



China Environmental Technology Holdings Limited

中國環保科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock code: 0646

Environmental, Social and Governance Report
2023

About this Report

This is the seventh Environmental, Social and Governance Report (“ESG Report”) published by China Environmental Technology Holdings Limited and its subsidiaries (the “Group”), which aims to disclose our Environmental, Social and Governance (“ESG”) performance. Regarding Corporate Governance, please refer to page 11 - 23 of our Annual Report 2023.

Reporting Period and Boundary

This report disclosed our key ESG performances during the reporting period from 1 January 2023 to 31 December 2023. Our reporting boundary covers 100% of the Group's total revenue in 2023, which is limited to wastewater treatment and its office operations in Mainland China.

Reporting Framework, Principals and Guidance

This ESG Report is complied with the “comply or explain” provisions in the “Environmental, Social and Governance Reporting Guide” under Appendix C2 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited. This ESG report is further guided by principles of materiality, quantification, balance and consistency. Please find more details as below:

Reporting Principles	The Group's response
Materiality:	Through communication with stakeholders, interviews with management and evaluation of substantive topics, we were able to identify economic, environmental and social topics of this report. These topics have a meaningful impact on our operation as well as the decision-making process of our stakeholders.
Quantification:	All facts and data in this report have been checked and analyzed to demonstrate year over year comparison. For data used for matrix calculation please refer to the " Overview of key performance indicators" in this report.
Balance:	We disclose both positive and negative aspects of our operation and performance regarding ESG topics for our stakeholders to review.
Consistency:	To keep the comparability of information, unless otherwise stated, the statistic method in this report is consistent with the past. Explanations have been provided for data with changes in disclosure scope and calculation methods.

Forward-looking Statements

This report contains forward-looking statements, which are based on current expectations, estimates, forecasts, beliefs and assumptions about the business and markets in which the Group operates. These forward-looking statements are not guarantees of future performance and are subject to market risks, uncertainties and factors beyond the Group's control. Accordingly, actual results and returns may differ materially from the assumptions and statements contained in this report.

Confirm and Approve

The information cited in this report comes from the Group's official documents and statistical data. This report has been reviewed and approved by the company's board of directors (the "Board") on March 28, 2024.

Feedback

Our stakeholders' comments and suggestions are always welcome. Should you have any feedback on our ESG report or our performance of sustainable development, please email us at info@cethl.com.

Statement of the Board

Our board of directors ("Board") presents this ESG report according to "Environmental, Social and Governance Reporting Guide" under Appendix C2 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited. To create sustainable value, the Group endeavors to operate our business in an environmental and socially responsible way and include ESG factors into our decision-making process.

Hence, the Group established a rigorous internal monitoring mechanism and set up an ESG management system which fits our needs and future development. We combine top-down and bottom-up approaches to implement our sustainable development strategies. Our Board makes plans for our sustainable development and takes ultimate responsibilities for our ESG strategies, ESG related decisions and the effectiveness of ESG related risk management. Our senior management sets up related indicators and targets as well as guides and monitors the execution. The ESG committee is responsible for implementing and executing sustainable policies. Senior management reports to the Board about problems and experience in execution and the Board will provide solutions whenever necessary.

To better manage the ESG performance of our Group and identify potential risks and opportunities, the Board conducts materiality assessment to evaluate the priorities of ESG related topics with assistance from senior management and opinions from stakeholders.

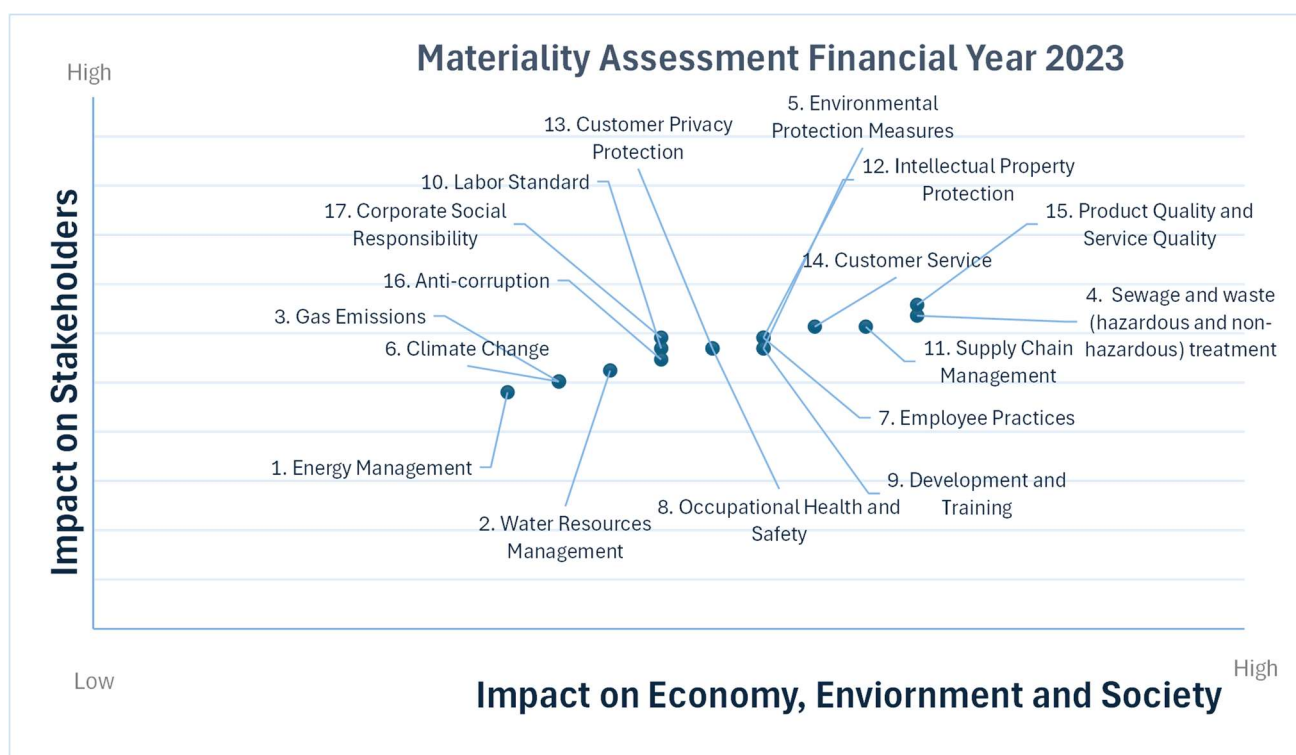
Stakeholder Communication

We deeply understand the importance of communication and interaction with our stakeholders. It is one of the Group's primary tasks to talk openly and consistently with our stakeholders and take their expectations into consideration. We set up multiple channels to keep communicating with stakeholders and response timely to their suggestions. In this way, our stakeholders can be involved in our ESG management. Please find the communication channels and expectations of our stakeholders:

Stakeholder	Expectation	Communication Channel
Investors/Shareholders	<ul style="list-style-type: none"> - Information disclosure and transparency - Protection of interests and fair treatment to shareholders - Consistent investment returns - Corporate governance system - ESG management structure 	<ul style="list-style-type: none"> - Announcements and circulars - Company website and email - Meetings and interviews - Annual general meeting - Financial reports
Customers	<ul style="list-style-type: none"> - Product quality and services - Protection of customer rights - Customer satisfaction 	<ul style="list-style-type: none"> - Daily communication - Customer service hotline and email - Customer satisfaction survey
Employees	<ul style="list-style-type: none"> - Fair and diversified recruitment - Reasonable compensation and welfare - Career development opportunities - Health and safety - No child and forced labour 	<ul style="list-style-type: none"> - Internet and emails - Trainings - Staff appraisals and performance review meetings
Business Partners	<ul style="list-style-type: none"> - Supply chain risk management - Transparent procurement - Environment-friendly procurement 	<ul style="list-style-type: none"> - Meetings, emails and phone calls - Review and assessment - Open tendering - Surveys
Regulatory Authorities	<ul style="list-style-type: none"> - Compliance with rules and laws - Implementation of policies 	<ul style="list-style-type: none"> - Information disclosure - Compliance and financial reports
Community	<ul style="list-style-type: none"> - Promotion of community development - Involvement in charity - Environment protection 	<ul style="list-style-type: none"> - Charity activities - Community services

Materiality Assessment

In this reporting period, the Group has assessed materiality through surveys. According to multiple standards (including but not limited to direct impacts on finance and impacts on environment and society), our related departments, business units and stakeholders assessed materiality of different ESG issues. Through analysis of the survey feedback, the Group summarized the materiality of ESG issues to stakeholders as below:



The results of this importance assessment are roughly the same as in 2022. Product quality and service quality are more important, followed by sewage and waste (hazardous and non-hazardous) treatment. We have disclosed key information on relevant issues in this report and will further strengthen our focus on these issues in future business to achieve our commitment to sustainable development.

The Group confirms that we have set up appropriate and effective management policies and internal control systems on ESG issues in the financial year for 2023. We also confirm that the contents disclosed in this report are in compliance with “Environmental, Social and Governance Reporting Guide”.

Environmental Performance

“Technology revolution improves the eco-environment, a better eco-environment creates a harmonic earth, a harmonic earth gives us happy lives.” has always been our vision. We always integrate ESG considerations into our business plans to protect the environment, save energy, operate at low carbon and mitigate impacts on the environment.

Environment Protection

To our best knowledge, we have complied with all relevant laws and regulations regarding environmental issues during the reporting year in the regions we operate. This includes but not limited to the PRC Environmental Protection Law and the Law on the Prevention and Control of Water Pollution. During the year, the Group was not aware of any non-compliance with relevant standards, rules and regulations that have a significant impact on the Group.

We established targets to minimize the adverse impact that our operations may have on the environment. We regularly review our performance and assess the progress of these targets.

Category	Target (Using 2022 as the base year)	Progress in 2023
GHG emissions	Reduce greenhouse gas emission intensity by 2025	In progress
Energy consumption	Reduce energy consumption intensity by 2025	In progress
	100% of electrical appliances will have energy-saving labels by 2025	Progressing as planned
	Switch to all-electric vehicles by 2030	Progressing as planned
Waste discharge	Reduce waste emission intensity by 2025	In progress
	Paper recycling ratio gradually moves towards 100%	Progressing as planned
Water consumption	Reduce water consumption intensity by 2025	The Group increases R&D funding year by year, intensifies R&D efforts, and serves customers with more energy-saving and environmentally friendly technologies. And obtained two utility model patents for water-saving technology. The company's R&D expenditure in 2023 will be RMB 3.28 million.
Compliance	Achieve 100% compliance with emissions	100% up to standard

Emissions Management

We strictly comply with all local and global laws and regulations regarding environmental protection. In our operations, we effectively monitor and control all elements of the environment to make sure that emissions of exhaust gas, wastewater and other wastes meet the requirements of corresponding standards and regulations. Regarding emissions of exhaust gas and greenhouse gas, as well as discharging toxic and non-toxic wastes into water or on land, in this reporting year, the Group was not aware of any non-compliance with relevant standards, rules and regulations that have a significant impact on the Group. These laws include but not limited to PRC Environmental Protection Law, the Law on the Prevention and Control of Environmental Pollution by Solid Waste, the Law on the Prevention and Control of Atmospheric Pollution and the Law on the Prevention and Control of Water Pollution.

The Group's greenhouse gas ("GHG") emissions were mainly from company-owned vehicles (scope one) and electricity consumption (scope two). The air contaminants produced by our company-owned vehicles include nitrogen oxides (NOx), ~~sulphur~~sulphur oxides (SOx) and particulate matter (PM), which were 1.61 kg, 0.06 kg and 0.12 kg respectively. We encourage our employees to use public transport to reduce pollution.

GHG Emissions

GHG emissions pose severe impact on our climate that we shall never neglect. We are motivated to cultivate awareness and behavioral changes in employee to cut GHG emission through daily practices such as selecting energy-efficient products. In this reporting year, total GHG emissions were 1444.15 tCO₂e, which decreased about 16% comparing with 2022. Total scope one emissions were 11.34 tCO₂e. Total scope two emissions were 1431.82 tCO₂e, which are mainly from electricity consumption. Total scope three emissions were 0.99 tCO₂e, which are mainly from paper waste disposed.

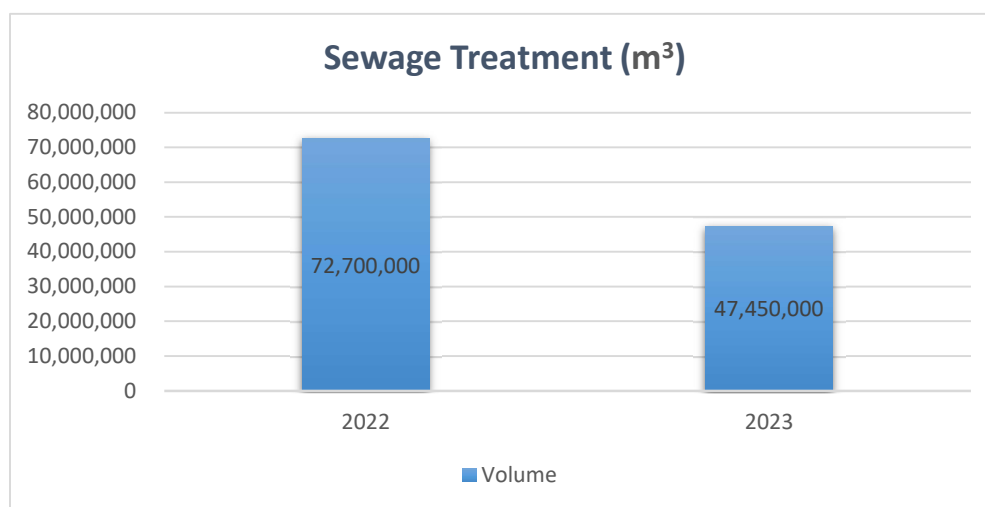
Indicator	Unit ¹	2023	2022
Scope 1 – Direct GHG emissions²	tCO ₂ e	11.34	8.78
Scope 2 – Indirect GHG emissions³	tCO ₂ e	1,431.82	1,237.04
Scope 3 – Other indirect GHG emissions	tCO ₂ e	0.99	0.82
Total GHG emissions	tCO ₂ e	1,444.15	1,246.63
Intensity	tCO ₂ e/thousand revenues	0.09	0.03

1. Greenhouse gas emission data are presented in carbon dioxide equivalents.
2. References to calculation methods include but are not limited to the "Greenhouse Gas Inventory Protocol: Corporate Accounting and Reporting Standards" published by the World Resources Institute and the World Business Council for Sustainable Development, and "Appendix 2: Environmental Key Performance Indicators" published by the Hong Kong Stock Exchange. Reporting Guidelines and the Global Warming Potential of the Sixth Assessment Report issued by the Intergovernmental Panel on Climate Change.
3. The calculation method refers to the national power grid emission factors in the "Notice on Key Work Related to the Management of Enterprise Greenhouse Gas Emission Reports in 2022" issued by the Ministry of Ecology and Environment of the People's Republic of China.
4. For the year ended December 31, 2023, the Group's turnover was HK\$15,721,000 (2022: HK\$38,400,000). This data is also used to calculate other density data.

Wastewater Discharge

We strictly comply with national integrated wastewater discharge standard and all other related national requirements. we are committed to guaranteeing up-to-standard wastewater discharge. As one of the best providers of wastewater treatment technology and products in China market, we keep close monitoring of our treatment facilities and undergo testing on quality of water treated. Illegal water emission is strictly forbidden. All treated water is channeled and air-tight before discharge. We promote water recycling and thus wastewater discharge is avoided. And as always, we advise our customers and continuously develop new technology to reduce wastewater discharge to the environment to minimize water pollution.

One major market of our operation is water quality enhancement of rivers and lakes. We committed to cleansing and restoring natural environment during our business by providing high quality water bodies. On sites of our projects, we work closely with customers to pay great attention not only to our own products but also to the wastewater discharging, energy recycling and sludge treatment throughout the entire project. During 2023, 47,450,000 cubic meters of sewage were treated by the sewage plants in Shandong, Guangdong, Hebei, Shaanxi, Heilongjiang, Tianjin, Anhui and Ningxia for which the Group provided technologies and services.



Waste Discharge

Wastes generated by the Group can be classified into two categories: 1) in the wastewater treatment plant, sludge containing heavy metals or pollutants is generated during water treatment and purification; 2) general waste was generated from our office operations. We improve the percentage of nonhazardous wastes recycling as much as possible. At the same time, all waste discharges complied with laws and related regulations. We guarantee air-tight enclosed channeling and storage of waste without exposure to the environment, followed by complete detoxification and dehydration of waste upon discharge point.

The Group is dedicated to promoting waste reduction and separation at the source. Unavoidable wastes are recycled and reused as far as possible, and disposal is only our least preferred solution.

The following table shows the material consumption in our business operations in this reporting year:

Wastes	Unit	2023	2022*
Hazardous Wastes			
Sludge	Ton	2,373	4,260
Tonner Consumption	Ton	0.01	0.01
Non Hazardous Wastes			
Paper Consumption	Ton	0.27	0.22
Paper Recycling	Ton	0.06	0.05
Polyaluminium chloride (PAC)	Ton	2,373	727
Polyacrylamide (PAM)	Ton	38	45

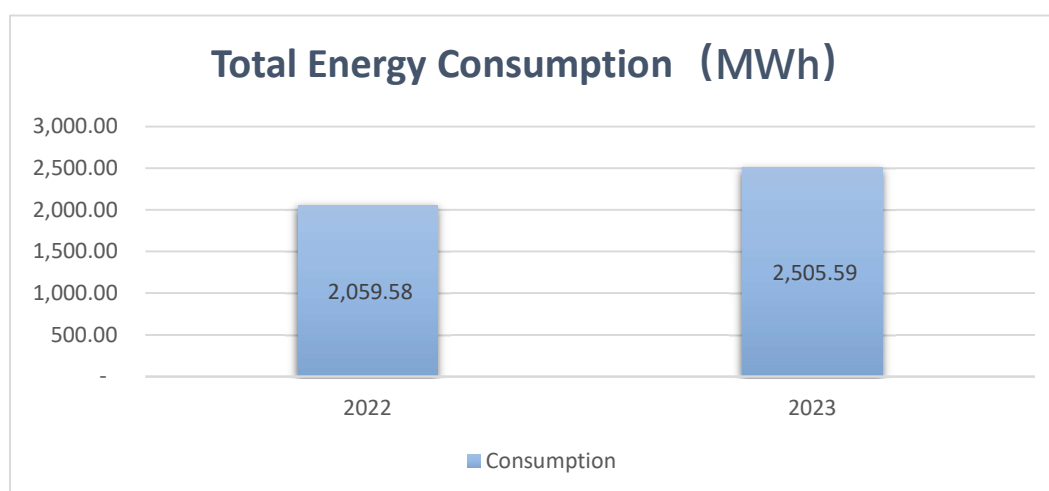
*2022 data has been reclassified based on the new statistic method.

Resources Consumption

The Group is committed to upholding high standards of environmental stewardship and to minimizing its impact on the environment and the community. We work diligently to reduce material consumption in our operations. We promote green workflow and require our employees to save water, save energy, use more digital files than hard copies and classify waste. At our water treatment sites, commonly applied chemicals are used at low level and wastes are reduced as much as possible. Other materials are reused in subsequent projects whenever possible.

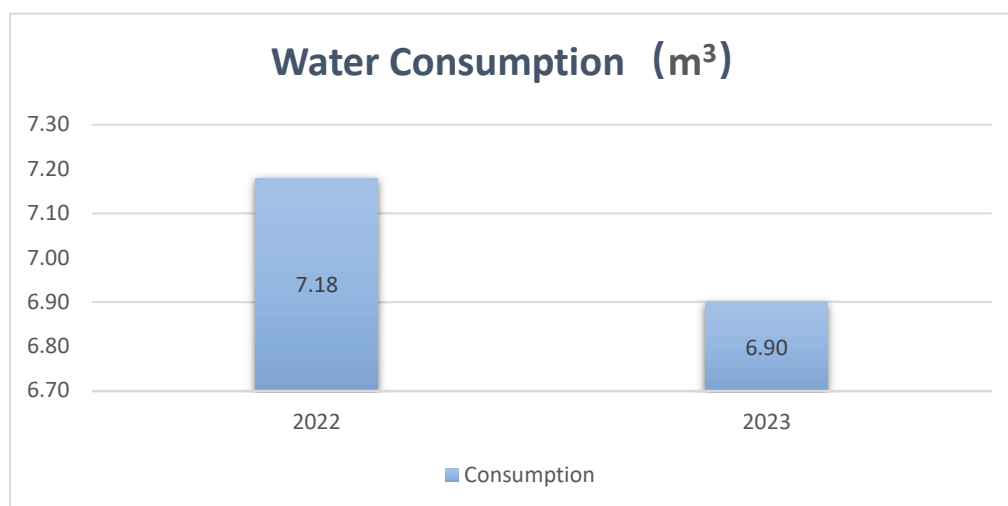
Energy Consumption

We dedicate to using energy efficiently to conserve resources and tackle climate change. In this reporting year, we consumed 2,505.59 MWh of energy, which includes electricity and petrol. Compared with 2022, energy consumption increased by 22%. Energy consumption intensity was 0.16 MWh per thousand revenues in HKD.



Water Management

To cope with global water shortage issue, we are devoted to using water resources wisely and efficiently. Within our operating locations, we emphasize water conservation practices and explore every possible means to better utilize and preserve water resources. In this reporting year, the Group's water consumption was approximately 6.9 cubic meters, a 4% decrease from 2022.



We strive to reduce water usage and conserve water resources. We also advise our customers to cut down water usage and promote water recycling by sewage treatment and water purification. Due to the business nature, the Group did not encounter any problem in sourcing water fit for its purpose during 2023.

Packaging Materials Consumption

As our business does not manufacture or sell any physical product, we almost don't use any packaging materials.

Environmental Performance

The Group follows the best practices to protect environment and always pays attention to our business' impact on environment and natural resources. Due to the nature of our business, it has very limited impact on natural resources. Besides complying with all related laws and regulations, we also integrate the philosophy of environment protection into internal management and daily operations to realize the sustainable development of environment.

We deeply understand that we have the responsibility to minimize negative impact on environment in our operations to realize sustainable development and create long-term value for stakeholders and community. We consistently monitor any potential impact on environment from our business operations and promote green workflow to minimize such impact. We follow green procurement policies as much as possible to protect nature resources. We also use energy-efficient office equipment (such as multi-function printer) to build a green office and reduce energy consumption. In the whole process of our business and operations, such as production, utilization, discharge and installation, we try to choose non-toxic and environment-friendly materials and discharge toxic waste as less as possible.

Climate Change

Alleviate and Adapt to Climate Change

We understand the threats caused by climate change and discharge our responsibilities by eliminating carbon footprint. As we understand the importance of identification and alleviation of material climate related issues, we closely monitor the potential impact of climate change on our business and operations. We are also dedicated to managing the potential risks related to climate change, which include physical risks and transitional risks. We have implemented measures to identify and alleviate these risks.

Physical Risks

The increase of severity and frequency of extreme weather events such as cyclones, hurricanes, floods, heat or cold waves could cause acute or chronic physical risks to our business. Extreme weather could cause threats to our employee safety, and damages to our premises, electricity or communication infrastructure, which will lower our productivity. At the same time, the Group may have to face contract breach or performance delay, which will have direct negative impact on our financial and business performance. To alleviate these potential risks and harm, we have added measures in our business plan to cope with extreme weathers. We have made plans such as flexible working arrangements and other precautions in bad and extreme weather conditions, and we are still working to complete our emergency plans to mitigate the risks and improve our business stability.

Transitional Risks

To accomplish the global goal of carbon neutrality, we expect climate change could cause changes in regulatory monitoring, technology and market, such as tighter government policies and more environment related taxes. To deal with regulatory, legal and reputational risks, we consistently monitor the changes in law, regulations, and global trends related to climate change. In this way, we can respond to changes timely and avoid increase in cost, non-compliance fines or damage in reputation.

Besides, we have always implemented comprehensive measures to protect environment, including:

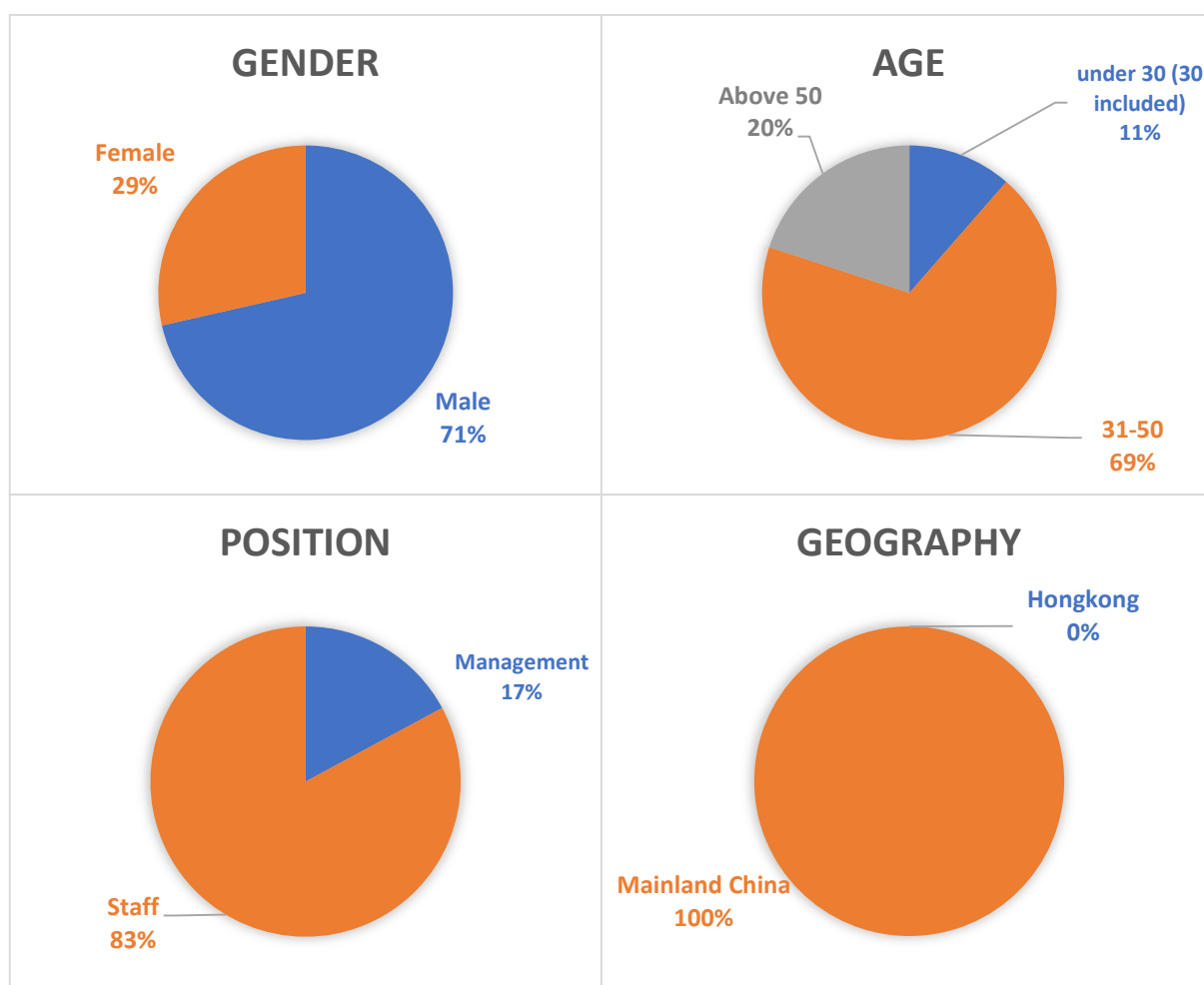
- Set carbon emission reduction target and reduce carbon emissions step by step based on the industry's best practice;
- Improve energy usage efficiency in operation and abandon fossil fuels step by step when possible;
- Use more renewable energy in operations. Change to low-carbon even zero-carbon energy when possible;
- Improve our operational process to cope with potential risks from climate change, including physical and transitional risks;
- Work with stakeholders, such as employees, suppliers and customers, to enhance their adaptive capabilities to respond to future climate change;

Employment and Labour Practices

Our employees are among our most valuable assets and key enablers in achieving our ESG targets. Based on the principle of “people-oriented”, the Group protects our employees’ rights and interests as much as we can. For our employees, we provide all kinds of training and development opportunities, ensure their health and safety, and create a working environment of diversity, harmony, equality and inclusion.

Recruitment

Fair and just recruitment is the first step to protecting employees’ rights and interests. The Group strictly complies with relevant laws and regulations, including but not limited to the Employment Ordinance (Chapter 57 of the laws of Hong Kong) and the Labour Law of the PRC and the Labour Contract Law of PRC. Our HR department establishes and implements recruiting policies, which are overseen by senior management, the internal audit department and the Board to ensure effective compliance. As of December 31, 2023, China Environmental Protection had a total of 35 employees.



The Group recruits talents through the internet, which is more efficient. We are committed to offering equal opportunities to all applicants and employees irrespective of their inherent background. Any discrimination on race, gender, religion, national origin, physical or mental disability, age, sexual orientation, and gender identity is strictly prohibited during the employment process. We also have a report mailbox for employees so the Group would investigate and take action to prevent any prohibited conduct timely. Besides, in terms of diversity, we not only hire high-caliber local applicants for local positions but also give opportunities to candidates from other regions. In this reporting year, we hired 2 new employee.

Compensation and Welfare

We take fair and good compensation and welfare as one of the most important ways to improve our employees' happiness. The Group provides competitive compensation packages, pays social insurance and benefits as well as provides paid annual leave for our employees. We also purchased employer liability insurance and accident insurance for all employees.

In this reporting year, the Group is not aware of any non-compliance with relevant rules and regulations on employment, recruitment and promotion, working hours, holidays, equal opportunity, discrimination and welfare.

Labour Standard

As a responsible company, the Group strictly complies with all labour-related laws and regulations. An identification check is needed during the hiring process to ensure the employee reaches the legal minimum age and experience for working based on laws and regulations as well as company policies. If there is any violation, we will terminate the labour contract, investigate accountability, and punish responsible people. If there are illegal activities involved, the Group will report to law enforcement institutions. The management of the Group reviews annually the corporate practices relating to the prevention of child labour and forced labour.

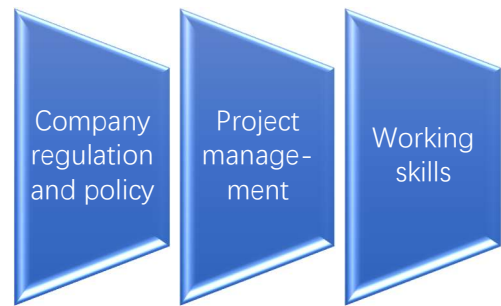
During the reporting year, the Group has not identified any non-compliance in relation to child or forced labour-related laws and regulations, including but not limit to the Employment Ordinance (Chapter 57 of the laws of Hong Kong) and the Labour Law of the PRC and the Labour Contract Law of PRC.

Staff Development

We believe that the development of employees is closely related to the growth of the Group. So we actively provide all kinds of training and development opportunities for our employees. We strive to build our group into a career platform to attract various types of talents to work together.

Training

We pay high attention to our employees' growth and enable them to develop themselves to their fullest potential. The Group provides employees with a set of comprehensive development and training plans, including company regulation and policy training, work skills training and project management training. The training improves our employees' abilities in various ways and enhances the team spirit inside the Group. On the other hand, we offer special training for managers and technicians with job duties based on the needs of respective positions involving environmental risk management, safety, and quality assurance.



Training categories

Health and Safety

It is one of our prime responsibilities to provide a safe and healthy environment for all individuals associated with the Group including staff, contractors and all persons working within its premises. Fire facilities have been installed in all offices and premises. To prevent potential risks, we conduct emergency drills as required by the government. Above the basic insurance required by the government, we also purchased additional insurance for our employees to protect them in a better way.

We specified safety regulations to protect on-site workers. We strictly check the working documents of all on-site contractors to make sure that they have the qualification to work safely. We require our suppliers and business partners should also comply with occupational health and safety regulations. We assess the risk management input of all suppliers regularly and require them to purchase commercial insurance for their employees and necessary assets.

By the end of the year 2023, no work-related fatalities and no lost days due to work injury have been reported to our management. We have achieved no work injury accidents for three consecutive years.

Operating Practice

Supply Chain Management

The Group is aware of the broader impact on our operations from every stage of our supply chain, so we have made policies and regulations accordingly. In addition to commercial considerations, we also emphasize on social and environmental considerations during the selection of suppliers. We are dedicated to choose environment-friendly products with competitive price and good quality to guarantee the health and safety of our customers, prevent pollutions and use natural resources effectively. Addressing the sustainability risks in our supply chain is one of our major ways of minimizing potential negative environmental and social impacts of our procurement decisions.

These policies come up to an open, equitable and ethical purchasing process for all parties by offering equal opportunities to our suppliers and contractors from various geographical locations. Before making agreements with cooperative partners, monitoring visits and checks are conducted to make sure we have the same vision. At the same time, we would like to identify significant potential partners based on their possible impacts on both our operations and the environment. In this way, we believe our partners and us will elevate the standards of sustainability together.

In this reporting year, we worked with 37 suppliers, which are all from mainland China. Our relationship with partners is based on cooperation and mutual trust.

Service Responsibility

As a responsible company, the Group is fully aware of the importance to comply with relevant laws and regulations concerning the provision of our services. This includes but not limited to the Law of the PRC on Protection of Customer Rights and Interests, the Copyright Law of the People's Republic of China. We aim to deliver high-quality standards for the service provided. We constantly communicate with our customers to ensure our service level is up to standards. Communication and feedback channels are created for quality assurance and recall procedures. During the reporting year, the Group did not recall any products due to health or safety reasons, nor received any service-related complaints.

The Group respects and values the management of intellectual property rights with the patent registration process in place with the corresponding process in the regions we operate. We assure you that the Group's business and customer information are well protected with no misappropriation and are in line with our operation guidelines as well as industry best practices. During the reporting period, the Group applied for 8 new patents with the National Intellectual Property Administration, including 1 invention patent and 7 utility model patents.

Customer Personal Data Protection

The Group strictly follows the Personal Data (Privacy) Ordinance (Chapter 486 of the laws of Hong Kong) and the Law of the PRC on Protection of Customer Rights and Interests to protect the privacy of individuals about personal data accessed by the Group. The Group has its internal procedures to prevent customers' personal information from being misused. Personal data is collected only for lawful and relevant purposes. During the reporting year, the Group did not record any personal data breach or leakage case.

Anti-corruption

The Group believes that high moral standards and credibility are essential for its long-term development. We strictly comply with relevant laws and regulations, including but not limited to the Prevention of Bribery Ordinance (Chapter 201 of the laws of Hong Kong), Anti-Money Laundering Law of the People's Republic of China, and upholds requirements addressing anti-corruption, anti-bribery, and conflict of interest.

Reporting mechanism

The Group has established a complete set of precaution and reporting procedures to ensure a fair and harmonious corporate culture. We promote open communications to solve problems. When employees have any questions or complaints regarding integrity, we expect and encourage them to speak out and communicate with supervisors, senior management or the board members. We also encourage our employees to provide their opinions and suggestions to improve the working quality of the Group.

Anti-corruption training

The Group provides its employees with instructions and guidance on applicable rules and regulations for the detection and prevention of potential corruption, conflicts of interest, fraud and improper conduct. Employees are also fully aware of the Group's ethical standards. In order to further enhance employees' awareness of anti-corruption, the Group regularly provides anti-corruption training and related information to directors and employees.

Our employees are expected to carry out their work in a responsible and honest manner. All staff must avoid receiving any money or in-kind donation or gifts from either clients or any third parties. If there is any donation of significant amount, employee should immediately report to the senior. Integrity violation will result in serious penalty depending on the corruption cases. In this reporting year, the Group did not observe nor receive any legal cases regarding corrupt practices, bribery, conflicts of interest, extortion, fraud, money laundering brought against the Group or its employees.

Community

Community Investment

We recognized the importance of our communities to the continued success and growth of our business. The Group pursue sustainable development of our community by assessing and managing the social impact of our operations on the marketplace and by supporting initiatives that create effective and lasting benefits to communities in our operating boundaries. We strive to exert positive impacts on our society amidst business operation and encourage our teams to engage in their communities through donations, volunteering activities and fundraising work.

Overview of key performance indicators

Environmental Performance Indicators

Indicators	Unit	2023	2022
Exhaust Gas			
Nitrogen oxides(kg)	Kg	1.61	1.42
Sulphur oxides(kg)	Kg	0.06	0.05
Particulate matter(kg)	Kg	0.12	0.10
GHG			
Scope 1: direct GHG emissions (tCO ₂ e)	tCO ₂ e	11.34	8.78
Scope 2: indirect GHG emissions from energy (tCO ₂ e)	tCO ₂ e	1,431.82	1,237.04
Scope 3: other GHG emissions (tCO ₂ e)	tCO ₂ e	0.99	0.82
Total GHG emissions (tCO ₂ e)	tCO ₂ e	1,444.15	1,246.63
GHG Intensity	tCO ₂ e /thousand Revenue	0.09	0.03
Harmful Wastes			
Total Harmful Wastes	Ton	2,373.01	4,260.01
Harmful Wastes Intensity	Ton/thousand Revenue	0.15	0.11
Harmless Wastes			
Total Harmless Wastes	Ton	2,411.21	772.17
Harmless Wastes Intensity	Ton/thousand Revenue	0.15	0.02
Energy Consumption			
Petrol	MWh	41.19	31.98
Electricity	MWh	2,464.40	2,027.60
Total energy consumption (MWh)	MWh	2,505.59	2,059.58
Energy Intensity	MWh/thousand revenue	0.16	0.05
Water Consumption			
Water Consumption	m ³	6.9	7.18
Water consumption Intensity	m ³ /thousand revenue	0.0004	0.0002
Sewage	m ³	47,450,000	72,700,000

Social Performance Indicators

Indicators	Unit	2023	2022
Employees			
Number of employees	No. of employees	35	40
New employees	No. of employees	2	1
Type of employees			
Full-time	No. of employees	35	40
Part-time	No. of employees	0	0
Area			
Hong Kong	No. of employees	0	0
Mainland China	No. of employees	35	40
Gender			
Male	No. of employees	25	29
Female	No. of employees	10	11
Age			
30 and under	No. of employees	4	2
31-50	No. of employees	24	31
Above 50	No. of employees	7	7
Position			
Management	No. of employees	6	8
Staff	No. of employees	29	32
Employee turnover			
Turnover rate	%	23	15
Gender			
Male	%	24	17
Female	%	20	9
Age			
30 and under	%	25	50
31-50	%	29	16
Above 50	%	0	0
Employee Training			
Total number of trainees	No. of employees	2	40
Average time of training	Hours	0.23	7.98
Gender			
% of Male	%	8	100
% of Female	%	0	100
Average training time of male	Hours	0.3	8.8
Average training time of female	Hours	0.0	6.0

Position			
% of management training	%	0	100
% of staff training	%	7	100
Average training time of management	Hours	0.0	2.5
Average training time of staff	Hours	0.3	9.5
Health and Safety			
Work Injury	Cases	0	0
Number of employees in work injury	No. of employees	0	0
Lost days due to work injury	Days	0	0
Work-related fatality	No. of employees	0	0
Percentage of work-related fatality	%	0	0
Supplier			
Total number of suppliers	No. of suppliers	37	26
Mainland China	No. of suppliers	37	26
Hong Kong	No. of suppliers	0	0
Other areas	No. of suppliers	0	0
Products recalled due to health and safety reasons			
Percentage of recalled products	%	0	0
Number of complains receives			
Complain	Cases	0	0
In reporting year lawsuits against issuer or its employees			
Lawsuit	Cases	0	0
Community Investment			
Charity investment	Hours	0	0
Volunteer working hours	Hours	0	0

ESG Report Content Index

Key Performance Indicators	HKEX ESG requirements	Chapter/Appendix	
A. Environment			
Aspect A1: Emissions	General Disclosure Relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer	Emissions management, Overview of key performance indicators	
	KPI A1.1	The types of emissions and respective emissions data.	Emissions management, Overview of key performance indicators
	KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Emissions management, Overview of key performance indicators
	KPI A1.3	Total hazardous waste produced (in tons) and, (where appropriate), intensity (e.g. per unit of production volume, per facility).	Emissions management, Overview of key performance indicators
	KPI A1.4	Total non-hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Emissions management, Overview of key performance indicators
	KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	Environmental, Emissions 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.	Environmental, Emissions management
Aspect A2: Use of Resources	General disclosure Policies on the efficient use of resources, including energy, water and other raw materials.	Resources Consumption	
	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).	Resources Consumption, Overview of key performance indicators
	KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Resources Consumption, Overview of key performance indicators
	KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Environmental, Overview of key performance indicators
	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.	Environmental, Overview of key performance indicators
	KPI A2.5	Total packaging material used for finished products (in tons) and, if applicable, with reference to per unit produced.	We do not report on this issue as it is not material to our business. Our business does not manufacture or sell any physical product.

Aspect A3: The Environment and Natural Resources	General disclosure Policies on minimizing the issuer's significant impact on the environment and natural resources.		Environmental
	KPI A3.1	Description of the significant impacts of business activities on the environment and natural resources and the actions taken to manage them.	Environmental, Resources Consumption
Aspect A4: Climate Change	Policies on identifying and handling significant climate related matters which have or will impact on 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
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 and Labour Practices
	KPI B1.1	Total workforce by gender, employment type (for example, full- or parttime), age group and geographical region.	Recruitment, Overview of key performance indicators
	KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Overview of key performance indicators
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 year.	Health and safety, Overview of key performance indicators
	KPI B2.2	Lost days due to work injury.	Health and safety, Overview of key performance indicators
	KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	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.		Training
	KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Overview of key performance indicators
	KPI B3.2	The average training hours completed per employee by gender and employee category.	Overview of key performance indicators

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 standard
	KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Labour standard
	KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Labour standard
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, Overview of key performance indicators
	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.	Product responsibility, Overview of key performance indicators
	KPI B6.2	Number of products and service-related complaints received and how they are dealt with.	Product responsibility, Overview of key performance indicators
	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.	Customer Personal Data Protection

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	Community investment
	KPI B8.2	Resources contributed	Community investment