Group promotes a cohesive and harmonious labour and management relationship with the belief that mutual trust is the key of employees' loyalty. During the Reporting Period, the Group has organized a wide range of activities, which include training camp and festive gatherings. Through all these activities, the teams have enjoyed a work-life balance, developed a strong bonding among themselves and cultivated a sense of belonging.

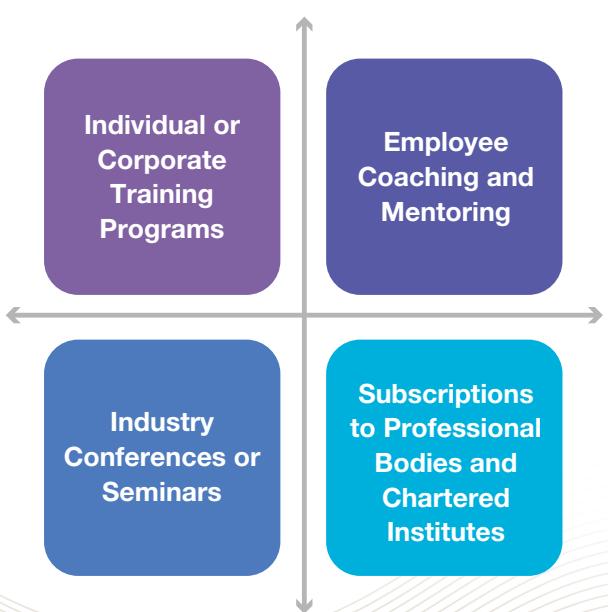


### *Development and Training*

The Group firmly believes that professional competency and development of the employees serve pivotal roles in its sustainable business growth, and it is vital to cultivate a continuous development culture and offer diversified training sessions for the people to unleash their talent and acquire new skills. It also assists the people in adapting to the Group's current regulations and practices, business environment and the Group's business direction and strategy.



The Group has explored various training opportunities for different departments by identifying employee's training needs and offering various training methods, such as lectures, workshops, digital training materials. During the Reporting Period, the Group has organized various training sessions conducted by both internal line trainers and external experts, covering topics which include product knowledge, technical and operational skills, and corporate governance and disclosure compliance for directors and senior management. Employees are encouraged to keep learning and apply their newly acquired skills to their work by on-the-job training practices, including mentoring and subscription to self-directed learning materials and journals.



During the Reporting Period, the Group's staff is entitled to various training opportunities with an average training hour of 9.39 per employee. The staff training profile is divided by gender and employee category as of 31 December 2019 and is illustrated in the table below:

<b>Training Profile</b>	<b>FY2019</b>
Annual average hours of training per employee and percentage (%) of employees who received training per month <sup>2</sup>	9.39 (12.2%)
By gender	
Female	9.64 (12.8%)
Male	8.85 (11.0%)
By employee category	
Management	11.81 (14.4%)
General staff	9.37 (11.9%)

<sup>2</sup> Percentage of employees who received training is calculated by dividing the number of trained employee of each category by total employee of that category.

## OPERATIONAL SUSTAINABILITY

### *Business Integrity*

As an ethical body, the Group upholds the highest level of business integrity and takes a zero-tolerance approach to acts of corruption, bribery, extortion and fraud. During the Reporting Period, there is no breach of the relevant laws and regulations relating to bribery, extortion, fraud and money laundering, including Anti-Money Laundering and Combating the Financing of Terrorism Notice of Macau. Besides, the Group or our employees are not involved in any legal cases related to corruption in Macau.



### Anti-corruption

Employees are strictly prohibited from offering or accepting any forms of advantages such as gifts, entertainment, rewards and commission under any circumstances. Infringement of the Group's policy is subject to dismissal or other disciplinary actions. All suspected cases on bribery, extortion, fraud, money-laundering and competitive behaviour will be investigated promptly and reported to the relevant authorities (e.g. The Commission Against Corruption) for further handling under any necessary circumstances.

### Conflict of Interests

Employees are required to declare any actual or potential conflict of interests, including direct or indirect involvement in or maintaining a relationship with another business concern or organization when such involvement or relationship may affect or influence the business conduct of the Group and is in conflict with the best interests of the Group. Employees who do not declare their conflict of interest promptly may subject to dismissal or other disciplinary actions.

### *Environmental Protection*

The Group seeing the importance of environmental stewardship, unswervingly pursues breakthroughs in setting itself on a green path to integrate environmental principles into its daily operation and supply chain management.



The Group's environmental impacts are mainly generated from suppliers and their goods and services. Therefore, the Group has applied a set of stringent environmental criteria on selecting suppliers as mentioned in the Supply Chain Management section. On the other hand, the Group attempts to minimize its consumption of energy, water and resources by the Group's own operation by the following measures.

#### **Electricity**

**Procure energy-saving equipment**

**Set all electrical appliances to energy saving mode and switch off when they are not in use**

**Conduct regular inspection and cleaning**

#### **Water**

**Repair timely for dripping, spraying and leaky faucets**

**Keep faucets off when they are not in use**

**Install water flow restrictors**

#### **Paper**

**Promote e-platform for internal information circulation**

**Encourage the use of recycled paper and double-sided printing**

#### **Equipment and Transport**

**Procure equipment that is refillable, reusable and recyclable**

**Store properly to keep resources in good conditions to avoid wastage**

**Carry out regular inspection and maintenance**

**Minimize unnecessary transportation including air travel**

The Group's environmental performance, including energy and water consumption and greenhouse gas emission during the Reporting Period are summarized in the table below. Information about direct and other indirect greenhouse gas emission (Scope 1 and 3) are not available. The Group will improve its data collection methodology in the coming reporting period. Besides, data of non-hazardous waste is not available as disposal of waste is controlled by the building management and no record is available for individual occupants.

<b>Environmental Performance</b>	<b>Unit</b>	<b>FY2019</b>
Greenhouse Gas Emission <sup>2</sup>	Tonne of carbon dioxide equivalent ("tCO <sub>2</sub> e")	1,938.55
Intensity	tCO <sub>2</sub> e per Full-time employee ("FTE")	4.69
Electricity Consumption <sup>3</sup>	kWh	2,195,411.94
	GJ <sup>4</sup>	7,903.48
Intensity	kWh per FTE	5,315.77
Water Consumption <sup>5</sup>	m <sup>3</sup>	23.00
Intensity	m <sup>3</sup> per FTE	0.06

The Group had no material non-compliance of laws and regulations relating to air and greenhouse gas emissions, discharges into water and land, generation of hazardous and non-hazardous waste and use of resources in Macau that have a significant impact on the Group during the Reporting Period.

<sup>2</sup> Only Scope 2 that relates to energy indirect GHG emissions, produced by the use of purchased electricity, is included. The calculation is based on the published emission factors of the 2019 Sustainability Report of CEM (Companhia de Electricidade de Macau), a public utility company in Macau.

<sup>3</sup> It covers the electricity consumption of the office and most of the retail stores of Macau Ieng Nam Limited and Ieng Leong Company Limited, as electricity consumption of some of the retail stores is controlled by the casino management and no sub-metering for individual occupants.

<sup>4</sup> The conversion factors from volumetric units of unleaded petrol and diesel oil consumption to energy units are in reference to CDP Technical note: Conversion of fuel data to MWh.

<sup>5</sup> It covers the office of Macau Ieng Nam Limited and Ieng Leong Company Limited only, and the supply and discharge of water of retail stores are controlled by the casino management and no sub-metering for individual occupants. There was no issue in sourcing water during the Reporting Period.

**HKEx ESG REPORTING GUIDE INDEX**

<b>HKEx ESG Reporting Guide General Disclosures &amp; KPIs</b>		<b>Explanation/Reference Section</b>
<b>Aspect A Environmental</b>		
<b>A1 Emission</b>	Information on: <ul style="list-style-type: none"> <li>– the policies; and</li> <li>– compliance with relevant laws and regulations that have a significant impact on the issuer</li> </ul> relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous wastes.	Operational Sustainability – Environmental Protection
KPI A1.1	The types of emissions and respective emissions data.	The Group's operation does not have significant emission
KPI A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Operational Sustainability – Environmental Protection
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	The Group's operation does not involve disposal of hazardous waste
KPI A1.4	Total non-hazardous waste produced (in tonnes) and where appropriate, intensity (e.g. per unit of production volume, per facility).	Information not available since disposal of waste is controlled by the building management
KPI A1.5	Description of measures to mitigate emissions and results achieved.	Operational Sustainability – Environmental Protection
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	Operational Sustainability – Environmental Protection
<b>A2 Use of Resource</b>	Policies on efficient use of resources including energy, water and other raw materials.	Operational Sustainability – Environmental Protection
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Operational Sustainability – Environmental Protection
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Operational Sustainability – Environmental Protection
KPI A2.3	Description of energy use efficiency initiatives and results achieved.	Operational Sustainability – Environmental Protection
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	Operational Sustainability – Environmental Protection
KPI A2.5	Total packaging material used for finished products (in tonnes), and, if applicable, with reference to per unit produced.	The Group's operation does not directly involve the use of packaging materials

<b>HKEx ESG Reporting Guide General Disclosures &amp; KPIs</b>		<b>Explanation/Reference Section</b>
<b>A3 The Environment and Natural Resources</b>	Policies on minimising the issuer's significant impact on the environment and natural resources.	Operational Sustainability – Environmental Protection
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Operational Sustainability – Environmental Protection
<b>Aspect B Social</b>		
<b>B1 Employment</b>	Information on: <ul style="list-style-type: none"> <li>– the policies; and</li> <li>– 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.</li> </ul>	Responsible Employment – Employment Practices
KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	Responsible Employment – Employment Practices
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Responsible Employment – Employment Practices
<b>B2 Health and Safety</b>	Information on: <ul style="list-style-type: none"> <li>– the policies; and</li> <li>– compliance with relevant laws and regulations that have a significant impacts on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.</li> </ul>	Responsible Employment – Healthy and Safe Workplace
KPI B2.1	Number and rate of work-related fatalities.	Responsible Employment – Healthy and Safe Workplace
KPI B2.2	Lost days due to work injury.	Responsible Employment – Healthy and Safe Workplace
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Responsible Employment – Healthy and Safe Workplace
<b>B3 Development and Training</b>	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Responsible Employment – Development and Training
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Responsible Employment – Development and Training
KPI B3.2	The average training hours completed per employee by gender and employee category.	Responsible Employment – Development and Training

<b>HKEx ESG Reporting Guide General Disclosures &amp; KPIs</b>		<b>Explanation/Reference Section</b>
<b>B4 Labour Standards</b>	Information on: – the policies; and – compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Responsible Employment – Employment Practices
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Responsible Employment – Employment Practices
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Responsible Employment – Employment Practices
<b>B5 Supply Chain Management</b>	Policies on managing environmental and social risks of supply chain.	Customer Satisfaction – Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	Customer Satisfaction – Supply Chain Management
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Customer Satisfaction – Supply Chain Management
<b>B6 Product Responsibility</b>	Information on: – the policies; and – 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.	Customer Satisfaction – Services/ Product Excellence
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Customer Satisfaction – Services/ Product Excellence
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Customer Satisfaction – Services/ Product Excellence
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Customer Satisfaction – Services/ Product Excellence
KPI B6.4	Description of quality assurance process and recall procedures.	Customer Satisfaction – Services/ Product Excellence
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Customer Satisfaction – Services/ Product Excellence

<b>HKEx ESG Reporting Guide General Disclosures &amp; KPIs</b>		<b>Explanation/Reference Section</b>
<b>B7 Anti-corruption</b>	<p>Information on:</p> <ul style="list-style-type: none"> <li>– the policies; and</li> <li>– compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.</li> </ul>	Operational Sustainability – Business Integrity
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Operational Sustainability – Business Integrity
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Operational Sustainability – Business Integrity
<b>B8 Community Investment</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.	Not a material issue for the Group according to the materiality assessment
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Not applicable
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Not applicable