

# MOS HOUSE GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

**Stock Code: 1653**



# 2019

Environmental, Social and  
Governance Report

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## CONTENTS

INTRODUCTION	P.3
SUSTAINABLE AND EFFECTIVE INTERNAL CONTROL AND RISK MANAGEMENT	P.3
STAKEHOLDER ENGAGEMENT	P.4
MATERIALITY ASSESSMENT	P.5
OUR ENVIRONMENT	P.6
STAFF SUSTAINABILITY	P.8
OPERATING PRACTICES	P.11
COMMUNITY	P.12
REFERENCES TO THE ESG REPORTING GUIDE	P.13

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## INTRODUCTION

### About this report

MOS House Group Limited (“MOS House” or the “Company”, together with its subsidiaries, the “Group”) is pleased to present our first Environmental, Social and Governance (“ESG”) Report (the “Report”), after our shares are listed on Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 19 October 2018, which provides an annual review of our approaches, strategies and practices in relation to the sustainability development. We carry out our business in a responsible manner so that we can create long-term values for our stakeholders and make a contribution to making the world a better place.

The principles of materiality, quantitative, balance and consistency were adopted in determining the content of this report in accordance with Environmental, Social and Governance Reporting Guide set out in Appendix 27 of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”). This Report covers the ESG related activities for the year ended 31 March 2019 (“the Reporting Period”).

This scope of the Report covers our principal operation, retail and supply of overseas manufactured tiles in Hong Kong, specializing in high-end European imported porcelain, ceramic and mosaic tiles.

Information regarding corporate governance was addressed in accordance with Appendix 14 of the Listing Rules and is set out in the section headed Corporate Governance Report in the 2019 annual report of the Company published on 30 July 2019.

We attach great importance to the valuable opinions of our stakeholders. In order to enhance the sustainable development of the Company’s business in future, you are welcomed to provide us with your valuable opinions on this Report or our sustainable development by mail to 50/F, China Online Centre, 333 Lockhart Road, Wanchai, Hong Kong.

## SUSTAINABLE AND EFFECTIVE INTERNAL CONTROL AND RISK MANAGEMENT

The Group understands the importance of internal control and risk management — a structured internal control and risk management system is closely related to the sustainable development of an enterprise. Therefore, the Board of the Group continues to monitor our internal control system, risk assessment and risk management system, so as to identify unfavourable factors that may adversely affect our business. These include the risks in the areas of operation, finance, compliance, social and environmental protection, etc. Corresponding measures will be implemented once these risks are identified. Apart from the above, the Group’s Audit Committee will periodically review the Group’s work in respect of internal assessment and risk management to ensure an effective internal control monitoring system is maintained. In order to further enhance our risk management and internal control system, we have engaged an internal control consultant as our independent external adviser to conduct reviews over our risk management and internal control system, so as to ensure the sustainability of our business and to adopt corresponding improvement measures if necessary. The Group’s sustainable development policies are expected to be complemented by the continuous monitoring and improvement of our internal control and risk management system, further contributing to the Group’s effort in achieving its goal of sustainable development.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## STAKEHOLDER ENGAGEMENT

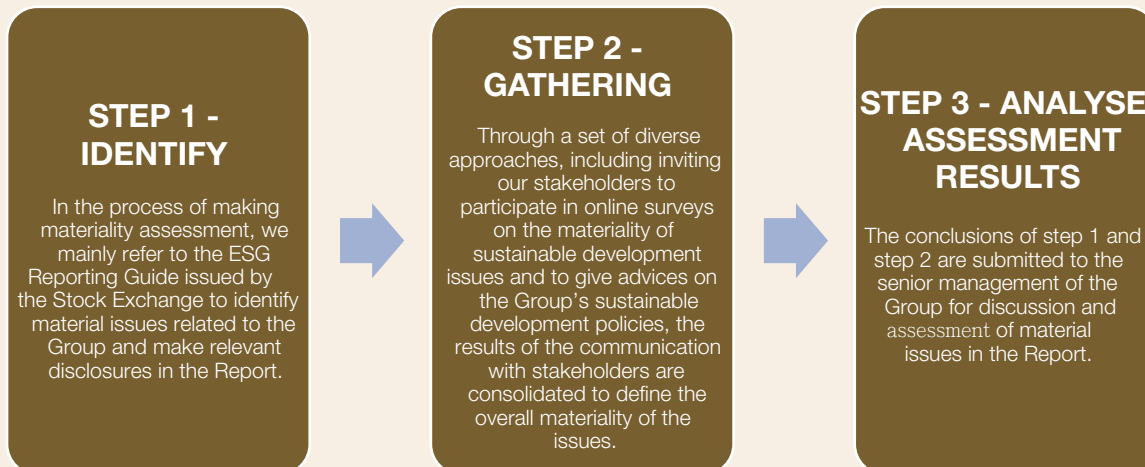
Engagement with stakeholders and listening to their opinions help us to recognize our own strengths and weaknesses to sharpen our business strategies in responding to their needs and expectations toward sustainable development. The engagement with various groups of stakeholders would help us refine the materiality assessment and determine the important issues related to ESG that we have to pay more efforts into.

During the Reporting Period, the Group has engaged in the following stakeholders and respective communications channels:

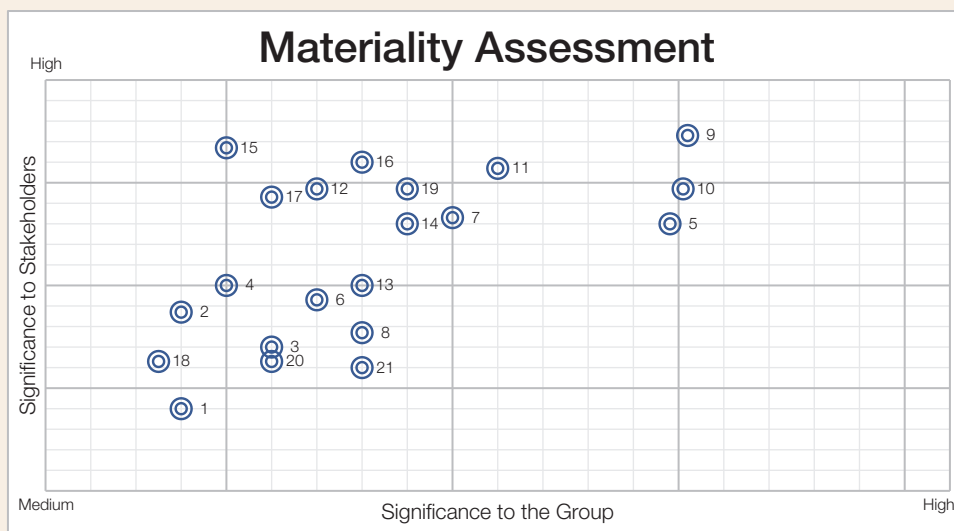
Major Stakeholders	Major Communication Methods
Employees	<ul style="list-style-type: none"><li>• Employees performance appraisal</li><li>• Regular departmental meetings</li><li>• Team building activities</li><li>• Regular recreational activities</li><li>• Questionnaire Survey</li></ul>
Customers	<ul style="list-style-type: none"><li>• Daily operations or regular business exchanges</li><li>• Regular meetings</li><li>• Customer feedback</li><li>• Questionnaire survey</li></ul>
Suppliers	<ul style="list-style-type: none"><li>• Business visit</li><li>• Annual meetings</li><li>• Questionnaire survey</li></ul>
Shareholders and investors	<ul style="list-style-type: none"><li>• Company website</li><li>• Annual and interim reports</li><li>• Annual general meetings and other shareholders' meetings</li></ul>
Government and regulatory authorities	<ul style="list-style-type: none"><li>• Daily operations</li><li>• Regular meetings</li><li>• Cooperation with the government and regulatory authorities in compliance inspections</li><li>• Questionnaire survey</li></ul>
Other business partners	<ul style="list-style-type: none"><li>• Daily operations or regular business exchanges</li><li>• Regular meetings</li><li>• Questionnaire survey</li></ul>

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## MATERIALITY ASSESSMENT



Through the results of questionnaires, we have identified material sustainable development issues and arranged the following 21 issues on the two axes of “Materiality to the Group” and “Materiality to Stakeholders”. The results of materiality analysis are set out below:



- |                                            |                                                 |                                          |
|--------------------------------------------|-------------------------------------------------|------------------------------------------|
| 1 Greenhouse gas emissions                 | 8 Emergency response plan                       | 15 Employment relationship               |
| 2 Management of paper usage                | 9 Quality of products and services              | 16 Occupational health and safety        |
| 3 Energy and water conservation            | 10 Health and safety of our products            | 17 Training and development              |
| 4 Waste management                         | 11 Customer satisfaction and complaint handling | 18 Child and forced labor                |
| 5 Supply chain management                  | 12 Privacy Protection                           | 19 Employee Benefits                     |
| 6 Assessment of suppliers' ESG performance | 13 Advertisement and promotion                  | 20 Participation in volunteer activities |
| 7 Anti-fraud and corruption                | 14 Diversification and equal opportunity        | 21 Charitable giving                     |

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Based on the result of the above material assessment, we have defined three major issues, as follows, with the largest impact on our business and stakeholders:

- > Quality of products and services
- > Healthy and safety of our products
- > Supply chain management

We strive to review these issues continuously in order to improve our sustainability performance. The materiality matrix, formed from the result of stakeholders' engagement, serve as an underlying basis for the structure of the Report.

## OUR ENVIRONMENT

Safeguarding the health of our planet is a collective duty that has significant consequences for present and future generations. We, the Group, as one of the listed companies in Hong Kong, try our best to operate our business in an environmentally friendly manner to protect our planet.

We have not identified any specific regulatory requirements related to environmental protection that have significant risks to the Group and we consider that our operation does not cause any significant impact to the environment and natural resources during the Reporting Period. Nevertheless, we understand that it is necessary and critical for us to keep assessing the regulatory requirements for environmental protection, as the development of international policy and regulation on climate change are expected to be stricter in the coming future.

During the Reporting Period, the Group has not been subjected to administrative sanctions or penalties for violating environmental laws or regulations that would have a significant impact on the Group.

## Environmental Performance

	Year ended 31 March 2019		Unit
<b>Air emissions</b>			
Nitrogen Oxides (NOx)	890.34		Kilogram
Sulfur Oxides (SOx)	1.92		Kilogram
Particulate Matter (PM)	3.52		Kilogram
<b>GHG emissions</b>			
Total GHG emissions	530.34		Tonnes CO2e
Direct emissions (Scope 1)	37.16		Tonnes of CO2e
Indirect emissions (Scope 2)	493.18		Tonnes of CO2e
Intensity of GHG emissions	3.18	Tonnes of CO2e per HK\$ million	
<b>Non-hazardous waste<sup>1</sup></b>			
Total Non-hazardous waste produced	175.00		Tonnes
Intensity of Non-hazardous Wastes produced	1.05	Tonnes of CO2e per HK\$ million	
<b>Energy Consumption</b>			
Total Energy Consumption	869.32		kWh
Purchased Electricity	737.84		kWh
Unleaded Petrol	125.74		kWh
Diesel oil	5.74		kWh
Intensity of Energy Consumption	5.22	kWh per HK\$ million	
<b>Water</b>			
Total water consumption	527.92		Cubic meter
Intensity of Water Consumption	3.17	Cubic meter per HK\$ million	

1 The total amount of non-hazardous waste does not include the paper waste generated from our office. We will optimise the data collection system and consider a more comprehensive disclosure next year. In addition, we do not generate significant office waste, therefore, the total amount of non-hazardous waste does not include office waste.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Green Operations

Environmental protection is always one of the important elements for our sustainable strategies. We continue to work to improve and reduce the negative impact generated from our operations and to promote the sense of environmental friendliness within the Group.

In our operations, our main emissions are generated from purchased electricity for our retail shops and office, unleaded petrol used for passenger cars and diesel oil used for forklift. In order to reduce the negative impact to the environment, we have implemented the following measures to achieve a “Green Operations”:

- ✓ Install a high-efficiency motor unit when replacing the machine
- ✓ Increase the application of natural light
- ✓ Lights and unnecessary energy-consuming devices must be turned off when employees left to reduce energy consumption and lower the relevant greenhouse gas emissions
- ✓ Educate employees on the importance of water conservation and reduce unnecessary water waste
- ✓ When any leaks occur on any equipment, perform maintenance procedures immediately to avoid waste
- ✓ Ensure equipment and devices are switched off during downtime and breaks
- ✓ Set the temperature of air conditioning in our office within an energy-efficient level from 24°C to 26°C
- ✓ Encourage employees to switch off all computers and warehouse/office equipment, electrical appliances and air-conditioners when not in use
- ✓ Advocate 3R's concept — “Reduce, Reuse and Recycle”

## Waste Management

As the best way to prevent pollution is reducing waste at source, recycling and reuse will be placed with high priority. Due to the business nature of the Group, the most common waste generated in our daily business activities are non-hazardous wastes, including paper waste, ordinary office waste and broken tiles. We have taken a range of measures to reduce paper consumption, such as using electronic system to save files, requiring double-sided printing or photocopying for documents and materials used in the office. Furthermore, employees are also encouraged to bring their own cups and avoid using paper cups. Waste that cannot be recycled will be entrusted to local garbage collection agencies for further handling to ensure all wastes are properly handled. A service provider has been engaged to collect the non-hazardous wastes generated from the warehouse and office on a regular basis.

## Water Consumption

During the Reporting Period, the wastewater generated by the Group were mainly municipal water from the daily operations of the office. Therefore, we do not have significant wastewater generated during the Reporting Period. Regarding the management of water usage, we always encourage and require our staff to be environmentally friendly and try their best to save water. Fresh water is a scarce resource around the world, and particularly so in Hong Kong. Municipal wastewater was handled by the property management company and directly discharged into the municipal sewer line. And we do not have any issue in sourcing water.

## Packaging Management

Due to the business nature of the Group, we consume packaging materials, including plastic wraps and non-woven bags for business purpose. We are committed to reducing product package use and reducing consumption and environmental impact through saving package materials. During the Reporting Period, the amount of packaging materials purchased was 1.04 tonnes.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## STAFF SUSTAINABILITY

The Group always adhere to the concept of “People-oriented”. We have established policies and procedures stating our Group’s human resources policies, which fully align with the applicable employment laws and regulations in Hong Kong, such as the Employment Ordinance (Chapter 57 of The Laws of Hong Kong). Our Human Resources Department will keep reviewing the internal policies to ensure it is in line with the latest laws and regulations.

During the Reporting Period, the Group was not subjected to any major administrative sanction or punishment due to violation of any employment laws or regulations.

### Employment

As a responsible and equal opportunity employer, we have clearly defined our employment terms, including salary, dismissal, recruitment, promotion, working hours, holidays and benefits in our staff handbook and internal control policies.

We endeavor to build a working environment without harassment and discrimination. Employees are hired based on his/her working experience, qualifications and knowledge, regardless of factors such as skin color, age, gender, sexual orientation, gender identity, nationality and so on. We believe that our employees should be treated equally and our job applicants during the recruitment process should not be subjected to any form of discrimination.

The Group motivates employees by promotion and salary increments based on results of regular performance appraisals. The staff dismissals are based on the Employment Ordinance in Hong Kong, as well as the requirements stipulated in the employment contracts.

In addition to all rest days and statutory holidays as stated in local laws and regulations, employees are entitled to paid annual leaves, maternity leaves, paternity leaves, marriage leaves and festivals early leaves. Employees are also entitled to benefits such as medical benefits, MPF scheme contribution and other benefits subject to the Group’s human resources policies, such as birthday leave with cash gift. Employees can enjoy celebration activities for the festival provided by the Group, such as Christmas Party.

Our shop staffs, who are under managerial grade, are appraised monthly and quarterly based on a standard performance criteria. Performance bonus, salary increment and promotion are determined in accordance with the results of the staff appraisal.

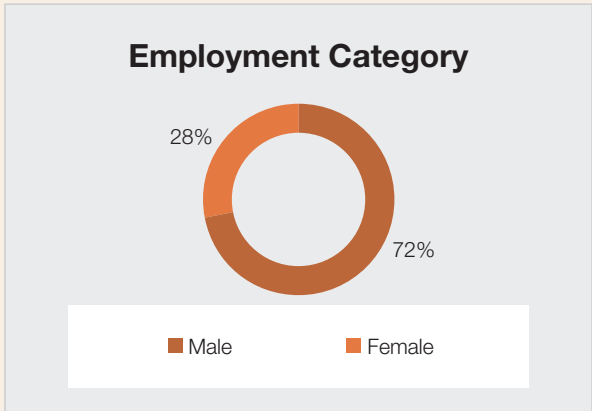




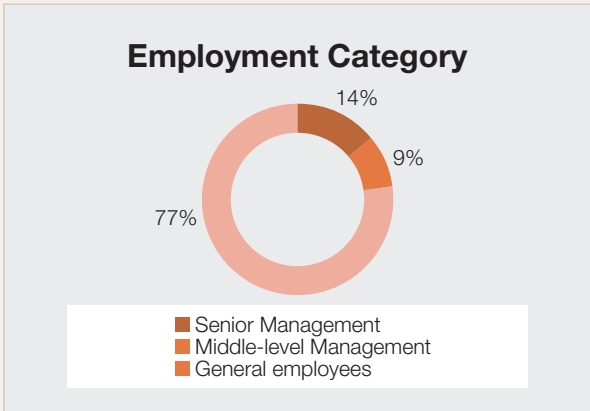
# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

As at 31 March 2019, the Group had a total of 75 employees.

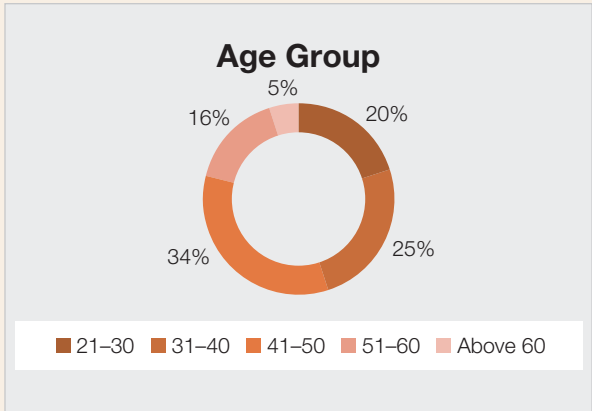
### Headcount by Gender



### Headcount by Employment Category

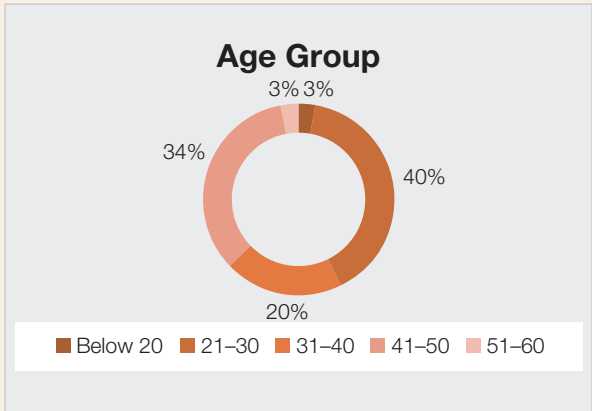


### Headcount by Age Group

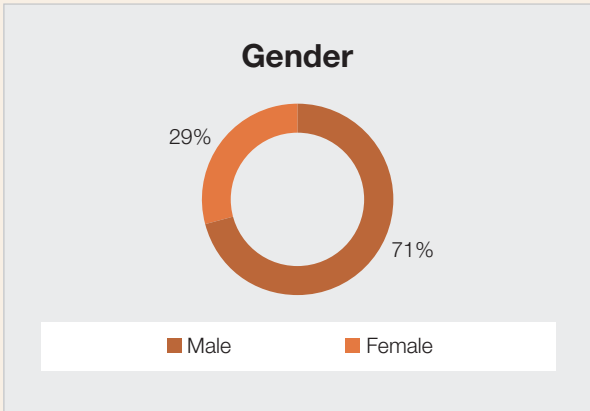


During the Reporting Period, there was an average of approximately 2.9 employees resigned per month.

### Employee Turnover by Age Group



### Employee Turnover by Gender



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Health and safety

We aim to provide a comfortable, safe and healthy environment in all our retail shops and warehouses. Pursuant to the Occupational Safety and Health Ordinance (Chapter 509 of the Laws of Hong Kong), the Group considers we have managed our business operations with due consideration to workplace safety and health concerns and comply with relevant requirements.

During the Reporting Period, we did not have any major safety incidents involving employees. During the Reporting Period, the Group receive no major administrative sanctions or penalties for violating any laws and regulations related to the provision of safe working environment and the protection of employees against occupational hazards. Furthermore, the Group received no complaints nor notices from regulatory bodies in relation to the violation of safety laws and regulations.

To provide our employees with a safe and healthy working environment, our staff handbook for the operation and warehousing staff contains work safety rules, such as emergency and evacuation procedures upon breakout of fire, electrical outage and water flood in our retail shops. Where appropriate, warning signs or notices are posted in the warehouses to draw the staff's attention of occupational safety especially when they are performing their duties.

During our daily operations, one of our major concerns is to ensure health and safety of our employees, we believe that a safe working environment can uphold the adherence to our people-oriented principles, and to protect our employees from any occupational disease or injuries.

## Development and Training

The management acknowledges the continuous staff training and development helps to improve the efficiency and productivity in the Group. Employees are encouraged to participate in relevant internal and external training courses so as to enhance their competence and maintain high quality of services.

Furthermore, we provide various trainings to our shop staff on a regular basis to strengthen their product knowledge and deepen their industry insight. We also provide on-the-job trainings to new employees to educate them of our internal rules and to enhance their safety awareness. We intend to cultivate a sense of work safety among our employees and to enhance their technical skills through the trainings we offered to our employees.

## Strict prohibition of child and forced labour

The Group strictly complies with laws and regulations relating to minimum age of employment, such as Minimum Wage Ordinance (Chapter 608 of the Laws of Hong Kong), and strictly forbids child labour in compliance with laws and the requirements of social responsibility. All new recruits are subjected to a set of review procedures such as interviews and identity checks to minimize the chance of employing child labour.

In addition, the Group stresses the importance of zero tolerance for forced labour and employment must be based on individual's own will. We undertake that:

- Forced behaviour shall be prohibited;
- None of the employees shall be induced to work for the Group by fraudulent means;
- None of the employees' interest shall be obtained or none of the employees shall be forced to work through punishments or coercion

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## OPERATING PRACTICES

### Supply Chain Management

We have maintained a sourcing network comprising an aggregate of over 60 tile suppliers and bathroom fixtures suppliers. Our tiles and bathroom fixtures suppliers are mainly Italian and Spanish manufacturers.

Due to our business nature of the imported tiles and bathrooms fixtures, we rely on our suppliers' quality control. Therefore, we have established a comprehensive policies and procedures governing supplier selection and evaluation based on a variety of criteria, such as their reputation in the industry, quality and standards. In fact, most of our major tile suppliers have obtained ISO 9001:2008 certification regarding quality management system, ISO 10545 certification regarding standards and quality of tiles. Most of our tile suppliers have also received the CE mark<sup>1</sup>, signifying that they have met the requirements of European Economic Area. To signify the eco-sustainability and environment friendliness of the products, most of our major tile suppliers have also obtained certification such as Ecolabel<sup>2</sup>, LEED<sup>3</sup> credits and ISO 14001 environmental management system standards.

### Product Responsibility

The Group mainly engages in retailing and supplying of overseas manufactured tiles and is not involved in any direct production. However, as the largest player in the overseas manufactured tile retailing industry, we are committed to safeguarding the quality of our products and delivering the products with the best quality to our customers.

During the Reporting Period, the Group has complied with the relevant laws and regulations on product safety, health, advertising and relevant laws and regulations, such as Trade Descriptions Ordinance (Chapter 362 of the Laws of Hong Kong), Sales of Goods Ordinance (Chapter 26 of the Laws of Hong Kong) and The Consumer Goods Safety Ordinance (Chapter 456 of the Laws of Hong Kong), and there are no products sold or shipped subject to recalls for safety and health reasons. In order to ensure the quality and safety of products, upon arrival of products at our warehouse, our quality control team will check the products against the specifications as set out in our relevant purchase orders placed, and then carry out a sample check on the quality of the products, which are packed in individual cartons, by visual inspection. Upon discovery of any apparent defects, we will immediately contact the relevant suppliers and reach a mutually agree mechanism for return or exchange of the products concerned.

Meanwhile, before the delivery of the products to our customers, our quality control team will also conduct a sample check of the products by visual inspection. Even though we do not provide warranties for the products sold, in practice, we generally allow our retail customers to return or exchange their unused and untainted purchase due to defects discovered upon or after delivery within a reasonable period, normally within two weeks after delivery.

The Group stresses on the importance of safeguarding and protecting the intellectual property rights. Certain trademarks and domain names of the Group were registered in Hong Kong and China.

The Group has included in the staff handbook and policy a stipulation on data privacy matters. All information containing of secret, proprietary, confidential or generally undisclosed nature in relation to operations, activities and business affairs of the Company and its business associates should be safeguarded with security controls and procedures.

<sup>1</sup> A conformity marking for products sold in the European Union. It states that the products is assessed before placed on the market and meets the European Union safety, health and environmental protection requirements.

<sup>2</sup> EU Ecolabel, a voluntary labelling system which is recognized throughout Europe that helps customers to identify products and services that have a reduced environmental impact throughout their life cycle, from the extraction of raw material through to production, use and disposal.

<sup>3</sup> Leadership in Energy and Environmental Design, a set of standards introduced by the U.S. Green Building Council for environmentally sustainable construction.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Anti-corruption

The Group strives to comply not only with requirements of the statutory law, rules and regulations, such as the Prevention of Bribery Ordinance in Hong Kong, but also with recognized compliance practices. During the Reporting Period, there were no legal cases regarding corruption brought against the Group and its employees. There were also no whistle-blowing reports received.

Emphasizing on ethical value and preventing fraud and bribery, we have established a whistle-blowing channel to allow and facilitate communication among departments and business units to report any irregularities.

Among others, in order to prevent bribery of third parties, our accounting staff will check any payments not incurred in the ordinary course of sales transactions and we will perform relevant checking and reporting of their findings on sales transactions.

## COMMUNITY

The Group provides opportunities for our employees to be part of our local communities and actively engages with the stakeholders including customers, suppliers, employees, social media during different channels and platforms to understand their needs and develop relationship with the community.

We also support community initiatives with monetary donations. During the Reporting Period, we donated approximately HK\$0.5 million to support non-profit organisations.



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## REFERENCES TO THE ESG REPORTING GUIDE

Subject Areas, aspects, general disclosure and key performance indicators (“KPIs”)		Section/Notes	Page Number
<b>A. Environmental</b>			
<i>Aspect A1: Emissions</i>			
<b>General Disclosure</b>		Our Environment	P. 6–7
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.			
KPI A1.1	The types of emissions and respective emission data.	Environmental Performance	P. 6
KPI A1.2	Greenhouse gas emissions in total and intensity.	Environmental Performance	P. 6
KPI A1.3	Total hazardous waste produced and intensity.	During the Reporting Period, we did not generate any significant hazardous wastes.	–
KPI A1.4	Total non-hazardous waste produced and intensity.	Environmental Performance	P. 6
KPI A1.5	Description of measures to mitigate emissions and results achieved.	Our Environment	P. 6–7
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	Waste Management	P. 7
<i>Aspect A2: Use of Resources</i>			
<b>General Disclosure</b>		Our Environment	P. 6–7
Policies on the efficient use of resources, including energy, water and other raw materials.			
Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.			
KPI A2.1	Direct and/or indirect energy consumption by type in total and intensity.	Environmental Performance	P. 6
KPI A2.2	Water consumption in total and intensity.	Environmental Performance	P. 6
KPI A2.3	Description of energy use efficiency initiatives and results achieved.	Our Environment	P. 6–7
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	Water Consumption	P. 7
KPI A2.5	Total packaging material used for finished products and with reference to per unit produced.	Packaging Management	P. 7
<i>Aspect A3: Environment and Natural Resources</i>			
<b>General Disclosure</b>		Our Environment	P. 6–7
Policies on minimising the issuer’s significant impact on 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.	Our Environment	P. 6–7

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Subject Areas, aspects, general disclosure and key performance indicators (“KPIs”)		Section/Notes	Page Number
<b>B. Social</b>			
<b>Employment and Labour Standards</b>			
<i>Aspect B1: Employment</i>			
<b>General Disclosure</b>		Staff sustainability	P. 8–9
Information on:			
(a) the policies; and			
(b) compliance with relevant laws and regulations that have a significant impact on the issuer			
relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.			
KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	Staff sustainability	P. 9
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Staff sustainability	P. 9
<i>Aspect B2: Health and Safety</i>			
<b>General Disclosure</b>		Health and Safety	P. 10
Information on:			
(a) the policies; and			
(b) compliance with relevant laws and regulations that have a significant impact on the issuer			
relating to providing a safe working environment and protecting employees from occupational hazards.			
KPI B2.1	Number and rate of work-related fatalities.	During the Reporting Period, there were no work-related fatalities.	–
KPI B2.2	Lost days due to work injury.	During the Reporting Period, the Group did not have any work injuries in workplace.	–
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Health and Safety	P. 10
<i>Aspect B3: Development and Training</i>			
<b>General Disclosure</b>		Development and Training	P. 10
Policies on improving employees’ knowledge and skills for discharging duties at work. Description of training activities.			
KPI B3.1	The percentage of employees trained by gender and employee category.	No relevant data were recorded during the Reporting Period.	–
KPI B3.2	The average training hours completed per employee by gender and employee category.	No relevant data were recorded during the Reporting Period.	–

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Subject Areas, aspects, general disclosure and key performance indicators (“KPIs”)		Section/Notes	Page Number
<i>Aspect B4: Labour Standards</i>			
<b>General Disclosure</b> 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.		Strict prohibition of child and forced labour	P. 10
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	No relevant data were recorded during the Reporting Period.	–
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	No relevant data were recorded during the Reporting Period.	–
<b>Operating Practices</b>			
<i>Aspect B5: Supply Chain Management</i>			
<b>General Disclosure</b> Policies on managing environmental and social risks of the supply chain.		Supply Chain Management	P. 11
KPI B5.1	Number of suppliers by geographical region.	No relevant data were recorded during the Reporting Period.	–
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	No relevant data were recorded during the Reporting Period.	–
<i>Aspect B6: Product Responsibility</i>			
<b>General Disclosure</b> 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	P. 11
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	During the Reporting Period, there were no products subject to recalls for safety and health reasons.	–
KPI B6.2	Number of products and services related complaints received and how they are dealt with.	No relevant data were recorded during the Reporting Period.	–
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	No relevant data were recorded during the Reporting Period.	–
KPI B6.4	Description of quality assurance process and recall procedures.	Product Responsibility	P. 11
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Product Responsibility	P. 11

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Subject Areas, aspects, general disclosure and key performance indicators (“KPIs”)		Section/Notes	Page Number
<i>Aspect B7: Anti-Corruption</i>			
<b>General Disclosure</b>  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	P. 12
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	P. 12
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Anti- corruption	P. 12
<b>Community</b>			
<i>Aspect B8: Community Investment</i>			
<b>General Disclosure</b>  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	P. 12
KPI B8.1	Focus areas of contribution.	No relevant data were recorded during the Reporting Period.	–
KPI B8.2	Resources contributed to the focus area.	No relevant data were recorded during the Reporting Period.	–