

Tai Ping
Carpets
International
Limited

Environmental,
Social & Governance Report
2023/24

Environmental, Social & Governance Report

ABOUT THIS REPORT

Aim of the Report

Tai Ping is pleased to present our Environmental, Social and Governance (“ESG”) report, covering our ESG management approach and performance for the financial year 2023/24. This report has summarised measures undertaken by the Group in its pursuit of sustainability and the evaluation of the environmental and social impact as a result of these actions.

Reporting Period

This report covers Tai Ping’s ESG management approach and performance for the period from 1 July 2023 to 30 June 2024 (“the Reporting Period”).

Scope of this Report

The scope of this report primarily covers Tai Ping’s core business, including the key manufacturing workshop based in Xiamen, China, as well as showrooms and sales offices located in major cities around the world including the United States, Europe, the Middle East and Africa (“EMEA”), Asia, and the Premier Yarn Dyers (“PYD”) facility in Georgia, the United States.

Reporting Guidelines

This report is compiled in accordance with the ESG Reporting Guide under Appendix C2 of the Main Board Listing Rules issued by the Stock Exchange of Hong Kong Limited (“HKEX”), meeting the “mandatory disclosure requirements” and “comply or explain” provisions of the ESG Reporting Guide. This report summarises the initiatives, quantitative data, and approach that the Group undertakes to manage its material ESG issues, as well as discloses environmental quantitative information related to its sustainability performance and involvement which aims to provide the transparency and accountability of the Group’s actions to stakeholders. For more information relating to the Group’s business and its corporate governance practices, please refer to the Corporate Governance section in this Annual Report.

In the preparation of this ESG Report, the Group follows the four reporting principles as set out in the ESG Reporting Guide

Reporting principles	Materiality	Quantitative	Balance	Consistency
Application in this ESG Report	Material environmental and social issues were identified and prioritised with inputs from internal and external stakeholders of the Group and are disclosed in this ESG Report.	The Group accounts for and discloses key performance indicators (“KPIs”) in quantitative terms for proper evaluation of the effectiveness of ESG policies and actions.	This ESG Report aims to disclose data in an objective way and provide stakeholders with a balanced overview of the Group’s overall ESG performances.	The Group adopts consistent measurement methodology to achieve meaningful comparison of ESG performances over time whenever practicable. Any updates in the methods or KPIs used will be disclosed.

Endorsement and Approval

The Board is responsible for overseeing the statutory compliance, stakeholder engagement, ESG performance and risk management of Tai Ping. The approval of this ESG Report from the Board was obtained on 20 September 2024.

Feedback for this Report

The overall direction of the development is set according to the stakeholders' views and insights, and to address their concerns wherever possible. Tai Ping values stakeholder engagement as it provides valuable input which contributes to steering the Group's development in the ESG aspects. Any comments and suggestions regarding this report are welcome and any enquiries shall be mailed to Tai Ping's Hong Kong office at Units 1801-1804, 18th Floor, 909 Cheung Sha Wan Road, Cheung Sha Wan, Kowloon, Hong Kong.

ESG GOVERNANCE

The Board has ultimate responsibility for overseeing ESG issues related to the Group's operations, risks and the overall ESG strategy and reporting. The Board reviews and directs sustainability initiatives to ensure they are relevant and effective responses to sustainability opportunities and concerns.

The Environmental, Health and Safety ("EHS") Department has been established to manage policies and procedures that drive environmental protection initiatives and responsible stewardship of local resources for the Group's manufacturing operations. The EHS Department is responsible for overseeing the manufacturing environmental management policy framework, which encompasses policies certified in line with relevant international standards such as the ISO 14001 standard. Guidelines and policies related to EHS issues are supplemented with clear instructions to ensure employees follow appropriate procedures that minimise the adverse impact of business activity.

Each department of our manufacturing workshop identifies its own ESG risks and takes steps to rectify them, with managing representatives reporting to the EHS Department for review in the annual management review meeting. This ensures efficient internal communication on sustainability issues so prompt action and policies can be implemented in response.

To effectively manage sustainability initiatives, the Group's Director of Innovation is responsible for sustainable development in a global capacity. This role serves as the central point of contact for all team members regarding sustainability matters, including the management of sustainability assessments and the provision of information on the Group's certifications, accreditations, testing records, and other related resources.

Close collaboration has been established with the management of our production facilities to provide a client perspective, and with our worldwide sales and marketing teams to offer insights from a manufacturing standpoint. A series of monthly sustainability training sessions have been hosted for all Tai Ping associates. These sessions cover a wide array of topics, including concepts, regulations, certifications, metrics, audits, and more, further enhancing Tai Ping's knowledge and engagement in sustainable development.

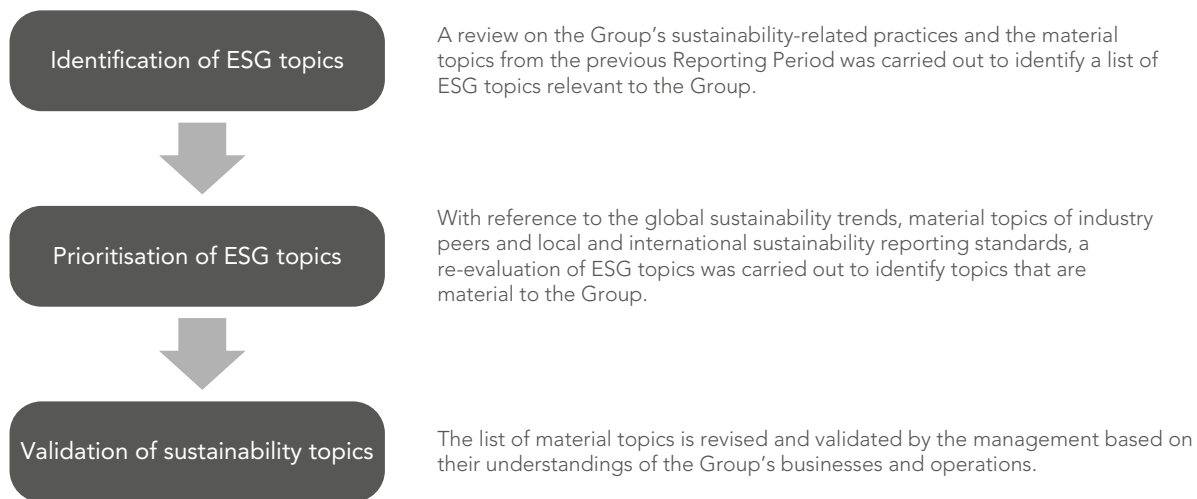
STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

Recognising the importance of engaging with its stakeholders, Tai Ping considers their input key to the sustainable development of the Group. We are dedicated to maintaining effective communication and interaction with different stakeholders through diversified communication channels and have collected opinions and suggestions from government and regulatory authorities, shareholders of the Group, employees, suppliers, customers and the general public to understand and meet their expectations and demands as far as possible.

Tai Ping has identified stakeholders that are likely to be impacted by our business activities, or likely to have impact on the Group. By engaging with different stakeholder groups on an ongoing basis, we understand and address the expectations, interests, concerns and needs of stakeholders and build trusted relationships with them.

Stakeholder	Communication Channel
Government and regulatory authorities	<ul style="list-style-type: none"> • Compliance management • Comply with policies
Shareholders of the Company	<ul style="list-style-type: none"> • General meeting • Regular reporting • Direct communication • Company website
Employees	<ul style="list-style-type: none"> • Regular performance assessment • Direct communication • Team-building activities
Suppliers	<ul style="list-style-type: none"> • Comprehensive management of bidding and tendering • Carry out projects in accordance with contracts • Assessment and review regularly
Customers	<ul style="list-style-type: none"> • Carry out customer satisfaction survey • Maintain interactions and open ways of communication with our customers • Regular external audit performed by specific customers
General public	<ul style="list-style-type: none"> • Charity activities • Company website • Staff volunteer activities

Materiality assessment was carried out in the financial year 2020/21 through stakeholder survey to prioritise Tai Ping’s material issues. Following the stakeholder survey, Tai Ping conducted a review on the list of ESG topics in the financial year 2022/23 through desktop research on the latest sustainability trends and reassessing the material topics from the materiality assessment. 13 material topics were identified, and steps were taken as follows:



As there were no major changes in Tai Ping’s business in financial year 2023/24, the 13 material topics below continue to represent the key material topics that are relevant to our stakeholders.

Material topics of the Group	Relevant sections of the Report
Use of chemicals	<ul style="list-style-type: none"> • Water Resource Management and Wastewater Treatment • Pollution Prevention
Air pollutants and effluent discharge	<ul style="list-style-type: none"> • GHG Reduction and Energy Conservation • Water Resource Management and Wastewater Treatment
Sustainable use of resources	<ul style="list-style-type: none"> • Waste Management • Sustainable Manufacturing • Supply Chain Management
Climate change	<ul style="list-style-type: none"> • GHG Reduction and Energy Conservation • Climate Resilience and Adaptation
Product quality and safety	<ul style="list-style-type: none"> • Product Responsibility
Data privacy	<ul style="list-style-type: none"> • Product Responsibility
Product and process innovations	<ul style="list-style-type: none"> • Sustainable Manufacturing
Product lifecycle	<ul style="list-style-type: none"> • Sustainable Manufacturing
Corporate governance	<ul style="list-style-type: none"> • ESG Governance • Anti-Corruption
Human rights and labour practices	<ul style="list-style-type: none"> • Employment • Employee Welfare • Labour Standards
Occupational health and safety	<ul style="list-style-type: none"> • Occupational Health and Safety
Employee wellbeing and development	<ul style="list-style-type: none"> • Employment • Employee Welfare • Development and Training
Sustainable sourcing	<ul style="list-style-type: none"> • Supply Chain Management

Acknowledging that effective engagement is vital to continuous success and sustainable development of Tai Ping, we will continue to actively communicate and engage with our stakeholders and incorporate their insights into our sustainability management approach and align them with our long-term strategic planning.

ENVIRONMENTAL PROTECTION

Recognising the escalating risks to climate change on the Group's businesses and operations, Tai Ping is committed to shifting towards a low carbon economy and is taking adaptive measures through energy and water efficiency initiatives, as well as working to reduce the amount of waste production.

The Group strictly complies with relevant laws and regulations on environmental protection, including the *Environmental Protection Law of the People's Republic of China* (the "PRC") (《中華人民共和國環境保護法》), the *Law of the PRC on the Prevention and Control of Air Pollution* (《中華人民共和國大氣污染防治法》), the *Law of the PRC on the Prevention and Control of Water Pollution* (《中華人民共和國水污染防治法》) and the *Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Waste* (《中華人民共和國固體廢物污染環境防治法》).

In addition to the annual internal and external environmental audit conducted to ensure the environmental management practices are up to standard, the Group also undertook the Ecovadis sustainability performance assessment to enhance the Group's commitment to corporate social responsibility. The Ecovadis rating system employs a comprehensive framework of non-financial management criteria, encompassing vital aspects such as environmental responsibility, labour and human rights, ethical practices, and sustainable procurement strategies. Following this assessment Tai Ping obtained a scoring class of Silver in the prior year, positioning itself among the top 23% of evaluated enterprises. This accomplishment underscores Tai Ping's dedication to sustainable practices and responsible business conduct. The Group initiated work on the upcoming Ecovadis assessment during the Reporting Period and intends to formulate a corrective action plan based on the identified areas of improvement during the assessments to further enhance the Group's sustainability performance and Ecovadis ratings.

During the Reporting Period, there have been no reports of non-compliance with regulations.

Various KPIs relating to environmental performance goals that apply across all departments have been set up by the Group. The following KPIs are monitored monthly to ensure targets are met and follow up action can be taken.

Environmental Targets in 2024

KPIs	Methods	2024 Targets	Status
Environmental pollution accident	Calculated by complaints received from nearby resident and enterprises or government judgment	0	Target met
Water emission level shall adhere with the Standard of Emission Limits of Water Pollution	The third-party monitoring report	Comply	Target met
Gas emission level shall adhere with the Standard of Emission Limits of Air Pollution	The third-party monitoring report	Comply	Target met
The noise level shall adhere with the Emission Standard for Industrial Enterprise Noise at Boundary	The third-party monitoring report	Comply	Target met

GHG Reduction and Energy Conservation

Tai Ping is committed to reducing its GHG emissions, which are primarily generated from manufacturing and transportation. Striving to reduce GHG emissions, Tai Ping has adopted various measures to limit emissions created from transportation with our regional operating facilities in the United States, Europe and Asia, which are in closer proximity to local markets. Standard Operation Procedures (“SOP”) have been developed and implemented for environmental monitoring to track and control the emissions of GHG and other air pollutants.

The Group promotes the principles of energy conservation and GHG emissions reduction in the daily operations of the Xiamen manufacturing workshop. On top of the aforementioned environmental targets, an annual energy reduction target has been set at the Xiamen manufacturing workshop to reduce the average electricity consumption. During the Reporting Period, the energy usage target for the Xiamen manufacturing workshop has been met. The Group will continue reviewing the energy usage and further enhancing our energy-saving initiatives.

To reduce power consumption, the Group has installed frequency converters in various facilities of the Xiamen manufacturing workshop. Shipments are consolidated and heavy crafting and wrapping materials are reduced to eliminate extraneous journeys. Modern glass facades of the Group’s buildings make use of natural light and minimise the amount of artificial lighting to reduce electricity costs. Other energy-efficient measures carried out include adopting energy-efficient LED lighting systems, promptly repairing malfunctioning equipment and leakages, switching off idle electric appliances, and setting a machine operating schedule.

Tai Ping’s state-of-the-art manufacturing workshop in Xiamen – designed by Paris-based Sandrolini Architecture – incorporates environmentally-friendly features that significantly reduce energy consumption, including evaporative cooling systems and north-facing ventilation methods. In addition, the heating, ventilation and air conditioning (“HVAC”) system is limited to critical areas (dye stuff storage, dyeing and the control room), while other work areas have air circulating fans and natural air vents, with projected shade and atrium spaces that feature plants to draw in fresh air and reduce excessive energy consumption.

Although the measured concentrations of exhaust emissions from the manufacturing workshop in Xiamen are all lower than the regulatory requirements and close to natural concentrations, the Group employs innovative technologies to further reduce emissions and pollutants from the source. For example, our carpets emit limited volatile organic compounds (“VOCs”) and allergens, providing cushioning, anti-slip, acoustic and thermal benefits to homes while also benefiting allergy sufferers.

Climate Resilience and Adaptation

Recognising the potential ramifications of climate change on business operations, Tai Ping is dedicated to actively controlling the associated risks. The Group’s business operations could be threatened by climate change through a rise in extreme weather incidents such as typhoons, floods, and heavy storms, which could disrupt our operations and cause physical damage to our manufacturing facilities and showrooms, resulting in financial losses. The escalation in the intensity of extreme weather conditions could disrupt the Group’s supply chain, influencing the availability and cost of raw materials, and could result in additional costs due to logistic delays. The Group could also face transition risks due to alterations in the regulatory and market landscape brought on by climate change.

In light of these potential climate-related risks, climate-related considerations have been included in the Group-wide annual strategic risks assessment, in order to evaluate the likelihood and impact of climate-related risks. The Group plans to conduct a more comprehensive climate risk assessment to identify and assess material climate-related risks, which will form the foundation for our future climate resilience assessment and enhancement.

In addition to enhancing the Group’s capability to cope with climate-related risks through strategic response plans, the Group is also committed to improving energy efficiency and minimising our carbon footprint in daily business operations. The Group is committed to close collaboration with upstream and downstream partners in mitigating climate-related risks and combatting climate change.

Water Resource Management and Wastewater Treatment

The potential climate-related risks could impact the stability of water supply and interfere the carpet manufacturing processes. In addressing such risks, the Group has taken active implementations to conserve freshwater resources. Due to local water restriction during part of the Reporting Period, the Group did not formulate an annual water reduction target at the Xiamen manufacturing workshop during the Reporting Period. The Group will continue to review the water conservation performance for the development of water reduction targets in the future, in order to move forward with the Group’s effort to enhance our water-saving initiatives and minimise water consumption.

Initiatives on enhancing water efficiency

<p>Use recycled water whenever possible to reduce the use of underground water.</p>	<p>Review the use of applicable new technologies on an annual basis for optimisation of water efficiency in production.</p>	<p>Upcycle soft-water discharged from the Wastewater Treatment System for use in bathrooms and irrigation systems to water outdoor grounds and employee rest areas to minimise effluent discharged to the environment.</p>
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The manufacturing workshop houses a highly efficient wastewater treatment plant with a maximum of processing capacity of around 200 tonnes of wastewater per day throughout the year. Understanding the importance of the wastewater treatment to avoid pollution of other natural resources and ensure compliance with regulations on wastewater discharge, the treatment process is strictly monitored, with the *Wastewater Treatment System and Pollution Management Guideline* (《污水處理設備及安全操作規程》) formulated to outline staff responsibilities for the operation and management of the system, including optimal operation schedules and practices. The wastewater treatment plant incorporates settlement, filtration, ultra-filtration, aeration, flocculation, chemical and biological treatments, as well as reverse-osmosis to remove all colour and pollutants. To monitor the water quality, pH meters are installed in the wastewater treatment process. A weekly analysis of water quality is conducted to ensure continuous compliance with national standards.

Water and wastewater management at artisan workshop

The Tai Ping artisan workshop is a zero-pollutant discharge facility that fulfils 100% of its water needs through recycling and rainwater harvesting. Through its wastewater treatment plant, the Xiamen manufacturing workshop thoroughly processes the water, resulting in clean water that is effectively repurposed for yarn dyeing, bathrooms, cooling equipment in the factory and irrigation systems for the grounds and outdoor employee rest areas.

Pollution Prevention

Fully dedicating to minimising pollution and environmental impacts, Tai Ping has introduced various guidelines and procedures to ensure proper management of chemicals throughout the entire production process.

Tai Ping's fully-integrated dyeing process results in better quality yarns and shorter production times with advanced colour management and colour dye performance. All colourants used in dyeing comply with the Ecological and Toxicological Association of Dyes ("ETAD") recommendations, which help reduce heavy metal impurities in organic dyestuffs and pigment preparations, as well as EU Directive 2002/61/EC which prohibits the use of azo dyes containing 22 aryl amines.

To reduce the impact on the environment and protect staff occupational health and safety, the emergency response procedures for handling hazardous chemicals are outlined in our *EHS Management Regulations for Hazardous Chemicals* (《危險化學品EHS管理規定》). Each department has responsibility for managing the storage, transportation, use and disposal of hazardous chemicals, with the EHS Department supervising the implementation of respective regulations and suggesting rectification measures to further mitigate risk. To minimise the potential impact of pollution, the *Emergency Procedure for Chemical Leakage* (《化學品洩漏應急預案》) is in place to set out the detailed emergency response procedures in case of an accidental leakage in the process of storage, transportation, use and disposal of hazardous chemicals. A new VOC treatment system has been implemented since the prior Reporting Period in the Xiamen manufacturing workshop to further minimise adverse environmental impacts from its air emissions.

Waste Management

Comprehensive internal policies and procedures are formulated by Tai Ping to set out appropriate methods for managing waste to ensure strict compliance with the regulations concerning waste and packaging materials. Furthermore, effective waste processing management is employed across all operations to minimise any adverse environmental impact.

Initiatives on minimising waste

To promote waste reduction, the Group has implemented a continuous improvement program for waste reduction, imposed stringent control of the weight and length of input materials and standardised the method of carpet fabrication.	To achieve waste reduction at the source, recyclable wastes will not be disposed of immediately and be prioritised for reuse in the manufacturing workshop. Offcuts (yarn and other materials) are reused in manufacturing through re-dyeing or in other projects.	Any materials not reused or recycled are donated or sold as raw materials to selected partners or innovators, used in a variety of ways such as for bedding materials and flexible outdoor sports surfaces, or for art installations such as sculptures and more.
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Various types of waste, including fibres, fabrics, glue, plastics, solid waste, and sludge, are generated throughout the production process, packaging, office operations, and wastewater treatment due to the nature of carpet manufacturing. To ensure the proper classification of waste and processing, the Group has formulated and implemented the *Waste Management Procedure* (《廢棄物管理程序》). A waste segregation system is in place under which employees are required to collect and separate waste according to different categories. Different hazardous wastes are stored separately by category. Both hazardous wastes and non-hazardous wastes are collected by third-party contractors, who are authorised by a regulatory body to properly process and dispose of waste in fulfilment of environmental protection requirements.

Sustainable Manufacturing

Sustainable manufacturing and environmental stewardship are critical in Tai Ping's business operations. The Group is dedicated to continuously modernising operational processes to enhance efficiency and minimise environmental impact. The Group sources predominantly natural sustainable fibres, such as wool, silk, cashmere, cotton, jute and flax, which remain the source of economic vibrancy for millions of people, including small-scale processors and farmers. These natural fibres are renewable, recyclable, biodegradable, have anti-soiling properties and are flame resistant. These are preferable to synthetic fibres which are produced using fossil fuels and consume significant amounts of energy, shed microfibres and produce dangerous emissions.

The Group has an active research and development team that monitors technological advancements in yarn preparation, dyeing, tufting and overall project construction to lead the industry in extending product lifespan and reducing environmental impact.

As part of Tai Ping's commitment to sustainable development, the Biophilic Programme was launched at Milano Fuorisalone 2024 exemplifying the Group's dedication to creating high-quality, durable products while minimising environmental impact. This initiative aligns with the Group's core sustainability values, focusing on reducing waste, energy, and water usage, and phasing out synthetic materials. The programme features carpets crafted entirely from natural, undyed materials such as New Zealand and Berber wools, silk, flax, and linen, all of which are 100% biodegradable and sourced from ethical suppliers. By eliminating the dyeing process, the Biophilic Programme achieves a remarkable 60% water saving and an 85% reduction in energy consumption, ensuring the programme's products are non-polluting and environmentally responsible.

SOCIAL RESPONSIBILITY

Employment

Tai Ping believes employees are an integral part of the long-term success of the Group. The Group adheres to the *Labour Contract Law of the PRC* (《中華人民共和國勞動合同法》) and all employment regulations in the markets it operates. Employee Handbook is accessible to all employees, and covers policies related to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.

Tai Ping relies heavily on its dedicated employees to execute corporate strategies and deliver product and service excellence. As such, the Group endeavours to create an inclusive and supportive workplace, free of harassment, intimidation, bias and discrimination on the grounds of age, gender, disability, religion, family status and obligations, race and colour. The *Global Code of Conduct* is communicated to all new employees and is refreshed annually during the declaration for complying with the Group's *Global Code of Conduct*.

Tai Ping is committed to building a fair, diversified and inclusive workplace. Therefore, any employment-related decisions such as recruitment, compensation, promotion, and performance evaluation are conducted solely based on employees' merits and qualifications. The *Global Code of Conduct* outlines an employee's expected behaviour, as well as anti-harassment, sexual harassment and personal relationship guidelines. The Group has zero tolerance towards any forms of discrimination or harassment in the workplace. An anti-discrimination mailbox is in place in the Xiamen manufacturing workshop for employees to raise any grievances relating to discrimination.

During the Reporting Period, there were no known material instances of non-compliance with relevant employment, labour practice laws and regulations regarding compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare in any of the countries where the Group operates.

Employee Welfare

A wide range of benefits are made available to employees. These include accommodation for workers relocated from different provinces, meal plans, paid leave, medical insurance plans, regular body check-ups, educational programmes, free transportation to and from work, and transportation subsidies for migrant workers to visit families at home. We have also acquired supplementary medical insurance for employees organised by the Xiamen General Labour Union, where employees may reimburse a portion of the cost of hospitalisation for common illnesses. Family-friendly initiatives such as paternity leave for male employees are also in place. In addition, Tai Ping also contributes to China’s social security system on behalf of employees to support pension funds, medical insurance, industrial injury insurance, unemployment insurance and maternity insurance. Besides social insurance, the Group also provides accident insurance for employees in the Xiamen manufacturing workshop.

A healthy work-life balance for employees helps build a cohesive work environment and maintains a low employee turnover rate. A wide variety of initiatives have been implemented to enable effective management of work responsibilities and the personal lives of employees.

Initiatives on enhancing employee wellness

<p>Interest groups are arranged for employees to promote active and healthy lifestyles, such as the fishing association, basketball club, and square-dancing association.</p>	<p>Female employees are granted half-day leave on International Women’s Day to demonstrate appreciation for their hard work and dedication throughout the year.</p>	<p>Social activities are organised from time to time, such as Spring Festival reunion dinners, monthly birthday gatherings, Mid-Autumn Festival parties and lucky draws, and Christmas celebrations, to foster a sense of togetherness.</p>
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Sports Day at Xiamen manufacturing workshop

The Annual Sports Day was held during the Reporting Period, where employees were divided into teams to compete in various exciting contests. Not only did the event provide an excellent platform for employees from different departments to interact and build connections, but it also created a positive corporate culture of health by motivating employees to embrace sports and physical activities. Over 150 employees participated in the event this year, serving as a key demonstration of Tai Ping’s commitment to holistic employee wellness.

Occupational Health and Safety (“OHS”)

Viewing employees as our greatest asset, the wellbeing of employees is the foremost concern of Tai Ping. The Group’s occupational health and safety system has been accredited with the ISO 45001 Occupational Health and Safety Standard. To ensure the safety of employees at our factories, the Group has comprehensive policies and procedures in place, including the *Control Procedures for Environmental Operation* (《環境操作的控制程序》), *Hazardous Chemicals EHS Management Regulations* (《危險化學品環境、健康及安全管理條例》) and the *Control Procedures for Occupational Health and Safety Operation* (《職業健康安全運行的控制程序》) that safeguard compliance with applicable occupational health and safety laws and regulations.

Our dedicated Safety Committee comprises senior executives from all key business units and continues to take responsibility for administering the health and safety management system of the Group and ensuring that its procedures are adopted in its day-to-day operations. Regular reviews of the internal occupational health and safety management systems are arranged. To drive continuous improvement in safeguarding the health and safety of employees, the feedback from employees and contractors will be taken into consideration. Safety meetings were regularly organised by employee representatives during the Reporting Period. Internal and external OHS audits have also been conducted annually.

Tai Ping has set specific OHS targets to continuously promote its OHS performance. *The Targets and Management Plan* (《目標及管理方案》) is in place to standardise the Group’s target-setting procedure, responsibilities, and reporting mechanisms. Division managers and representatives will keep track of the target status and report to the Quality Assurance (“QA”) Department regularly.

OHS Targets in 2024

KPIs	Methods	2024 Targets	Status
Workplace injuries	Total number of workplace injuries as defined by the Identification of Industrial Injury in 2024	≤ 4	Target met
Workplace injuries (including serious injury, lead to over 105 lost days)	Total number of workplace injuries in 2024 and workplace injuries defined by the Identification of Industrial Injury, including the number of serious injury (lead to over 105 lost days)	0	Target met
Pitfall correction rate	(The number of corrective pitfall/Total pitfall) *100%	100%	Target met
Occupational disease	The number of occupational diseases	0	Target met
Direct economic loss of non-personnel casualties which over RMB20,000	The number of direct economic loss of non-personnel casualties which over RMB20,000	0	Target met

Operational staff are provided with regular safety training sessions to raise safety awareness and reduce the risks of fatalities, severe work-related injuries, and significant errors arising from equipment and facility failure. This approach effectively enhances safety awareness and minimises the potential workplace hazards across the workshops. We also organise fire drills, practice emergency drills and workshops on different workplace hazards to enhance the emergency preparedness of employees in case of any accident. Besides, workers are required to wear protective gear, including safety shoes, safety glasses, ear protection, gloves and task-specific protection, at all times when in the manufacturing site to ensure health and safety. Annual occupational body checks are arranged for all workers to ensure early diagnostic and treatment of any occupational diseases.

OHS risk mitigations at the Xiamen manufacturing workshop

Reinforce safety glass with shatter-resistant films to minimise the risk of injuries and damage caused by broken glass fragments.	Introduce logo printers as a replacement for manual spray-painting to minimise employees’ exposure to harmful fumes.	Implement automated rack system modification to reduce the risk of falls during the lifting process.
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Development and Training

Tai Ping believes fostering the personal growth and development of its employees is a key component in achieving sustainable business development. To achieve this, a wide variety of development and training opportunities are provided, aiming to empower employees to thrive. Investing in employees to grow their skills will not only boost productivity but also help retain talents by encouraging people to build a rewarding career with Tai Ping.

In order to improve employees' knowledge and skill sets in the premium custom carpet manufacturing industry, the Group formulates internal training plans every year to offer our employees tailored on-the-job training and self-learning programs. In addition, additional training sessions and team-building activities collaborated with external professional institutes and environmental operation training are arranged to strengthen team bonding and deepen employees' sense of belonging to the Group. An effective performance assessment mechanism, comprising the *Goal and Performance Management* (《目標與績效管理》) and the *Performance Improvement Plan* (《績效改善計劃》), is in place to motivate employees to deliver high performance. The mechanism enables the Group to evaluate employees' performance as well as plan relevant training and development programmes effectively.

Two-way communication with employees is maintained through networking activities and feedback sessions. The annual performance appraisal provides an opportunity for all staff members to discuss career planning, identify areas for further development and maximise career potential with their line managers.

During the Reporting Period, a total of 531 employees participated in the training sessions on different topics, for example, first aid skills training was arranged at the Xiamen production workshop to enhance the employees' capabilities in response to medical emergencies. In addition, comprehensive sustainability training was provided to our global sales team, particularly in preparation for the launch of Tai Ping's environmentally designed Biophilic Programme in Milan this year. This training was designed to deepen understanding of fundamental sustainability concepts and alignment with Tai Ping's core sustainability values and actions, with the aim to equip our team with the knowledge and skills necessary to navigate the evolving market landscape, foster more sustainable business practices and empower the team to confidently communicate on the Group's sustainability commitments to customers and stakeholders.

Labour Standards

Tai Ping respects and safeguards human rights and implements fair labour practices in all aspects of business operations. Our *Human Rights Policy* (《人權政策》) is in line with the international standard, Social Accountability 8000 (SA8000). Tai Ping firmly opposes the employment of child labour and upholds high labour standards. The Group also requires suppliers to apply the same standard in their operations to prevent child and forced or trafficked labour. *Child Labour Protection Procedures* (《防止童工政策》) are developed and implemented at the regional and local levels in compliance with the related regulations and laws. In the recruitment process, identity checks are performed by the human resource department to ensure all recruited employees are above the legal working age. All employees working in the Xiamen manufacturing workshop have signed employment contracts with working hours and overtime strictly regulated to protect their rights and interests.

During the Reporting Period, the Group was not found with nor involved in any non-compliance in employment and labour or employment of any child labour or forced labour.

Supply Chain Management

An efficient, reliable and stable supply chain serves as the cornerstone of product quality assurance. Tai Ping has established and implemented various SOPs on supply chain management, including the *Management of Raw Materials Suppliers* (《外部供方的管理》), *Procurement Control* (《採購控制》), *Suppliers' EHS Management* (《供應商環境安全管理程式》) to effectively manage environmental and social risks throughout the value chain.

Tai Ping demands the highest ethical and environmental standards throughout its global business operations and within its supply chain. The source of all incoming materials and the ethical standards of all approved suppliers are verified. Suppliers are required to sign the *Social Responsibility Commitment* (《社會責任承諾書》) and the *Hazardous Substances Restriction Commitment* (《有害物質限制承諾使用書》) to declare their commitment to Workplace Conditions Assessment ("WCA") standard and compliance with *Regulation concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals* (《化學品的註冊、評估、授權和限制》) of the European Union and the *Restricted Substances List for Textile Products* (《紡織產品限用物質清單》) of China.

In addition, a supplier management system is in place to verify their qualifications, assess their performance, review their occupational health and safety measures and ensure suppliers meet the Group's internal environmental and social standards. Annual audits on aspects such as the implementation of the supplier's EHS management system, crisis management and hazardous material handling are arranged for suppliers. Suppliers who fail to meet the standard and show no improvement after remedial actions were communicated will be removed from the approved supplier list. World-renowned luxury brands have registered Tai Ping as an approved supplier based on external auditing of its ethical sourcing.

Tai Ping continues to promote environmentally-informed decisions through the use of recycled components in the manufacturing process to further mitigate the environmental impact along the value chain. A comprehensive procedure has been implemented to ensure the selection of qualified materials are not harmful to humans and the environment. The Group gives preference to materials or products that can be obtained locally or from nearby cities to support the domestic economy and reduce the environmental impact of transportation.

Tai Ping & Label STEP partnership for hand knot production

During the Reporting Period, the Group's hand knotted division continued the partnership with Label STEP to ensure and certify that Tai Ping's partnered production in Nepal adheres to ethical, environmental, and social responsibilities.

This organisation was selected because of their collaborative approach to working with the mills, as opposed to a top-down, punitive approach for non-compliance. Label STEP also focuses on environmental concerns with a view to creating solutions that are sustainable in the long term, with the mills taking ownership of maintenance and development. The partnership will be effective both in the selected mills' existing policies and socially responsible management combined with Label STEP's holistic auditing structure.

Product Responsibility

High-quality products and services are the key to business success. The standard of excellence has defined the Tai Ping brand since 1956. Our carpets are manufactured in compliance with the American with Disabilities Act (“ADA”) as products are edged to facilitate wheelchair activities and the Green Label Plus (“GLP”), pass toxicity tests, and are fire-proof.

To better understand the needs of its customers, the Group collects feedback on its services and product quality through communication channels such as the annual customer satisfaction survey. The Group will review the content and data of the customer’s feedback, identify room for improvement according to the survey result and formulate corrective measures where practicable.

The Group has adopted a quality management system certified with the ISO 9001 standard in various supporting facilities, including high-tech dyeing machinery and advanced testing equipment. This ensures that raw materials and products procured, manufactured and delivered comply with quality control requirements.

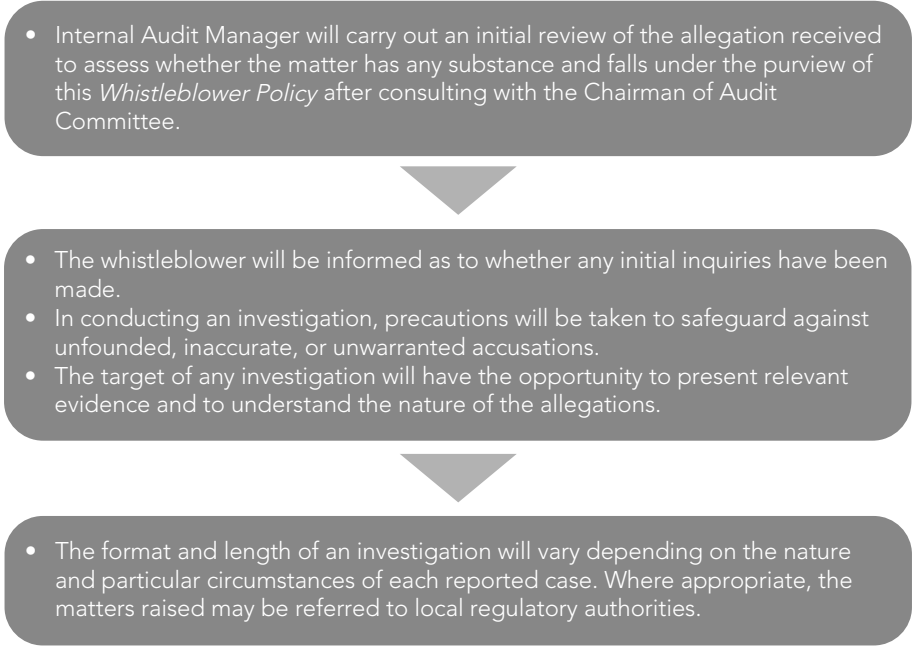
The Group’s human resources policies include practices regarding conflict of interests, confidentiality, intellectual property, copyright protection and sensitive data privacy protection. A *Confidential Data Policy* (《資料保密政策》) has been established to lay out standards for the use of confidential data and outline specific security controls for the protection of this data. In order to protect the Group’s confidential data, internal network has been developed where the company server and email cannot be accessed through public network. Unless specifically authorised, the use of smart devices with cameras is strictly prohibited in the workplace. A secure storage place is arranged for employees to store these devices before entering the workplace.

Tai Ping ensures all marketing strategies and associated advertisements are in full compliance with relevant local and national regulations. The Group observes strict compliance with the laws and regulations of the PRC for health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. None of our products were subject to recalls for safety and health reasons during the Reporting Period.

Anti-Corruption

Tai Ping is committed to doing business with integrity and avoiding corruption in any form. All employees and representatives are expected to conduct business in a fair, ethical and legal manner. The Group strictly complies with the relevant laws and regulations, such as the *Criminal Law of the PRC* (《中華人民共和國刑法》) and the *Anti-Unfair Competition Law of the PRC* (《中華人民共和國反不正當競爭法》).

The *Global Code of Conduct* outlines an employee's expected behaviour. Employees are required to comply with all applicable anti-corruption laws and specific guidance on the Group's stance on the payment to government officials, bribes and kickbacks, gifts, and conflicts of interest. This is introduced to all new employees during their orientation sessions. In addition, employees are required to sign the compliance declaration for the *Global Code of Conduct*, the *Global Anti-Corruption Policy* and the *Whistleblower Policy* (《舉報政策》) on an annual basis to ensure that they are familiar with the requirements. The *Whistleblower Policy* provides an official communication channel for the employees to raise their legitimate concerns of malpractice to the Audit Committee. Confidentiality is safeguarded with no form of retaliation allowed for reports or complaints made in good faith. In order to ensure that all complaints are treated promptly and fairly, investigation procedures are instigated as follows:



Tai Ping has also established the *Global Anti-Corruption Policy* in 2022 to set out the responsibilities of the Group, and all individuals who work for the Group, in observing and upholding Tai Ping's position on bribery and corruption and provide information and guidance to those individuals working for the Group on how to recognise and deal with bribery and corruption issues. All employees are required to comply with the *Global Anti-Corruption Policy*, and training had also been arranged for all employees globally to introduce the *Global Anti-Corruption Policy*, as well as concepts on corruption and bribery and the Group's resources to anti-bribery.

Ongoing monitoring, regular reviews, and periodical staff training are carried out to ensure the effectiveness of the *Whistleblower Policy*. During the Reporting Period, 531 employees attended anti-corruption related trainings, with approximately 265.5 training hours in total. The Group had no known material instances of non-compliance with relevant laws and regulations regarding bribery, extortion, fraud, or money laundering in its countries of employment.

Community Investment

Tai Ping remains strongly committed to the social obligations towards the communities. The Group fully realises the importance of the contributing factors to its success and strives to support the sustainable development of the communities and create long-term value for stakeholders. The Group acts as a responsible corporate citizen by fostering an ideal workplace, emphasising employing locals wherever possible to boost the domestic economy at Xiamen. In addition, employees are encouraged to participate in local charity activities and create greater value for society.

Appendix I: Key Performance Data

Environmental

Environmental KPIs	Unit	FY2023/24 ¹	FY2022/23	FY2021/22 ¹
NOx emissions ²	tonne	0.03	0.03	0.03
Total greenhouse gas (GHG) emissions ³	tonne CO ₂ e	3,436.90	3,363.27	3,636.78
Scope 1 – Direct emissions ⁴	tonne CO ₂ e	51.62 ⁵	79.64	164.21
Scope 2 – Energy indirect emissions ⁶	tonne CO ₂ e	3,385.29	3,283.63	3,472.57
By revenue	kg CO ₂ e/revenue (HK\$'000)	5.29	5.47	6.23
Total hazardous waste produced	tonne	2.26 ⁷	1.22	0.65
By revenue	kg/revenue (HK\$'000)	0.004	0.002	0.001
Total non-hazardous waste produced	tonne	129.40	137.42	158.35
By revenue	kg/revenue (HK\$'000)	0.20	0.23	0.27
Total energy consumption	kWh	7,479,795.71	7,190,275.92	7,698,569.95
Total direct energy consumption ⁸	kWh	47,710.59	59,121.92	61,204.95
Petrol	kWh	47,710.59	45,764.28	50,501.71
Diesel	kWh	0 ⁹	13,357.65	10,703.24
By revenue	kWh/revenue (HK\$'000)	0.07	0.10	0.10
Total indirect energy consumption ⁸	kWh	7,432,085.12	7,131,154.00	7,637,365.00
Purchased electricity	kWh	2,536,985.12 ¹⁰	2,147,154.00	2,093,365.00
Purchased steam	kWh	4,895,100.00	4,984,000.00	5,544,000.00
By revenue	kWh/revenue (HK\$'000)	11.61	11.87	13.09
Total water consumption	m ³	83,051.00	84,583.00	79,730.00
By revenue	m ³ /revenue (HK\$'000)	0.13	0.14	0.14
Total packaging materials	tonne	41.40	41.00	43.53
By revenue	kg/revenue (HK\$'000)	0.06	0.07	0.07

Social

Social KPIs	Unit	FY2023/24 ¹¹	FY2022/23 ¹¹
Number of employees			
Total number of employees	No.	531	536
Number of employees by employment type			
Full-time employees	No.	531	536
Part-time employees	No.	0	0
Number of employees by contract type			
Permanent	No.	529	533
Temporary	No.	2	3
Number of employees by gender			
Male	No.	267	265
Female	No.	264	271
Number of employees by age group			
Below 30	No.	80	91
30 – 50	No.	391	399
Above 50	No.	60	46
Number of employees by employment category			
Managers	No.	15	14
General employees	No.	516	522
Number of employees by geographical region			
Mainland China	No.	530	535
India	No.	1	1
Turnover			
Total number of resigned employees	No.	83	103
Number of full-time employees turnover by gender			
Male	No.	44	53
Female	No.	39	50
Full-time employee's turnover rate by gender			
Male	%	16.48%	20.00%
Female	%	14.77%	18.45%
Number of full-time employees turnover by employee category			
Managers	No.	0	0
General employees	No.	83	103
Full-time employee's turnover rate by employee category			
Managers	%	0.00%	0.00%
General employees	%	16.09%	19.73%
Number of full-time employees turnover by age group			
Below 30	No.	25	38
30 – 50	No.	56	63
Above 50	No.	2	2
Full-time employee's turnover rate by age group			
Below 30	%	31.25%	41.76%
30 – 50	%	14.32%	15.79%
Above 50	%	3.33%	4.35%

Social KPIs	Unit	FY2023/24 ¹¹	FY2022/23 ¹¹
Number of full-time employees turnover by geographical region			
Mainland China	No.	83	103
India	No.	0	0
Full-time employee's turnover rate by geographical region			
Mainland China	%	15.66%	19.25%
India	%	0.00%	0.00%
Health and Safety			
Number of work-related fatalities	No.	0	0
Number of lost days due to work injury	Days	84 ¹²	20
Training			
Number of trained full-time employees	No.	531	528
Number of trained full-time employees by gender			
Male	No.	267	260
Female	No.	264	268
Percentage of trained full-time employees by gender			
Male	%	100.00%	98.11%
Female	%	100.00%	98.89%
Number of trained full-time employees by employee category			
Managers	No.	15	11
General employees	No.	516	517
Percentage of trained full-time employees by employee category			
Managers	%	100.00%	78.57%
General employees	%	100.00%	99.04%
Training Hours			
Average number of training hours completed by full time employee by gender			
Male	Hours	11.70	12.26
Female	Hours	13.10	12.98
Average number of training hours completed by full time employee by employee category			
Managers	Hours	24.03 ¹³	12.14
General employees	Hours	12.06	12.63
Number of suppliers by geographical region			
Hong Kong	No.	1	0
Mainland China	No.	32	25
New Zealand	No.	1	1
Other region	No.	1	2
Products			
Total products sold or shipped	No.	81,697	80,914
Total products sold or shipped subject to recalls for safety and health reasons	No.	0	0
Percentage of total products sold or shipped subject to recalls for safety and health reasons	%	0.00%	0.00%
Total complaints received for products	No.	3	4
Total complaints received for services	No.	0	0

- ¹ The scope of the Environmental Performance data covers the key manufacturing workshop based in Xiamen.
- ² Air emissions comes from vehicles owned by the Group. The emission data is calculated according to the *How to prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs* issued by the HKEX.
- ³ The GHG emission data is calculated using the latest available emission factors in line with United States Environmental Protection Agency's "Emission Factors for Greenhouse Gas Inventories, the Sixth Assessment Report by the Intergovernmental Panel on Climate Change and the *Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes)* in Hong Kong published by the Environmental Protection Department and the Electrical and Mechanical Services Department of the Hong Kong SAR Government.
- ⁴ Scope 1 emission data was calculated according to the emission factors in the *How to prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs issued by the HKEX and the Greenhouse Gas Protocol*.
- ⁵ The Scope 1 emissions in FY2023/24 decreased by 35.18% as compared with FY2022/23. It was mainly due to less refrigerant consumption for maintenance during the Reporting Period, and the backup diesel generators were not used as there were no power outages during the Reporting Period.
R410A is mainly used for air conditioning maintenance, if leakage or consumption is found, it can be replenished.
- ⁶ Scope 2 emissions was calculated according to the national emission factors for mainland China published by The Ministry of Ecology and Environmental of People's Republic of China (2023).
- ⁷ The amount of total hazardous waste produced in FY2023/24 increased by 85.25% as compared with FY2022/23. It was mainly due to the replacement of filter cartridges in softening water systems during the Reporting Period.
- ⁸ Definition of direct and indirect energy refers to Part 2 of the ISO14064-1 standard.
- ⁹ There was no diesel consumption in FY2023/24 as there were no power outages during the Reporting Period and the backup diesel generators were not used.
- ¹⁰ The amount of electricity consumption in FY2023/24 increased by 18.16% as compared with FY2022/23. It was mainly due to some of the steam facilities was replaced with electricity.
- ¹¹ The scope of the Social Performance data covers the key manufacturing workshop based in Xiamen.
- ¹² There were two incidents during the Reporting Period due to mishandling of equipment, leading to minor injuries of two employees. Appropriate medical treatment was promptly arranged to ensure adequate rest and healing for the injured employees. The Group has also reviewed the injury cases and implemented corresponding preventive measures to avoid similar accidents in the future.
- ¹³ The average number of training hours completed by full time managerial employee increased by 97.94% as compared with FY2022/23. It was mainly due to the ISO system training arranged for managers during the Reporting Period.

Appendix II: HKEX ESG Reporting Guide Index

Mandatory Disclosure Requirements	Section	Remarks
Governance Structure	ESG Governance	
		A statement from the Board containing the following elements: (i) a disclosure of the Board's oversight of ESG issues; (ii) the Board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer's businesses); and (iii) how the Board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses.
Reporting Principles – Materiality	Reporting Guidelines	(i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer's stakeholder engagement.
Reporting Principles – Quantitative	Reporting Guidelines	Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed.
Reporting Principles – Consistency	Reporting Guidelines	The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.
Reporting Boundary	Scope of this Report	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report.

Subject Areas, Aspects, General Disclosures and KPIs	Section	Remarks
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 Protection; GHG Reduction and Energy Conservation
KPI A1.1	The types of emissions and respective emission data.	Appendix I: Key Performance Data
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity.	Appendix I: Key Performance Data
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity.	Appendix I: Key Performance Data
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity.	Appendix I: Key Performance Data
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	Environmental Protection; GHG Reduction and Energy Conservation
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 Protection; Waste Management; Sustainable Manufacturing
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Environmental Protection
KPI A2.1	Direct and/or indirect energy consumption by type in total and intensity.	Appendix I: Key Performance Data
KPI A2.2	Water consumption in total and intensity.	Appendix I: Key Performance Data
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Environmental Protection; GHG Reduction and Energy Conservation
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 Protection; Water Resource Management and Wastewater Treatment
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Appendix I: Key Performance Data
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	Environmental Protection
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the action taken to manage them.	Environmental Protection
Aspect A4: Climate Change		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Climate Resilience and Adaptation
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 Resilience and Adaptation

Subject Areas, Aspects, General Disclosures and KPIs	Section	Remarks
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; Employee welfare
KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	Appendix I: Key Performance Data
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Appendix I: Key Performance Data
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.	There were no occupational fatalities in the past three years.
KPI B2.2	Lost days due to work injury.	Appendix I: Key Performance Data
KPI B2.3	Description of occupational health and safety measures adopted, 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.	Development and Training
KPI B3.1	The percentage of employees trained by gender and employee category.	Appendix I: Key Performance Data
KPI B3.2	The average training hours completed per employee by gender and employee category.	Appendix I: Key Performance Data
Aspect B4: Labour Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Labour Standards
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Labour Standards
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Labour Standards

Subject Areas, Aspects, General Disclosures and KPIs		Section	Remarks
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.	Appendix I: Key Performance Data	
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.	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 on 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.	Appendix I: Key Performance Data	
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Product Responsibility; Appendix I: Key Performance Data	
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, how they are implemented and monitored.	Product Responsibility	
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 whistleblowing procedures, how they are implemented and monitored.	Anti-corruption	
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Anti-corruption	

Subject Areas, Aspects, General Disclosures and KPIs	Section	Remarks
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

