



顺客隆

Simple kind life

中國順客隆控股有限公司

CHINA SHUN KE LONG HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock code : 974

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2023



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ABOUT THIS REPORT

REPORT OVERVIEW

This report is the annual environmental, social and governance (“ESG”) report (the “Report”) published by China Shun Ke Long Holdings Limited (the “China Shun Ke Long”, the “Company”, and together with its subsidiaries, the “Group” or “We”) for the disclosure of the Group’s commitments, practices and performance in ESG from 1 January 2023 to 31 December 2023 (the “Reporting Period”, the “Year”, “FY2023”, or “2023”). This Report is available on the websites of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and the Company.

REPORTING SCOPE AND BOUNDARY

This Report discloses the ESG performance of the Group’s business activities in the PRC, Macau, and Hong Kong, including retail and wholesale distribution. Since our operational stores are majorly located in the PRC, the data for environment KPIs exclude the Hong Kong & Macau offices.

REPORTING FRAMEWORK

This Report has been prepared in compliance with all the applicable provisions set out in the Environmental, Social and Governance Reporting Guide (the “ESG Reporting Guide”) under Appendix C2 of the Rules Governing the Listing of Securities of The Stock Exchange.

REPORTING PRINCIPLES

In the process of preparation of this Report, the Group has adhered to the reporting principles stipulated in the ESG Reporting Guide as the following:

Materiality: The Group commenced materiality assessment to identify material issues during the Reporting Period, thereby adopting the confirmed material issues as the focus for preparing the Report. The Board and the ESG Committee reviewed and approved the materiality of issues. Please refer to the sections headed “Stakeholder Engagement” and “Materiality Assessment” for further details.

Quantitative: Each department of the Group coordinated to collect and record the key performance data regarding the environmental and social aspects, thereby presenting the Group’s performance in the environmental and social KPIs through quantified data disclosed in the ESG Report. Additional explanations have been added to the disclosed data to explain any standards, methodologies, and conversion factors used in calculating emissions, energy consumption, and other social aspects of the data.

Balance: The Group describes each issue in a precise, impartial, and equitable manner. It provides a comprehensive account of favourable and unfavourable information about the Group throughout the Reporting Period. This approach ensures balanced content and enables readers to make a reasonable assessment of the Group’s overall performance.

Consistency: The approach to preparing this Report remains largely consistent with the previous year. Additionally, detailed explanations are provided for any variations in data due to changes in the scope of disclosure or calculation methodologies. This commitment ensures that year-to-year data comparisons can be made accurately and effectively.

ABOUT THIS REPORT

CONTACT AND FEEDBACK

We highly value your feedback as it plays a crucial role in our ongoing efforts for improvement. We warmly welcome any comments or suggestions you may have regarding the Report. You are encouraged to share your valuable feedback on the Report and our sustainability performance by emailing us at ir@skl.com.cn.

FORWARD-LOOKING STATEMENTS

This Report incorporates forward-looking statements founded upon the Group's current expectations, estimates, projections, beliefs, and assumptions concerning its businesses, the markets in which it operates, and its subsidiaries. It is important to note that these forward-looking statements do not guarantee future performance and are susceptible to market risks, uncertainties, and factors beyond the Group's control. As a result, the actual outcomes and returns may differ from the assumptions and statements presented in this Report.

BOARD STATEMENT AND ESG GOVERNANCE STRUCTURE

The Board

- Oversee all of the Group's ESG matters to ensure comprehensive management and accountability
- Develop and implement effective ESG management approaches and strategies, ensuring alignment with the Group's values and long-term objectives
- Review and evaluate the Group's ESG-related goals, ensuring they are ambitious, measurable, and in line with industry best practices

The ESG Committee

- Collect, analyze, and evaluate ESG data to gain valuable insights and assess the effectiveness of existing policies and procedures
- Take proactive measures to ensure the successful implementation of plans aimed at achieving ESG goals
- Ensure strict adherence to ESG-related laws and regulations
- Provide regular reports to the Board, highlighting ESG performance and progress, and compile the annual ESG report

BOARD'S OVERSIGHT OF ESG ISSUES

As the chief decision maker, the Board sets the direction for sustainable development and takes full responsibility for the Group's ESG matters. To demonstrate our commitment to transparency and accountability, the Group has created an ESG Committee. The Board has delegated a variety of powers to this committee, which are outlined and clarified in its terms of reference. The Board, assisted by its ESG Committee, conducts careful assessments of the Group's key priorities, such as occupational health and safety, employee rights protection, anti-corruption and emissions and waste management. It formulates relevant strategic guidelines, operational objectives, and development directions in response to this. The Board assumes the crucial role of overseeing and supervising the Management, ensuring the accurate achievement of goals and the effective implementation of sustainable development practices.

The existing management system will undergo a thorough review and enhancement to ensure the effective implementation of the evaluation mechanism. Scrutiny of target implementation progress and goal performance will be conducted, and if progress falls short of expectations, appropriate rectification measures will be taken. Establishing effective communication channels with key stakeholders regarding the goal process is crucial. This fosters their engagement in the implementation process and integrates them as active participants in the desired targets of the company.

The Board affirms that it has reviewed and endorsed this Report. To the best of its knowledge, this Report accurately discloses the identified material issues and presents the Group's ESG management approach and performance.

THE ESG COMMITTEE

The ESG Committee plays a crucial role in managing and implementing ESG issues. The committee consists of an executive director, deputy CEO, chief financial officer, and company secretary. Their responsibilities encompass various tasks, including providing the Board with updates on ESG targets, strategies, and initiatives, assisting in preparing comprehensive ESG reports, monitoring and documenting environmental and social data, and evaluating and responding to stakeholders' expectations. Regular reports on relevant ESG outcomes and significant issues are consistently presented to the Board for review, ensuring effective oversight. By establishing strategic objectives for the next three to five years, the Group can develop a practical roadmap and concentrate on achieving its long-term vision. This process requires the ESG Committee to meticulously assess the feasibility of these targets, considering the Group's ambitions and goals.

STAKEHOLDER ENGAGEMENT

The Group is dedicated to upholding its role as a responsible corporate citizen by consistently delivering value and positively impacting society. We deeply respect and prioritise our stakeholders, considering their expectations vital to shaping our ESG strategy and management approach. These stakeholders include shareholders and investors, customers, employees, suppliers, local communities, the general public, and government and regulatory bodies.

We are committed to fostering more robust relationships with our stakeholders through proactive and ongoing dialogues and collaboration. To facilitate effective communication, we utilise various online and offline channels, such as meetings, face-to-face interactions, interviews, and opinion surveys. We place great importance on the perspectives of our stakeholders when it comes to enhancing our public response to the key issues that affect our business growth. We actively gather feedback through these channels to inform our decision-making and develop appropriate improvement measures.

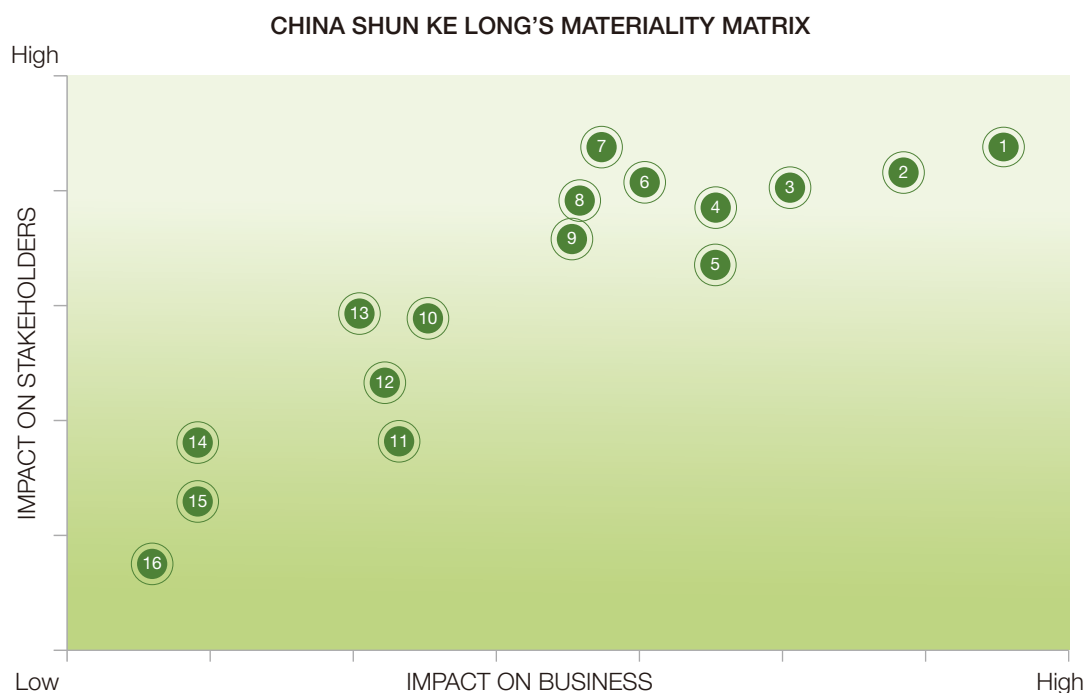
Major Stakeholders	Engagement Channels
Shareholders and Investors	<ul style="list-style-type: none"> - Annual General meetings - Financial reports - Announcements and circles - Company websites
Customers	<ul style="list-style-type: none"> - Customer service hotline - Customer complaint mechanism - Social media - Satisfaction Questionnaires
Employees	<ul style="list-style-type: none"> - Training, seminars, and briefing sessions - Performance reviews - Employee complaint mechanism - Internal communication
Suppliers	<ul style="list-style-type: none"> - Supplier evaluation meeting - Supplier audit - Tender selection - Regular communication
Communities and NGOs	<ul style="list-style-type: none"> - Community activities - Volunteer activities - Sponsor and donation
Media and the Public	<ul style="list-style-type: none"> - ESG Report - Company website - Social media platforms
Government and Regulatory Authorities	<ul style="list-style-type: none"> - Written or electronic correspondence - Regular performance report - Information disclosure

MATERIALITY ASSESSMENT

We are actively engaged in identifying and prioritising a range of significant issues. Our continuous efforts are directed towards enhancing our management practices to minimise any adverse impact on stakeholders and to ensure their interests are fully safeguarded.

The Board identified the 16 most relevant ESG issues for the Year after considering the overall market trends and reviewing stakeholders' views. We meticulously analysed the responses from the questionnaire to determine the significance of each ESG issue about the Group's sustainable operations and the interests of its stakeholders. The ESG Committee thoroughly reviewed the materiality assessment results to ensure that all essential aspects were duly considered. Following internal discussions, the validated ESG issues were approved for adoption.

To manage ESG risks associated with each material issue effectively, we have seamlessly integrated them into the Group's overall risk management process. The results of these efforts are briefly summarised in the matrix provided below:



No. Material Issues

1. Occupational health and safety
2. Employee rights protection
3. Anti-corruption and anti-bribery
4. Compliance with employment regulations
5. Product responsibility and safety
6. Protection of environment and natural resources
7. Emissions and waste management
8. Green and sustainable procurement

No. Material Issues

9. Business ethics
10. Use of resources
11. Responsible marketing
12. Supply chain management
13. Customer service and complaints
14. Employee development and training
15. Climate change adaptation
16. Community investment

OUR PROGRESS IN FY2023

The active participation and unwavering support of the entire community are imperative to achieve carbon neutrality. As a responsible corporate citizen who recognises the urgency of addressing climate change, we have set clear and measurable environmental KPIs, designating 2025 as the target year. These KPIs serve as reference points for monitoring our advancement. The latest update on our advancements is as follows:

Areas	Targets	Status
Energy consumption	Using 2021 as a baseline ¹ , the Group aims to achieve a 5% reduction in energy consumption intensity by 2025	In comparison to 2021, the Group successfully achieved a 22% decrease in energy consumption intensity during the Reporting Period.
Water consumption	Using 2021 as a baseline ¹ , the Group aims to achieve a 5% reduction in water consumption intensity by 2025	In comparison to 2021, the Group successfully achieved a 29% decrease in water consumption intensity during the Reporting Period.
GHG emissions	Using 2021 as a baseline ¹ , the Group aims to achieve a 5% reduction in GHG emissions intensity by 2025	In comparison to 2021, the Group successfully achieved a 26% decrease in GHG emissions intensity during the Reporting Period.
Waste production	Using 2021 as a baseline ¹ , the Group aims to achieve a 5% reduction in the generation of non-hazardous waste intensity by 2025	In comparison to 2021, the Group witnessed a 3% increase in non-hazardous production intensity during the Reporting Period.

Note:

1. The baseline intensity is calculated based on the Group's recorded revenue for FY2021.

OUR ENVIRONMENT

While the Group's business activities may not significantly impact the environment or natural resources, it places great importance on responsible environmental management. We are fully committed to fulfilling our obligations towards the well-being of society. To this end, we have implemented an ISO 14001:2015 accredited Environmental Management System (EMS) and have adopted relevant environmental policies based on the principles of "Reduce, Reuse, Recycle, and Replace" (4R Principles). By applying these principles, we effectively manage emissions and resource utilisation across its various business operations, striving to minimise its environmental footprint and align with the principles of green development.

A1. EMISSIONS

During the Year, the Group was not aware of any material non-compliance with environmental-related laws and regulations about exhaust gas and greenhouse gas ("GHG") emissions, water and land discharge, and the generation of hazardous and non-hazardous waste that would have a significant impact on the Group. Such relevant laws and regulations include but are not limited to the Environmental Protection Law of the PRC, the Water Pollution Prevention and Control Law of the PRC, the Air Pollution Control Ordinance of Hong Kong, and the Environmental Law of Macau.

Air Emissions

The Group's air emissions are sourced from nitrogen oxides, sulphur oxides and particulate matter generated from company vehicles.

Types of Air Emissions	Unit	FY2023	FY2022
Nitrogen Oxides (NO _x)	kg	1,571.75	1,587.41
Sulphur Oxides (SO _x)	kg	1.53	1.8
Particulate Matter (PM)	kg	106.11	105.74

In addressing vehicle emissions, the Group has implemented a set of internal guidelines to minimise environmental impact. These guidelines encompass several key measures, such as controlling the usage and speed of vehicles, implementing engine shutdown protocols upon parking, and enhancing routine maintenance practices for company vehicles, generators, and other fuel equipment to ensure effective emissions control. Moreover, the Group has committed to utilising eco-friendly unleaded petrol exclusively and mandated that all internal transportation adheres to the most up-to-date emission standards.

GHG Emissions

GHG is considered one of the major contributors to climate change and global warming. Within the Group, Scope 1 emissions encompass direct emissions arising from vehicle fuel usage and refrigerants. Scope 2 emissions comprise indirect emissions stemming from purchased electricity and the electricity consumed by electric vehicles.

OUR ENVIRONMENT

During the Reporting Period, the Group's GHG emissions amounted to 12,196.37 tonnes of carbon dioxide equivalent ("tCO₂e"). This Year has marked a decline in our total GHG emissions. The reduction can be primarily attributed to a strategic initiative we undertook to replace our outdated fleet of vehicles. By retiring old cars and acquiring new electric vehicles, we have made strides in reducing carbon emissions. This transition to electric vehicles aligns with our sustainability goals and contributes to global efforts to mitigate climate change.

Scopes of GHG Emissions ²	Unit	FY2023	FY2022
Scope 1	tCO ₂ e	304.92	353.20
Scope 2	tCO ₂ e	11,891.45	13,050.48
Total GHG emissions (Scope 1 and 2)	tCO ₂ e	12,196.37	13,403.68
GHG Emissions Intensity	tCO ₂ e/employee ³	12.82	12.42
GHG Emissions Intensity	tCO ₂ e/mil revenue ³	18.27	20.98

Notes:

- GHG emission data is presented in terms of carbon dioxide equivalent and are based on, but not limited to, "The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standards" issued by the World Resources Institute and the World Business Council for Sustainable Development, "How to prepare an ESG Report – Appendix II: Reporting Guidance on Environmental KPIs" issued by the HKEX, the latest released emission factors of China's regional power grid basis.
- In FY2023, the intensity of the environmental KPIs is calculated based on the Group's employees (2023: 951; 2022: 1,079) and recorded revenue (2023: RMB\$667.41 mil; 2022: RMB\$638.76 mil).

Sewage Discharge

The Group's business activities do not consume a significant volume of water; therefore, the Group did not generate a material portion of sewage during daily operations. The water consumption information is detailed in the below section – Water Resources.

Waste Management

The Group is deeply committed to promoting optimal resource utilisation across all operational locations as part of our waste reduction efforts. Given the nature of our retail and wholesale business, the Group's overall consumption of hazardous waste is relatively minimal. Nevertheless, we remain committed to responsible waste management practices and have implemented comprehensive guidelines to handle any hazardous waste that may arise. If any hazardous waste is produced, the Group must engage a qualified chemical waste collector to handle such wastes.

OUR ENVIRONMENT

Most of our non-hazardous waste stems from our suppliers' cardboard boxes as packaging materials and paper from office administrative activities. Our key strategy involves actively recycling these boxes and finding alternative uses to extend their service life. These recycled boxes are repurposed for various purposes, such as storage and internal transportation. The Group generated 218.68 tonnes of non-hazardous waste, among which 215 tonnes of cardboard boxes were recycled during the Year.

Types of Waste Disposal	Unit	FY2023	FY2022
Total Hazardous Waste Produced	tonnes	–	–
Total Non-hazardous Waste Produced	tonnes	218.68	223.78
Non-hazardous Waste Intensity	tonnes/employee	0.23	0.21
Non-hazardous Waste Intensity	tonnes/mil revenue	0.33	0.35
Recycled Non-hazardous Waste	tonnes	215	220

A2. USE OF RESOURCES

The Group cherishes all resources, including energy, water, and raw materials, to strengthen its sustainable and responsible business in its operation. Under the guidance of the Group's Energy and Resources Policy, we are also exploring energy-saving and green management measures for our business to reduce resource consumption as much as possible.

Energy Management

The Group's most significant energy consumption during our day-to-day operations can be attributed to the electricity used in our retail stores and offices. We recognise the importance of optimising our energy consumption to reduce environmental impact and improve energy efficiency.

Types of Energy Consumption	Unit	FY2023	FY2022
Total Direct Energy Consumption	MWh	1,014.32	1,192.49
• Diesel	MWh	361.06	500.38
• Petrol	MWh	653.26	692.11
Total Indirect Energy Consumption	MWh	14,786.68	16,227.91
• Purchased Electricity	MWh	14,767.40	16,227.91
• Electric Vehicles	MWh	19.28	0
Total Energy Consumption	MWh	15,801.00	17,420.40
Total Energy Consumption Intensity	MWh/employee	16.62	16.14
Total Energy Consumption Intensity	MWh/mil revenue	23.68	27.27

In line with our commitment, we have implemented robust energy management practices and regularly track our energy consumption performance. To ensure energy efficiency, we have implemented various measures such as using energy-efficient lighting systems, optimising HVAC (Heating, Ventilation, and Air Conditioning) settings, and installing smart metering systems to monitor and manage energy usage. These initiatives have helped reduce our energy consumption and created a more comfortable shopping environment for our customers. We employ energy-efficient appliances and equipment in our office spaces, promote the use of natural light, and implement power management strategies. Air-conditioners are set according to weather conditions and are not set below 26°C in summer. Our employees are encouraged to adopt energy-conscious behaviours, such as turning off lights and equipment when not in use, and actively participate in energy-saving initiatives.

OUR ENVIRONMENT

Water Resources

The Group's wastewater is mainly generated from cleaning and sanitation work. During the Reporting Period, the Group consumed 70,525 cubic metres of water. The noticeable decline was primarily attributable to the closure of some retail outlets in 2023.

Water Consumption	Unit	FY2023	FY2022
Total Water Consumption	m ³	70,525	80,952
Total Water Consumption Intensity	m ³ /employee	74.16	75.03
Total Water Consumption Intensity	m ³ /mil revenue	105.67	126.73

The Group has implemented an array of measures to improve the utilisation efficiency of water resources. Regular maintenance on the water taps, water pipelines, and water storage has been strengthened in the operational premises. Leakage tests on water taps and other defects in the water supply system have been carried out. We advocate preserving water and instil the "Water Preservation" concept in employees. Emphasis is also placed on the supply chain regarding water conservation for a high-quality and water-friendly supply chain. The Group prioritises suppliers who have obtained environmental management system certification.

Packaging Materials

Due to our business nature, the primary packaging material utilised is plastic roll bags, which serve as a convenient solution for customers to store fresh vegetables, fruits, and frozen food items. To avoid excessive use of packaging materials, saving reminders have been posted in retail stores to encourage customers to use plastic bags reasonably.

Use of Packaging Materials	Unit	FY2023	FY2022
Total Packaging Materials Consumption	tonnes	36.11	36.41
Packaging Materials Consumption Intensity	tonnes/employee	0.038	0.034
Packaging Materials Consumption Intensity	tonnes/mil revenue	0.05	0.06

A3. THE ENVIRONMENT AND NATURAL RESOURCES

The Group has always been concerned about its impact on the surrounding environment and natural resources and is committed to reducing the negative environmental effects of daily operations. Therefore, the Group implements a series of efficient environmental protection measures and strictly complies with laws and regulations regarding environmental protection, striving for a shared success between humanity and nature.

Working Environment

The Group strongly emphasises maintaining high indoor air quality and has implemented stringent control measures for air quality management. Smoking is strictly prohibited in all areas of our shops and offices to ensure a healthy and clean environment. Any individuals found violating this rule will be subject to appropriate disciplinary action. We have installed air purification equipment throughout our facilities to enhance air quality further. Our air-conditioning systems are regularly cleaned to effectively filter pollutants and dust, ensuring the continuous maintenance of superior indoor air quality. We incorporate green plants into our offices and shops. The presence of these plants not only adds aesthetic value but also contributes to improving the air quality by naturally purifying and refreshing the surrounding environment.

A4. CLIMATE CHANGE

Climate change is one of the most significant challenges of our time, profoundly affecting all regions of the world and all sectors of society. Recognising the gravity and immediacy of the climate crisis, governments worldwide have intensified their efforts to combat it. Notably, China has announced its goal of attaining carbon neutrality by 2060, while Hong Kong has pledged to achieve net-zero carbon emissions by 2050. In response to these urgent calls for action, companies must actively contribute to the solution by managing physical and transition risks. We have incorporated climate change-related risks into our enterprise risk management.

Governance

We are urging corporate governance and strategic frameworks to integrate climate change considerations. This entails devising suitable pathways to reduce carbon emissions, strengthening the management of climate change risks, formulating viable policy to combat climate change, transparently disclosing climate-related information, and assessing the efficacy of our climate strategies and actions. By doing so, we are actively contributing to carbon peaking and neutrality.

The Board assumes the ultimate responsibility for addressing climate change risks and opportunities. To ensure a comprehensive approach, the Board appoints the ESG committee tasked with overseeing various aspects, including the identification, assessment, and management of climate risks. This robust governance structure ensures that climate-related concerns are effectively addressed and that the Group remains proactive in its sustainability efforts.

Strategy

We have consistently refined our business development strategy and resource allocation by analysing climate-related risks and opportunities. This has led to the formulation of sustainable development strategies. We are firmly dedicated to addressing potential risks stemming from climate change while capitalising on opportunities for low-carbon growth. Our unwavering commitment is to promote green development within our operations and contribute to the betterment of society.

Climate Risk Assessment

We have undertaken a comprehensive assessment of climate change risks, categorising them into two main categories: physical risks and transition risks. To effectively address these identified risks, we have developed robust countermeasures and strategies. Simultaneously, we have proactively identified the potential opportunities from climate change, allowing us to capitalise on these prospects and align our business practices with the evolving market.

OUR ENVIRONMENT

Risks/Opportunities	Descriptions	Impact	Strategies
Physical Risks	<ul style="list-style-type: none"> Heat Extreme wind Extreme precipitation Flooding Fires 	<p>Retail stores</p> <ul style="list-style-type: none"> Increased cooling cost Damage to buildings and inventory <p>Supply chain</p> <ul style="list-style-type: none"> Commodity shortage due to temporary or permanent yield reduction Disruption in the production and distribution of products reliant on agriculture <p>Communities</p> <ul style="list-style-type: none"> Physical and mental health impacts Financial well-being 	<ul style="list-style-type: none"> Disaster preparedness and response Refrigeration maintenance and conversions Resilient produce sourcing Sustainable commodities initiatives Public policy advocacy
Transition Risks	<ul style="list-style-type: none"> Regulation and legislation Technology Market Reputation 	<ul style="list-style-type: none"> Changes to carbon pricing regimes Policy targets, fuel and engine standards, subsidies and incentives associated with increasing usage of zero-emissions vehicles and infrastructure Changes in energy and commodity prices driven by climate-related weather events, consumption behaviours and policies, resulting in higher costs Changes in consumer demand for low-carbon products and services Stakeholder perception of the Group's response to climate-related crisis 	<ul style="list-style-type: none"> Policy monitoring and integration into business and financial planning Monitoring and assessing regulations and legal risks on an ongoing basis Monitoring market trends Report climate and environmental performance to investors Monitoring customer, investor and stakeholder sentiment via digital and traditional media engagement and coverage

OUR ENVIRONMENT

Risks/Opportunities	Descriptions	Impact	Strategies
Opportunities	<ul style="list-style-type: none"> • Demand for sustainable products • Green supply chain 	<ul style="list-style-type: none"> • Growing demand for environmentally friendly and sustainable products • Reducing greenhouse gas emissions throughout the supply chain 	<ul style="list-style-type: none"> • Sourcing and offering a diverse range of eco-friendly products that align with changing consumer preferences • Implementing sustainable practices to save costs

Metrics and Targets

We have implemented various initiatives to achieve our goals of reducing GHG emissions and optimising energy utilisation. For more comprehensive information, please refer to the dedicated sections of the Report, specifically “Emissions” and “Use of Resources”. These sections provide detailed insights into our efforts and progress in these areas.

OUR PEOPLE

China Shun Ke Long's success relies on every employee's effort, dedication, and contribution. We believe how we treat our employees and support their growth will affect how they serve our customers and communities and determine how sustainably we can develop as a company. The Group has been committed to building an equal, dignified, and inclusive work environment with fair compensation and abundant career opportunities so our employees can best use their talents.

B1. EMPLOYMENT

Recruitment, Promotion, and Dismissal

China Shun Ke Long has stipulated key human resources management practices in the Employee Handbook. The Group promises to provide all candidates with fair access to information and resources and adhere to a robust, open, and merit-based recruitment process through multiple recruitment channels such as website, headhunting, internal recommendation, and campus recruitment. The Human Resources Department and the recruitment team are responsible for the candidate selection and interviews. During the interviews, candidates are informed of the working environment, job duties, remuneration, and welfare. Factors such as capabilities, academic qualifications, practical working requirements, functional knowledge, and language proficiency are considered recruitment standards under a transparent and friendly atmosphere.

The Group prioritises the promotion of an employee who has demonstrated outstanding performance as a kind of reward through an open and fair assessment system. Staff appraisals that form the basis of promotion and salary adjustment are conducted regularly to assess employees' job performance under the principle of merits, talents, and competitiveness.

The Group respects and protects the rights and interests of employees following the Employee Handbook. We have no tolerance for unfair dismissal and ensure the dismissal procedure is fair and open. The Employee Handbook has formulated the procedures and conditions of dismissal and contract termination.

Working Hours and Rest Periods

The Group has clearly outlined the schedule for employees' workdays and hours in the Employee Handbook and strongly opposes any form of forced labor. All overtime work is voluntary and is subject to appropriate overtime compensation and allowance covering meal and travelling expenses. Apart from annual leaves, the Group has provided employees with all kinds of holidays, including statutory holidays and other paid leaves such as marriage leave, maternity leave, paternity leave, compassionate leave, etc. All information related to attendance, holidays and benefits has been clearly stated in the employment contract.

The Group advocates a work-and-life balance culture by organising year-end parties, birthday parties and sports activities to boost their well-being. During festivals such as Women's Day, Mid-autumn Festival and Spring Festival, the Group organises recreational activities to ensure that employees experience joy and happiness.



Equal Opportunity, Diversity, Anti-discrimination

The Group is committed to creating and maintaining an inclusive and collaborative workplace culture. China Shun Ke Long treats employees of different nationalities, races, ages, genders, religious beliefs, and cultural backgrounds fairly and equitably and protects the legitimate rights and interests of female employees. The Group shall not tolerate discrimination and harassment at work and is committed to preventing it. We let employees equally enjoy their legal rights to labour remuneration, rest and leave, access to labour safety and health protection, social insurance, welfare, etc.

The Group is devoted to building a diversified working team. Anyone who is intimidated, humiliated, bullied, or harassed, including sexual harassment, may report to the employee's representative or file complaints directly to the management representative or the general manager, and we will take serious approaches to resolve the issues upon receiving the said complaints.

Remuneration and Benefits

The Group has established fair, reasonable, and competitive employee remuneration. All qualified employees are entitled to competitive wages, comprehensive insurance coverage, and medical benefits. By the Social Insurance Law of the PRC, the Group pays "five social insurance and one housing fund" for all Mainland employees, namely, endowment insurance, medical insurance, unemployment insurance, employment injury insurance, maternity insurance, and housing provident fund. The Group also pays the Mandatory Provident Fund for employees in Hong Kong under the Mandatory Provident Fund Scheme Ordinance of Hong Kong. The Group reviews the remuneration packages annually to ensure they meet the market standards to attract and retain talent.

Employee Communication

To enhance employees' communication, the Group has established an array of communication channels, such as work reporting and assessments, staff satisfaction surveys, and suggestion boxes, to understand their opinions on corporate development, employment relationships, work remuneration, responsibilities, and obligations. All the information received from employees is kept confidential.

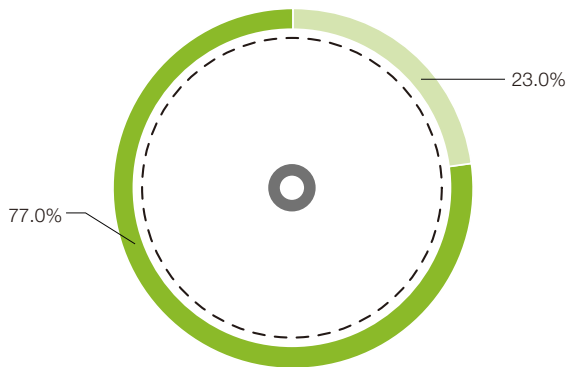


OUR PEOPLE

During the Reporting Period, the Group was not aware of any material non-compliance with employment-related laws and regulations that would have a significant impact on the Group. Such laws and regulations include but are not limited to the Labour Law of the PRC, the Labour Contract Law of the PRC, the Employment Ordinance in Hong Kong and the Labour Relations Law of Macau.

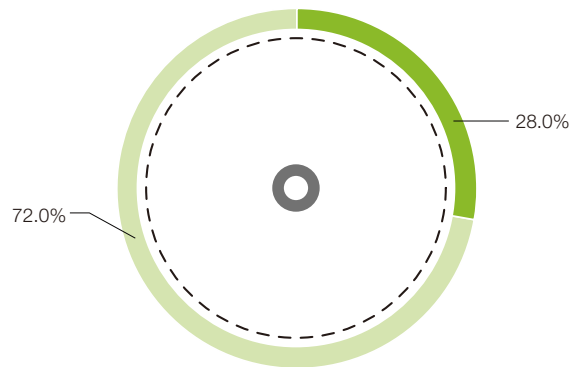
As of December 31, 2023, the Group had a workforce comprising a total of 951 employees. This included 737 full-time employees and 214 part-time employees based in Mainland China and Hong Kong. The gender distribution consisted of 271 male employees and 680 female employees. Regarding age, 85 employees were aged 30 or below, 677 were aged between 31 and 50, and 189 were above 50. The employees were divided into different categories within the organisation, with 118 employees in management positions and 833 employees in general staff roles. The employee breakdown is as follows:

Employee Profile, by Employment Mode



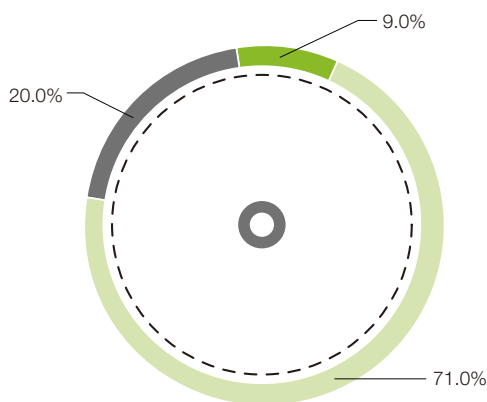
● Full-time ● Part-time

Employee Profile, by Gender



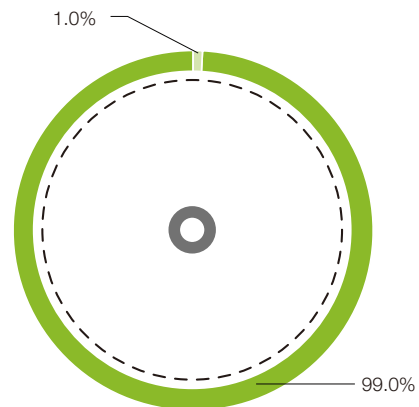
● Male ● Female

Employee Profile, by Age Group



● Age 30 or below ● Age 31-50 ● Age above 50

Employee Profile, by Geographical Region



● Mainland China ● Hong Kong

OUR PEOPLE

During the Reporting Period, the overall employee turnover rate of China Shun Ke Long was approximately 34%. Figures below present details:

Employment Turnover Rate ⁴ (%)	FY2023	FY2022
By Gender		
Male	36%	49%
Female	33%	52%
By Age Group		
Age 30 or below	80%	188%
Age 31-50	26%	40%
Age above 50	39%	19%
By Geographical Region		
Mainland China	34%	51%
Hong Kong	22%	20%
Macau	100%	300%
Overall	34%	51%

Note:

4. Employee turnover rate is calculated by the number of employees left during the Reporting Period/Total number of employees as of 31 December 2023×100%.

B2. HEALTH AND SAFETY

The Group attaches great importance to providing a healthy and safe work environment and cares deeply about our employees' well-being and comfort.

The Group has been certificated with OHSAS 18001 Occupational Health and Safety Management System. Risk assessments have been conducted regularly by third parties to reduce our employees' potential safety hazards. The Group reviews and, if necessary, revises the relevant measures and practices annually to ensure its health and safety standards continuously improve. The Group has also formulated a range of occupational health and safety measures and guidelines, including providing personal protection equipment and complimentary drinks and breaks during the hot season.

To raise employees' safety awareness, the Group provides compulsory induction safety and health training to new hirers and occupational safety education for existing employees in response to emergencies such as traffic accidents and epidemic prevention and control. The Group has formulated fire safety systems under the Fire Protection Law of the PRC. The Group has trained employees in using fire equipment such as fire extinguishers and conducted fire drills periodically. Fire evacuation plans are also formulated and evaluated regularly to ensure fire safety.

OUR PEOPLE

In addition, the Group organises physical examinations for all qualified employees. We have insured labour, industrial injury and commercial insurance for our employees. In case of work-related accidents, the insurance department would assist employees in supporting employee recovery and other living expenses as soon as possible. The employees were given paid sick leave for their recovery. The Group has also continued to organise work-life balancing activities for employees and other activities to promote healthy living practices.

The Group has achieved zero work-related fatalities for 3 consecutive years. During the Reporting Period, there were only 3 minor work-related injuries, resulting in zero lost working days for the Group. We were also not aware of any material noncompliance with employment-related laws and regulations that would have a significant impact on the Group. Such laws and regulations include but are not limited to the Law of the PRC on the Prevention and Control of Occupational Diseases, the Production Safety Law of the PRC, the Occupational Safety and Health Ordinance of Hong Kong, and Macau's Decree Law No. 37/89/M.

	Unit	FY2023	FY2022	FY2021
Fatalities Due to Work Injury	Case	0	0	0
Work Injury	Cases	3	7	20
Lost Days Due to Work Injury	Days	0	49	418

B3. DEVELOPMENT AND TRAINING

The Group places great importance on developing its personnel and has implemented an internal management training and development system. We aim to address the diverse requirements of our employees through a range of training programs, such as orientation courses, best-practice sharing, and business skill set training. Both general employees and management personnel are offered different training courses and development programs tailored to their specific roles.

To ensure that new recruiters are well-prepared for their responsibilities, they are required to participate in induction courses that equip them with the necessary skills. Additionally, we provide regular on-the-job training to existing employees, keeping them up to date with the latest industry practices. We consistently update the training materials to ensure their relevance and effectiveness in enhancing our employees' skills, knowledge, and competency in carrying out their duties and tasks.

OUR PEOPLE

The Human Resource Department and the Administrative Department are responsible for planning and evaluating training activities, setting training goals and designing training programs. All training records are meticulously maintained within the Human Resources Department. Upon completion of the training, an evaluation is conducted through employee questionnaire forms, which serve as a foundation for developing future training plans. The Group is committed to continuously enhancing the quality of training by considering employee feedback regarding trainers, training effectiveness, and the overall structure of the programs. This iterative process ensures ongoing improvements to our training initiatives. By investing in staff training, we not only enhance the comprehensive competency of our employees but also identify opportunities for technological and organisational development within the Group.



During the Reporting Period, the Group conducted 3,315 hours of training, with the average training hour being approximately 3.5 hours per employee. The percentage of total employees who took part in training in the Group is as follows:

Percentage of Employees Received Training	FY2023	FY2022
Overall	33%	44%
By Gender		
Male	40%	43%
Female	30%	44%
By Employment Category		
Management Staff	49%	57%
General Staff	30%	42%

The breakdown of total employees by gender and employment categories is as follows:

Composition of Employees Received Training	FY2023	FY2022
By Gender		
Male	35%	28%
Female	65%	72%
By Employment Category		
Management Staff	19%	15%
General Staff	81%	85%

OUR PEOPLE

Average Training Hours Received per Employee ⁵	FY2023	FY2022
Overall	3.5	3.9
By Gender		
Male	4.6	3.9
Female	3.0	3.9
By Employment Category		
Management Staff	7.0	8.1
General Staff	3.0	3.3

Note:

- Average training hours received per employee is calculated by the total number of training hours/Total number of employees on 31 December 2023; Average training hours for employees in relevant categories is calculated by the total number of training hours for employees in the specified category/Number of employees in the specified category on 31 December 2023.

B4. LABOUR STANDARDS

The Group is fully committed to upholding human rights and strictly prohibits the use of child and forced labour. During the recruitment process, we carefully examine candidates' identity documents and conduct comprehensive background screenings to prevent any instances of child labour. It is important to note that individuals under 16 are not permitted to work within the Group.

To ensure that our employees' rights are respected, all personnel are required to enter into voluntary and legally binding labour contracts with the Group. These contracts clearly outline working hours, location, and primary responsibilities to avoid any deviation from their designated tasks. If overtime work is necessary, it is carried out with the employee's consent and is adequately compensated through extra pay or time off by relevant laws and regulations, thus eliminating any forced overtime work.

We have a zero-tolerance policy towards verbal abuse, oppression, and sexual harassment of employees, regardless of the circumstances. Any violation of these regulations will result in immediate dismissal or termination of the probationary period for the individuals involved. Additionally, the Group includes explicit clauses in contracts with cooperative suppliers and subcontractors, clearly stating that illegal labour is strictly prohibited. This ensures that human rights violations are prevented throughout our supply chain.

During the Reporting Period, the Group was not aware of any material non-compliance with child and forced labour-related laws and regulations that would have a significant impact on the Group. Such laws and regulations include but are not limited to the Labour Law of the PRC, the Labour Contract Law of the PRC, the Employment Ordinance of Hong Kong, and the Labour Relations Law of Macau.

OUR OPERATION

B5. SUPPLY CHAIN MANAGEMENT

The Group treats every supplier as a vital business partner. China Shun Ke Long specifies its commercial, environmental, and social requirements on suppliers, including compliance with business ethics, human rights protection, environment protection, health and safety.

The Group has implemented a rigorous supplier selection system by ISO 20400:2017 Sustainable Procurement Guidance. In accordance with the Group's internal "Material Procurement Management Regulations," supplier selection is based on several criteria, including compliance, price, quality, supply stability, and after-sales service. However, the Group places utmost priority on food quality, considering it a critical element. As such, suppliers are required to provide regular product testing reports to ensure strict adherence to the Group's quality standards. Through a collaborative effort between the quality management and procurement departments, on-site assessments of suppliers are conducted.

The Group has implemented a unified procurement platform to streamline procurement processes and maintain confidentiality. This platform adheres to the Group's confidentiality rules and includes regulations for supplier withdrawal. A comprehensive supplier database has been established to ensure up-to-date supplier information and regular reviews are conducted for all suppliers. When evaluating potential new suppliers, the Group assesses their basic qualifications, scale requirements, quality systems, business capabilities, and environmental and social responsibilities. This evaluation process ensures that suppliers meet the Group's standards and align with its sustainability and corporate social responsibility values.

The Group significantly emphasises incorporating environmental and social factors into the evaluation criteria during this assessment process. Specifically, the Group scrutinises various aspects, including verifying whether the supplier has obtained environmental management system certification, ensuring compliance with their environmental and sanitation conditions, adherence to relevant laws and regulations, and assessing any past incidents related to environmental pollution, employee gender discrimination, or instances of child labour employment within the last three years.

Suppliers who do not meet the Group's supplier selection criteria or fail to demonstrate a satisfactory standard may be excluded from future engagements. The Group has implemented comprehensive policies and procedures to ensure transparency and fairness in supplier engagement. These measures provide a level playing field for all suppliers. The Group invites suppliers to participate in technical seminars focused on industry and market trends. These seminars serve as platforms for technology-related discussions and information exchange. Furthermore, the Group maintains open communication channels with suppliers through various interactions, including seminars, training courses, on-site visits, meetings, and audits. We will not tolerate any form of discrimination against any supplier nor allow any forms of corruption or bribery. Employees and other individuals interested in the suppliers are not allowed to participate in relevant procurement activities. The Group only selects suppliers with good track records in the past and has no serious violations of business ethics.

The Group demonstrates its commitment to responsible sourcing practices by adhering to these stringent evaluation indicators. This approach ensures that suppliers are aligned with the Group's sustainability goals and values, promoting environmentally friendly and socially responsible business practices throughout the supply chain. During the Reporting Period, the Group had a total of 353 suppliers, all of which were located in Mainland China. The Group recognises our suppliers to comply with our internal environmental and social standards.

OUR OPERATION

B6. PRODUCT RESPONSIBILITY

We recognise that responsible corporate practices are essential for driving business growth. We firmly believe that providing high-quality products and exceptional customer service is vital for maintaining a robust and sustainable customer relationship. We have developed a comprehensive set of policies and guidelines to uphold these principles. These measures demonstrate our unwavering commitment to enhancing the quality of its products and services.

Product Quality and Safety

The health and safety of customers are always our priority. The Group's senior management is responsible for maintaining a high-quality food standard and providing a healthy and safe shopping environment per the Group's guidance. A Food Safety Management System has been established in which raw materials and food ingredients are sourced primarily from a list of qualified suppliers. The Group examines the freshness and quality of the raw materials and food ingredients and would cease sourcing from those suppliers who fail to provide quality food ingredients as specified.

To ensure a pristine and hygienic environment within the supermarket, strict guidelines are in place to prohibit employees from engaging in activities such as smoking, chewing gum, eating, and drinking while on duty. Employees are required to follow rigorous hygiene protocols when handling raw food ingredients. Before coming into contact with any such ingredients, employees must sanitise their hands thoroughly and wear gloves. This practice helps to prevent contamination and ensures the utmost safety and quality of the food products. Sales assistants are subject to additional health-related requirements. They are mandated to provide valid health certificates and undergo annual body checks to verify that they are in good health condition. This stringent measure is implemented to safeguard the well-being of both employees and customers, as sales attendants play a crucial role in handling and preparing food products.

The Group has implemented a comprehensive Expired Food Management Policy, which is documented within the Food Safety Management System. This policy provides clear instructions and measures to regulate the daily logistics operations of the warehouse, ensuring standardisation and adherence to food safety protocols. The Group has established a practice of daily scanning of food products to verify their expiration dates. This meticulous process helps to prevent the sale or use of expired food products, ensuring the highest level of food safety for customers. Expired food products must be disposed of securely and environmentally by responsible personnel. This ensures that expired products are effectively removed from circulation and prevents any potential risks associated with their consumption. Additionally, the Group maintains detailed records of the quantity of disposed products, facilitating accurate tracking and monitoring of waste management practices.

By implementing these measures, the Group demonstrates its commitment to upholding the highest food safety and quality control standards.

Customer Service Quality

The Group views customer complaints as a crucial aspect of the ongoing efforts to enhance its quality management. Recognising the significance of enhancing the customer experience and minimising potential churn, diverse customer service channels are available to provide comprehensive support. These channels encompass various mediums, including email, phone, social media, and in-person interactions.

To ensure a fair and confidential complaint-handling process, the Group has established dedicated personnel responsible for processing and recording customer complaints. The confidentiality of both the complainant and the complaint itself is strictly maintained, safeguarding the interests of all parties involved. Each complaint is required to be properly submitted and processed through the relevant functions within the Group. To prevent any conflicts of interest, the Group strictly prohibits employees from engaging in private settlements with complainants. This ensures that customer feedback is accurately received and enables the Group to address any underlying issues to improve the overall quality of its business operations.

A specialised service team is assigned to investigate the complaints received thoroughly and address customers' major concerns. If the root cause of the complaints lies within the current internal service processes, the Group proactively updates these processes to make them more streamlined and visible to the team. If necessary, additional training is provided to the team members to equip them with the necessary skills and knowledge to provide high-quality service.

The Group is fully committed to empowering its teams to deliver exceptional service and continuously improve customer satisfaction. By actively listening to customer feedback and taking swift action to address shortcomings, the Group strives to exceed customer expectations and foster long-lasting relationships built on trust and quality service delivery.

Protection of Data and Privacy

The Group strongly emphasises personal data protection and acknowledges its obligations concerning the collection, storage, processing, and utilisation of customer information. To uphold the confidentiality of sensitive information, the Group has established a comprehensive Business Confidentiality Agreement Policy, which is outlined in detail in the Employee Handbook. This policy serves as a guide for employees on how to handle and safeguard confidential data. All employees are required to adhere to this policy to prevent unauthorised disclosure or misuse of information.

The Group strictly adheres to privacy regulations and best practices when collecting customer data. Personal information is only obtained with the customers' explicit consent, ensuring transparency and respect for their privacy rights. The Group collects and retains personal data solely for designated business purposes, and access to this information is limited to authorised personnel who require it to perform their duties.

To reinforce the protection of confidential data further, the Group has established a dedicated Confidentiality Committee. This committee oversees the implementation and enforcement of confidentiality measures across the organisation. They regularly review and update security protocols, conduct risk assessments, and provide guidance and training to employees to enhance data protection practices.

OUR OPERATION

Advertisement and Labelling

The Group strictly abides by the laws and regulations relating to retail and wholesale services to ensure the advertising content is factual, non-biased, and not misleading or deceptive. The Group has implemented a robust framework that includes regular assessments and updates of applicable laws and regulations. This proactive approach enables the Group to stay abreast of any changes or developments in the legal landscape and adapt its management regulations for advertising accordingly.

Intellectual Property Rights

China Shun Ke Long values and protects intellectual property rights. The Employee Handbook serves as a comprehensive guide for all employees, clearly outlining the Group's expectations regarding handling confidential information. It explicitly prohibits employees from disclosing any confidential information, including but not limited to the Group's strategies, business interests, know-how, inventions, and intellectual property, to any third party during their employment and even after the termination of their employment. Employees are made aware of the significant consequences of breaching this policy, including legal action and damage to the Group's reputation.

China Shun Ke Long's commitment to intellectual property protection extends beyond its assets. When cooperation with an external organisation, the terms of the contract shall be set to ensure that products or services provided by the partner are free from infringement of any intellectual property right.

During the Reporting Period, no products sold or shipped were subject to recall for safety and health reasons. The Group did not receive any complaints regarding products and services. The Group was not aware of any material non-compliance with any laws and regulations concerning health and safety, advertising, labelling and privacy matters in relation to products and services provided and methods of redress that would have a significant impact on the Group. Such laws and regulations include but are not limited to the Law of the PRC on the Protection of Consumer Rights and Interests, the Product Quality Law of the PRC, the Patent Law of the PRC, the Advertising Law of the PRC, the Personal Data (Privacy) Ordinance of Hong Kong, the Food Safety Law of Macau, and the Consumer Protection Law of Macau.

B7. ANTI-CORRUPTION

The Group's Anti-corruption Policy stipulates the daily behaviors of employees, explicitly prohibiting their involvement in acts or activities related to bribery, extortion, fraud, and money laundering. Employees should avoid engaging in any circumstances that might have involved a conflict of interest with the Group or its associated companies. Prior to commencing employment, employees are required to sign an acknowledgement confirming their understanding and commitment to adhere to the code of conduct. In case of any violation, the Group will terminate the labour contracts without paying any compensation. Any losses suffered by the Group due to misconduct would be reimbursed at its discretion. The suspected criminal offence would be transferred to enforcement authorities in accordance with the law.

The Group has established a transparent and accountable whistleblowing channel to detect and address violations proactively. Employees have the option to report any instances of misconduct or suspected corruption through suggestion boxes or email. All reported cases will be handled confidentially to protect the whistle-blower's identity and privacy. Whistle-blowers will be protected from unfair dismissal or retaliatory disciplinary actions, ensuring the preservation of their legal rights. To enhance bribery prevention awareness among management and general employees, the Group offers self-learning pamphlets to strengthen the staff's ability to manage conflicts of interest and foster a heightened vigilance against corruption.

OUR OPERATION

The Group also requires its trading collaborators to comply with strict anti-corruption practices. To ensure continuous awareness and compliance, our statement of anti-corruption policies is prominently displayed in all public meeting areas, reminding employees and business partners alike to uphold these practices.

During the Reporting Period, the Group prioritised the importance of anti-corruption measures by conducting comprehensive training sessions. A total of 18 hours of anti-corruption training were provided to both the Board of Directors and employees. There was no concluded legal case regarding corrupt practices brought against the Group or its employees. The Group was also not aware of any material non-compliance with related laws and regulations of bribery, extortion, fraud, and money laundering that would have a significant impact on the Group. Such laws and regulations include but are not limited to the Anti-Unfair Competition Law of the PRC, the Criminal Law of the PRC, the Company Law of the PRC, the Prevention of Bribery Ordinance of Hong Kong, Prevention and the Law Suppression of Bribery in Private Sector, and the Prevention and Suppression of the Crime of Money Laundering of Macau.

B8. COMMUNITY INVESTMENT

In pursuit of business success, contributions to the community are also crucial to building a solid relationship with stakeholders in the operational regions, which stimulates our sustainable development. To show the Group's commitment to fulfilling its corporate responsibility, it has formulated a relevant policy, which properly sets out the work for community investment. We focus on inspiring our employees' sense of social responsibility and encouraging them to participate in activities that contribute to the community. To foster positive relationships with local communities, we actively engage in numerous charitable activities independently or in collaboration with local non-profit organisations. As a testament to our commitment to social responsibility, the Group was honoured with the "25th Anniversary Social Responsibility Benchmark Chain Enterprise of Guangdong Province (廣東省25週年社會責任標桿連鎖企業)" award.

As a consistent supporter of the Le Cong Charity Federation, we have demonstrated a strong partnership in the shared mission of helping the underprivileged in the community. During the Reporting Period, a donation of RMB20,000 was made to the organisation. In addition to financial support, we encourage our employees to participate in volunteer activities. This hands-on involvement allows employees to directly engage with the community and contribute their time, skills, and compassion to various projects. The Group remains dedicated to continuing its support and finding new ways to contribute to the welfare and well-being of underprivileged groups in the future.

THE ESG REPORTING GUIDE CONTENT INDEX OF THE STOCK EXCHANGE

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
Aspect A1: Emissions		
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 Exhaust Gas and GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous wastes.	Emissions
KPI A1.1	The types of emissions and respective emissions data.	Emissions
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity.	Emissions – GHG Emissions
KPI A1.3	Total hazardous waste produced (in tonnes) and intensity.	Emissions – Waste Management
KPI A1.4	Total non-hazardous waste produced (in tonnes) and intensity.	Emissions – Waste Management
KPI A1.5	Description of emission target(s) set, and steps taken to achieve them.	Emissions
KPI A1.6	Description of how hazardous and non-hazardous waste are handled, and a description of waste reduction target(s) set and steps taken to achieve them.	Emissions – Waste Management
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water, and other raw materials.	Use of Resources
KPI A2.1	Direct and/or indirect energy consumption by type in total and intensity.	Use of Resources – Energy Management
KPI A2.2	Water consumption in total and intensity.	Use of Resources – Water Resources
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Use of Resources – Energy Management
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.	Use of Resources – Water Resources
KPI A2.5	Total packaging materials used for finished products (in tonnes) and with reference to per unit produced.	Use of Resources – Packaging Materials

THE ESG REPORTING GUIDE CONTENT INDEX OF THE STOCK EXCHANGE

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer’s significant impact on the environment and natural resources.	The Environment and Natural Resources
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	The Environment and Natural Resources
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.	Climate Change
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.	Climate Change – Climate Risk Assessment
Aspect B1: Employment		
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.	Employment
KPI B1.1	Total workforce by gender, employment type (for example, full-time or part-time), age group and geographical region.	Employment
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Employment
Aspect B2: Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Health and Safety
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the Reporting Period.	Health and Safety
KPI B2.2	Lost days due to work injury.	Health and Safety
KPI B2.3	Description of occupational health and safety measures adopted and how they are implemented and monitored.	Health and Safety

THE ESG REPORTING GUIDE CONTENT INDEX OF THE STOCK EXCHANGE

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Development and Training
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Development and Training
KPI B3.2	The average training hours completed per employee by gender and employee category.	Development and Training
Aspect B4: Labour Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Labour Standards
KPI B4.1	Description of measures to review employment practices to avoid the child and forced labour.	Labour Standards
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Labour Standards
Aspect B5: Supply Chain Management		
General Disclosure	Percentage of total products sold or shipped subject to recall for safety and health reasons.	Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	Supply Chain Management
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Supply Chain Management
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain and how they are implemented and monitored.	Supply Chain Management
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers and how they are implemented and monitored.	Supply Chain Management

THE ESG REPORTING GUIDE CONTENT INDEX OF THE STOCK EXCHANGE

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
Aspect B6: Product Responsibility		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Product Responsibility
KPI B6.1	Percentage of total products sold or shipped subject to recall for safety and health reasons.	Product Responsibility
KPI B6.2	Number of products and service-related complaints received and how they are dealt with.	Product Responsibility – Customer Service Quality
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Product Responsibility – Intellectual Property Rights
KPI B6.4	Description of quality assurance process and recall procedures.	Product Responsibility – Product Quality and Safety
KPI B6.5	Description of customer data collection and privacy policies and how they are implemented and monitored.	Product Responsibility – Protection of Data and Privacy
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.	Anti-Corruption
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases.	Anti-Corruption
KPI B7.2	Description of preventive measures and whistle-blowing procedures and how they are implemented and monitored.	Anti-Corruption
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Anti-Corruption
Aspect B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Community Investment
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community Investment
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Community Investment