

TFG International Group Limited 富元國際集團有限公司

(Incorporated in the Cayman Islands with limited liability) (Stock Code: 542)

2020 Environmental, Social and Governance Report

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ABOUT THE REPORT

This is the fifth Environmental, Social and Governance ("ESG") Report of TFG International Group Limited (the "Company") (Stock code: 542) and its subsidiaries (collectively, the "Group"). It aims to reaffirm the Group's commitment to sustainability, addressing relevant material issues and present its ESG management approach and performance in the year 2020. The Group engages in property development projects and hotel business in mainland China.

The Board of Directors of the Company confirms that it has reviewed and approved the report. This report is published in both Chinese and English. The English version shall prevail in case of any discrepancy between the two versions. For governance section, please refer to our 2020 Annual Report from pages 23 to 37.

Reporting Guideline

This ESG report is prepared in compliance with the ESG Reporting Guide under Appendix 27 to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The reporting principles of materiality, quantitative, consistency and balance underpin the report preparation.

Reporting Boundary and Period

This report discloses ESG performance of all operations of the Company's Hong Kong headquarter, property development business in Hengqin and Chengdu, China besides a new project in Doumen, China and hotel business of La Palazzo Hotel in Maoming, China.

Feedback

Your feedback is valuable as it helps us improve the report further. Please feel free to contact us for any questions or comments at info@tfginternationalgroup.com.

MESSAGE FROM CHAIRMAN

Dear Stakeholders,

We are delighted to present our fifth ESG Report.

The COVID-19 has imposed global risk to societal well-being and exposed structural fragility of the human community. It is certain that no country or entity can face global challenges alone. However, situations like this imply opportunities for individuals and groups to cooperate and bear the social responsibility of the communities.

Aiming to achieve sustainable operations, we attach great importance to reducing resource consumption with a number of energy-saving initiatives and policies. Green building elements are incorporated in our property development projects and hotel business. Environmental impacts are addressed through assessment, monitoring and follow-up actions. We encourage our customers and employees to adopt environment-friendly practices.

In response to the pandemic outbreak, the Group has been looking ahead to take necessary actions to combat the virus in line with government guidelines. We are closely monitoring the COVID-19 related developments and keep adjusting our business strategies for the property development and hotel business segments.

As the pandemic in China is gradually coming under control, our operations have resumed while upholding a high standard of hygiene. With safety measures in force, we have advanced our vision to provide a healthy and safe workplace to our employees. During these economically hard times, we are maintaining competitive remunerations and career development opportunities, in accordance with our employment policies.

To minimise our supply risks under the pandemic disruptions, we are maintaining close communications with suppliers to ensure reliability along the supply chain. Performance of key suppliers and contractors is reviewed based on integrated corporate responsibility criteria.

On behalf of the Board and the management, I would like to express our gratitude for your ongoing support. Moving forward, we are establishing sustainability targets aligned with our business strategies. To fulfil our responsibility as a corporate citizen, we would continue to engage our stakeholders and make improvements on ESG performance.

> On behalf of the Board YANG Lijun Chairman

Hong Kong, 26 May 2021

ESG MANAGEMENT APPROACH

The Group is devoted to being an environmentally and socially responsible corporate citizen. We have been adopting an effective governance structure to manage and monitor ESG performance and related policies. The Board of Directors formulates ESG strategic directions and oversees work on environmental management, talent management, product quality and safety, and customer satisfaction. The senior management is responsible for managing material ESG topics, and the concerned departments implement the corresponding measures.

The Group determines the importance of sustainability indicators through internal discussions, followed by the Board's approval. This report highlights the performance indicators with respect to the Group's property development and hotel business operations, on the grounds that sustainability impacts are mainly from these segments. Disclosure based on the focus provides a better understanding of sustainability performance for our stakeholders.

Stakeholder Engagement

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The Group recognises the social and environmental impacts of its operations and nurtures close relationships with both internal and external stakeholders, including customers, employees, suppliers, government departments, local communities and general public. Diversified communication channels are used to ensure their priorities and concerns are addressed effectively.

| Stakeholder | Interests and concerns | Channels of communication |
|---------------------------------|---|---|
| Customers | Full compliance with regulationsProduct and service qualityEthical marketing | Customer satisfaction survey Guest service counter in hotel Service hotline |
| Employees | Compensation and benefits Occupational health and safety Career development opportunities Corporate culture and engagement | Training Media platform "Welcoming Ambassador" Employee activities |
| Suppliers | Long-term partnershipEthical business practicesSupplier assessment criteria | In-person meetingSupplier audit |
| Government | Regulatory requirementsEnvironmental and safety compliance | Regulatory policies trainingIn-person meeting |
| Community and General public | Community engagement initiatives | Volunteering and donation |

THE ENVIRONMENT

In the face of global environmental challenges, the Group acknowledges sustainable development is crucial for its long-term success. To promote environmental sustainability, we operate our businesses in an environmentally responsible manner.

The Hong Kong headquarter is an office-based operation, environmental impacts of which are limited. However, we continue to implement energy-efficient measures and raise employees' awareness on sustainable resource consumption.

The Group's environmental impacts originate mainly from its property development and hotel businesses in mainland China. Sub-licensing the operating rights of La Palazzo Hotel in Maoming, China, we manage its environmental performance with our integrated management system. Customers and employees are encouraged to adopt environmentally friendly initiatives, while ensuring operations are in strict compliance with relevant environmental laws and regulations¹.

During the year, we were not aware of any non-compliance of laws and regulations that have a significant impact on the Group relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.

Resource Consumption

Electricity, natural gas, petrol and water are the major types of energy resources consumed by the Group. During the year, our operations consumed 5,329,264 kWh of electricity², 134,150 cubic metres of natural gas and 14,667 litres of petrol.

| Resource Type | 2020 | 2019 | Change (%) |
|--|-----------|-----------|------------|
| Electricity — Headquarter (kWh) | n/a | 17,227 | n/a |
| Electricity — Hotel business segment (kWh) | 5,120,000 | 4,960,000 | 3.23 |
| Electricity — Property development segment (kWh) | 209,264 | n/a | n/a |
| Natural gas (m ³) | 134,150 | 113,000 | 18.72 |
| Petrol (litres) | 14,667 | 4,186 | 250.38 |
| Total energy consumption (kWh) | 6,909,835 | 6,236,286 | 10.80 |
| Energy intensity (kWh/HK\$'000) | 309 | 181 | 70.72 |

¹ List of applicable laws and regulations available in "Laws and Regulations".

² Electricity consumption of rental premises were excluded.

Total energy consumption of the Group was 6,909,835 kWh, with an intensity of 309 kWh per thousand HKD revenue. The energy consumption has increased by 10.80% compared to the preceding year due to the new property development projects.



Total Energy Consumption

Carbon Emissions

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In 2020, total greenhouse gas ("GHG") emissions of the Group amounted to 4,615 tonnes of carbon dioxide equivalent (" tCO_2e "), of which 329 tCO_2e were direct emissions from vehicle fuel combustion (Scope 1), while 4,286 tCO_2e were indirect emissions from purchased electricity (Scope 2). During the year, purchased electricity consumption accounted for 93% of total GHG emissions.



Greenhouse Gas Emissions

The 2019 data is revised due to updated emission factors.

Water Consumption

The Group has no issue in sourcing water fit for the purpose. During the year, we consumed a total of 116,022 tonnes of municipal water, with an intensity of 5.19 tonnes per thousand HKD revenue.



Total Water Consumption

Emissions and Waste Management

In 2020, the Group generated 0.2 kg of sulphur oxides (SO_x) , 32.4 kg of nitrogen oxides (NO_x) and 3.0 kg of particulate matter (PM) due to operating vehicles. Air emissions are increased compared to the preceding year due to the new property development projects. As a result, sprinklers and protective nets are used by contractors at construction sites to reduce spreading of dust from construction machinery and vehicles. To boost indoor air quality in its hotel, the Group has installed an air ventilation and treatment system. Cooking fumes are treated with water type exhaustion hood before being discharged at higher elevations.



With regard to waste management, there were no generation of hazardous waste and 15.4 tonnes of nonhazardous waste, comprising food waste, domestic waste and 0.21 tonnes recycled waste from our business segments were generated. Part of the property development segment has not collected waste data during the year, the Group will improve its data collection and disclose the relevant data in the next year. During the year, our operations did not generate any packaging materials.



Waste Emissions

The Group places great emphasis on waste management because a considerable amount of waste is generated by its hotel operations. Authorised waste collectors and recycling agencies are responsible for daily handling of food waste and recyclable waste respectively. Meanwhile, the Municipal Hygiene Department collects other non-hazardous waste.

For hazardous waste generated by the property development projects, an authorised waste collector manages the waste separately from the non-hazardous waste to avoid blending.

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Promoting Green Buildings

The Group endeavours to achieve environmental sustainability in its property development business. Green building elements are incorporated in our development projects by way of various green construction initiatives such as adopting water recirculating systems, energy saving lamps and flow restrictors at water taps. Natural lighting and ventilation are used for electricity saving and improving indoor air quality.

For better understanding of potential impacts brought by property development projects, environmental impact assessments are conducted before construction commencement. Green construction plans are proposed in view of the need for reducing or eliminating the corresponding impacts during the construction phase. We continuously strive for reducing resource consumption with the use of energy-efficient systems and water-saving devices. The progress for resource conservation is monitored on a regular basis within construction sites.

In addition, we also pursue more sustainable operations in our hotel by establishing energy saving targets. The targets are embedded in annual employee performance appraisal to motivate them. To achieve our targets, we adopt environment-friendly initiatives in our hotel, such as recycling swimming pool water for sanitary use to conserve water resources.

To further reduce resource consumption, we continue to focus on implementing green elements in projects. The "air conditioning and hot water" energy saving project utilises application of solar hot water supply system and heat recovery system. Heat ventilated from the laundry is recycled for water boiling, while cold air cools the elevator room, shaft and bridge box to save air conditioning costs.

In addition to incorporating green building elements, we encourage employees to adopt energy-saving practices in operations. Aligning with the energy saving incentive and penalty scheme introduced by the government, each department of the Group is rewarded or penalised in accordance with energy saving performance. Training is provided to enhance employees' knowledge on energy conservation.

OUR PEOPLE

The Group regards talents as the key to business growth and is maintaining its well-established employment policies to attract and retain the workforce. Operating in strict compliance with relevant labour laws and regulations³ in Hong Kong and China, we protect the rights and benefits of employees with our greatest efforts.

Employee Composition

As of 31 December 2020, there were a total of 373 employees, of which 15 were based in Hong Kong headquarter, 78 were from the property development segment in mainland China and 280 from the hotel segment in mainland China. The male to female ratio was approximately 2:3. The majority of employees were aged from 30 to 50 and more than 24% have obtained university qualifications or higher.



³ List of applicable laws and regulations available in "Laws and Regulations".

During the year, the overall turnover rate and new hire rate of employees were 67.6% and 46.4% respectively. Below are the distributions of turnover rate and new hire rate by gender and age.



A comprehensive management approach for recruitment, dismissal and promotion is prescribed in the Employee Handbook. We adopt stringent policies for prevention of child labour. Checking of identity cards is required to ensure all employees meet the legal working age. During the year, there were no reported cases regarding the use of child or forced labour.

Employee Benefits and Rights

For talent recruitment and retention, we offer competitive remuneration packages to our employees. The Remuneration Committee annually reviews remuneration packages, with respect to individual performance, experience of the employees and market conditions. Employee efforts are recognised by performance-based rewards and within the general framework of Group's salary and bonus scales. Accommodation and night shift allowances are provided to employees with special duties or positions. Other human resource benefits include discretionary bonuses, share options and post-retirement benefits.

To promote employee well-being, various activities are organised to maintain a work-life balance, ranging from birthday parties to company tours. Outstanding performances from employees are rewarded with certificates and prizes. Furthermore, based on the principle of unity, caring and support, the Love and Care Fund established in 2014 provides monetary assistance to employees encountering financial difficulties.

With the aim to uphold employee rights, a grievance mechanism is in place for reporting any integrity related issues. Supervisors or managers are in charge of handling grievance cases submitted by our employees. During the year, the Group was not aware of any non-compliance with laws and regulations⁴ having a significant impact on the Group relating to employment and labour practices.

Health and Safety

The Group is committed to creating a safe working environment for its employees. We manage safety risks from different business units, and strictly comply with the relevant laws and regulations⁵ to ensure occupational health and safety of employees.

Combating COVID-19

The Group has been closely monitoring developments related to the COVID-19 pandemic. In the light of its outbreak, we follow government regulations strictly with appropriate adjustments to our operations, such as work premise closure, or personnel movement restrictions.

Health and safety management measures are proactively taken during the pandemic. In line with local government strategies to reduce virus transmission, mandatory temperature screening and hand sanitisation are required for all employees entering work premises. Raising awareness on personal hygiene, we engage our employees with work safety and social distancing instructions through different communication channels, such as the issue of precautionary notice and mechanism responding to COVID-19.

Mitigating Safety Risks

The Group identifies sources of potential hazards and risks at its operational sites. In accordance with the safety management system, we strive to minimise risks of serious accidents. To secure personal safety of employees, a list of safety control measures is disseminated and implemented. Our employee regulations have formulated safety instructions and the use of protective equipment, including but not limited to safety helmet, high visibility clothing and safety harness.

⁴ List of applicable laws and regulations available in "Laws and Regulations".

⁵ List of applicable laws and regulations available in "Laws and Regulations".

With reference to operational duties of the employees, the hotel business segment provides employees and contractors safety training for handling of hazards such as fire, electric shock, mechanical injury and fall accidents in construction sites. Our hotel conducts safety emergency drills on regular basis, seeking to strengthen emergency response preparedness of all employees. During the year, the Group recorded 2,797 hours of safety training in total.

In case of work-related injuries, incidents are reported to the concerned departments for immediate handling, ensuring employees receive appropriate and timely treatment. To evaluate the causes and prevent similar incidents from recurring, work injury reports are required to be prepared within 12 hours upon occurrence. In 2020, there were 0 work-related accidents, 0 injuries and 0 fatalities. During the year, we were not aware of any violation of relevant laws and regulations that have a significant impact on the Group relating to employment and labour practices and occupational health and safety.

Development and Training

The Group highly values talent development, cultivating a competitive work culture. Training and development programmes are carried out to equip employees with essential knowledge, skills and experience, in pursuit of challenges where necessary. Internal training programmes include on-the-job training, operational training and cross-training, while external training is organised by commissioning professional or educational institutions. During the year, a total of 2,110 training hours and 4,084 person-times were recorded.

Training and Development Programmes in 2020



INDUCTION TRAINING

New employees are familarised with our operations and working environment

| \rightarrow |
|---------------|
| |
| |

CROSS-TRAINING

Employees are sent to other departments or hotels to develop new skills



ON-THE-JOB TRAINING

Employees receive on-the-job training with regard to their working duties

EXTERNAL TRAINING

Management staff are subsidised to receive external visits and trainings

OUR OPERATION

The Group attaches great importance to customer satisfaction and strives to provide high-quality product and services. Quality excellence is assured through continuous engagement with customers via diversified communication channels. Customers' opinions are collected and responded to in a proper and prompt manner.

Quality Management

The Group pursues excellence in quality of goods and services provided to customers. Guidelines are established for compliance with relevant laws and regulations⁶.

The Group's property development projects follow strict quality assurance procedures to ensure product quality. We prohibit the use of unqualified construction materials and equipment at our property development sites. Before commencement, third-party inspections are conducted for construction materials and equipment, suppliers of which provide quality certification documents for identification upon request.

Our hotel business puts food safety and hygiene as the primary matter of concern. The Food and Beverage Department of our hotel ensures that food is not processed with non-edible and restrictive additives. Records of food sources and additive consumption are kept for food safety monitoring. To maintain food hygiene of high standard, professional cleaning tools and equipment are used.

For customer security, a close-circuit TV monitoring system has been installed in the hotel with 24-hour support from the hotel staff. Staff is provided training on a regular basis, covering areas including natural disasters, fire, sabotage, theft and other emergency incidents. The Employee Handbook also lists the standard procedures for handling emergencies such as fire and lift stoppage.

During the year, the Group was not aware of any incidents of non-compliance with laws and regulations⁷ that have a significant impact on the Group concerning health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.

⁶ List of applicable laws and regulations available in "Laws and Regulations".

⁷ List of applicable laws and regulations available in "Laws and Regulations".

Supply Chain Management

To ensure the delivery of high-standard commodities and services, the Group has maintained a close and stable relationship with its business partners. In 2020, we engaged with 30 and 148 suppliers in hotel and property development business segments in China respectively.

For quality assurance in property development operations, suppliers are required to provide quality certificates of construction materials and equipment. We perform monthly and random inspections to regularly evaluate the performance of our contractors. In case of any problems being identified, we communicate with our business partners and take appropriate follow-up actions against any form of violations, including warning or blacklisting.

Safeguarding reliability of procurement is our prime concern in maintaining high quality products and services. Our hotel records and regulates suppliers to ensure product quality and safety. We select suppliers after comprehensive assessments by a list of criteria, including but not limited to price and quality. To avoid products in damaged or spoiled conditions, procurement orders are placed for food and agricultural products after checking business operation licenses and supplier qualifications. A list of material suppliers is maintained for regular supplier assessments. In addition, customer feedback is collected to review our supplier performances and make procurement adjustments accordingly.

Privacy Protection

The Group devotes itself to protecting customer privacy. Personal information is handled with care, adhering to relevant laws and regulations⁸.

We continue to comply with confidentiality related internal rules for protecting customer privacy. In our hotel business, each Department Head and Personnel Administration Officer are responsible for data security, privacy policy supervision and implementation. Our grading system categorises information confidentiality into grades with different levels of delegated access, whereas all customer information including sales information is classified as "confidential". And our Security Department and confidentiality team strictly monitor its enforcement.

In addition, the Group protects information in relation to its business by entering into confidentiality agreements with employees. Protected confidential information varies from marketing content such as designs, banners, billboards, newspaper, and advertisements, to new dishes and recipes for food and beverages in our hotel.

Anti-Corruption

The Group has zero tolerance on any form of corruption, blackmail, fraud and money laundering. The Employee Handbook clearly states the relevant guidelines as well as consequences of any violations. Our grievance channels are accessible for reporting suspected cases of corruption. During the year, we were not aware of any non-compliance with laws and regulations⁹ that has a significant impact on the Group relating to bribery, extortion, fraud and money laundering.

⁸ List of applicable laws and regulations available in "Laws and Regulations".

⁹ List of applicable laws and regulations available in "Laws and Regulations".

COMMUNITY CARE

As a socially responsible corporate citizen, the Group actively engages in diversified community services and encourages its employees to participate in social welfare events. Over the years, we have been holding community events, for instance blood donation activities for increasing awareness of community service and cooperating with domestic colleges and universities in student career support. During the year a total sum of RMB150,000 was donated to support local development and events, within which, RMB50,000 was used to support a local music carnival event, another RMB50,000 was donated to "Guangdong poverty alleviation day" donation initiative activity and the other RMB50,000 were spent on purchasing facial masks for the government and those in need during the pandemic. Moving ahead, we would continue to explore opportunities for contributing to the local community.

LAWS AND REGULATIONS

In response to each ESG aspect, the Group has established and implemented respective policies and departments, to ensure the compliance with all applicable laws and regulations. The list of applicable laws and regulations is as follows:

| Aspect | Applicable Laws and Regulations | Section/Remarks | |
|-----------------------------|--|--------------------|--|
| Environmental Management | Law of the People's Republic of China on Conserving Energy Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution Regulations of Guangdong Province on Conserving Energy in China Energy Consumption Limits of Hotels and Shopping Malls in Guangdong Province (Trial) in China Catering Industry Fume Emission Standards in China Integrated Wastewater Discharge Standards in China | THE ENVIRONMENT | |
| Labour Standards | Employment Ordinance in Hong Kong Labour Law of the People's Republic of China Labour Contract Law of the People's Republic of China Law of People's Republic of China on Protection of Disabled Persons Provisions on the Prohibition of Using Child Labour in China | OUR PEOPLE | |
| Workplace Health and Safety | Production Safety Law of the People's Republic of China Law on Prevention of Occupational Disease of the People's Republic of China | Health and Safety | |
| Food Safety | Food Safety Law of the People's Republic of China Measures for the Supervision and Administration of Food Safety in Catering Services in China Standard Requirements for Catering Service Industry in China Food Safety Regulations in Guangdong Province in China Publicity Requirements on Food Additives Use in China | Quality Management | |
| Anti-Corruption | Prevention of Bribery Ordinance in Hong Kong Criminal Law of the People's Republic of China Anti-Unfair Competition Law of the People's Republic of China | Anti-Corruption | |

PERFORMANCE DATA SUMMARY

| | | 2020 | 2019 |
|-------------------|---|-----------|-----------|
| Workforce | Total Headcount | | |
| Demographics | By Geographical Distribution | | |
| | Hong Kong | 15 | 10 |
| | Mainland China — Property development segment | 78 | 29 |
| | Mainland China — Hotel segment | 280 | 304 |
| | By Age Group | | |
| | <31 | 105 | 78 |
| | 31–50 | 223 | 213 |
| | >50 | 45 | 52 |
| | By Gender | | |
| | Male | 148 | 123 |
| | Female | 225 | 220 |
| | By Education | | |
| | University or above | 91 | 41 |
| | Below university | 282 | 302 |
| | By Functional Category | | |
| | General staff | 262 | 236 |
| | Management staff | 111 | 107 |
| | TOTAL | 373 | 343 |
| Health and Safety | Occupational Health and Safety Performance | | |
| | Number of accidents | 0 | 1 |
| | Lost days due to work-related injury | 0 | 37 |
| | Work-related fatalities | 0 | 0 |
| | Safety Training | | |
| | Total person-times | 4,470 | 2,017 |
| | Total hours | 2,797 | 3,168 |
| Environment | Total Resources Consumption (kWh) | 6,909,835 | 6,236,286 |
| | Electricity (kWh) | 5,329,264 | 4,977,227 |
| | Natural gas (m ³) | 134,150 | 113,000 |
| | Petrol (litres) | 14,667 | 4,186 |
| | Municipal water (tonnes) | 116,022 | 91,617 |
| | Greenhouse Gas Emissions | , | , |
| | Total GHG emissions (tCO ₂ e) | 4,615 | 4,244 |
| | Scope 1 (tCO ₂ e) | 329 | 255 |
| | Scope 2 (tCO ₂ e) | 4,286 | 3,989 |
| | Air Emissions ¹⁰ | , | - , |
| | Sulphur oxides (SO _x) (kg) | 0.2 | 0.1 |
| | Nitrogen oxides (NO_x) (kg) | 32.4 | 4.1 |
| | Particulate matters (PM) (kg) | 3.0 | 0.3 |
| | Waste | | 0.0 |
| | Hazardous waste (tonnes) | _ | _ |
| | Non-hazardous waste (tonnes) | 15.4 | 15.0 |

¹⁰ Air emissions are calculated based on fuel consumption of company vehicles.

ESG CONTENT INDEX

| KPIs | HKEX ESG | Reporting Guide Requirements | Section/Remarks |
|--------------------------------|----------------------------------|---|---|
| A. Environmental | | | |
| Aspect A1: Emissions | (b) comp signi relating to | | THE ENVIRONMENT |
| | KPI A1.1 | The types of emissions and respective emissions data. | Emissions and Waste Management |
| | KPI A1.2 | Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity. | Carbon Emissions |
| | KPI A1.3 | Total hazardous waste produced (in tonnes) and, where appropriate, intensity. | Emissions and Waste Management |
| | KPI A1.4 | Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity. | Emissions and Waste Management |
| | KPI A1.5 | Description of measures to mitigate emissions and results achieved. | Promoting Green Buildings |
| | KPI A1.6 | Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved. | Emissions and Waste Management |
| Aspect A2: Use of Resources | | sclosure the efficient use of resources, including energy, water aw materials. | Promoting Green Buildings |
| | KPI A2.1 | Direct and/or indirect energy consumption by type in total (kWh in '000s) and intensity. | Resource Consumption |
| | KPI A2.2 | Water consumption in total and intensity. | Water Consumption |
| | KPI A2.3 | Description of energy use efficiency initiatives and results achieved. | Promoting Green Buildings |
| | KPI A2.4 | Description of whether there is any issue in sourcing water that is fit for the purpose, water efficiency initiatives and results achieved. | Water Consumption; Promoting Green Buildings |
| | KPI A2.5 | Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced. | Emissions and Waste Management |

| KPIs | HKEX ESG Reporting Guide Requirements | | Section/Remarks |
|--|--|---|---|
| Aspect A3: The Environment and Natural Resources | General Disclosure Policies on minimizing the issuers' significant impact on the environment and natural resources. | | THE ENVIRONMENT |
| | KPI A3.1 | Description of significant impacts of activities on the environment and natural resources and the actions taken to manage them. | Promoting Green Buildings |
| B. Social | | | |
| Aspect B1: Employment | (b) comp have related to promotion, | | OUR PEOPLE; Employee Benefits and Rights |
| | KPI B1.1 | Total workforce by gender, employment type, age group and geographical region. | Employee Composition |
| | KPI B1.2 | Employee turnover rate by gender, age group and geographical region. | Employee Composition |
| Aspect B2: Health and Safety | General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards. | | Health and Safety |
| | KPI B2.1 | Number and rate of work-related fatalities. | Health and Safety |
| | KPI B2.2 | Lost days due to work injury. | Performance Data Summary |
| | KPI B2.3 | Description of occupational health and safety measures adopted, how they are implemented and monitored. | Health and Safety |
| Aspect B3: Development and Training | General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. | | Development and Training |

| KPIs | HKEX ESG | Reporting Guide Requirements | Section/Remarks |
|--|--|--|-------------------------|
| Aspect B4: Labour Standards | General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child or forced labour. | | Our People |
| | KPI B4.1 | Description of measures to review employment practices to avoid child and forced labour. | Employee Composition |
| Aspect B5: Supply Chain Management | General D Policies or supply cha | managing environmental and social risks of the | Supply Chain Management |
| | KPI B5.1 | Number of suppliers by geographical region. | Supply Chain Management |
| | KPI B5.2 | Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored. | Supply Chain Management |
| Aspect B6: Product Responsibility | (b) com have relating to | | Our Operations |
| | | ids of redress. | |
| | KPI B6.3 | Description of practices relating to observing and protecting intellectual property rights. | Privacy Protection |
| | KPI B6.4 | Description of quality assurance process and recall procedures. | Quality Management |
| | KPI B6.5 | Description of consumer data protection and privacy policies, how they are implemented and monitored. | Privacy Protection |

| KPIs | HKEX ESG | Reporting Guide Requirements | Section/Remarks | |
|--|--|---|-----------------|--|
| Aspect B7: General Disclosure Anti-corruption Information on: (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. | | | Anti-corruption | |
| | 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. | | | |
| | KPI B7.2 | Description of preventive measures and whistle- blowing procedures, how they are implemented and monitored. | Anti-corruption | |
| Aspect B8: Community Investment | General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests. | | COMMUNITY CARE | |
| | KPI B8.1 KPI B8.2 | Focus areas of contribution. Resources contributed to the focus area. | COMMUNITY CARE | |