



PALINDA GROUP HOLDINGS LIMITED
百利達集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 8179

2024

Environmental, Social
and Governance Report



CONTENTS

1.	ABOUT PALINDA	2
2.	ABOUT THIS REPORT	2
3.	STATEMENT OF THE BOARD	3
4.	STAKEHOLDERS ENGAGEMENT	4
5.	ENVIRONMENTAL SUSTAINABILITY	6
6.	SOCIAL SUSTAINABILITY	12
7.	REPORT DISCLOSURE INDEX	19

1. ABOUT PALINDA

Listed on the Growth Enterprise Market (“GEM”) of the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 2011, Palinda Group Holdings Limited and its subsidiaries (collectively the “Group”, “PALINDA” or “we”) principally engaged in (i) sales and distribution of wine products, ancillary wines-related products; and (ii) sales and distribution of food products in Hong Kong.

2. ABOUT THIS REPORT

The Group is pleased to present this Environmental, Social and Governance (“ESG”) Report of the Group. This Environmental, Social and Governance (“ESG”) Report covers the Group’s office in Hong Kong for the period from 1 January 2024 to 31 December 2024 (the “Reporting Period”). It has been prepared in strict compliance with the requirements under Appendix C2 – Environmental, Social and Governance Reporting Guide (“ESG Reporting Guide”) of the GEM Listing Rules of the Stock Exchange. Alongside with the reporting principles of the ESG Reporting Guide, general disclosures of the Group’s ESG procedures are illustrated through the compliance with relevant laws and regulations. Key Performance Indicators (“KPIs”) that need to be revealed compulsorily as required by the ESG Reporting Guide are all addressed in the Environmental Sustainability and Social Sustainability sections.

PALINDA adheres to the following reporting principles in defining the reporting content:

- **Materiality:** We focus on issues that have significant impact on our business and are important to the stakeholders. Material issues are identified through stakeholder engagement activities and are validated.
- **Quantitative:** In order to illustrate our sustainability performance, KPIs are presented in quantitative terms with methodology explained whenever feasible.
- **Consistency:** We utilize a consistent measurement methodology to allow for meaningful comparison of ESG data over time. There is no significant change in the methodology in the preparation of the ESG Report during the Reporting Period.
- **Balance:** This ESG Report provides stakeholders with an unbiased picture of our achievements and the risks we face.

This ESG Report is available on PALINDA’s website at www.palinda.com. Further information in relation to corporate governance of the Group can be found in the Group’s 2024 Annual Report on pages 23-33 therein.

Contact Information

Contact Information:

The Group respects your feedback and opinion on this report. You are welcome to contact us at:

Address: Suite 306-A201, 3rd Floor, Harbour Centre Tower 1, 1 Hok Cheung Street, Hunghom, Kowloon, Hong Kong

Facsimile: 2441-3430

Email: enquiry@palinda.com

3. STATEMENT OF THE BOARD

The Group recognizes the significance of ESG issues to build long-lasting business success and has established a ESG governance structure to strengthen our management of environmental, social and governance issues. The structure consists of three parts: decision-making level, organization level and executive level.

– Decision making level – The Board of the Company

The Board is the highest decision-making level of the Group and is fully responsible for ESG decision-making and reporting including monitoring and evaluation of the Group's ESG performance. The Board hold meeting at least once annually at which it monitors and evaluates the sustainable development performance and progress of the Group, and reviews and approves the ESG management policies, strategies, objectives and annual work of the Group, including the evaluation, prioritization and management of important ESG issues, risks and opportunities. The Board also regularly reviews the ESG performance of the Group and its progress in achieving relevant objectives.

– Organization level – ESG Committee

The ESG Committee of the Group is the second level of the governance structure which is authorized by the Board and led by executive directors under the help of senior management. The ESG Committee is responsible to advise and assist the Board to review and address sustainability practices and objectives. All works and relevant suggestions will be reported to the Board on regular basis.

– Executive level – Relevant departments of the Group

The executive level is the third level of the governance structure, including the heads of relevant departments of the Group. This level is responsible for organizing, promoting and implementing various ESG related tasks according to the ESG management policies and strategies of the Group. The heads of relevant department of the Group will regularly report ESG matters to the ESG Committee and the Board.

The Board sets the overall direction of the Group's environmental, social and governance strategy by benchmarking against the suggestions of the ESG Committee and the ESG data generated from the executive level in daily operations, guides the consistent improvement of ESG management through target splitting, and ensures the effectiveness of the environmental, social and governance mechanism.

4. STAKEHOLDERS ENGAGEMENT

The Group keeps refining its communication mechanism and maintains active communication with internal and external stakeholders. We value the opinions of stakeholders, including employees, customers, suppliers, shareholders, regulatory authority and the community through daily contacts with them. Through stakeholders' engagement, we improve our sustainability performance and strive for improvements. We actively engage and maintain relationship with our internal and external stakeholders through a huge variety of communication channels, including but not limited to Annual General Meetings, ESG reports, corporate website, company activities and business meeting etc. to collect their views.

Over the years, the Group has continued to fine-tune our sustainability focus, addressing important issues. Stakeholders' expectations have been taken into consideration by utilizing diversified engagement channels as shown below:

Stakeholders	Expectations	Engagement channels
Government and regulatory bodies	<ul style="list-style-type: none"> Compliance with the laws and regulations Proper tax payment To promote regional economic development and employment 	<ul style="list-style-type: none"> On-site inspections and checks Annual reports, interim reports and quarterly reports (collectively as the "Financial Reports") Website
Shareholders and investors	<ul style="list-style-type: none"> Low risk Return on the investment Information disclosure and transparency Protection of interests and fair treatment of shareholders 	<ul style="list-style-type: none"> Annual general meeting and other shareholder meetings Financial Reports, announcements and circulars Meeting with investors and analysts
Employees	<ul style="list-style-type: none"> Safeguard the rights and interests of employees Health and safety Working environment Career development opportunities Self-actualisation 	<ul style="list-style-type: none"> Conferences Training, seminars and briefing sessions Emails

Stakeholders	Expectations	Engagement channels
Customers	<ul style="list-style-type: none"> • Safe and high-quality products • Stable relationship • Information transparency • Integrity • Business ethics 	<ul style="list-style-type: none"> • Website and Financial Reports • Emails and customer service hotline • Regular meetings
Suppliers and partners	<ul style="list-style-type: none"> • Long-term partnership • Honest cooperation • Fair and open • Information sharing • Risk reduction 	<ul style="list-style-type: none"> • Business meetings, supplier conferences, phone calls, interviews and emails • Regular meetings • Review and assessment • Tendering process
Financial institutions	<ul style="list-style-type: none"> • Compliance with the laws and regulations • Disclosure information 	<ul style="list-style-type: none"> • Consulting • Information disclosure • Financial Reports, announcements and circulars
Public and communities	<ul style="list-style-type: none"> • Community involvement • Social responsibilities 	<ul style="list-style-type: none"> • Volunteering • Charity and social investment • Financial Reports, announcements and circulars

The Group strives to keep close communication with stakeholders through different engagement channels. We also improve the reporting principles of materiality, quantification, balance and consistency. This way, we could better define the content of the ESG report and presentation of the information that is more in line with the expectations of stakeholders.

4.1 Materiality Assessment

The Group perform materiality analysis annually to identify the key ESG issues that are material to our business operations. ESG issues were identified and considered as relevant to the Group with reference to the ESG Guide and peer benchmarking results. The result of peer benchmarking and stakeholder engagement exercise were analyzed and consolidated in terms of their importance to stakeholders and the Group's business developments to derive the overall materiality level to each ESG issues. The results were then reviewed and approved by the Board.

ESG issues that are considered material to our stakeholders and the Group are listed in the following table:

The ESG Reporting Guide	Material ESG aspects of the Group	Materiality to the Group
A. Environmental		
A1. Emissions	Greenhouse gas emissions	Medium
	Management of sewage and solid waste	Low
A2. Use of Resources	Conservation of Water	Low
	Conservation of Energy	Medium
	Conservation of packaging material	Low
A3. The Environment and Natural Resources	Management of resources utilization	Medium
A4. Climate Change	Climate Change	Low
B. Social		
B1. Employment	Employment and Labour Practices	Medium
B2. Health and Safety	Workplace Health and Safety	High
B3. Development and Training	Employee Training and development	Medium
B4. Labour Standards	Prevention of Child Labour and Forced Labour	High
B5. Supply Chain Management	Supply Chain Management	Medium
B6. Product Responsibility	Quality Management	High
B7. Anti-corruption	Whistle-blowing Mechanism	Medium
B8. Community Investment	Corporate Social Responsibility	Low

5. ENVIRONMENTAL SUSTAINABILITY

The Group is committed to minimising its environmental impacts by responsibly managing its business, reducing its carbon footprint and using resources effectively. Hence, the Group has implemented an “Environmental Facilities Operation and Management Policy” which covers the management of different emissions. The Group has also established relevant emission reduction and energy saving initiatives to manage the emission and maintain green operations.

The Group is in strict compliance with relevant laws and regulations in Hong Kong, including the Air Pollution Control Ordinance and the Water Pollution Control Ordinance. During the reporting period, the Group was not aware of any non-compliance with relevant laws and regulations that had significant impact on the Group related to air and greenhouse gas emissions, discharges into water and land, generation of hazardous and non-hazardous waste and resources utilization.

5.1. Emissions

Air Pollutants Emission

Based on the Group's current business nature, we do not directly consume natural resources. And our emission of air pollutants, discharged into water and land, and generation of hazardous wastes are immaterial.

During the Reporting Period, the fuel used by vehicles, contribute to the Group's air pollutants emission.

During the reporting period, the emission data from vehicles and from fuel gaseous consumption was as follows:

Type of air pollutants	Unit	2024	2023
Nitrogen oxides (NO _x)	kg	2.32	1.68
Sulphur dioxide (SO ₂)	kg	0.04	0.03
Particulate matter (PM)	kg	0.17	0.12

The amount of air pollutants emission in 2024 was mainly due to increase of miles driven during the reporting period. The Group endeavours to improve energy efficiency and reduce energy consumption by various actions, such as integrating transportation arrangements and selecting more environment-friendly service providers to minimize emissions. The Group also encourages employees to use electronic communication technology for meetings to reduce unnecessary business trips.

Greenhouse Gas Emission

Greenhouse gas ("GHG") is considered as one of the major contributors to the climate change and global warming. Energy consumption accounts for a major part of our GHG emission. The Group endeavours to improve energy efficiency and reduce energy consumption by adopting energy saving initiatives mentioned in the section "Use of Resources" of this report.

During the reporting period, the GHG emission was as follows:

Type of GHG emission	Unit	2024	2023
Scope 1 (Note 1)	tonnes of CO ₂ e	6.19	5.99
Scope 2 (Note 2)	tonnes of CO ₂ e	71.14	169.24
Scope 3 (Note 3)	tonnes of CO ₂ e	4.16	10.92
Total GHG emission	tonnes of CO₂e	81.49	186.15
GHG emission intensity	tonnes of CO ₂ e/employee (Note 4)	5.43	13.29

Notes:

1. Scope 1: Direct emission from sources that are owned by the Group.
2. Scope 2: Indirect emissions from the generation of purchased electricity and purchased town gas consumed by the Group.
3. Scope 3: Other indirect emission from electricity used for processing fresh water and sewage by government departments and business air travel by employees.
4. The intensity refers to tonnes of carbon dioxide equivalent (CO₂e) per the total number of employees at the end of the reporting period.

The decrease in GHG emission in 2024 was mainly attributable to the decrease of electricity consumption during the reporting period. In order to further formulate emission reduction objectives, the Group will continue to formulate the directions and measures of emission reduction by assessing and recording GHG emission data.

The Group has promoted different solutions to business operations in environmentally responsible behaviour, such as integrating transportation arrangements and selecting more environment-friendly service providers to minimize emissions. The Group also encourages employees to use electronic communication technology for meetings to reduce unnecessary business trips.

Hazardous and Non-hazardous Wastes

The Group does not generate hazardous waste during its operations. For non-hazardous waste, the Group has engaged qualified recycling companies to collect and handle the waste in accordance with the Waste Disposal Ordinance. Furthermore, the Group has applied 4R Principles (i.e. Reduce, Reuse, Replace and Recycle) in the waste reduction measures to reduce the amount of non-hazardous waste in our operations. For example, the Group encourages double-side printing and reuse of paper to reduce the paper waste.

The Group did not record the non-hazardous waste generated during the reporting period. However, in order to better formulate measures to reduce the amount of non-hazardous waste generated, the Group will take initiative to record relevant data in the coming year.

5.2. Use of Resources

The Group places a great emphasis on environmental protection to ensure efficient use of energy and resources. With the implementation of the Group's "Energy and Resources Policy", the Group strives to reduce the resources consumption by implementing energy and water efficiency initiatives and encouraging its employees, customers, business partners and the community to adopt environmentally responsible behaviour.

Energy Consumption

The energy consumption of the Group mainly comes from purchased electricity and fuel consumption. For the purpose of energy conservation, the Group has advocated various energy conservation strategies, such as the adoption of energy-saving lighting systems and production equipment to reduce the energy usage during operations. Air-conditioners and other equipment are opened according to the seasonal adjustment and lightings are switched off when the room is not in used.

During the reporting period, the energy consumption was as follows:

Type of energy	Unit	2024	2023
Purchased electricity	MWh	71.14	169.24
LPG	MWh	nil	nil
Petrol	MWh	25.43	24.61
Total energy consumption	MWh	96.57	193.85
Energy intensity	MWh/employee (Note 1)	6.43	13.84

Note:

1. The intensity refers to megawatt hour (MWh) per the total number of employees at the end of the reporting period.

The decrease in electricity in 2024 was mainly due to the efficiency of electricity saving strategies implemented by the Group. In additions, the increase in petrol consumption in 2024 was mainly due to the increase vehicles usage during the reporting period.

Water Consumption

The Group's water consumption comes from daily operation in office. The Group endeavours to conserve water effectively by establishing water saving initiatives. For example, the Group has adopted water-saving production methods and equipment to reduce the water consumption. The used water is re-used under feasible circumstances. Furthermore, the Group has conducted regular maintenance of water pipes to prevent leakage of water and repair any defective components.

During the reporting period, the water consumption was as follows:

Water consumption	Unit	2024	2023
Total water consumption	m ³	1,000.00	1,001.00
Water intensity	m ³ /employee (<i>Note 1</i>)	67.00	71.50

Note:

1. The intensity refers to cubic meter (m³) per the total number of employees at the end of the reporting period.

The decrease in water consumption in 2024 was mainly due to the efficiency of water saving strategies implemented by the Group during the reporting period.

Packaging Materials

The Group mainly uses plastic wraps and carton containers boxes for food products and wines packaging. The amount of packaging materials used is relatively small and considered as insignificant to the Group's operation.

5.3. The Environment and Natural Resources

With the integration of policies and measures to reduce emissions and resources consumption, the Group strives to reduce the impacts on the environment and natural resources. The Group also provides trainings for employees to increase their awareness of environmental protection at work and in life.

The Group has formulated a "Pollution Accident Management" session under the "Environmental Facilities Operation and Management Policy" to handle possible incidents that may cause environment pollution. In addition, when there is any environmental accident, the Group will formulate an emergency plan immediately and report the case to the relevant government departments in order to minimise the environmental impacts.

5.4. Climate Change

Policies on identification and mitigation of significant climate-related issues

The Group has considered the potential climate Change related issues which potential physical risk and transition risk from climate change may pose adverse financial impacts on the Group's business. The Group has formulated working mechanisms and relevant policies to identify and mitigate climate change issues that may have a significant impact.

The Group has considered the potential climate-related risks which brings along both potential physical risk and transition risk to the Group's business. Physical risk can arise from extreme weather conditions such as flooding and storms and chronic physical risk can rise from sustained high temperature, while transition risk may result from the change in environmental-related regulations or change in customer preferences.

Physical Risks

Upon evaluation of the potential physical risk that may cause disruption to our operations and supply network. Our offices do not locate in high-risk flood areas and that the Group maintain an appropriate supplier base so we can source from alternative suppliers in the event of our suppliers being affected by extreme weather conditions. While sustained high temperature may result in an elevation of electricity consumption, the Group has adopted energy conservation measures in managing such risk, which are detailed in the above sub-section headed "Conservation of Energy". The Group has taken different actions to manage other physical risks. The Groups maintains comprehensive insurance coverage on assets that are prone to damage by extreme weather conditions. Besides, the Group has also developed the practice of communicating the arrangement under bad weather conditions to employees in advance. Employees are notified of the schedule of release and also reminded to keep all important documents and electronic backup storage at a safe place as to minimize any damages caused therefrom. The potential financial impacts can be minimized with adequate preparations for extreme weather events.

Transition Risks

As for the potential transition risk, the Group has taken an array of actions of actions. First of all, the management regularly monitor the regulatory environment and the product market to ensure that our products and services meet customers and regulatory demand and expectations. Secondly, various measures have been taken to protect the environment including measure aimed at resources conservations. By going beyond current compliance requirements, the Group has a better chance to adapt swiftly to regulatory changes and maintain high transparency in disclosing climate-rated risks and opportunities, in order to build confidence with investor and stakeholders.

It is expected that potential extreme weather condition, sustained high temperature, change in environmental-related regulations and customer preference do not have a material impact on the Group's operations. Nevertheless, the Group continues to monitor the climate-related risks and implement relevant measures to minimize the potential physical and transition risks.

6. SOCIAL SUSTAINABILITY

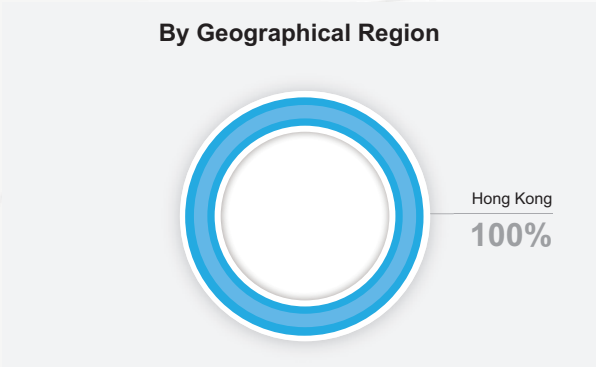
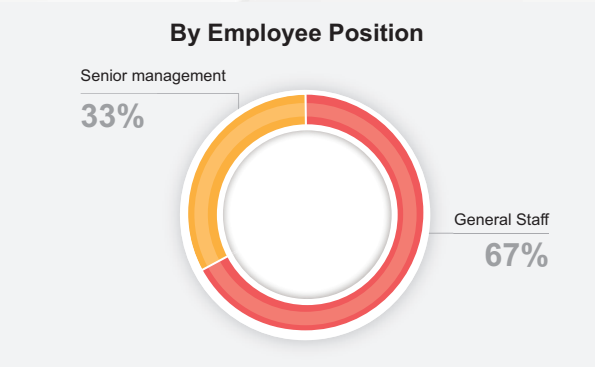
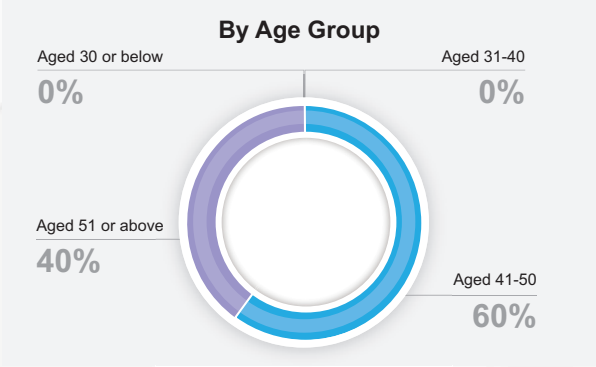
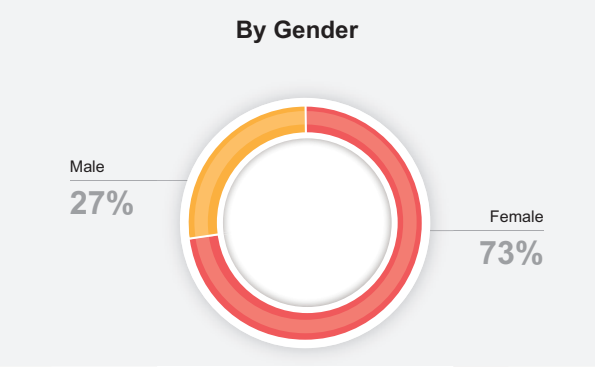
6.1. Employment and Labour Practices

The Group believes people are valuable assets and their diligent efforts and continuous supports are crucial to the Group's development and success. As such, the Group aims to attract and retain talents, provide a safe and equal working environment to its employees and promote employee health and wellbeing. The Group is in strict compliance with relevant laws and regulations in Hong Kong, including the Employment Ordinance, the Employees' Compensation Ordinance, the Mandatory Provident Fund Scheme Ordinance, the Sex Discrimination Ordinance, the Disability Discrimination Ordinance, the Family Status Discrimination Ordinance and the Race Discrimination Ordinance.

The Group's "Human Resources Management Policy" covers the Group's standard in respect of compensation and dismissal, recruitment and promotion, working hours, rest periods and other benefits and welfare. In addition, the Group is dedicated to providing equal opportunities in all aspects of employment and maintaining a workplace that is free from discrimination and harassment against any individual on the basis of seniority, nationality, gender, age, marital status, disability, race, color, religion or sexual preference.

During the reporting period, the Group was not aware of any non-compliance with the relevant laws and regulations that had significant impact on the Group relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other benefits and welfare.

As at 31 December 2024, the employee compositions (in numbers of employees) categorised by gender, employee position, age group and geographical region were as follows:



The employee turnover rate by gender and age group during the reporting period was as follows:

Employment	Unit	2024	2023
By gender (<i>Note 1</i>)			
Male	%	0	0
Female	%	20	14
By age group (<i>Note 2</i>)			
30 or below	%	0	0
31 – 40	%	0	0
41 – 50	%	0	7
51 or above	%	20	7
Overall (<i>Note 3</i>)	%	20	14

Notes:

1. Turnover rate refers to the number of employee turnover of the gender group during the reporting period per the total number of the corresponding gender group at the end of the reporting period.
2. Turnover rate refers to the number of employee turnover of the age group during the reporting period per the total number of employees of the corresponding age group at the end of the reporting period.
3. Turnover rate refers to the total number of employee turnover during the reporting period per the total number of employees at the end of the reporting period.

6.2. Employee Health and Safety

The Group places the highest priority on securing the health and safety of our employees. The Group complies with the Occupational Safety and Health Ordinance to maintain a healthy and safe workplace for our employees and protect them from work-related injuries. As stipulated in the Group's "Health, Safety and Environment Policy Statement", the Group strives to reduce and control the health, safety and environment related risks. The Group continues to monitor the effectiveness of safety-related controls and conduct assessments on its health and safety performance. In order to create a corporate culture of health and safety, the Group conveys to our employees the importance of occupational health and safety to enhance their awareness.

During the reporting period, there was no case of work-related fatality, and there were no cases of work-related injuries thus no lost days due to work injury. The Group was not aware of any non-compliance with relevant laws and regulations that had significant impact on the Group in providing a safe and healthy working environment during the reporting period.

6.3. Development and Training

The Group considers the skills and knowledge of our employees as the key elements of sustainable development of the Group. Hence, the Group provides training opportunities for our employees to enhance their working capabilities and management competence according to the Group's "Human Resources Management Policy". The on-the-job trainings offered are based on the business needs, needs of respective positions and interests of employees. Employees are also provided with the opportunities to participate in trainings offered by professional training institution or experts.

During the reporting period, the percentage of employee trained categorised by gender and employee position was as follows:

Percentage of employee trained			
Employment	Unit	2024	2023
By gender (Note 1)			
Male	%	27	29
Female	%	73	71
By employee position (Note 2)			
Senior management	%	33	36
General staff	%	67	64

Notes:

1. Percentage of employee trained refers to the total number of employees trained of the gender group during the reporting period per the total number of employees of the corresponding gender group at the end of the reporting period.
2. Percentage of employee trained refers to the total number of employees trained of the employee position during the reporting period per the total number of employees of the corresponding employee position at the end of the reporting period.

During the reporting period, the average training hours completed per employee categorised by gender and employee position was as follows:

Average training hours of employee

Employment	Unit	2024	2023
By gender (Note 1)			
Male	Hours/employee	9.50	9.50
Female	Hours/employee	7.36	8.10
By employee position (Note 2)			
Senior management	Hours/employee	12.20	12.20
General staff	Hours/employee	5.80	6.44

Notes:

1. Average training hours of employee refers to the total training hours of the gender group during the reporting period per the total number of employees of the corresponding gender group at the end of the reporting period.
2. Average training hours of employee refers to the total training hours of the employee position during the reporting period per the total number of employees of the corresponding employee position at the end of the reporting period.

6.4. Labour Standards

The Group is committed to upholding the elimination of all forms of forced labour and supporting the effective abolition of child labour. The Group strictly prohibits the use of child labour in accordance with the Employment of Children Regulations. As prevention of engaging child labour, job applicants are required to present identity proofs during recruitment process according to the Group's "Human Resources Management Policy".

In addition, the Group respects the freedom of employees and has established a "Prohibition of Forced Labour Policy", covering regulations to prohibit and prevent forced labour. Employees have the rights to report any case of infringement of their rights to the management.

During the reporting period, the Group was not aware of any non-compliance with relevant laws and regulations related to recruitment of child labour or forced labour practices.

6.5. Supply Chain Management

The Group aims not to be directly or indirectly involved in corrupt practices or complicit in human rights abuses. Hence, the Group requires its supply chain partners to uphold the Group's principles of ethical business conduct. Besides, the Group gives preference to collaborate with suppliers who work towards responsible and sustainable operation. Through managing and engaging with our supply chain, the Group strives to create positive impacts on the environment and society.

The Group believes that our procurement is crucial to our product and service quality. As such, the Group has adopted a "Suppliers Social Responsibilities Control Procedure" to manage and mitigate the environmental and social risks in the supply chain. The Group selects suppliers carefully and continues to monitor their performance. Relevant department is assigned to conduct evaluation of social responsibility performance of potential and existing suppliers by carrying out on-site inspection. In case of non-compliance discovered, the cooperation will be terminated to uphold the Group's standards. During the reporting period, the Group worked with 18 suppliers (2023: 13 suppliers), in which all 18 suppliers were from Hong Kong.

6.6. Product Responsibility

The Group places a great emphasis on the quality and safety of our products and complies with relevant laws and regulations in Hong Kong, including the Food Safety Ordinance and the Public Health and Municipal Services Ordinance. The Group has established a "Food Quality and Safety Management Policy" with stringent procedures to ensure the quality of our products. The Group selects suppliers carefully and maintains relationship only with qualified suppliers. The Group also ensures the cooperating food ingredients suppliers have obtained international food safety certification and have passed relevant inspections conducted by the Hong Kong government.

In addition to food ingredients procurement, the Group continues to improve the production process in order to enhance the quality and safety of our food products by establishing the food safety objectives and conducting reviews to ensure consistent compliance. The Group also performs regular identification of hazards, determination of critical control points and timely implementation of effective control and monitoring measures.

The Group believes the opinions from customers can drive its continuous improvement. With the implementation of "Customer Opinion Management Policy", the Group strives to strengthen the communication with customers and satisfies customers' requirements. In the receipt of complaints, the Group will take prompt actions and carry out remedial actions. If the product sold or shipped is subject to recall for health or safety reasons, the Group will handle according to the applicable guidance or regulation. Whenever the products are required to be discarded, it will be wrapped properly and disinfected before disposal. The Group also keeps record of the weights and photos of the discarded products.

During the reporting period, there was no product subject to recalls for safety or health reasons. The Group was not aware of any non-compliance with relevant laws and regulations regarding product responsibility.

6.7. Anti-Corruption

The Group is committed to upholding the highest standards of business ethics in its business and operations. The Group is in strict compliance with the Prevention of Bribery Ordinance and has zero tolerance on any forms of bribery, corruption and fraud. With the implementation of “Anti-corruption and Anti-Fraud Management System”, the Group conveys to its employees the Group’s requirements towards anti-corruption.

The Group has established communication channels, including phone and email, for employees to report on observed and suspected case of non-compliance and questionable practices. After receipt of the case, the Group will perform anti-corruption investigation. Once a misconduct case is confirmed, it will be reported to relevant legal authorities and relevant personnel will be subject to disciplinary actions. The Group has also implemented the whistleblowing policy for encouraging staff to report to the Board if there is any money laundering, bribery and irregularities. Anti-corruption trainings were provided to the Group’s staff and management regularly to raise their awareness towards anti-bribery. There was no concluded legal case regarding corrupt practices brought against the Group or its employee during the Reporting Period

During the reporting period, the Group was not aware of any non-compliance with the relevant laws and regulations that had significant impact on the Group relating to bribery, extortion, fraud and money laundering.

Protection Data Privacy

The Group collects information from customers for different purposes and takes appropriate procedures to ensure that the information collected are solely for lawful and relevant purposes. It also strictly complies with the relevant laws and regulations in relation to the handling of sensitive information. During the Reporting Period, the Group did not identify any matters in respect of material breaches of relevant laws and regulations that have a material impact to the Group.

6.8. Community Investment

The Group is constantly aware of the needs of community and take up our corporate responsibility to contribute to the society. The Group is planning to formulate a “Community Investment Policy”, and aims to focus on the living standards of community, culture projects, education and development and labour cooperation. The Group also strives to develop long-term relationships with our stakeholders and bring a positive impact on community development.

7. REPORT DISCLOSURE INDEX

Key Performance Indicators ("KPIs")		Reporting Guideline	Page
A	Environmental		
	Aspect A1	Emissions	
	General Disclosure	Information on:	
		(a) the policies; and	7
		(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouses gas emissions discharges into water and land, and greenhouse hazardous and on hazardous waste.	
	KPI A1.1	The types of emissions and respective emissions data	7
	KPI A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity	7
	KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity	N/A
	KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity	8
	KPI A1.5	Description of measures to mitigate emissions and results	7
	KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved	8
	Aspect A2	Use of Resources	
	General Disclosure	Policies on the efficient use of resources, including energy water and other raw materials	9
	KPI A2.1	Direct and/or indirect energy consumption by type including energy, water and other raw materials and intensity	9
	KPI A2.2	Water consumption in total and intensity	10
	KPI A2.3	Description of energy use efficiency initiatives and results achieved	9
	KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	10
	KPI A2.5	Total packaging material used for finished products	10

Key Performance Indicators ("KPIs")	Reporting Guideline	Page
Aspect A3	The Environmental and Natural Resources	
General Disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources	10
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	10
Aspect A4	Climate Change	
General Disclosure	Policies to find out and cope with the significant climate-related issues that have affected and may affect the issuers.	11
KPI A4.1	Description of the significant climate-related issues that have affected and may affect the issuers, and actions taken to manage them.	11
B Social		
Aspect B1	Employment and Labor Practices	
General Disclosure	Information on: (a) the policies, and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare	12
KPI B1.1	Total workforce by gender, employment type, age group and geographical region	13
KPI B1.2	Employee turnover rate by gender, age group and geographical region	14

Key Performance Indicators ("KPIs")	Reporting Guideline	Page
Aspect B2	Health and Safety	
General Disclosure	Information on:	
	(a) the policies; and	14
	(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	14
KPI B2.2	Lost days due to work injury	14
KPI B2.3	Description of occupational health and safety measures adopted, How they are implemented and monitored	14
Aspect B3	Development and Training	
	Policies on improving employee's knowledge and skills for discharging duties at work, Description of training activities	15
KPI B3.1	The percentage of employees trained by gender and employee category	15
KPI B3.2	The average training hours completed per employee by gender and employee category	15
Aspect B4	Labor Standards	
General Disclosure	Information on:	16
	(a) the policies, and	
	(b) compliance with relevant laws and regulations that have a significant impact on the issuer a significant impact on the issuer relating to preventing child and forced labor	
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour	16
KPI B4.2	Description of steps taken to eliminate child and forced labour practices when discovered	16

Key Performance Indicators ("KPIs")	Reporting Guideline	Page
Aspect B5	Supply Chain Management	
General Disclosure	Policies on managing environmental and social risks of the supply chain	17
KPI B5.1	Number of suppliers by geographical region	17
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	17
Aspect B6	Product Responsibility	
	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress	17
KPI B6.1	Percentage of total products sold or shipped subject to recall for safety and health reasons	17
KPI B6.2	Number of products and services related complaints received and how they are dealt with	17
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights	17
KPI B6.4	Description of quality assurance process and recall procedures	17
KPI B6.5	Description of customer data protection and privacy policies, how they are implemented and monitored	17

Key Performance Indicators ("KPIs")	Reporting Guideline	Page
Aspect B7	Anti-corruption	
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 bribery, extortion, fraud and money laundering.	18
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employee during the year and the outcome of the case	18
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	18
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	18
KPI B8.1	Focus of areas of contribution	18
KPI B8.2	Resources contributed to the focus areas	18