



Tao Heung Holdings Limited

稻香控股有限公司*

(Incorporated in the Cayman Islands with Limited Liability)

Stock Code : 573



Environmental, Social and Governance Report 2024





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ABOUT THIS REPORT

The board of directors (the “Board”) of Tao Heung Holdings Limited (the “Company”) together with its subsidiaries, (collectively “Tao Heung” or the “Group”) hereby presents the Environmental, Social and Governance Report (“ESG Report”) for the year ended 31 December 2024 for the Group. It provides an overview how the Group, as a responsible corporate citizen, strikes for the balance between economic, environmental and social sustainability aspects of our business activities, encompassing environmental protection, employment and labour practices, operating practices and community involvement.



ABOUT THIS REPORT (Continued)

Tao Heung is a leading Chinese restaurant group in Hong Kong. With a mission to become one of the most esteemed and premier Chinese restaurant groups in Hong Kong and Mainland China, the Group currently operates a network of Chinese restaurants and bakery shops in Hong Kong and Mainland China under different brands, and two centralised food processing and logistics centres (the “Logistics Centres”) located in Tai Po and Dongguan, China respectively.

This report is prepared in accordance with the Environmental, Social and Governance Reporting Guide (the “ESG Reporting Guide”) as set out in Appendix C2 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited. This report covers the Group’s restaurant operations, bakery operations as well as manufacturing of food products in Hong Kong and Mainland China. The environmental data presented covers our restaurants, bakery shops and Logistics Centres for the period from 1 January 2024 to 31 December 2024 (the “Reporting Period”).

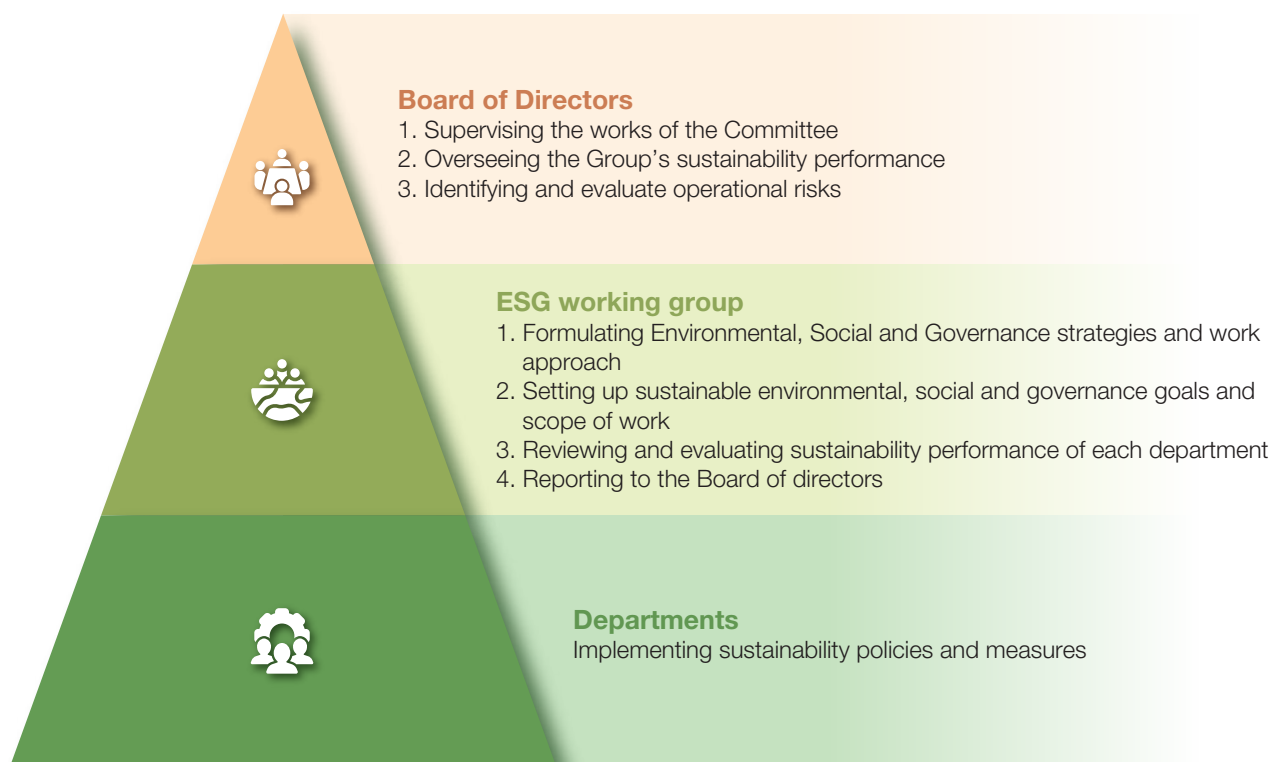
In preparation for the report, the Group adheres to the following reporting principles under the ESG Reporting Guide:

Materiality	The materiality of ESG issues is identified based on the Group’s business operations and determined by the Board.
Quantitative	The data on the Key Performance Indicators (KPIs) are sourced from the statistics of relevant departments. The methodologies, assumptions and/or calculation tools used for the report have been disclosed where appropriate.
Balance	The Group adheres to the principles of accuracy, objectivity and fairness. We provide unbiased information on environmental, social and governance performance in the report.
Consistency	The methodologies adopted for the preparation of this report are consistent compared with last year.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE FRAMEWORK

ESG Governance



Sustainable development is fundamental to the long-term success of an enterprise. The Group has consistently integrated sustainable development into its corporate vision and operational goals. We believe that establishing a strong governance structure and system is crucial for enhancing our environmental, social, and governance (ESG) performance, which is essential for effectively achieving our sustainable development targets.

Our Board of Directors ("the Board") plays an active role in shaping and executing our sustainability strategy and targets while also monitoring progress. The Board oversees ESG matters, with the Sustainability Management Committee providing reports on significant sustainability risks, opportunities, impacts, the effectiveness of ESG policies and programs, and progress toward key performance indicators (KPIs). These topics are regularly discussed at each bi-annual board meeting.

To support this commitment, the Group has set up a ESG working group (the "working group") that comprises members from various department heads and senior executives. This working group is tasked with establishing and reinforcing the management of sustainable development initiatives. In addition to its ongoing supervisory and monitoring responsibilities, the working group convenes periodic working meetings to review and evaluate progress and effectiveness in meeting our sustainability objectives.

The relevant departments take the lead in developing and executing initiatives aimed at enhancing our environmental, social, and governance performance. These initiatives include promoting energy efficiency, reducing waste, and fostering diversity and inclusion within the workplace. The relevant departments also work to integrate sustainability considerations into our operational processes and decision-making frameworks.



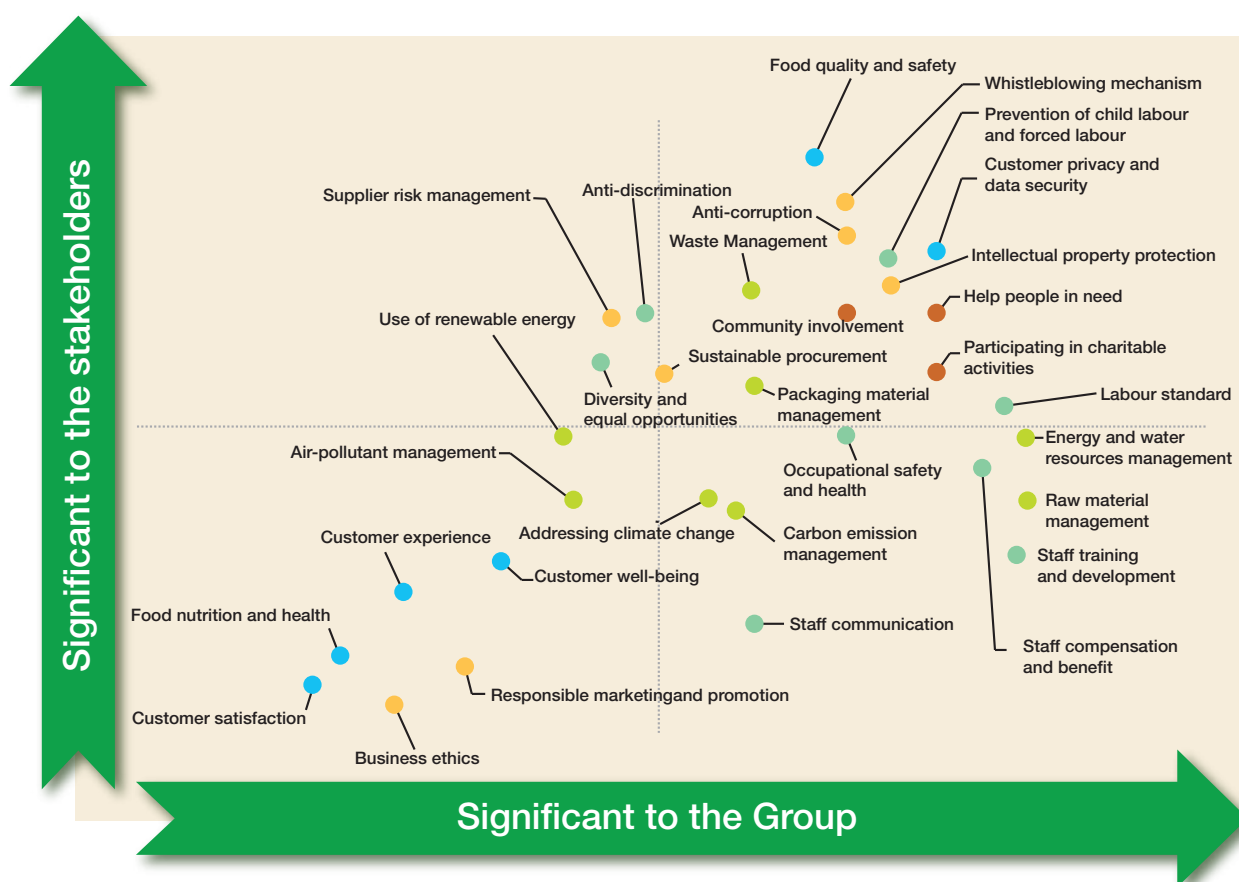
MATERIALITY ASSESSMENT

Stakeholder Participation

The Group regularly communicates with stakeholders through various channels and collects their views and opinions on society, environment and governance. Stakeholders include: employees, shareholders, contractors, suppliers, landlords, customers, business partners, government/regulatory agencies, non governmental organisations, banks, media, etc.

Materiality Assessment

We referred to the ESG reporting guidelines of Hong Kong Stock Exchange and combined the opinions of various stakeholders on the environment, society and governance, and then integrated and analysed them to identify a total of five potentially material issues.



● Customer ● Community ● Environment ● Employee ● Operation



MATERIALITY ASSESSMENT (CONTINUED)

	ESG issues	Material issues	Relevance
 Customer	Customer satisfaction		
	Food quality and safety	✓	B6. Product Responsibility
	Customer experience		
	Food nutrition and health		
	Customer privacy and data security	✓	B6. Product Responsibility
	Customer well-being		
 Community	Community involvement	✓	B8. Community Investment
	Help people in need	✓	B8. Community Investment
	Participating in charitable activities	✓	B8. Community Investment
 Environment	Packaging material management	✓	A1. Emission
	Waste Management	✓	A1. Emission
	Energy and water resources management	✓	A2. Use of Resources
	Raw material management	✓	A3. The Environment and Natural Resources
	Air-pollutant management	✓	A1. Emission
	Use of renewable energy	✓	A2. Use of Resources
	Combating climate change	✓	A4. Climate Change
	Carbon emission management	✓	A1. Emission
 Employment	Occupational safety and health	✓	B2. Health and Safety
	Staff communication	✓	B1. Employment
	Diversity and equal opportunities	✓	B4. Labour Standards
	Labour standard	✓	B4. Labour Standards
	Anti-discrimination	✓	B1. Employment
	Staff compensation and benefit	✓	B1. Employment
	Staff training and development	✓	B3. Development and Training
	Prevention of child labour and forced labour	✓	B4. Labour Standards
 Operation	Anti-corruption	✓	B7. Anti-Corruption
	Business ethics		
	Responsible marketing and promotion		
	Sustainable procurement	✓	B5. Supply Chain Management
	Supplier risk management	✓	B5. Supply Chain Management
	Whistleblowing Mechanism	✓	B7. Anti-Corruption
	Intellectual property protection	✓	B6. Product Responsibility



ENVIRONMENTAL

Emission (A1)

The Group is committed to reducing emissions and managing waste effectively, including both hazardous and non-hazardous materials, as part of our sustainability policy. We will prioritise compliance with all relevant laws and regulations governing emissions and waste management, ensuring that our operations align with best practices and legal requirements. We are proud to report that in this reporting year, the Group has not found any material non-compliance with all applicable regulations concerning emissions and waste management, with no instances of non-compliance. This commitment reflects our dedication to responsible environmental stewardship and our ongoing efforts to minimise our ecological footprint. Below is the Group policy in managing emissions and waste:

Emission Management

The Group is committed to reducing greenhouse gas emissions by setting measurable targets, regularly monitoring progress, and reporting to stakeholders. Energy efficiency measures and investments in renewable energy will be prioritised, alongside employee training to foster a culture of sustainability within the organisation.

Waste Management

The Group aims to minimise waste generation through efficient operational practices and sustainable sourcing while ensuring proper handling of hazardous and non-hazardous waste. Employee engagement in waste reduction initiatives will be encouraged, and staff will receive training on waste segregation practices.

Responsible Discharge

The Group is dedicated to responsible discharge practices for both water and land, ensuring compliance with regulatory standards and monitoring environmental impacts. Regular audits will be conducted to ensure adherence to emissions and waste management policies, with continuous reviews to incorporate stakeholder feedback and adapt to new regulations and technologies.

Pollutants Emission

The main pollutants emissions of our Group come from oil fumes and cooking odors emitted during the cooking process at restaurants and pollutant from logistics. The Group aims to reduce Nitrogen oxides (NOx) emissions to 180 kg by 2030 and sulfur oxides emissions (SOx) to 0.9 kg by 2030. To achieve the target, the Group has taken the following measures to minimise the emissions of oil fumes and cooking odors:

- Equipped stainless grease filters to block most of the oily fumes and cooking odours for heavy fume producing equipment.
- Installed well-ventilated areas for the installation of exhaust outlets, providing a better environment for the neighbouring residents.
- Appointed licensed inspector to regularly inspect equipment and process to reduce fume emissions

Emissions from vehicles also represent a source of air pollution, contributing to both environmental degradation and public health concerns. Currently, the Group relies on outsourced transporters for its logistics and distribution services, utilizing vehicles powered by fossil fuels. These vehicles emit nitrogen oxides and particulate matter during fuel combustion, which not only pollute the air but also pose serious environmental risks.



ENVIRONMENTAL (Continued)

To address these challenges and achieve the emission target, the Group has undertaken a comprehensive review and improvement of its logistics delivery processes and routes in Hong Kong and Mainland China. By optimizing delivery routes and consolidating shipments, we aim to reduce pollutant emissions from logistics. This strategic approach not only minimises emissions but also enhances operational efficiency.

Furthermore, we will explore partnerships with transporters that utilise cleaner, alternative fuel sources, such as electric or hybrid vehicles where commercially viable.

Hazardous and Non-Hazardous Waste Management

The Group's restaurants and Logistics Centres generate various types of non-hazardous waste, including (1) waste cooking oil, (2) food waste, (3) plastic tableware, plastic bags, and packaging materials, and (4) sewage water, among others. To achieve 3% waste intensity reduction by 2030 comes to 2022 and to mitigate the environmental impact of this waste, the Group has implemented a range of measures aimed at reducing non-hazardous waste generation. These initiatives focus on minimizing waste at the source, promoting recycling and responsible disposal practices, and enhancing overall operational efficiency. Through these efforts, we are committed to minimizing our ecological footprint and fostering a more sustainable operational model. It is to be noted that we do not have material hazardous waste in our operation.

Handling and disposal of cooking oil

We have established procedures for the proper handling and recycling of waste cooking oil (WCO) to prevent environmental pollution and ensure it does not re-enter the food chain. The procedures include but are not limited to:

- Adhere to the guidelines set by the Environmental Protection Department for the storage and documentation of Waste Cooking Oil (WCO) at our restaurants and Logistics Centre.
- Recycle WCO generated by our restaurants through designated vendors, while the WCO from our Logistics Centre is managed by certified solid waste disposal companies.

Food waste management

Food waste is a pressing global issue that poses significant environmental, economic, and social challenges. It is estimated that approximately one-third of all food produced for human consumption is wasted, contributing to greenhouse gas emissions, resource depletion, and economic loss. The food service industry, particularly restaurants and logistics centres, plays a pivotal role in this problem. As a responsible operator, our Group recognises the urgency of this issue and is committed to implementing effective strategies to minimise waste and promote a culture of sustainability. Through optimised purchasing, efficient storage, daily processing of food waste, and community engagement, we aim to lead by example in the fight against food waste, fostering a more sustainable future for our communities. The Group has the below initiatives to reduce food waste:

- Enhanced food purchasing system at the Logistics Centres to minimise waste caused by over-procurement.
- Used first-in-first-out approach to store food and raw materials, with optimised controls on time and temperature to prevent spoilage.



ENVIRONMENTAL (Continued)

- Had food waste collected and transformed into valuable resources by third parties.
- Promoted a “food wise and waste less” culture and encouraged customers to take home leftovers.

As a signatory to the “Food Wise Hong Kong Campaign” — “Dining Establishments Pledge” program, the Group encourage customers to adopt behaviours that minimise food waste, developing strategies such as offering portion-controlled meals, and implementing action plans with measurable objectives to enhance our waste management performance.

Plastic and packaging material management

Plastic, a material derived from organic substances with high molecular weight, is lightweight, flexible, insulating, and resistant to corrosion, making it widely used for cutlery, bags, and food packaging. However, the accumulation of plastic waste poses a significant environmental problem, as it can take hundreds of years to decompose, leading to severe pollution of land and waterways. This waste threatens marine ecosystems, harming wildlife through ingestion or entanglement and disrupting natural habitats. In light of these issues, the Group is committed to reducing plastic packaging and tableware to protect the environment. In Logistic Centres:

- Required suppliers to minimise unnecessary packaging and design.
- Measures to decrease the frequency of small orders and shifting to bulk purchasing.
- Arranged for recyclers to collect used packaging materials in various forms.
- Increased the use of foldable and reusable transport containers to minimise waste.

The Group is also assessing the feasibility of transitioning to recycled materials for plastic packaging and also has the below initiatives in our Restaurants:

- Offered biodegradable takeaway tableware.
- Provided cutlery and bags only upon customer request.
- Expedited the shift to paper or bagasse takeaway containers and tableware in our Hong Kong restaurant to comply with new legislation aimed at controlling disposable plastics.

Sewage management

Improper disposal of oils, fats, and greases can lead to severe environmental issues, particularly related to land and water discharge. When these substances enter the public sewerage system, they can cause blockages in sewer lines, leading to overflows and contamination of local water bodies. This not only disrupts the natural balance of aquatic ecosystems but also poses risks to public health and safety. Contaminated water can harm wildlife, degrade habitats, and negatively impact water quality for communities.



ENVIRONMENTAL (Continued)

To address this problem, the Group's restaurants and Logistics Centres are equipped with grease traps that effectively separate oils, fats, and greases from wastewater before it is discharged into the sewer system. We have engaged specialists in environmental engineering to conduct regular inspections and cleaning of these grease traps, ensuring they operate efficiently, prevent blockages, and reduce environmental pollution. By maintaining these systems, we contribute to the protection of both land and aquatic ecosystems from the harmful effects of greasy wastewater.

The Group did not generate any material hazardous waste during the reporting period, so no related data is disclosed. Looking ahead, the Group will continue to conduct regular reviews and enhance operational practices and equipment to improve the effectiveness of our waste management efforts.

Use of Resources (A2)

At Tao Heung, we recognise the importance of environmental stewardship and are committed to integrating sustainable practices into our operations. As part of our Environmental, Social, and Governance (ESG) initiatives, we strive to conserve energy, water, and other raw materials while enhancing the dining experience for our guests. By implementing energy-efficient technologies, optimizing water usage, and sourcing sustainable ingredients, we aim to minimise our environmental footprint and contribute positively to our community. Below outlines our policy in these areas:

Energy Consumption

We are committed to enhancing energy efficiency across our operations by conducting regular audits, implementing energy-efficient equipment, and optimizing processes to reduce waste. We will transition to renewable energy sources and establish clear adoption targets. Our energy monitoring systems will track key performance indicators (KPIs) to ensure continuous improvement. We will promote awareness among employees through training and encourage energy-saving practices. Additionally, we will retrofit and design our facilities to achieve better energy performance.

Water Consumption

We aim to improve water efficiency by using water-efficient fixtures and prioritise the treatment on greywater wherever feasible. We will address water risks in stressed areas and ensure sustainable sourcing. Our commitment includes tracking water consumption, setting reduction targets, and reporting transparently on our progress.

Raw Materials Usage

We strive to optimise our processes to minimise waste and maximise material use. We will procure materials from certified sustainable sources and increase the use of recycled materials, designing products with recyclability in mind. Engaging our employees and collaborating with suppliers on best practices will be fundamental to our approach.

Through these initiatives, we aim to foster a sustainable and responsible approach to energy, water, and raw materials usage, contributing to a healthier environment for future generations.



ENVIRONMENTAL (Continued)

In alignment with our policy above, and to achieve 3% energy reduction compares to 2023 by 2030, the Group has implemented the following initiatives:

- Installed with e-energy-saving bulbs and/or tubes which could be adjusted according to customer traffic needs in our restaurants.
- Air conditioning system management is deployed in our restaurants, which can optimise energy using according to customer traffic and operating hours.
- Electrical equipment in restaurants and Logistics Centers are regularly inspected and maintained by registered contractors to ensure that the efficiency.
- Office lighting, air conditioning and other electronic equipment must be turned off when not in use.
- Installed a quantum energy optimiser in the power distribution system of two frozen and chilled warehouses in the Logistics Centers, which regulate the flow of electrons and minimise energy consumption during the power distribution process.
- Consumed renewable energy through the installment of solar photovoltaic panels on the rooftop of our properties.

Water Conservation

With a target of reducing water intensity by 10% compares to 2022, all our restaurants in Hong Kong and Mainland China use smart dishwashers to clean kitchen utensils with installation of high-efficiency water-saving faucets and equipment to reduce water consumption. In addition, the Group arranges for professional contractors to conduct regular inspections and maintenance of equipment to prevent water wastage due to equipment failure. We have also developed guidelines for using cleaning supplies (such as dishwashing detergent, bleach, cleaning chemicals and disinfectants, etc.), to reduce environmental pollution while saving water.

Economy in the Use of Paper

The Group has long introduced various digital transformation initiatives, including the rollout of self-ordering systems, takeaway and membership apps, and online stores. The provision for customers with such intelligent dining experience also aims to reduce paper consumption, thereby protecting trees and minimizing environmental impact. Since the introduction of online ordering, customers can use their phones to replace traditional ordering slips, greatly reducing paper usage and wastage.





ENVIRONMENTAL (Continued)

The Environment and Natural Resources (A3)

At Tao Heung, we acknowledge the impact our operations have on the environment and the communities we serve. As we strive to create memorable dining experiences, we are equally aware of our responsibility to minimise our ecological footprint. From sourcing ingredients to managing waste, our choices directly influence sustainability and resource conservation. By integrating environmentally friendly practices into our business model, we aim to lead by example, demonstrating that delicious food and environmental stewardship can go hand in hand. We are committed to sustainable practices in all aspects of our operations, including our procurement processes. Our Green Procurement Policy aims to minimise our environmental impact by prioritizing the purchase of sustainable and responsibly sourced products:

- Encouraged the procurement of environmentally friendly products, such as sustainable seafood, to promote responsible fishing practices and protect marine ecosystems.
- Provided alternative choices of food ingredients in our banquet menus. For instance, we offer stewed soup as a replacement for shark tins, ensuring that our customers have delicious and sustainable options while reducing demand for endangered species.
- Collaborate with suppliers to ensure they adhere to sustainable practices and provide us with products that align with our green procurement goals where possible.
- Continuous Improvement: We will regularly review and update our procurement practices, seeking new opportunities to enhance sustainability and reduce our environmental footprint when viable.

In the future, the Group will continue to promote green dining culture by reviewing the supply of ingredients, increasing the procurement of plant-based meats and developing new menus to provide more choices for customers.





ENVIRONMENTAL (Continued)

Climate Change (A4)

The Group acknowledges the vital importance of identifying and addressing significant climate-related issues that have affected or may affect its operations, financial performance, and stakeholder interests. Our policies require a risk assessment framework to pinpoint climate-related risks, including physical risks such as extreme weather events and transition risks like regulatory changes or shifts in market dynamics. Mitigation measures include adopting sustainable operational practices and bolstering resilience through adaptive infrastructure. Regular monitoring and reporting ensure transparency. These policies are reviewed periodically to tackle emerging climate challenges and align with evolving regulatory and environmental expectations.

Typhoon and Floods — Acute Risk

Risks	<p>The severity of typhoons, measured by wind speed, is increasing, leading to more frequent and destructive storms, while flooding severity, measured by flood depth, is also expected to rise across Asia, particularly affecting low-lying and flood-prone areas.</p> <p>Severe weather conditions are causing disruptions to services and business operations, resulting in store closures, power outages, and transportation issues. Additionally, floodwater is damaging equipment, facilities, and properties, leading to a decrease in business demand as customers in affected areas are impacted.</p>
Response	<p>To ensure operational resilience, it is essential for the group to develop business continuity plans for all locations, conduct thorough assessments of geographical flood plains to avoid vulnerable areas when establishing new sites, and implement standard operating procedures and evacuation plans that prioritise the safety of team members while protecting assets during flood events.</p>
Value chain	<p>Own operation</p>
Time horizon	<p>Short, and medium-term</p>



ENVIRONMENTAL (Continued)

Carbon pricing mechanism — Market Risk

Description	Costs associated with emissions reduction regulatory or fiscal policies, whether direct (such as a carbon tax) or indirect.
Risks	Carbon taxes and cap-and-trade systems can lead to higher costs for food retailers, stemming from increased expenses in energy, transportation, and logistics. Additionally, suppliers may incur higher costs due to carbon pricing, which could be passed down the supply chain, ultimately affecting the overall cost structure for retailers.
Opportunities	The costs associated with carbon pricing mechanisms could be mitigated by deploying low-carbon technologies and reducing carbon emissions, thereby gaining a competitive edge over high-emitting competitors.
Response	We will implement measures to reduce Scope 1 and 2 greenhouse gas emissions through energy efficiency improvements and sustainable commodities initiatives aimed at lowering carbon sources. Additionally, we will plan a Scope 3 GHG emissions strategy to address high carbon-emitting commodities.
Value chain impacted	Upstream and own operation
Time horizon	Medium and long-term



ENVIRONMENTAL (Continued)

Environmental Performance Indicator: Hong Kong

	2024	2023	2022	% Change 2024 vs 2022
Energy Consumption				
Electricity ('000 kWh) ¹	88,124	98,513	78,833	12%
Towngas ('000 kWh) ²	13,256	12,078	8,562	55%
Energy intensity ('000 kWh/HK\$m revenue)	62.4	62.0	66.8	-7%
Greenhouse Gas Emission				
Scope 1 direct emissions (tCO ₂ e) ³	2,424	2,209	1,565	55%
Scope 2 indirect emissions (tCO ₂ e) ⁴	46,264	51,719	41,387	12%
Total emission (tCO ₂ e)	48,689	53,929	42,953	13%
Emission intensity (tCO ₂ e/HK\$m revenue)	30.0	30.2	32.8	-9%
Air Emissions				
Nitrogen oxides (kg) ⁵	191	174	123	55%
Sulphur oxides (kg) ⁵	1.0	0.9	0.6	55%
Water Consumptions				
Total water consumption (m ³)	722,867	739,105	603,695	20%
Intensity (m ³ /HK\$m revenue)	445	415	462	-4%
Waste Production				
Total hazardous waste produced (tonne)	N/A	N/A	N/A	N/A
Intensity (tonne/HK\$m revenue)	N/A	N/A	N/A	N/A
Total non-hazardous waste produced-Foodwaste (tonne)	722	712	626	15%
Intensity (tonne/HK\$m revenue)	0.44	0.40	0.48	-8%
Packaging Material Consumption				
Total packaging material used (tonne)	175	195	201	-13%
Intensity (tonne/HK\$m revenue)	0.11	0.11	0.15	-27%



ENVIRONMENTAL (Continued)

Environmental Performance Indicator: Mainland China

	2024	2023	2022	% Change 2024 vs 2022
Energy Consumption				
Electricity ('000 kWh)	54,436	64,343	64,121	-15%
Towngas ('000 kWh) ²	9,639	12,548	12,494	-23%
Energy intensity ('000 kWh/HK\$m revenue)	80.0	74.5	81.3	-2%
Greenhouse Gas Emission				
Scope 1 direct emissions (tCO ₂ e) ³	1,763	2,295	2,285	-23%
Scope 2 indirect emissions (tCO ₂ e) ⁴	29,395	34,745	34,625	-15%
Total emission (tCO ₂ e)	31,158	37,040	36,910	-16%
Emission intensity (tCO ₂ e/HK\$m revenue)	39.0	35.9	39.2	-1%
Air Emissions				
Nitrogen oxides (kg) ⁵	138	181	180	-23%
Sulphur oxides (kg) ⁵	0.69	0.90	0.90	-23%
Water Consumptions				
Total water consumption (m ³)	627,112	779,757	828,396	-24%
Intensity (m ³ /HK\$m revenue)	783	756	879	-11%
Waste Production				
Total hazardous waste produced (tonne)	N/A	N/A	N/A	N/A
Intensity (tonne/HK\$m revenue)	N/A	N/A	N/A	N/A
Total non-hazardous waste produced-Foodwaste (tonne)	1,291	1,620	1,567	-18%
Intensity (tonne/HK\$m revenue)	1.61	1.57	1.67	-3%
Packaging Material Consumption				
Total packaging material used (tonne)	115	195	263	-56%
Intensity (tonne/HK\$m revenue)	0.14	0.19	0.28	-49%



ENVIRONMENTAL (Continued)

Notes:

1. Hong Kong energy consumption is calculated based on CLP average net tariff. Hong Kong energy consumption are restated to using spend-based calculation in 2023 and 2022 to improve data consistency.
2. Hong Kong town gas consumption is based on HKE average net tariff. Town gas consumption in both Hong Kong and mainland China for 2023 and 2022 has been restated to improve data consistency.
3. Direct GHG emissions from the combustion of fuels in stationary sources, i.e., Town gas, are calculated. The emission factor is obtained from Defra. Direct GHG emissions of both Hong Kong and Mainland China are restated in 2023 and 2022 to improve data consistency.
4. Indirect GHG emissions from the consumption of purchased electricity are calculated. The emission factors for Hong Kong are obtained from The Hong Kong Electric Company Limited (HKE) and CLP Holdings Limited (CLP). Indirect GHG emissions of both Hong Kong and Mainland China are restated in 2023 and 2022 to improve data consistency.
5. Nitrogen oxides and sulphur dioxide emissions from the combustion of fuels in stationary sources, i.e., Town gas, are calculated. NO_x and SO_x emission factors are obtained from HKEx Appendix 2: Reporting Guidance on Environmental KPIs. The numbers of Nitrogen oxides and sulphur dioxide of both Hong Kong and Mainland China are restated in 2023 and 2022 to improve data consistency.





SOCIAL

Employment (B1)

The Group firmly believes that our employees are our most valuable assets and should be treated with the utmost respect and dignity. With the below policy, we are committed to fostering a positive and inclusive work environment that promotes the growth and well-being of all employees:

- We are dedicated to attracting and retaining top talent through competitive salaries and comprehensive benefits, with compensation based on performance, market standards, and internal equity. Our recruitment efforts focus on building a diverse candidate pool, and promotions are based on merit and potential, supported by training and development opportunities. We comply with legal requirements for working hours, promoting a healthy work-life balance with regular breaks. We uphold equal employment opportunities and maintain a zero-tolerance policy towards discrimination and harassment, addressing any incidents promptly. Additionally, we provide various employee benefits, including health insurance and wellness programs, to foster a supportive workplace environment.

The table below shows the distribution of workforce by gender and age group as at 31 December 2024:

2024	Male			Female			Total			Total
	Office	Logistic Centres	Restaurant	Office	Logistic Centres	Restaurant	Office	Logistic Centres	Restaurant	
Age										
30 or below	14	44	259	44	44	127	58	88	386	532
30–59	56	234	916	95	238	1,548	151	472	2,464	3,087
60 or above	12	11	102	2	31	232	14	42	334	390
Total	82	289	1,277	141	313	1,907	223	602	3,184	4,009

2023	Male			Female			Total			Total
	Office	Logistic Centres	Restaurant	Office	Logistic Centres	Restaurant	Office	Logistic Centres	Restaurant	
Age										
30 or below	17	60	455	76	51	164	93	111	619	823
30–59	71	237	1,019	109	253	1,835	180	490	2,854	3,524
60 or above	10	16	126	3	43	268	13	59	394	466
Total	98	313	1,600	188	347	2,267	286	660	3,867	4,813

2022	Male			Female			Total			Total
	Office	Logistic Centres	Restaurant	Office	Logistic Centres	Restaurant	Office	Logistic Centres	Restaurant	
Age										
30 or below	21	81	467	85	72	206	106	153	673	932
30–59	78	220	1,077	101	255	2,140	179	475	3,217	3,871
60 or above	9	18	109	1	37	244	10	55	353	418
Total	108	319	1,653	187	364	2,590	295	683	4,243	5,221



SOCIAL (Continued)

Turnover

Hong Kong

Turnover by location	Office	Logistics Centre	Restaurants	Total
2024	2.93%	1.79%	4.14%	3.88%
2023	3.15%	2.56%	5.74%	5.33%
2022	2.99%	2.40%	5.55%	5.14%

China

Turnover by location	Office	Logistics Centre	Restaurants	Total
2024	1.04%	2.37%	2.45%	2.32%
2023	1.90%	2.85%	3.38%	3.18%
2022	1.52%	4.91%	3.08%	3.21%

The Group is committed to a fair and open recruitment process to hire the most suitable talent. We maintain a competitive remuneration system, reviewing salaries annually based on employee performance, market trends, and operational conditions, alongside incentives to attract and retain top talent. Our promotion plan includes annual performance evaluations that inform training and advancement opportunities. In addition to statutory holidays, employees receive various paid leaves, including annual, maternity, funeral, and marriage leave. We also prioritise a work-life balanced environment to support the physical and mental well-being of our employees.

The Group is endeavoured to complying with the relevant employment laws and regulations in Hong Kong and Mainland China and has established different mechanisms for employee compensation and benefits. In 2025, the Group has no material non-compliance with employment laws and regulations.



SOCIAL (Continued)

Care for employees

The cohesive team culture is one of the success factors of this Group. We strive to provide employees with a caring, harmonious, and dynamic work environment. To achieve this, the Group has implemented various measures and arranged diverse activities to promote close cooperation and effective communication among employees, fostering their sense of belonging and productivity. The Group shares its corporate activities and employee dynamics through the publication of “Tao Heung Quarterly,” and also releases the latest Group news and information on restaurant bulletin boards and the intranet. In addition, the Group has always encouraged open communication and expression of opinions transcending corporate hierarchies. If employees have any opinions about their department or work, they can reflect them to their immediate supervisors, management, or human resources and administration departments. The Group will follow up and handle the opinions in a fair and just manner, explore room for improvement, and continuously improve the management of the Group. Our employee caring measures include:

- Regular communication with employees: Through regular and ad hoc meetings, interviews as well as annual employee appraisals, ample opportunities for communication and understanding between the employees and their management and department heads are afforded in establishing team spirit.
- Family Friendly Environment: The Group is committed to provide a friendly work environment for employees, such as work-from-home arrangements during the pandemics, establishing a talent development fund, and implementing occupational safety measures.
- Employee Discount: The Group strive to obtain retail discounts and benefits from other companies as staff benefits to our employees.

Health and Safety (B2)

The Group recognises that employees are our most valuable asset and prioritises occupational safety and health as a fundamental commitment to our workforce. To ensure a safe working environment and safeguard employees from occupational hazards, we have implemented a management system based on the “5-S” (1i 5t) framework. Additionally, we have created operating manuals and promotional videos that offer clear guidance on essential occupational safety practices, which all employees are expected to follow. We believe that these initiatives will help prevent serious work-related injuries and decrease the incidence of workplace accidents. We recognise the paramount importance of providing a safe working environment for all our employees. We are committed to protecting our staff from occupational hazards and ensuring their well-being through proactive health and safety measures with below policy:

- We are committed to maintaining a safe working environment by adhering to all health and safety regulations, conducting regular safety audits, and implementing necessary protocols. Comprehensive training on health and safety practices will be provided to all employees, covering equipment use, emergency procedures, and hazard recognition. Employees are encouraged to promptly report safety concerns and incidents, which will be investigated to prevent future occurrences. Additionally, we will develop and maintain emergency response plans, ensuring regular drills and training so that employees are well-prepared for potential incidents.



SOCIAL (Continued)

To achieve the policy, we have the below initiatives:

- Had employees mandatorily learn and acknowledge occupational safety procedures and training materials.
- Investigated and followed up on work injury cases and had the restaurant undergo occupational safety re-training courses.
- Provided effective protection equipment and outfits such as labour protection shoes, masks, gloves, safety helmets etc.
- Implemented safety production management system, such as “Fire Safety Management System”.
- Established of a safety production management committee that meets regularly.
- Scheduled safety inspection timetables spanning to conduct regular professional production safety inspections.

Development and Training (B3)

At Tao Heung, we recognise that the continuous development and training of our employees are crucial for improving their knowledge and skills, enabling them to effectively discharge their duties. We are committed to fostering a culture of learning and professional growth that benefits both our employees and the organisation as a whole with the below policy:

We are committed to enhancing employees’ skills and knowledge relevant to their roles, ensuring they remain competent and confident in their work. We support career development by providing pathways for advancement and specialised training programs. Necessary resources, including budget, time, and access to training materials and facilities, will be allocated for training initiatives. Additionally, we will regularly evaluate the effectiveness of our training programs and seek employee feedback to continuously improve our offerings.

By implementing this policy, we aim to empower employees with the knowledge and skills necessary for their roles, fostering a culture of continuous improvement and professional excellence with below initiatives as examples:

- Provided new joiners training courses on corporate culture, occupational safety, intranet and system operation guidelines.
- Provided “Employee Training Subsidies” to enable employees to attend external professional training courses to enhance their work skills and knowledge.



SOCIAL (Continued)

The table below summarises the percentage of employees trained by gender and employee category (such as senior management, middle management), as well as the average training hours completed per employee by gender and employee category in 2024.

Hong Kong

	Employee Trained			Average Training Hours		
	2024	2023	2022	2024	2023	2022
Gender						
Male	1.32%	7.54%	30.79%	12.15	29.72	1.55
Female	0.65%	2.23%	20.34%	6.38	48.80	1.49
Employee Category						
Senior Management	5.26%	65.22%	85.91%	7.14	20.93	2.04
Middle Management	0.77%	7.91%	29.33%	21.23	41.45	0.68

China

	Employee Trained			Average Training Hours		
	2024	2023	2022	2024	2023	2022
Gender						
Male	32.65%	51.55%	37.20%	8.21	4.65	2.00
Female	35.9%	75.74%	20.34%	6.77	4.04	2.00
Employee Category						
Senior Management	88.89%	100.00%	NA	6	20.6	NA
Middle Management	41.36%	80.38%	5.50%	3.99	4.48	2.00

Labour Standards (B4)

At Tao Heung, we acknowledge that child and forced labour are serious societal issues that undermine human dignity and violate fundamental rights. We are committed to ensuring that our operations are free from any form of child or forced labour. We adhere to all relevant laws and regulations aimed at preventing these practices in Hong Kong and China. We have the below policy on preventing child and force labour:

- We uphold a zero-tolerance policy towards child and forced labour across our operations and supply chain, ensuring compliance with all relevant laws and regulations in Hong Kong and China. To raise awareness, we will provide training and resources to employees and partners regarding these issues. We will also implement monitoring mechanisms to identify and address any instances of child or forced labour, encouraging employees and stakeholders to report concerns without fear of retaliation. Additionally, we will collaborate with relevant organisations and stakeholders to promote the elimination of child and forced labour in our industry.



SOCIAL (Continued)

In compliance with Hong Kong and China laws, we adhere to the following regulations aimed at preventing child and forced labour, including but not limited to:

- Hong Kong Employment Ordinance (Cap. 57): Regulates the employment of children and young persons, prohibiting the employment of children under the age of 13.
- Labour Law of the People's Republic of China: Prohibits the employment of minors under the age of 16 and regulates working conditions for minors aged 16-18.

We implement comprehensive measures to prevent child and forced labour within our operations and supply chain. This includes conducting regular audits and risk assessments, enforcing strict age verification during recruitment, and providing training for employees and suppliers on recognizing and reporting such practices. We also establish anonymous reporting mechanisms to encourage whistleblowing and protect those who report concerns.

In the event that child or forced labour is discovered, we have protocols for immediate investigation and corrective actions, such as removing affected individuals and terminating contracts with violators. In 2024, we have no non-compliance with law and regulations relating to child and forced labour.

Supply Chain Management (B5)

At Tao Heung, we acknowledge that there could be environmental and social risks associated with our supply chain. We are committed to managing these risks through proactive policies and practices that promote sustainability and social responsibility. We have a policy on managing Supply Chain Environmental and Social Risks:

- We conduct thorough assessments of our suppliers to evaluate their environmental practices and social compliance, focusing on their labor policies, waste management, and resource usage. We prioritise sourcing from those committed to sustainable practices, including eco-friendly materials and processes. Regular audits and monitoring, including site visits and performance evaluations, ensure compliance with our standards. We also provide training and resources to enhance suppliers' understanding of sustainable practices. Engaging with stakeholders, including local communities and NGOs, helps us address social and environmental challenges collaboratively. Our policies and practices are regularly reviewed and updated to adapt to emerging risks, regulatory changes, and stakeholder feedback, ensuring effective management of environmental and social risks.

The Group employs stringent criteria for selecting suitable suppliers to ensure a stable and timely supply of necessary ingredients. Additionally, site visits are conducted in collaboration with the quality assurance department to evaluate food hygiene, working conditions, and the production and quality control processes of potential major suppliers.

For existing suppliers, regular on-site inspections are performed by the central procurement department alongside the quality assurance department, with meetings held as needed. The Group exclusively purchases from authorised suppliers and evaluates supplier performance to encourage increased purchasing from those with favourable ratings.



SOCIAL (Continued)

Supplier Engagement Practices

Our approach to engaging suppliers is built on fostering strong, collaborative relationships. We initiate engagement through an onboarding process that outlines our expectations. Our central procurement and quality assurance departments closely oversee the supplier selection and evaluation process. For new suppliers, the procurement department reviews relevant information, including hygiene certifications, certificates of origin, and internationally recognised food hygiene and management system certifications. Supplier engagement is monitored through regular communication, feedback loops, and performance evaluations. We conduct periodic reviews to assess compliance with our sustainability criteria, ensuring that suppliers remain aligned with our values.

Identifying Environmental and Social Risks

To identify environmental and social risks along our supply chain, we employ a multifaceted risk assessment framework. This involves evaluating suppliers based on their environmental practices, labour conditions, and community impact. We utilise self-assessment questionnaires and industry benchmarks to gather relevant data. The identification process is implemented during the supplier onboarding phase and revisited annually. Continuous monitoring is achieved through on-site audits, stakeholder consultations, and risk reporting, enabling us to address potential issues proactively.

Promoting Environmentally Preferable Products

When selecting suppliers, we prioritise those that offer environmentally preferable products and services. This includes assessing suppliers based on their sustainability certifications, eco-friendly practices, and resource efficiency. We integrate these criteria into our supplier selection process to ensure alignment with our environmental goals. This practice is implemented at the initial selection stage and is continually monitored through supplier performance metrics and sustainability reporting. We encourage ongoing improvements by providing feedback and recognizing suppliers who excel in providing sustainable products.

The group is committed to sourcing seafood that meets established standards for sustainability, environmental responsibility, and social accountability. By sourcing certified seafood products, they ensure that the fish served in their restaurants comes from facilities that follow sustainable practices. Additionally, they adhere to standards that promote sustainable fishing and responsible management of ocean resources, ensuring traceability to fisheries that implement effective management measures. This commitment to sustainable sourcing underscores the group's dedication to protecting marine resources while upholding environmental and social responsibility, providing customers with verified options that align with sustainable development principles.

No. of active suppliers	2024	2023
Hong Kong	726	742
Mainland China	512	458
Taiwan	1	1
Total	1,239	1,201



SOCIAL (Continued)

Product Responsibility (B6)

Tao Heung is committed to ensuring the highest standards of health and safety, accurate advertising and labelling, and the protection of customer privacy in all products and services provided within the restaurant industry. We adhere to all applicable laws and regulations in Hong Kong and China to maintain trust and safety for our customers and employees. We manage product responsibility with the below policies and program:

- We are committed to complying with all relevant health and safety regulations to ensure the safety of both employees and customers in our establishments. Regular safety audits and training will be conducted to maintain compliance. Our food handling and preparation practices will adhere to stringent hygiene standards to prevent foodborne illnesses, with ongoing staff training on food safety protocols. Additionally, we will establish and communicate clear emergency procedures for fire, medical emergencies, and other hazards to ensure the well-being of all patrons and staff.

Our quality assurance process is meticulously designed to ensure that all products and services adhere to the highest safety and quality standards. This starts with thorough evaluations of suppliers and incoming inspections of raw materials to verify compliance with our quality criteria. We implement Standard Operating Procedures (SOPs) for food preparation and service, supported by regular employee training on food safety and hygiene practices. Continuous monitoring through audits and customer feedback enables us to identify improvement areas, ensuring our operations consistently meet industry standards. In case of a safety issue, we have a structured recall procedure in place, which involves conducting risk assessments, notifying regulatory authorities, and communicating with customers about affected products while implementing corrective actions to prevent future occurrences.

The Group strictly adheres to applicable laws and regulations while maintaining a robust food safety management system. To uphold food quality standards, our quality assurance team regularly conducts operational audits in our restaurants and Logistics Centres, while providing ongoing training to employees to ensure compliance with quality control guidelines related to food handling and hygiene practices.

In accordance with the Food Safety Law of the People's Republic of China, the State Administration for Market Regulation has established the Working Guidelines to encourage catering service providers to enhance food safety management, operate with integrity, and comply with the law. These guidelines promote a transparent processing system and socially responsible food safety practices. In 2024, we have not found product recall and not found any non-compliance with relevant laws and regulations related safety and health reason.

Product Advertising and Labelling

We are committed to truthful advertising, ensuring that all promotional materials are accurate and not misleading, with substantiated claims to build consumer trust. Our food and beverage products will be labelled in compliance with applicable regulations, providing clear ingredient lists, allergen information, and nutritional content. Additionally, our marketing practices will be conducted ethically, avoiding exploitation of vulnerable populations and ensuring that communications are suitable for all audiences.



SOCIAL (Continued)

Customers Privacy and Intellectual Property

The Group has the below policy to manage the topic:

- We are dedicated to protecting customer privacy by handling personal data in accordance with applicable data protection laws. Customers will be informed about how their data is used, and consent will be sought before sharing information with third parties. They have the right to access and request corrections to their personal information, with clear procedures in place for these requests. Additionally, all employees must respect intellectual property rights, refraining from unauthorised use of third-party materials. The company will actively monitor for potential infringements of its intellectual property rights and take prompt action against any violations, including legal measures if necessary.

To effectively implement our consumer data protection policies, we conduct regular training for employees on data handling best practices and privacy regulations. We employ robust security measures, including encryption and secure storage solutions, to safeguard personal information from unauthorised access. Our data protection officer oversees compliance with privacy policies and conducts periodic audits to assess adherence to these standards. We also maintain an incident response plan to address any potential data breaches, ensuring timely notification to affected customers and regulatory authorities. Continuous monitoring of our systems and processes allows us to adapt to evolving privacy laws and customer expectations, reinforcing our commitment to data protection.

We are also dedicated to observing and protecting intellectual property rights through a comprehensive approach that includes employee training on the importance of copyrights, trademarks, and trade secrets, as well as clear policies governing the use of proprietary materials. We establish collaboration agreements with third parties that clearly define ownership and usage rights, and we encourage internal innovation by seeking patents for new inventions and trademarks for our brands.

Customers Complaints Management

In regard to customer complaints management, we have the below policy:

- We encourage customer feedback on health and safety, advertising, and privacy issues through designated channels, including in-person, email, and our website. All complaints will be promptly reviewed, with appropriate actions taken to address concerns, and customers will be informed of the investigation's outcome in a timely manner. Additionally, we will regularly review our policies and procedures based on customer feedback and regulatory changes to ensure ongoing compliance and continuous improvement.

The Group recognises that customer feedback is essential for enhancing our services and product quality. We highly value customer input and have established a thorough feedback system that enables customers to reach out to us through various channels, including customer service hotlines, email, social media, and restaurant feedback cards. Customer feedback is a critical performance indicator when assessing the overall performance of each restaurant, and we have appointed a dedicated team to manage and follow up on each case.



SOCIAL (Continued)

To boost customer satisfaction, we conduct random opinion surveys among patrons to evaluate their satisfaction and expectations regarding our services, dining environment, and food quality. The results of these surveys help us determine whether our employees are adhering to existing quality control guidelines, identify areas for improvement, and gain a better understanding of customer expectations.

During the reporting period, the Group did not identify any significant violations of relevant standards, rules, or regulations concerning health and safety, advertising, or labelling.

Anti-Corruption (B7)

Bribery, extortion, fraud, and money laundering are significant challenges that can undermine the integrity of business operations and erode public trust. These issues can manifest in various forms, including:

- **Bribery:** The offering, giving, receiving, or soliciting of something of value to influence the actions of an official or other person in charge of a public or private duty.
- **Extortion:** The practice of obtaining something, especially money, through coercion or threats, often involving the abuse of power.
- **Fraud:** Deliberate deception to secure unfair or unlawful gain, which can include falsifying documents or misrepresenting services.
- **Money Laundering:** The process of concealing the origins of illegally obtained money, typically by means of transfers involving foreign banks or legitimate businesses.

These activities can lead to severe legal repercussions, reputational damage, and financial loss for organisations, particularly in regions with stringent regulations like Hong Kong and China, such as:

- **Hong Kong Prevention of Bribery Ordinance:** This law prohibits bribery of public servants and regulates the acceptance of advantages by public officials.
- **China Anti-Money Laundering Law:** Sets requirements businesses to prevent and report money laundering activities.

We have the below policy regarding how the Group deal with corruptions:

- We uphold a zero-tolerance policy towards bribery, extortion, fraud, and money laundering, with strict disciplinary actions for any employees engaged in such activities, including termination. All employees will undergo mandatory training to recognise and report suspicious activities, and we encourage the reporting of misconduct through established channels, allowing for anonymous submissions that will be thoroughly investigated. We conduct due diligence on all suppliers, partners, and third-party representatives to ensure compliance with our anti-bribery and anti-corruption policies, alongside regular audits to assess adherence to these standards. Additionally, we monitor transactions for signs of money laundering and maintain comprehensive records of all financial transactions, ensuring compliance with all relevant laws and regulations.



SOCIAL (Continued)

The Group has implemented a code of conduct and guidelines for employees to prevent fraudulent and corrupt behavior. We have established a whistle-blowing system that enables employees to disclose any illegal activities, incidents of corruption, violations of internal controls, improper financial practices, or any other misconduct that should be communicated to Management through designated procedures and channels. If investigations reveal suspected cases of bribery or other criminal offenses, those involved will face disciplinary action from the Group or may be reported to the appropriate law enforcement agencies.

During the reporting period, the Group has not experienced any significant non-compliance with applicable laws and regulations concerning bribery, fraud, and money laundering.

Community Investment (B8)

In addition to operating a sustainable Chinese cuisine business, Tao Heung is deeply committed to community service and corporate social responsibility. The Group actively engages in a wide range of charitable activities, fostering a culture of giving back within the organisation. We encourage our employees to participate in volunteer initiatives during their free time, providing them with opportunities to contribute to meaningful causes.

Moreover, Tao Heung regularly collaborates with local charities and community organisations to address pressing social issues and support those in need. By organizing fundraising events, food drives, and educational programs, we aim to make a positive impact in the communities we serve. Our commitment extends beyond merely supporting charitable activities; we strive to create lasting partnerships that enhance community well-being and promote social cohesion. Through these efforts, Tao Heung not only reinforces its values but also inspires employees to take an active role in making a difference, fostering a sense of purpose and fulfilment within our workforce. We are attending to our community with below policy:

- We are dedicated to engaging with community members by actively seeking their input through surveys, focus groups, and public meetings to understand their priorities and concerns. Our efforts will be culturally sensitive, respecting local traditions to ensure our initiatives are relevant and beneficial. We aim to establish partnerships with local organisations and stakeholders to deepen our understanding of community dynamics. Transparency is essential; we will communicate openly about our activities, providing regular updates and welcoming feedback. Ultimately, our programs will prioritise community interests, focusing on addressing local needs and enhancing the quality of life.



SOCIAL (Continued)

We have established programs in Hong Kong and China aimed at engaging the community, with a strong focus on preserving Chinese food culture. These initiatives are designed to promote awareness and appreciation of traditional culinary practices, regional specialties, and the rich history behind Chinese cuisine, such as:

- Promoted food conservation and reduces waste through donation initiatives benefiting those in need and supporting environmental protection.
- Made donations too schools and social welfare organisations.
- Supported social charities and sponsors events promoting disability inclusion and societal equality.
- Encouraged employees to participate in marathons and social volunteering to enhance their well-being.
- Provided venues for charitable organisations to host activities.





HKEX ESG — REPORTING GUIDE INDEX

HKEx Appendix C2 Part B Index

Governance Structure	Location
<p>13. A statement from the board containing the following elements:</p> <ul style="list-style-type: none"> (i) a disclosure of the board’s oversight of ESG issues; (ii) the board’s ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer’s businesses); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer’s businesses. 	ESG Report: ESG Governance
<p>Reporting Principles</p> <p>14. A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG report:</p> <p>Materiality: The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer’s stakeholder engagement.</p> <p>Quantitative: Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed.</p> <p>Consistency: The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.</p>	ESG Report: About this Report
<p>Reporting Boundary</p> <p>15. A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.</p>	ESG Report: About this Report



HKEX ESG — REPORTING GUIDE INDEX (Continued)

HKEx Appendix C2 Part C Index

	Location
A. Environmental	
Aspect A1: Emission	
General Disclosure Information on:	ESG Report: Emission (A1)
(a) the policies; and	
(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	
KPI A1.1 The types of emissions and respective emissions data.	Environmental Performance Indicator: Hong Kong
	Environmental Performance Indicator: Mainland China
KPI A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Environmental Performance Indicator: Hong Kong
	Environmental Performance Indicator: Mainland China
KPI A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Environmental Performance Indicator: Hong Kong
	Environmental Performance Indicator: Mainland China
	The Group finds hazardous waste no material as no material hazardous waste was produced during operations.
KPI A1.5 Description of emission target(s) set and steps taken to achieve them.	ESG Report: Emission (A1)
KPI A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	ESG Report: Emission (A1)



HKEX ESG — REPORTING GUIDE INDEX (Continued)

	Location
Aspect A2: Use of Resources	
General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.	ESG Report: Use of Resources (A2)
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).	Environmental Performance Indicator: Hong Kong
KPI A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Environmental Performance Indicator: Mainland China
KPI A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	ESG Report: Use of Resources (A2)
KPI A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	ESG Report: Use of Resources (A2)
KPI A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Environmental Performance Indicator: Hong Kong
	Environmental Performance Indicator: Mainland China
Aspect A3: The Environment and Natural Resources	
General Disclosure Policies on minimising the issuer's significant impacts on the environment and natural resources.	ESG Report: The Environment and Natural Resources (A3)
KPI A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	ESG Report: The Environment and Natural Resources (A3)
Aspect A4: Climate Change	
General Disclosure Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	ESG Report: Climate Change (A4)
KPI A4.1 Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	ESG Report: Climate Change (A4)



HKEX ESG — REPORTING GUIDE INDEX (Continued)

Location	
B. Social	
Employment and Labour Practices	
Aspect B1: Employment	
General Disclosure	ESG Report: Employment (B1)
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.	
KPI B1.1 Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	ESG Report: Employment (B1) The Group is working towards the tracking of workforce by employment type.
KPI B1.2 Employee turnover rate by gender, age group and geographical region.	The Group is working towards tracking if turnover rate by gender.
Aspect B2: Health and Safety	
General Disclosure	ESG Report: Health and Safety (B2)
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.	
KPI B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	ESG Report: Health and Safety (B2)
KPI B2.2 Lost days due to work injury.	ESG Report: Health and Safety (B2)
KPI B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.	ESG Report: Health and Safety (B2)
Aspect B3: Development and Training	
General Disclosure	ESG Report: Development and Training (B3)
Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	
KPI B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	ESG Report: Development and Training (B3)
KPI B3.2 The average training hours completed per employee by gender and employee category.	ESG Report: Development and Training (B3)



HKEX ESG — REPORTING GUIDE INDEX (Continued)

	Location
Aspect B4: Labour Standards	
General Disclosure	ESG Report: Labour Standards (B4)
Information on:	
(a) the policies; and	
(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	
KPI B4.1 Description of measures to review employment practices to avoid child and forced labour.	ESG Report: Labour Standards (B4)
KPI B4.2 Description of steps taken to eliminate such practices when discovered.	ESG Report: Labour Standards (B4)
Operating Practices	
Aspect B5: Supply Chain Management	
General Disclosure	ESG Report: Supply Chain Management (B5)
Policies on managing environmental and social risks of the supply chain.	
KPI B5.1 Number of suppliers by geographical region.	ESG Report: Supply Chain Management (B5)
KPI B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	ESG Report: Supply Chain Management (B5) We are working toward tracking the number of supplier engaged.
KPI B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	ESG Report: Supply Chain Management (B5)
KPI B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	ESG Report: Supply Chain Management (B5)
Aspect B6: Product Responsibility	
General Disclosure	ESG Report: Product Responsibility (B6)
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.	



HKEX ESG — REPORTING GUIDE INDEX (Continued)

	Location
KPI B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	ESG Report: Product Responsibility (B6)
KPI B6.2 Number of products and service related complaints received and how they are dealt with.	ESG Report: Product Responsibility (B6)
KPI B6.3 Description of practices relating to observing and protecting intellectual property rights.	ESG Report: Product Responsibility (B6)
KPI B6.4 Description of quality assurance process and recall procedures.	ESG Report: Product Responsibility (B6)
KPI B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.	ESG Report: Product Responsibility (B6)

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.	ESG Report: Anti-corruption (B7)
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.	ESG Report: Anti-corruption (B7)
KPI B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	ESG Report: Anti-corruption (B7)
KPI B7.3 Description of anti-corruption training provided to directors and staff.	ESG Report: Anti-corruption (B7)

Community

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.	ESG Report: Community Investment (B8)
KPI B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	ESG Report: Community Investment (B8)
KPI B8.2 Resources contributed (e.g. money or time) to the focus area.	ESG Report: Community Investment (B8)