CST GROUP LIMITED
中譽集團有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 985)

2022
Environmental, Social and
Governance Report

About the Report

This is the annual stand-alone environmental, social and governance (the "ESG") report of the CST Group Limited (hereafter the "Company", together with its subsidiaries, the "Group" or "We"), presenting the Company's performance in respect of environmental and social aspects for the period from 1 April 2021 to 31 March 2022 (the "Year"). This ESG report aims to fairly present the ESG management approach and performance of the Group.

Reporting Guideline and Principles

This report is prepared in compliance with the ESG Reporting Guide set out in Appendix 27 to the Rules Governing the Listing of Securities (the "Listing Rules") on the Main Board of The Stock Exchange of Hong Kong Limited ("HKEX"). In preparing the Report, the Group adheres to the four principles of materiality, quantitative, balance and consistency.

Materiality	We undertake stakeholder engagement and materiality assessment to identify material ESG topics and ensure that stakeholders' concerns are addressed in this report.
Quantitative	Data in this report are analysed to explain year-on-year changes and are presented in a way that allows for comparison. For the detailed assessment process, please refer to the "Performance Data Summary" of this report for references used in calculating the environmental performance indicators.
Balance	We disclose the Group's efforts and performance on each topic in a transparent and impartial manner on every aspect of sustainable development.
Consistency	In order to maintain comparability of information, unless otherwise stated, the disclosures and statistical methods in this report are consistent with those in the past and are presented in a way that allows meaningful comparison.

This report aims to be plain, clear and easy-to-read as we have taken into consideration the interests and requirements of different stakeholders to the maximum extent possible in compilation. All the information cited in the Report is sourced from the Group's official documents, statistical data and management and operational information collected.

Reporting Period and Scope

This report covers the ESG management approach and performance of the Group for the Year, including CST Canada Coal Limited ("CST Coal"), a subsidiary with a coal mine in Canada.

ESG Management Approach

The Group is dedicated to achieving sustainable business growth, while pursuing positive change in the marketplace and among its customers, its people and the local community by gradually integrating the concept of sustainability into the core values of its business operations.

Board Statement

The Board oversees the Group's ESG risks and opportunities, including climate-related risks. Supported by the ESG Committee, the Board is responsible for validating the process of identifying and assessing material ESG topics and their corresponding risks and initiatives, as well as reviewing the progress on ESG-related targets.

The ESG Committee is to advise and assist the Board in managing ESG-related matters which include recommending to the Board on the Group's ESG objectives, strategies, initiatives and goals, reviewing the Group's ESG policies, and reporting annually to the Board on the Group's progress on ESG. The Board confirms that it has reviewed and approved this report. To the best of its knowledge, this report fairly addresses the identified material issues and presents the ESG management approach and performance of the Group.

For more details of our corporate governance structure, role and responsibilities, the Group adheres to the applicable provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix 14 of the Listing Rules. Please refer to Pages 34 to 49 of the Company's 2022 Annual Report for the Corporate Governance Report.

Feedback

We welcome your feedback as it helps us to improve not only the content of the report but also our performance. Please contact us at:

Address: Rooms 4501-05, 45/F.,
            China Resources Building,
            26 Harbour Road, Wanchai, Hong Kong
Email: info@cstgrouphk.com
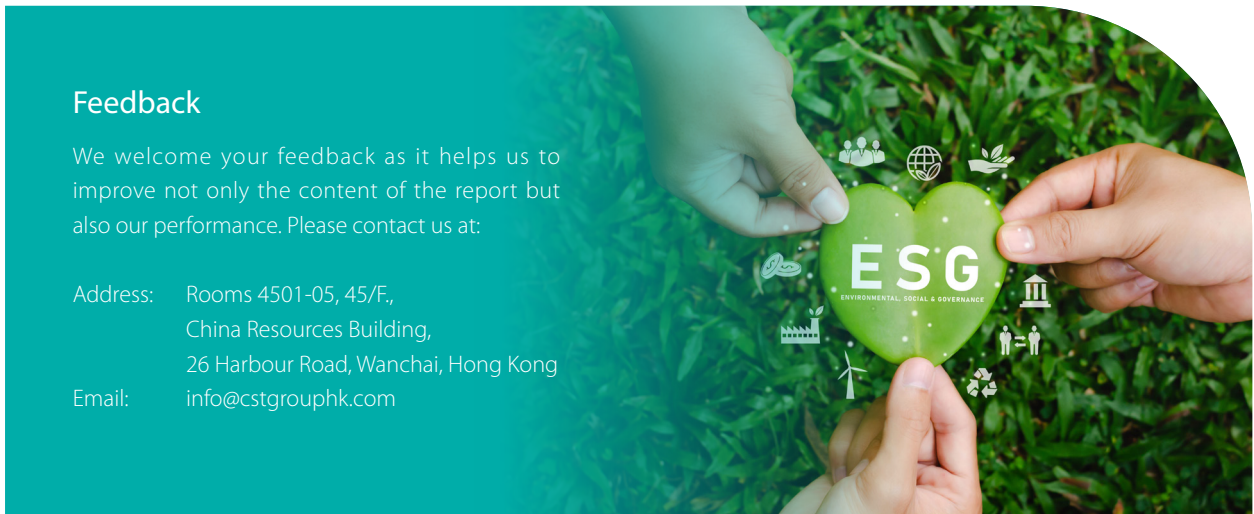
Materiality Assessment

Engagement of stakeholders is an essential part of the materiality process as it helps identify ESG topics material to the environment, society and economy and to the stakeholders. Regular communication with key stakeholders is maintained through various channels, listed below. Topics that have a significant impact on our stakeholders' decision making and, on the economy, environment and society are identified and denoted in bold below:

Stakeholders					
Employees	Environmental non-governmental organizations ("NGOs")	Customers	Suppliers	Banks/Regulators/Shareholders/Investors	Community Groups
Examples of Communication Channels					
• In-person meetings • Training	• Board meetings • Management/department meetings	• Emails • Telephones • Meetings • Company website	• Site visits • Work reviews • Progress meetings	• Annual/Interim Reports • Announcements and circulars • Onsite inspection and visits • Company website • General meetings	• Volunteering and community activities
Issues of Concern					
√ **Employee retention** √ **Occupational health and safety** √ **Precautionary measures of child/forced labor** √ **Employee rights** √ Employee training and promotion √ Employee communication √ Anti-discrimination	√ **Greenhouse gases ("GHG") emissions reduction** √ **Air emissions reduction** √ **Effluent discharges reduction**	√ **Ensure health and safety of customers** √ Customer satisfaction √ Customer privacy protection	√ Supplier assessment	√ **Responsible investment** √ **Business ethics** √ Comply with environmental laws and regulations	√ Community investment

Environmental Management

The Group is aware that mining activities inevitably have various environmental impacts and therefore environmental compliance has long been one of the material topics for the Group. The Group is committed to comply with all related laws and regulations, including but not limited to The Canadian Environmental Protection Act 1999 (CEPA), Environmental and Protection Act Alberta (EPEA), Water Act and Environmental Emergency Regulations. The Group is continually improving its environmental management practices to minimise the environmental impact of its mining activities.

CST Coal mine site is regulated by the Alberta Energy Regulatory (AER) under terms and conditions of the EPEA, Water Act approvals and other relevant local regulations. CST Coal submits an annual conservation and reclamation report to the AER that details the reclamation progress and analyses the outcomes of reclamation monitoring programs. For potential environmental emergencies during mining activities, we have developed an emergency response plan which outlines basic practices to be followed to resume operations and mitigate environmental threats. Various emergency procedures are defined for spills, wildfires, and wildlife encounters, depending on the nature and severity of the issue. The plan specifies evacuation steps to be followed by Company staff and appropriate government departments to be called when there is an event of an emergency nature.

We endeavour to keep the impact of our operations on the environment as low as possible. The Group has developed an Environmental, Social and Governance Policy during the reporting period, under which it commits to take all reasonable and practicable steps to ensure that operations are conducted in an environmentally responsible and sustainable manner. And we also require the same level of environmentally responsible behaviour from our contractors, including compliance with environmental stipulations and other relevant laws and regulations.

Tackling Climate Change

The Group understands the risks of climate change and our operation may cause pollution and harm to our environment. It is associated with increasing greenhouse gas concentrations which need to be addressed through accelerated action, and the Group is committed to mitigate the environmental impacts by further strengthening its environmental management approach. The Group firmed up a climate policy during the Year that outlines details of steps being taken and to be taken for managing the risks caused by climate change.

In Hong Kong, the Group's operations are mainly office-based and have a relatively less significant impact on the environment. However, the Group adopts green office practices to minimise its GHG emissions and environmental impacts.

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

Energy Consumption

Major components of energy consumption of the Group are natural gas, diesel, petrol and purchased electricity. During the Year, energy consumption was 107,767.52 GJ or 29,935,422.39 kWh equivalent, of which 0.20% was indirect energy and the rest was direct energy. The overall energy intensity of the Group is 2.59 GJ per USD '000 revenue.

Energy Consumption	Hong Kong Office	CST Coal	Total
Direct Energy			
Natural Gas (GJ)	/	65,820.61	65,820.61
Petrol (L)	13,262.41	48,754.65	62,017.06
Diesel (L)	/	1,110,324.55	1,110,324.55
Indirect Energy			
Electricity (kWh)	54,442.98	5,320.80	59,763.78
Total energy consumption (GJ)	**618.69**	**107,148.83**	**107,767.52**

Greenhouse Gas Emissions

Greenhouse gases ("GHG") generated by the Group are mainly from fuel combustion (Scope 1 emissions) and purchased electricity (Scope 2 emissions). During the reporting period, the Group generated a total of 11,528.32 tonnes of carbon dioxide equivalent (tCO_2e) of GHG, at an intensity of 0.28 tonnes of carbon dioxide equivalent per USD'000 revenue, with Scope 1 emissions of 11,484.74 tCO_2e and Scope 2 emissions of 43.01 tCO_2e.

Greenhouse Gas Emissions (tCO_2e)	FY2021	FY2022
Scope 1 emissions	40,323.99	11,484.74
Scope 2 emissions	45.15	43.01
Total GHG emissions	40,369.85	11,528.32
Intensity (tCO_2e per USD '000 revenue)	0.76	0.28

Energy Saving Measures

To understand how energy gets consumed at the coal mine and identify opportunities for reducing energy consumption, we will schedule an energy audit when the mining operation is resumed for a full year. As an interim measure, CST Coal continues to upgrade light fixtures throughout its industrial and administration buildings with energy-saving LED lights.

The Group has undertaken a number of energy-saving measures to improve energy efficiency and reduce energy consumption. The Group recommends to reduce the frequency of business travel and promotes meetings with electronic communication, such as telephone or web conferencing. We also aim to procure all office equipment with green labels by 2025 in Hong Kong office. Meanwhile, in office space, we commit to promote energy-saving and greener lighting by supporting "Energy Saving Charter on Indoor Temperature" and "Energy Saving Charter on No Incandescent Light Bulb".

Green Office

1 Reduce carbon emissions from business travel by replacing long-distance face-to-face meetings with electronic communication such as telephone or web conferencing.

2 Encourage staff to use electronic scans, double-sided printing and copying, and promote the use of environmentally friendly paper.

3 Turn off idle lights, reduce electricity consumption of appliances, etc. to avoid energy waste.

Water Resources Management

CST Coal manages and regulates its water usage at mine sites according to terms and conditions stipulated in Water Act approvals and by the Alberta Energy Regulator and other related local regulations. We track and record water consumption against each individual license and are obligated to report details on a monthly basis to the Alberta Government via the Water Use Reporting System. During the Year, water consumption in CST Coal amounted to 42,679.46 m^3, with an intensity 1.59 m^3 per USD 1,000 revenue. We aim to increase the adoption of smart meters and online water monitoring system in CST Coal operations.

Effluent and Waste

CST Coal has upgraded its Domestic Wastewater Treatment Plant to ensure better processing of sewage. It has changed from running in parallel to running in series, which provides an extended contact time for sludge to process organic matter. It thus enhances the quality of water being discharged. Wastewater is treated at a sewage treatment plant and transferred to an evaporation pond. Weekly inspections regarding corrective measures taken for waste discharge are carried out. Moreover, the system receives wash downs as well as scheduled draining and cleaning of the wastewater cells periodically to ensure sludge is not accumulated inside the cells and the quality of water being discharged is maintained.
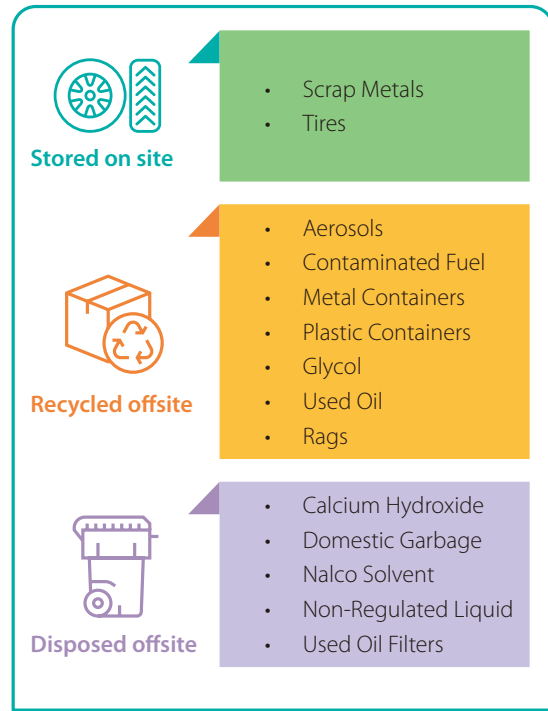
During the Year, the Group generated approximately 1,002.00 m^3 of wastewater from its operations in Canada (2021: 2,488.00 m^3 of wastewater). During the Year, there is no significant consumption on packaging materials.

CST Coal has a comprehensive waste management system that encompasses recycling, storage and waste disposal, with recycling taking precedence over disposal. The waste was managed in accordance with EPEA Approval. Monthly inspections regarding the corrective measures taken for waste discharge are carried out.

Hazardous waste generated by CST Coal is collected and disposed of in a government-certified disposal facility. During the Year, the Group's operations in Canada generated approximately 4,027.49 tonnes of non-hazardous waste and 0.96 tonnes of hazardous waste. The total quantity of non-hazardous waste recycled was 3,997.73 tonnes constituting approximately 99% of the total waste. For non-hazardous waste, the Group aims to achieve 100% compliant disposal.

The amount of solid waste generated in the Hong Kong office was considered insignificant due to its operations being office-based. Relevant data are not available as the office garbage is collected by building management.

Stored on site
- Scrap Metals
- Tires

Recycled offsite
- Aerosols
- Contaminated Fuel
- Metal Containers
- Plastic Containers
- Glycol
- Used Oil
- Rags

Disposed offsite
- Calcium Hydroxide
- Domestic Garbage
- Nalco Solvent
- Non-Regulated Liquid
- Used Oil Filters

Air Emissions

The Group's air emissions are mainly from mobile vehicles and mining business, CST Coal. During the Year, the Group fully complied with limits prescribed by the government and no contraventions occurred. We regularly conduct manual stack surveys and monitor ambient air quality and dust fall to make sure our emissions do not exceed the applicable standard and comply with relevant emissions regulations. A summary of the Group's emissions during the Year is as below.

Pollutants (Tonnes)	CST Coal
Sulphur oxides (SOx)	1.17
Nitrogen oxides (NOx)	254.39
Particulate matter (PM)	418.55
Carbon monoxide (CO)	654.74

Our People

Employment Practices

The Group respects the rights of its employees and adheres to fair employment practices. We follow a transparent CST Coal's recruiting policy, hiring employees based on their experience, knowledge, aptitude, education and whether the candidates are a fit with our corporate culture, and verify the identity of all job applicants before hiring to prevent the use of child labour and forced labour.

We strictly comply with relevant laws and regulations, including but not limited to the Hong Kong Employment Ordinance, Minimum Wage Ordinance and Fair Work Act, as well as Canada's Labour Code, Employment Equity Act (EEA) and Convention on the Rights of the Child. During the Year, we were not aware of any violation of laws and regulations related to employment practices that have a significant impact on the Group.
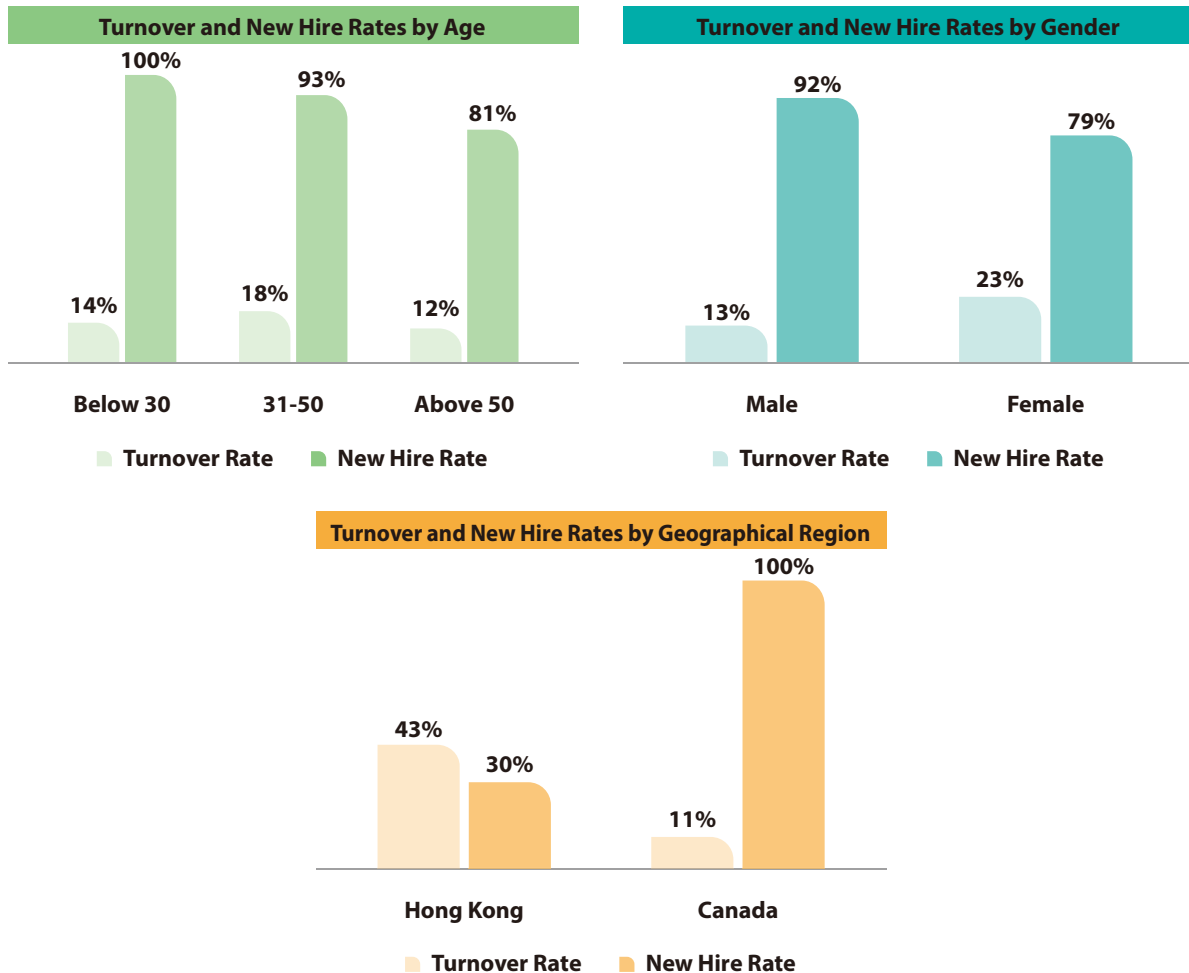
During the Year, the Group had a total of 279 employees, with 37 (13%) located in Hong Kong, 240 (86%) in Canada and 2(1%) in other geographical area. The proportion of male to female employees is approximately (81:19). Approximately half (46.6%) of the employees were between the age of 30 to 50. Around 16.5% of employees are at the managerial level, while others are general staff.

Employee distribution	As of 31 March 2022
Gender	
Male	226
Female	53
Age	
Under 30 years old	51
Between 30 and 50	130
Over 50 years old	98
Geographical location	
Hong Kong	37
Canada	240
Other region	2
Function	
Senior management	46
General level	233
Education	
Master's degree or above	12
Bachelor's degree	23
Below bachelor's degree	244

To attract and retain talents, the Group offers competitive remuneration packages including statutory benefits. We review remuneration packages periodically with reference to the Group's operating achievements, individual performances, and market information. Employees' performances are evaluated on an annual basis and outstanding employees will be offered promotion opportunities and rewards.

We are committed to providing a safe workplace free of harassment and violence. CST Coal's workplace harassment and violence prevention policy outlines the plan to ensure all employees are treated with respect and dignity. The policy stipulates comprehensive procedures for addressing relevant complaints. All complaints are handled in compliance with the Personal Information Privacy Act to ensure privacy and confidentiality.

During the year, the overall employee turnover rate and new hire rate were 15% and 90% respectively. Detailed distributions of employee turnover and new hire rate by age, gender and geographical region are presented in the graphs below:

Turnover and New Hire Rates by Age

- 100% — Below 30 New Hire Rate
- 14% — Below 30 Turnover Rate
- 93% — 31-50 New Hire Rate
- 18% — 31-50 Turnover Rate
- 81% — Above 50 New Hire Rate
- 12% — Above 50 Turnover Rate

Legend: Turnover Rate, New Hire Rate

Turnover and New Hire Rates by Gender

- 92% — Male New Hire Rate
- 13% — Male Turnover Rate
- 79% — Female New Hire Rate
- 23% — Female Turnover Rate

Legend: Turnover Rate, New Hire Rate

Turnover and New Hire Rates by Geographical Region

- 43% — Hong Kong Turnover Rate
- 30% — Hong Kong New Hire Rate
- 11% — Canada Turnover Rate
- 100% — Canada New Hire Rate

Legend: Turnover Rate, New Hire Rate

COVID-19 Pandemic Prevention

In order to protect the health of employees, the Group allowed employees to work from home in shifts and provided self-testing rapid antigen test for viral diseases during the peak of the fifth wave of the epidemic in Hong Kong. After the epidemic situation became stable, to ensure the safety of employees, we mandated rapid tests every week in Hong Kong Office. The Group also provides employees with surgical masks and epidemic prevention items such as alcohol hand rub in the office. To prevent infection, the group encourages employees to get vaccinated. Visitors should wear masks, measure their body temperature and we disinfect the office frequently.

Occupational Health and Safety

Occupational health and safety ("OHS") are critical to our success. CST Coal's health and safety policy summarizes the key responsibilities of each stakeholder group at CST Coal, including management, employees, contractors, and authorized visitors, for creating and maintaining a safe workplace, which all stakeholder groups should comply with.

CST Coal Responsibilities	Management Responsibilities	Employee Responsibilities
☐ Make legislated acts, regulations and safety policies for all stakeholders	☐ Report unsafe or harmful work site acts or conditions	☐ Comply with safety regulations and practices
☐ Provide trainings to all employees in safe work practices and hazard awareness	☐ Ensure all known and foreseeable hazards are advised	☐ Ensure safe work practices among fellow workers.
☐ Inspect and assess all working locations regularly	☐ Ensure adequate controls including use of personal protective equipment are ultilised	☐ Report hazardous work conditions

Responsibilities of each stakeholder group on Occupational Health and Safety

Our health, environmental and safety management system is in place for managing OHS issues. Mining-site specific measures are employed continually to minimise safety hazards. The CST Coal Emergency Response Plan has been enacted to govern the conduct of emergency operations. All newly hired employees must receive a set of orientation instructions regarding safety and environmental policies, procedures and practices. They are also required to undergo a medical examination, alcohol test, and drug test before reporting for duty.
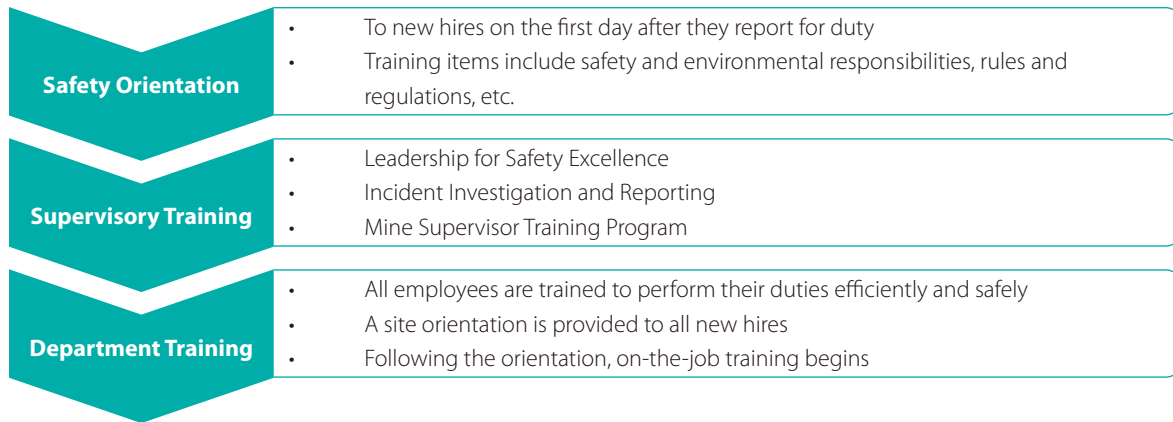
CST Coal has also set up an emergency response plan. In case of emergency in the mine, the regional foreman or loss prevention officer (LPO) is to be informed of the situation and other workers in the affected area are warned of the emergency. The mine is equipped with a series of safety facilities such as wireless telephone, safety broadcast and rescue personnel to ensure the safety of employees.

We provide a safe workplace to our employees by adhering to applicable laws and regulations in Hong Kong as well as Canada, including but not limited to the Occupational Safety and Health Ordinance of Hong Kong, Canada Occupational Health and Safety Regulations, Province of Alberta Occupational Health and Safety Act, Employees' Compensation Ordinance, and Fire Protection Regulations.

Safety Training

Since the operation of coal mine involves the use of heavy machinery and equipment, such as power shovels in surface mining and hydraulic mobile roof supports in room and pillar mining, our employees may be exposed to a number of safety hazards and emergencies. To ensure that employees acquire the ability to carry out the correct procedures in such events, we have formulated a regular safety training system for all employees that imparts rescue knowledge and provides diverse training sessions for different levels of workers.

Safety Orientation	• To new hires on the first day after they report for duty • Training items include safety and environmental responsibilities, rules and regulations, etc.
Supervisory Training	• Leadership for Safety Excellence • Incident Investigation and Reporting • Mine Supervisor Training Program
Department Training	• All employees are trained to perform their duties efficiently and safely • A site orientation is provided to all new hires • Following the orientation, on-the-job training begins

Safety Training in CST Coal

During the Year, there were no reported lost person-days due to work injuries nor were there any work-related fatalities. The Group was not aware of any non-compliance of relevant laws and regulations that have a significant impact on it relating to provision of a safe working environment and protecting employees from occupational hazards during the Year.

	2022	**2021**	**2020**
Lost person days due to work-related injury (day)	0	0	52
Work-related fatalities	0	0	0

Striving for Operational Excellence

Supply Chain Management

A rigorous and sound supplier management system has allowed the Group to maintain long-term relationships with its suppliers and service providers. Through identifying and managing the environmental and social risks that may arise along the supply chain, quality of suppliers is managed and monitored in an effective and transparent manner.

In addition to product and service quality, we assign high priority to our commitment to the environment, health and safety when selecting suppliers and contractors. The Group encourages its employees to promote the use of environmentally friendly products and services when selecting suppliers, such as giving priority to purchase recyclable and reusable items. The Group immediately stops procuring any products or services from suppliers if serious quality problems are identified, demonstrating the Group's determination to take into account health and environmental issues along the supply chain and in daily business operations.

We provide a set of standard operating procedures that our subcontractors need to follow after the acceptance of works. These guidelines serve to regulate quality of deliverables against contract requirements and specifications, provide counter-checking of completion information and execution of sample tests.

Communication and collaboration are the keys for enhancing quality control management and adherence to general specifications by work contractors. The Group carries out on-site inspections and progress meetings, as well as periodical work reviews that are arranged before the commencement of a new project.

Regular monitoring and evaluation are essential steps we take in order to assess performance and a third-party is appointed for independent review when necessary. All identified deficiencies are documented with appropriate corrective actions taken.

This Year, in total there are 657 suppliers collaborating with the mining business in Canada office, whereas 591 suppliers come from Canada, and 66 from overseas outside Canada.

Product Responsibility

The Group is dedicated to safeguarding product quality and delivering solutions tailored to customers' specific needs. Quality assurance procedures are required aiming to make sure the product to be railed meeting sales specifications, and are applied to standardise the quality checking processes. Prior to delivering products to customers, quality inspection of the final products is conducted by designated independent personnel. The Group constantly improved coal quality through exercising more efforts in the evaluation of coal quality management and inspection and optimizing product structure. The Group aims to optimize the quality control in the whole process of coal and improving product quality. Product quality issue, if any, will be subject to negotiation with customers. A recall procedure is not relevant and applicable in our operation.

In the process of cooperating with external agencies, our employees are guided to ensure that the intellectual property rights are not infringed, complying with the confidentiality agreement agreed by both parties.

The rights of the customers are protected by the recovery policy and after-sales service. Besides, regular communications with customers are maintained through emails and telephone calls to understand their concerns.

Protecting data security is of paramount importance when it comes to building mutual trust with customers. We therefore adopt a range of measures to prevent leakage of customer information. The Group strictly follows relevant laws and regulations and privacy ordinance to uphold customer confidentiality, ensuring no information is disclosed without the approval of data owners. Employees must strictly observe the relevant regulations and ensure confidentiality of all information and data is protected, including but not limited to trade secrets, customers, suppliers and other proprietary information. In the event of a breach, employees must immediately report the breach to their immediate supervisor and human resources department for prompt remedial action.

To the best of our knowledge, the Group did not contravene any laws and regulations that have a significant impact on the Group relating to health and safety and privacy matters regarding products, services and methods of redress provided. This year, there is zero case of incident related to product safety or health reason and received zero complaint related to products and services.
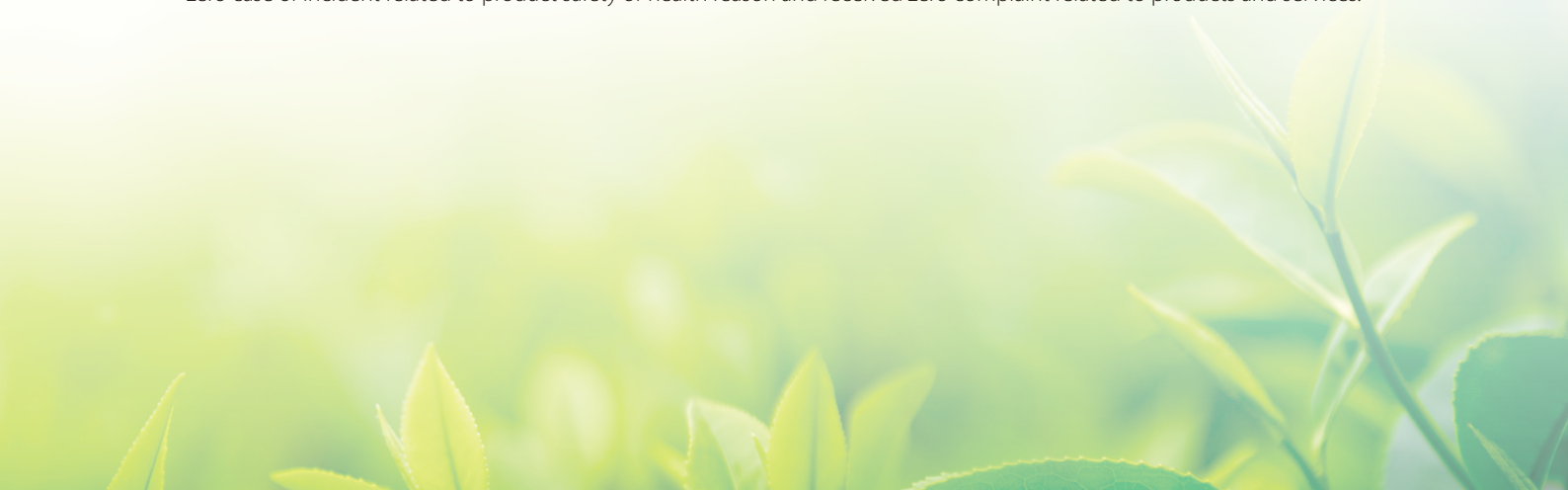
Anti-corruption and Whistleblowing Policy

The Group requires its employees to uphold high standards of integrity and honesty. Employees are expected to comply with all applicable laws, rules and regulations in relation to anti-corruption and bribery, and any forms of corruption such as bribery, extortion, fraud and money laundering are strictly prohibited. Within the Group, there is an anti-corruption and bribery policy in place, which we review once every three years, which clearly defines the relevant anti-corruption policies and measures to prevent corruption.

All employees are asked to abide by the code of conduct in our employee handbook. Employees must not undertake other paid employment or any courses that constitute a conflict of interest without prior written consent of the Group's management. Each department/Group company is required to make these policies available to all employees and to provide briefings to new employees. Regular training events related to corruption and bribery risks faced by the organisation, as well as compliance with laws, regulations and standards of conduct relevant to the field of business, are available to employees.

Employees are encouraged to supervise and report any actual or suspected violations of this policy when they become aware of them. We provide clear channels for whistleblowers to report in real names with contact methods to the audit committee of the Company ("Audit Committee") by mail or email. To ensure confidentiality in the mailing process, the form should be sent in a sealed envelope clearly marked "Strictly Private and Confidential". The Audit Committee is responsible for investigating the issues reported. Once the behaviours are ruled as a violation of ethical standards, involved employees would be subject to administrative penalties. If the violation is considered serious, the Group will terminate the employment or report to the relevant authorities.

As at the date of this report, we arranged anti-corruption trainings for our Directors and employees. Through the trainings, Directors and employees have learnt more about their corresponding roles and responsibilities in respect of anti-corruption and business ethics, as well as the proper practice procedures.

During the Year, the Group did not contravene relevant laws and regulations that have a significant impact on the Group relating to bribery, extortion, fraud and money laundering. The Group was not involved in any corruption cases during the Year.

Community Investment

The Group puts effort in fulfilling its social responsibility while ensuring business growth. We maintain close ties with local communities to ensure that their values are upheld, cherished and respected so that they can develop sustainably.

CST Coal has executed with two local Aboriginal Groups Community Impact Benefit Agreements ("CIBAs") to provide necessary support for the use of land and resources. The CIBAs also actively address various aspects including communication and community relations, education and training, employment and compensation, environmental management, historical use and traditional practices, and economic development. Through the adoption of communication, information exchange and management processes related to sustainable operations and management, we embed appropriate and adequate consideration of the rights and interests of local groups into CST Coal's business strategy.

In order to maintain a long-lasting and caring relationship with the community, we continue to show our support for the community and motivate our employees to participate in various volunteer activities and initiatives.

Appendices

Laws and Regulations

For different aspects of sustainable development, the Group strictly complies with applicable laws and regulations as shown below.

Aspect	Applicable Laws and Regulations
Emissions	• Air Pollution Control Ordinance • Waste Disposal Ordinance • Water Pollution Control Ordinance • The Canadian Environmental Protection Act 1999 (CEPA) • Environmental and Protection Act (EPFA) • Environmental Emergency Regulations
Employment and Labour Standards	• Employment Ordinance • Minimum Wage Ordinance • Employment of Children Regulations • Fair Work Act • Canada's Labour Code • Employment Equity Act (EEA) • Convention on the Rights of the Child
Health and Safety	• Occupational Safety and Health Ordinance • Employees' Compensation Ordinance • Canada Occupational Health and Safety Regulations • The Province of Alberta Occupational Health and Safety Act • Fire Services Ordinance
Supply Chain Management	• The Competition Ordinance
Product Responsibility	• Trade Descriptions Ordinance • Personal Data (Privacy) Ordinance
Anti-corruption	• Prevention of Bribery Ordinance • Anti-Money Laundering and Counter-Terrorist Financing (Financial Institutions) Ordinance • Competition Ordinance • Corruption of Foreign Public Officials Act

Performance Data Summary

Environmental Performance[1]

	2022	2021
Total Resources Consumption (GJ)	107,767.52[2]	567,978.04
Electricity (kWh)	59,763.78	18,683,963.39
Petrol (Litre)	62,017.06	157,215.26
Diesel (Litre)	1,110,324.55	6,977,462.40
Natural Gas (GJ)	65,820.61	245,877.00
Energy Intensity (GJ/'000 USD revenue)	2.59	10.66
Water (m^3)*	42,679.46	258,019.00
Water Intensity (m^3/'000 USD revenue)*	1.59	9.18
Emissions		
Total GHG Emissions (tCO_2e)	11,528.32	40,369.85
GHG Intensity (tCO_2e/'000 USD revenue)	0.28	0.76
Air Pollutants (tonne)[3]		
Sulphur oxides (SOx)	1.17	9.92
Nitrogen oxides (NOx)	254.39	531.68
Particulate matter (PM)	418.55	3,347.99
Carbon Monoxide (CO)	654.74	906.49
Wastes*		
Non-hazardous Waste (tonne)	4,027.49	469.63
Disposed (tonne)	29.76	144.74
Recycled (tonne)	3,997.73	324.89
Hazardous Waste (tonne)	0.96	10.29
Wastewater (m^3)	1,002.00	2,488.00

*   Only included data of CST Coal

1   **Description of Environmental KPI Calculation Methodology:**
     Calculation of environmental KPIs, including emission factors used for GHG emissions calculations, are referenced from the HKEX's "How to Prepare an ESG Report - Appendix 2: Reporting Guidance on Environmental KPIs". The Global Warming Potential (GWP) values are referenced from the Fifth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC).

2   The decrease in total resources consumption during the Year was due to COVID-19 pandemic and the suspension of coal mining operations in Canada.

3   The FY 2021 data has been corrected due to updated to include mine fleet emissions.

Workforce Demographics

	2022	2021
Total Headcount	**279**	**70**
By Gender		
Male	226	47
Female	53	23
By Age		
<30 years old	51	7
30-50 years old	130	35
>50 years old	98	28
By Function		
General	233	31
Mid-level	27	21
Senior Management	19	18
By Education		
Below Bachelor's Degree	244	35
Bachelor's Degree	23	20
Master's degree or Above	12	15
Employee Turnover Rate[#]	**15%[4]**	**411%**
By Region		
Hong Kong	43%	14%
Canada	11%	1085%
By Gender		
Male	13%	491%
Female	23%	248%
By Age		
<30 years old	14%	957%
30-50 years old	18%	383%
>50 years old	12%	311%
Employee New Hire Rate[#]	**90%[5]**	**10%**
By Gender		
Male	92%	11%
Female	79%	9%
By Age		
<30 years old	100%	43%
30-50 years old	93%	9%
>50 years old	81%	4%

[#]   Employee turnover rate/new hire rate = (no. of employees left/hired) divided by the total no. of employees of the gender/age category

[4]   The decrease in employee turnover rate during the Year was due to resumption of operation in Canada since October 2021.

[5]   The increase in employee new hire rate during the Year was due to resumption of operation in Canada since October 2021.

Health and Safety

	2022	2021
Lost person days due to work-related injury (day)	0	0
Work-related fatalities	0	0
Safety training (Person-times)*	18	0
Safety training hours (hour)*	3,898	0

Training and Development

	2022	2021
Employee Training Coverage	**86%[6]**	**0%**
By Gender		
Male	86.7%	0%
Female	83.0%	0%
By Function		
General	91.0%	0%
Mid-level	77.8%	0%
Senior Management	36.8%	0%

	2022	2021
Employee Average Training Hours[7]		
By Gender		
Male	15.1	0
Female	10.3	0
By Function		
General	15.4	0
Mid-level	12.6	0
Senior Management	2.3	0

*	Only included data of CST Coal
6	The increase in employee training coverage during the Year was due to resumption of operations in Canada because of the COVID-19 pandemic since October 2021.
7	The increase in employee average training hours during the Year was due to resumption of operation in Canada since October 2021.

HKEX ESG Content Index

KPIs	HKEX ESG Reporting Guide Requirements	Section
A. Environmental		
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 air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Environmental Management
	KPI A1.1 Types of emissions and the respective emissions data.	Air Emissions
	KPI A1.2 Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g, per unit of production volume, per facility).	Greenhouse Gas Emissions
	KPI A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Effluent and Waste
	KPI A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Effluent and Waste
	KPI A1.5 Description of emissions target(s) set and steps taken to achieve them.	Environmental Management
	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.	Effluent and Waste
Aspect A2: Use of Resources	**General Disclosure** Policies on the efficient use of resources, including energy, water and other raw materials.	Environmental Management
	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).	Energy Consumption
	KPI A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Water Resources Management
	KPI A2.3 Description of energy use efficiency target(s) and steps taken to achieve them.	Energy Saving Measures
	KPI A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) and steps taken to achieve them.	Water Resources Management
	KPI A2.5 Total packaging materials used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Effluent and Waste

KPIs	HKEX ESG Reporting Guide Requirements		Section
Aspect A3: **The Environment and Natural Resources**	**General Disclosure** Policies on minimizing the issuers' significant impact on the environment and natural resources.		Environmental Management
	KPI A3.1	Description of significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environmental Management
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.		Tackling 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.	Tackling Climate Change
B. Social			
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 Practices
	KPI B1.1	Total workforce by gender, employment type (for example, full- or part- time), age group and geographical region.	Employment Practices
	KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Employment Practices
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.		Occupational Health and Safety
	KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Safety Training
	KPI B2.2	Lost days due to work injury.	Safety Training
	KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Occupational Health and Safety
Aspect B3: **Development and Training**	**General Disclosure** Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.		Safety Training
	KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Performance Data Summary
	KPI B3.2	The average training hours completed per employee by gender and employee category.	Performance Data Summary

KPIs	HKEX ESG Reporting Guide Requirements		Section
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.		Employment Practices
	KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Employment Practices
	KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Employment Practices
Aspect B5: **Supply Chain Management**	**General Disclosure** Policies on managing environmental and social risks of the supply chain		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
Aspect B6: **Product Responsibility**	**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 health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.		Product Responsibility
	KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable
	KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Product Responsibility
	KPI B6.3	Description of practices relating to observing and protecting intellectual property rights	Product Responsibility
	KPI B6.4	Description of quality assurance process and recall procedures.	Product Responsibility
	KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Product Responsibility

KPIs	HKEX ESG Reporting Guide Requirements		Section
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 and Whistleblowing Policy
	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 and Whistleblowing Policy
	KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Anti-corruption and Whistleblowing Policy
	KPI B7.3	Description of anti-corruption training provided to directors and staff.	Anti-corruption and Whistleblowing Policy
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