



YEEBO (INTERNATIONAL HOLDINGS) LIMITED

(Incorporated in Bermuda with limited liability)

STOCK CODE: 259

2022
Environmental, Social and
Governance Report

| 23

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

For the Financial Year 2022/23

This Environmental, Social and Governance (“ESG”) Report (“ESG Report”) is issued by Yeebo (International Holdings) Limited (“Yeebo”, together with its subsidiaries collectively referred to as the “Group” or “We”) in accordance with Appendix 27 Environmental, Social and Governance Reporting Guide (the “Guide”) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. This report covers the Group’s ESG policies, initiatives and performance from 1 April, 2022 to 31 March, 2023 (“FY2022/23” or “the Reporting Period”) relating to our Liquid Crystal Displays (“LCD”) and Liquid Crystal Display Modules (“LCM”) business.

REPORTING BOUNDARY

The scope of this ESG Report covers its Jiangmen and Hong Kong operations, which the Group considers to have material ESG implications.

REPORTING PRINCIPLES

The reporting principles of materiality, quantitative, balance, and consistency have been strictly applied in determining and compiling the content of the ESG Report in order to maintain high quality disclosure.

Materiality	Sufficiently important and pertinent information as determined by the Group’s stakeholders is covered in this ESG Report. In prioritising the identified ESG issues, materiality assessment is conducted which is disclosed in the section of Materiality Analysis of this ESG Report.
Quantitative	To facilitate objective evaluation of our ESG performance and management effectiveness, quantitative information is provided, with comparative data, standards, methodologies, assumptions and calculation tools disclosed where appropriate.
Balance	Information is disclosed as objectively as possible to provide stakeholders with an unbiased picture of our overall ESG performance.
Consistency	We ensure consistency of the reporting standards, data collection and calculation methods adopted and provide figures of previous year to allow meaningful comparison.

ESG GOVERNANCE

With a goal to identify sustainability priorities and create sustainable value for the Group and its stakeholders, we have formulated a governance framework to sharpen our focus on ESG initiatives. Our corporate social responsibility structure is divided into two main components, the board (the “Board”) of directors (the “Directors”) of Yeebo and the ESG working group.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Board facilitates the establishment of our ESG objectives, priorities and strategies and monitors the progress made against ESG targets, with consideration to the ESG risks and opportunities we come across and foresee in the horizon. Disclosures in this ESG report have been approved by the Board. The Board oversees the Group's overall ESG direction and delegates certain execution and control authorities to the ESG working group as appropriate.

The ESG working group is comprised of management personnel from multiple departments and business units. It is obligated to turn strategies and plans into actionable tasks, as well as monitor and manage ESG-related risks and opportunities. Furthermore, the working group is also accountable for the collection and analysis of internal ESG data, review of feedback from internal and external stakeholders, communication to the Board for key ESG matters, as well as preparation of this ESG report.

In order to drive our ESG commitment and continually enhance our sustainability performance, we have established the following targets. We will consistently monitor our achievement of the environmental targets set, through the implementation of environmental practices and steps described in the "Environmental" section below.

Environmental Aspects	Targets
Air emissions	<ul style="list-style-type: none">• Closely monitor our air emissions intensity and ensure its alignment with business growth• Ensure our air emissions discharged are in compliance with relevant laws and regulations
Wastes	<ul style="list-style-type: none">• Ensure accurate measurement of our air emissions• Closely monitor our hazardous and non-hazardous wastes intensities and ensure alignment with business growth
Energy consumption	<ul style="list-style-type: none">• Recycle over 50% of non-hazardous waste generated by 2027• Closely monitor our energy consumption intensity and ensure its consumption is in line with business growth• Implement energy saving projects• Explore the use of renewable energy sources by 2027
Water consumption	<ul style="list-style-type: none">• Closely monitor our water consumption intensity and ensure its consumption is in line with business growth• Continuously enhance our reclaimed water treatment facilities to achieve water saving

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

STAKEHOLDER ENGAGEMENT

Our approach to stakeholder engagement is that we ensure a good understanding of the views and expectations that help define our present and future sustainability strategies. Particularly, we have engaged with the stakeholders that are directly impacted by our Group's operations, including investors, customers, employees, suppliers, local community, and regulatory bodies. We continue to maintain ongoing communication with our key stakeholders to understand their concerns and interests towards our operations and sustainability performances. Feedback collected through the stakeholder engagement exercises has provided valuable insights to our strategic development, and also has contributed to the preparation of this ESG Report. With the outbreak of Coronavirus ("COVID-19") pandemic, the Group also adopts various e-channels for communication with various stakeholders. Other communication channels with stakeholders include annual general meetings, financial reports, announcements, supplier audits, customer feedbacks, employee surveys etc.

MATERIALITY ASSESSMENT

A materiality assessment is conducted in the Reporting Period to reassess the existing ESG topics and identify potential areas that would have a significant environmental and social impact on and are material to our business and the stakeholders' interests. Material ESG issues of the Group covered in this ESG Report are as follows:

Aspects	Material ESG Issues
A. Environmental	
A1. Emissions	<ul style="list-style-type: none">• Air Emissions• Sewage Treatment• Hazardous and Non-hazardous Waste Management• Greenhouse Gases
A2. Use of Resources	<ul style="list-style-type: none">• Energy• Water Consumption• Packaging Materials
A3. Environment and Natural Resources	<ul style="list-style-type: none">• Environmental Management
A4. Climate Change	<ul style="list-style-type: none">• Climate-related risks Management
B. Social	
B1. Employment	<ul style="list-style-type: none">• Employment, Compensation and Promotion Policies
B2. Health and Safety	<ul style="list-style-type: none">• Occupational Health and Safety
B3. Development and Training	<ul style="list-style-type: none">• Employee Development and Training
B4. Labour Standards	<ul style="list-style-type: none">• Prevention of Child Labor and Forced Labor
B5. Supply Chain Management	<ul style="list-style-type: none">• Supply Chain Quality and Environmental Management
B6. Product Responsibility	<ul style="list-style-type: none">• Products and Services Quality
B7. Anti-corruption	<ul style="list-style-type: none">• Principles of Honesty and Integrity
B8. Community Investment	<ul style="list-style-type: none">• Community Involvement

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

COMPLIANCE WITH LAWS AND REGULATIONS

Compliance with applicable laws, rules and regulations with regard to environmental and social aspects are of paramount importance and we understand the risk of non-compliance that can be detrimental to the Group. The Group has implemented systems and allocated staff resources to ensure ongoing legal compliance. The Group's operations are mainly carried out by the subsidiaries of the Group in the People's Republic of China (the "PRC") while shares of Yeebo itself is listed on The Stock Exchange of Hong Kong Limited. Accordingly, the Group's establishment and operations shall comply with all laws and regulations applicable in the relevant jurisdictions where it has operations, namely the PRC and Hong Kong.

ENVIRONMENTAL

A1 Emissions

The Group takes strong accountability for corporate social responsibilities with environmental sustainability being the utmost importance among our concerns. Sustainable measures in operations are carried out in different aspects, encompassing product design, business process monitoring, energy and resources management, as well as supply chain management, to minimize the negative impact to the environment. We also concern the effectiveness of environmental protection facilities, therefore we have not only upgraded our environmental protection facilities in factory to enhance our ability in handling and managing sewage, air emissions and solid wastes, but have also established a set of procedures to govern the operations of such facilities. The mechanism for regular maintenance of environmental devices, contingency plans as well as off-production line repairing program have also been established by the management. To adhere to the concept of environmental protection, any non-regulated emission discharges are strictly forbidden.

The Group is not aware of any material non-compliance with the applicable laws and regulations relating to environmental protection in FY2022/23, including but not limited to the Environmental Protection Law of the PRC (《中華人民共和國環境保護法》), the Law on the Prevention and Control of Atmospheric Pollution of the PRC (《中華人民共和國大氣污染防治法》), the Law on the Prevention and Control of Water Pollution of the PRC (《中華人民共和國水污染防治法》), the Law on the Prevention and Control of Environmental Pollution by Solid Wastes of the PRC (《中華人民共和國固體廢物污染環境防治法》), Implementation Rules of the Development and Reform Commission of Guangdong Province on the Management of Carbon Emission Quotas (《廣東省發展改革委關於碳排放配額管理的實施細則》), and Trial Measures for the Management of Carbon Emissions in Guangdong Province (《廣東省碳排放管理試行辦法》), that have a significant impact on the Group.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Air Emissions

We have established specific pipelines and three sets of emission treatment devices in our factory for the collection and treatment of acid-base gases discharged during the production process. We have engaged professionals to manage and monitor the treatment process to ensure that the ultimate air emissions comply with the environmental standards set forth in the Law on the Prevention and Control of Atmospheric Pollution of the PRC (《中華人民共和國大氣污染防治法》).

Furthermore, in order to reduce and manage acid-base air emissions and achieve our emissions goal, we have initiated practices to reduce the use of chemicals in our plants in the Reporting Period. Examples include using environmentally friendly cleaning agents instead of alcohol to clean products and equipment, as well as conducting regular review on air emissions at monthly management meetings. We believe that reducing chemical use and regular monitoring of air emissions are important in reducing acid-base air emissions.

Sewage Treatment

We have established integrated sewage treatment facilities in our factory. Industrial sewage is collected through the dedicated pipelines and it will go through biochemical procedures of sedimentation and filtration in order to meet the sewage standard (“水污染排放限值”DB44/26-2001 一級標準(第二時段)) set forth by the Guangdong Province. On the other hand, domestic sewage is rested and subsided in the septic tank. Once the sewage reaches a particular sewage standard (“污水綜合排放標準”三級標準), it is discharged into the local sewerage network through the dedicated pipelines. Furthermore, we have conducted regular inspections according to the requirements of the Ministry of Environmental Protection of the People’s Republic of China. In order to reduce sewage, we have set up water reclamation systems to enable the sewage generated from the production line to be reclaimed and reused in the production process again.

The Group’s emissions in FY2022/23 and its comparative data are as follows:

Item	Unit	Total amount in FY2022/23	Intensity in FY2022/23	Total amount in FY2021/22	Intensity in FY2021/22
Acid-base gases	WM ³	28,226	0.19 WM ³ /m ² finished goods	32,772	0.18 WM ³ /m ² finished goods
Sewage	tonne	102,878	0.70 tonne/m ² finished goods	115,468	0.65 tonne/m ² finished goods

The reduction of acid-base gases is primarily due to lower the motor frequency to reduce the air volume; The decreased sewage is attributable to a rise in water reclamation volume.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Hazardous and Non-hazardous Waste Management

Regarding hazardous waste management, we have formulated relevant management procedures for waste collection, separation and storage. Different kinds of hazardous wastes are collected from the user departments, which are then handed over to qualified organizations for handling and recycling. Sludge generated from the sewage treatment process represents our major hazardous waste. We have been closely monitoring the treatment of hazardous waste to ensure that all possible hazardous waste discharged meet the environmental standards set forth by national laws and regulations.

As for non-hazardous waste, we adhere to the principles of recycling and reusing in order to minimize pollution to the environment. We have set up waste separation bins at our operating centres and public areas in offices to facilitate the recycling process. After collection, the household garbage is handed over to qualified recyclers and relevant government departments for further processing. Apart from the measures mentioned above, we have reduced paper consumption in our daily operation by using electronic platform instead of paper, as well as printing on double sides in case paper-based work is necessary. In addition, we have established a temporary solid waste storage plant in our factory, which is managed by dedicated personnel. Such storage plant is well-equipped to prevent leakage and avoid secondary pollution.

The Group's waste generated and recycled in FY2022/23 and its comparative data are as follows:

Item	Item category	Unit	Amount	Amount	Amount	Amount
			generated in FY2022/23	recycled in FY 2022/23	generated in FY2021/22	recycled in FY2021/22
Sludge	Hazardous waste	tonne	36.05	0.00	48.17	0.00
Household garbage	Non-hazardous waste	tonne	116.56	23.81	130.35	32.85
Waste glass	Non-hazardous waste	tonne	245.61	245.61	342.97	342.97
Used paper	Non-hazardous waste	tonne	95.39	95.39	137.35	137.35

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Group's hazardous and non-hazardous wastes generated in FY2022/23 and its comparative data are as follows:

Item category	Unit	Amount generated in FY2022/23	Amount generated in FY2021/22
Hazardous waste	tonne	36.05	48.17
Hazardous waste intensity	tonne/m ² finished goods	0.00025	0.00027
Non-hazardous waste	tonne	527.02	610.67
Non-hazardous waste intensity	tonne/m ² finished goods	0.0036	0.0034

Greenhouse Gases Emissions

We are fully aware of our responsibility to reduce greenhouse gas emissions in the course of our operation and are committed to controlling the risks and impacts of our emissions. In FY2022/23, our carbon emissions are mainly caused by the consumption of electricity, natural gas, petrol and diesel. Please refer to section "A2 Use of Resources" for details of the related resources consumption and respective energy conservation and carbon reduction measures.

Our greenhouse gas emissions in FY2022/23 and its comparative data are as follows.

Item	Unit	Total amount in FY2022/23	Total amount in FY2021/22
Total greenhouse gas emissions*	Tonnes of CO ₂ e	18,062.48	18,447.21
Scope 1: Direct greenhouse gas emissions		501.08	734.34
Scope 2: Energy indirect greenhouse gas emissions		17,440.40	17,588.72
Scope 3: Other indirect emissions		117.00	124.15
Greenhouse gas emission intensity	Tonnes of CO ₂ e/m ² finished goods	0.10	0.10

(*) Scope 1 greenhouse gas emissions include direct emissions by combustion of fuels in vehicles controlled by the Group. Scope 2 energy indirect emissions include that associated with the consumption of purchased electricity. Scope 3 other indirect emissions include that associated with electricity used for water treatment.

Remark: These carbon emissions are calculated with reference to Greenhouse Gas Protocol published by World Business Council for Sustainable Development (WBCSD) and World Resources Institute (WRI), the Greenhouse gas reporting – Conversion factors 2021 published by the UK's Department for Business, Energy & Industrial Strategy, "2019中國區域電網基準線排放因子" published by the PRC's National Development and Reform Commission, CLP Holdings Limited 2021 Sustainability Report, and Appendix 2: Reporting Guidance on Environmental KPIs published by Hong Kong Exchanges and Clearing Limited.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

A2 Use of Resources

The Group adheres to the 4Rs principles (Reduce, Reuse, Recycle and Replace) to enhance efficiency and effectiveness in the use of resources, with an aim to gradually replace energy sources and materials that do not align with the Group's green policies. Meanwhile, the Group has established various policies and procedures to facilitate the conservation of electricity, energy and water consumption, and promote environmentally-friendly procurement to ensure that the use of resources is minimized in our operations.

Energy

Energy consumption by the Group in FY2022/23 and its comparative data are as follows. The overall reduction in energy consumption is due to the implementation of energy conservation and emission reduction initiatives.

Type of resources	Amount in FY2022/23	Intensity in FY2022/23	Amount in FY2021/22	Intensity in FY2021/22
Electricity ^{##}	30,663,713.00 kWh	208.90 kWh/m ² finished goods	34,584,405.00 kWh	194.90 kWh/m ² finished goods
Natural gas [#]	247,731.00 m ³	1.69 m ³ /m ² finished goods	325,932.00 m ³	1.84 m ³ /m ² finished goods
Diesel [*]	18,044.00 L	0.12 L/m ² finished goods	22,950.00 L	0.13 L/m ² finished goods
Petrol [^]	5,023.17 L	0.034 L/m ² finished goods	6,120.00 L	0.034 L/m ² finished goods

(##) The reduction in electricity consumption is primarily attributable to energy conservation initiatives such as utilizing waste heat recovery methods.

(#) The reduction in natural gas consumption is primarily due to energy conservation initiatives which included deploying air cooled compressors which enabled less reliance on gas fired boilers.

(*) Diesel used this year is caused by the fuel used in heavy goods vehicle.

(^) Petrol usage is caused by other motor vehicles.

In order to further reduce energy consumption and achieve energy conservation goals, we have successively implemented the use of energy-efficient light sources such as eco-friendly LEDs. During FY2022/23, we continued our transition towards energy efficient solutions and further replaced 5,080 fluorescent lamps with eco-friendly light-emitting diode ("LED") light bulbs. The annual energy savings amounted to approximately 380,390kW/h.

In addition, we have increased the use of waste heat/air cooled compressors which reduced electricity and energy consumption by approximately 682,441kW/h.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

To further promote green practices, we have installed natural gas pipelines to replace diesel fuel with the cleaner and more energy-efficient natural gas. Other energy-conservation policies and measures include the gradual replacement of energy-efficient electronic appliances such as the use of more efficient voltage transformers to reduce electricity consumption, the promotion of electricity-saving plan to all employees, and clear labelling at lighting switch to remind employees to turn off air-conditioning and lightings when they are not in use. The Group also regularly monitors electricity consumption for the whole factory and reviews the effectiveness of its energy conservation policies and measures. We are also undergoing the evaluation of installing photovoltaic power generation. Looking forward, the Group will continue to keep abreast of new technologies and new projects in energy saving, in a bid to produce in the most economical and environmentally-friendly way.

Water Consumption

Water is consumed for production and employees' living. In an attempt to reduce water consumption and enhance its efficiency in order to pursue our water consumption target, we have reclaimed sewage water and used it for the edging process and flushing the production floor. Water consumption has been reduced by about 50,286m³ in FY2022/23. At the same time, we have reviewed the water consumption indicators of each production line, and have structurally transformed water equipment to recycle the water. In addition, regular inspection and repair work has been conducted in water pipelines to prevent leakage. Any abnormal usage of water is investigated in a timely manner to eliminate water wastage. We use water supplied by the local government and have no difficulty in sourcing water.

In FY2022/23, our water consumption and its comparative data are as follows.

Item	Unit	Total amount in FY2022/23	Total amount in FY2021/22
Water consumption	m ³	244,612.00	294,898.00
Water intensity	m ³ /m ² finished goods	1.67	1.66

The reduction in municipal water consumption is primarily attributable to our increased water reclamation rates which in turn reduced our reliance on the municipal water supplies.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Packaging Materials

Our technical department and purchasing department select packaging methods and packaging materials that align with our green principles so as to minimize the environmental impacts. For example, plastics selected are recyclable and no harmful substances should be produced after its incineration.

In FY2022/23, the packaging materials consumption and its comparative data of the Group are as follows:

Item	Unit	Total amount in FY2022/23	Intensity in FY2022/23	Total amount in FY2021/22	Intensity in FY2021/22
Cartons	kg	172,000.00	1.17kg/m ² finished goods	235,000.00	1.32kg/m ² finished goods
Plastics	kg	220,000.00	1.50kg/m ² finished goods	248,000.00	1.40kg/m ² finished goods

A3 Environment and Natural Resources

The Group recognises the importance of conserving the environment and natural resources. We strive to attain a balance between environmental protection and business development, always bearing in mind our operations' possible impacts on the environment. The Group abides by the nation's environmental regulations and international standards in order to support the nation's sustainability development efforts.

We have established various environmental protection facilities and data reporting systems. Our emission data is properly recorded and reviewed. We have also regularly maintained our pollution controlling facilities, including monitoring their operations and conditions. Such information and monitoring results are reported to the environmental department of local government. Timely actions are taken to deal with any unusual conditions found in operation.

Besides, we have engaged third-party professionals to regularly monitor our environmental performance in order to prevent excessive emission discharges. The Group has also obtained the ISO14001 Environmental Management System Certification for its factory and has passed the annual audit conducted by independent organizations.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

A4 Climate Change

Organizations around the globe have been facing growing risks associated with climate change. The severe weather events and the changing environmental conditions can create direct and indirect implications to the Group. For example, extreme climate such as heavy rain, thunderstorms, typhoon and flooding may pose threat to employee safety and cause damages to infrastructure, resulting in interruption of business operations. We have formulated contingency plans to ensure that the Group can cope with the impact of extreme weather. We have also included climate change risk in the Group's risk management process. Moreover, as a result of the global net zero initiative, the changing regulatory requirements may pose transitional risks to the Group. Latest laws and regulations have been closely monitored and tracked by the Group to ensure all departments affected are well aware of the updates, and strictly abide by the legal requirements.

SOCIAL

B1 Employment

The Group believes that the "people-oriented" approach is key to our long-term development. The cultivation of talents and team spirit directly contribute to the Group's profitability.

The Group is committed to providing employees with a discrimination-free workplace. We uphold the fairness principle in establishing various human resources policies, including hiring, training, performance assessment, compensations and benefits and promotion, in order to ensure that all employees and candidates are treated fairly irrespective of sex, health conditions, ethnicity and age.

The compensation and welfare policies of the Group have been established to reward, retain and encourage employees' contributions to the Group's operation and development. Therefore, competitive compensation is set by the Group, with comprehensive social insurance scheme and various staff welfare. Staff quarters are located next to the factory and equipped with air conditioning and Wifi to enhance quality of living of the employees. There is also a staff canteen in the factory to provide employees with free meals. The canteen has undergone extensive renovations which included the installation of air conditioning units to promote a comfortable dining experience.

In addition to the above, restricted share award scheme and enterprise annuity are offered by the Group to attract and retain talents.

The Group provides various promotion paths to employees, including vertical promotion path, two-way promotion path for technicians and management, as well as inter-department transfer in order to provide employees with greater potential for career development and better opportunities in their preferable job positions. This helps in employee retention and maintaining our talent pool.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

To enhance the sense of belonging of the employees, the Group organizes recreational and staff caring activities such as singing contests, garden parties, and outdoor development activities. Awards such as innovation award, constructive suggestion award and patent award have been established in order to encourage staff to continuously innovate and make suggestions to improve different work aspects. The Group also provides employees with paid annual leave and welfare leave such as wedding leave, compassionate leave and sick leave, as well as family rooms in the dormitory for employees with family.

The Group has always valued communications with employees and has established platforms for effective communication with employees through diverse channels, such as WeChat official accounts, discussion groups, and WeChat work platform. The Group has also set up human resources mailbox and president's mailbox to facilitate employees' direct communication with relevant personnel. The Group also conducts employees' satisfaction surveys regularly to understand employees' feedback in order to build a healthy and harmonious workplace.

The Group is not aware of any material non-compliance with the relevant laws and regulations relating to employment such as the Labour Law of the PRC (《中華人民共和國勞動法》), the Labour Contract Law of the PRC (《中華人民共和國勞動合同法》), Social Insurance Law of PRC (《中華人民共和國社會保險法》), Employment Ordinance in Hong Kong and other applicable laws and regulations in FY2022/23.

As at 31 March, 2023, the Group had 1,559 employees in Hong Kong and Mainland China. Our employee profile is as follows:

Number of Employees	Number
By Gender	
Male	744
Female	815
By Age	
Below 30	533
30 – 49	811
50 or above	215
By Employment Type	
Staff Level	1,089
Middle Management	452
Senior Management	18
By Geographical Region	
Hong Kong	21
Mainland China	1,538

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Employee Turnover Rate	Percentage
By Gender	
Male	36.19%
Female	26.31%
By Age	
Below 30	43.12%
30 – 49	23.63%
50 or above	20.96%
By Geographical Region	
Hong Kong	0.00%
Mainland China	31.64%

** Remarks:*

1. Employee Turnover Rate per category = number of employees in the category leaving employment during the Reporting Period/(number of employees in the category as at the end of the Reporting Period + number of employees in the category leaving employment during the Reporting Period). The calculation method is in accordance with Appendix 3: Reporting Guidance on Social KPIs published by Hong Kong Exchanges and Clearing Limited.
2. The high turnover rate for male and below 30 years old is due to the recruitment of short-term staff, such as interns.

B2 Health and Safety

Employees are the most important assets and resources to support the operation of the Group, therefore, their health and safety are always our priority. Safeguarding the health and well-being of our employees has been critical especially during the COVID-19 pandemic. In complying with government policies and regulations, the Group has implemented comprehensive guidelines and strict measures across its day-to-day operations, ensuring that our employees are receiving the utmost support and care with regards to their health and safety. During the period of pandemic, we have made special arrangements with the local government department to assist our employees to take the vaccination. We also provided masks and/or rapid antigen test kits to employees who had high-risk exposure.

The Group regularly carries out fire safety, occupational health and traffic safety training and emergency drills; and hires external agencies to monitor occupational hazards at the work site. It also provides annual medical examinations for key employees to ensure the well-being of the employees. Meanwhile, the Group has set forth safety guidelines in the staff handbook and has established comprehensive accident reporting and investigation mechanism to effectively manage safety incidents, understand their causes and prevent reoccurrence in the future.

The Group has installed an access control system in the staff dormitory which is connected to the public security system to restrict access to the dormitory to authorized persons only.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

To enhance employees' physical wellness, in recent years, the Group has vigorously promoted automation to ease the workload of employees. Medicine is provided as needed in workplace. Sport events such as basketball and badminton competition are organized by the Group regularly to encourage exercising. In response to the outbreak of COVID-19, regular cleaning and disinfection have been carried out to our office area, equipment and facilities to maintain a hygienic and comfortable workplace. We have followed the government's travel restrictions, testing requirements and isolation policy to safeguard employees' health.

In addition, we put high emphasis on the mental health of employees. The Group has been actively engaged in helping employees to deal with life challenges and problems. The Group values two-way communications with the employees and has communicated with employees in various ways to understand their needs. The Group also encourages the management to take the initiative to take care of their subordinates and help solving their problems.

The Group is not aware of any material non-compliance with the relevant laws and regulations relating to employees' health and safety including but not limited to the Prevention and Control of Occupational Diseases Law of the PRC (《中華人民共和國職業病防治法》), the Production Safety Law of the PRC (《中華人民共和國安全生產法》), Occupational Safety and Health Ordinance, and Employee's Compensation Ordinance in Hong Kong in FY2022/23.

Over the last three years including the Reporting Period, there were no work-related fatalities recorded for our direct employees. The number of lost days due to work injury in the Reporting Period is 6 days.

B3 Development and Training

The Group is dedicated to promote professional and personal development of staff members. Therefore, the Group ensures that adequate trainings and coaching are available to employees to nurture their career growth.

The Group has comprehensive training policies and mechanism to enhance the technical skills and knowledge of its employees, and to improve their efficiency and competitiveness. The training programmes cover orientation training, on-the-job training and external training. Orientation training for new-hires covers various areas including human resources policies, corporate structure, occupational and workplace safety as well as qualification requirement. On-the-job training covers capacity building (includes description and work practice of different job positions) and annual updates. External training covers trainings for specific job positions. All the training expenses are borne by the Group. The Group has also organized inter-department exchange activities to facilitate experience-sharing and cross-departmental interaction. In order to nurture more talents in the Group, the Yeebo Academy was established in FY2022/23 with the intent to provide task specific training for new employees as well as newly promoted managers.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

In addition to training programmes provided, the Group has established career development plans according to employees' job nature, personal goals, ability and development needs. Employees have chances to get access to different positions and departments in order to broaden their horizon through job rotation.

The Group actively offers internship for university students and provides them with internship allowance. This not only provides valuable working experience to them, but also provides talents to facilitate the Group's development.

The breakdown of the trainings provided to employees and average training hours completed per employee by gender and employment type during the Reporting Period are as follows:

Employees Trained	Percentage
By Gender	
Male	48.18%
Female	51.82%
By Employment Type	
Staff Level	72.73%
Middle Management	26.56%
Senior Management	0.71%

Average Training Hours Completed per Employee	Hours
By Gender	
Male	18.44
Female	21.77
By Employment Type	
Staff Level	21.83
Middle Management	16.94
Senior Management	3.22

* *Remark:* Percentage of employees trained by category = number of employees in the category who took part in training/number of employees in the category. Average training hours completed per employee by category = total number of training hours for employees in the category/number of employees in the category. The calculation method is in accordance with Appendix 3: Reporting Guidance on Social KPIs published by Hong Kong Exchanges and Clearing Limited.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

B4 Labour Standards

All employees of the Group must be over 16 years old, and all minor workers (16 to 18 years old) are prohibited from engaging in high-risk work. The Group adopts open recruitment for job positions according to our job requirements. Candidates meeting the requirements will be considered for employments and they are required to hold valid identity cards. Employment contracts and social insurance policies are entered into by both parties to eradicate the possibility of forced labour. The Group has established whistle-blowing mechanism and help hotline for staff members to report any suspected child labour or force labour. In case that such violation is discovered, the responsible person will be subjected to internal investigations, and may face disciplinary actions or be handled by authorities when deemed suitable.

The Group is not aware of any material non-compliance with the relevant laws and regulations relating to child labour or forced labour including but not limited to the Labour Law of the PRC, and Prohibition of Child Labour Provisions (《禁止使用童工規定》) in FY2022/23.

B5 Supply Chain Management

The Group has strict monitoring mechanism over supply chain management. The Group only enters into contracts and purchases from suppliers in our qualified supplier list. All suppliers in the qualified supplier list must have passed the supplier evaluation assessment. For new suppliers, business qualification documents and certificates are collected to ensure their legality. On-site inspections on working environment and sample tests on material quality are conducted before engaging new suppliers. The Group continuously monitors the product quality of the suppliers and suspends purchasing from those with sub-standard quality.

Qualified suppliers are required to comply with social and environmental related regulations and the Group's ESG requirements, and complete declarations of adherence to the related regulations and requirements. Suppliers should pass the ISO14001 Environmental Management System Certification and in compliance with the European Union's environmental regulations (RoHS/REACH Compliance Declaration). Regular inspection over raw materials is conducted by third-party authentication organizations, such as Société Générale de Surveillance S.A. ("SGS"). When developing new materials and products, we also ensure the use of environmentally preferable products and services by our suppliers in accordance with our material use guidelines.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The number of suppliers in our qualified supplier list by geographical regions engaged in the Reporting Period are as follows.

Geographical Regions	Number of Suppliers
Hong Kong	44
Mainland China	355
Others	17

B6 Product Responsibilities

“Ensure excellence in quality and be the most reliable partner of customers” is the core corporate mission in our customer service management. The Group is customer-oriented and is committed to improving our service quality by regularly collecting customer satisfaction feedbacks. The Group has also formulated standards for service quality in our internal customer service policies and procedures, which have been strictly enforced by the Group.

The Group has established an independent quality assurance department which is responsible for product quality management. Procedures surrounding quality controls and inspections have been properly formulated to ensure our product quality is in line with national regulations. The entire production process from handling raw materials and semi-finished goods to producing final goods is closely supervised by the quality assurance department. Any quality issues found are corrected and followed up in a timely manner. Sub-standard products are prohibited from delivery and are disposed or destroyed in specific manners to prevent from flowing into the market. To ensure better accountability of the quality of our products, traceability system has been established to track and trace raw materials’ and finished products’ delivery flows so that the production processes can be better controlled.

The Group places significant emphasis on the protection of confidential information of our employees and customers, as well as intellectual property rights. All personal data collected is for specific purpose only. Customer information is not collected before receiving customer consent, and all personal data is stored in an encrypted data system of the Group. Access to and use of personal data will only be confined to personnel of authorized departments. In addition, we have installed a network security system which can defend against ransomware attacks and detect malicious intrusion as the first line security to protect customer data. Furthermore, employees are required to acknowledge and comply with the Employee Handbook with regards to the confidentiality clause restricting employees from divulging or communicating any customer or Group-related information to any person outside the Group. Any unauthorized access, disclosure or use of information, as well as infringement of intellectual property rights will be subjected to disciplinary actions including termination and legal action.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

In terms of advertising and marketing labels, we have conducted detailed verification of product labels, promotional documents, website information, and advertisements before the products are launched or advertisement is released, so as to ensure that the descriptions and information on product advertisements and labels are consistent with the genuine condition of the product as well as the legal compliance of product labels and marketing behaviours.

The Group is not aware of any material non-compliance with the relevant laws and regulations relating to products and services quality, data privacy, protection of intellectual property rights including but not limited to the Product Quality Law of the PRC (《中華人民共和國產品質量法》), the Law on Protection of Consumer Rights and Interests of the PRC (《中華人民共和國消費者權益保護法》), the General Principles of the Civil Law of the PRC (《中華人民共和國民法通則》), and the Advertising Law of the PRC (《中華人民共和國廣告法》) in FY2022/23.

During the Reporting Period, we have not received any complaints from customers that would have a significant impact to the operation of the Group.

B7 Anti-corruption

Preventing Bribery and Corruption

Integrity is a core value of the Group and importance is attached to personal and professional code of conduct of all employees and external parties of contractual relationship with the Group. We have established anti-bribery and anti-corruption policies and code of conduct. According to the code of conduct, employees are expected to act with integrity and self-discipline. Bribery is strictly forbidden. Acceptance of any form of benefit which cannot be rejected should be handed over to the Group. Advance approval should be obtained for must-go social activities. “Declaration for Professional Ethics of Purchasers” and “Acknowledgement for Code of Integrity” are completed by the purchasing staff and suppliers of the Group respectively.

The Group regularly reviews the effectiveness of its internal control system and has in place whistle-blowing policy. The Group specifies in its website the contact information of its Jiangmen factory and Hong Kong headquarters, and also sets up Human Resource’s mailbox and president’s mailbox in WeChat Work to collect information from inside and outside the Group, including feedback of the employees about business ethics.

All employees are required to participate in training courses regarding employees’ code of conduct upon joining the Group. Business ethics and anti-corruption trainings are arranged for the participation of all staff members, including executive directors, during the Reporting Period.

The Group and our employees have no concluded legal cases regarding corrupt practices during the Reporting Period.

The Group is not aware of any material non-compliance with the relevant laws and regulations relating to anti-bribery, extortion, fraud and money laundering including but not limited to, the Criminal Law of the PRC (《中華人民共和國刑法》), the Anti-Unfair Competition Law of the PRC (《中華人民共和國反不正當競爭法》) and Prevention of Bribery Ordinance in Hong Kong in FY2022/23.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

B8 Community Investment

The Group supports the idea of “Taking from society, giving back to the society”. Contributions to the community have been focused on aspects such as local employment, education, community development and harmonious relationship with the physical disadvantaged. The Group has maintained good interaction with the community.

To facilitate the employment of local tertiary and secondary school students, the Group has partnered with schools to offer their students a variety of internship opportunities. The Group has historically served as an internship centre for students from different educational stages including a newly established partnership with Jinan University’s MBA program.

We also encourage a harmonious society, in which people with physical disadvantages are actively recruited when suitable job positions are available. Employment support is offered to them as well.

APPENDIX 27 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE CONTENT INDEX

Reporting Guide

Requirements	Description	Relevant Section
Overall Approach	The board has overall responsibility for an issuer’s ESG strategy and reporting.	ESG Governance
Governance Structure	(a) A disclosure of the board’s oversight of ESG issues; (b) The board’s ESG management approach and strategy, including the process used to evaluate, prioritize and manage material ESG-related issues (including risks to the issuer’s businesses); (c) How the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer’s businesses.	ESG Governance
Reporting Principles	(a) Materiality (b) Quantitative (c) Consistency (d) Balance	Reporting Principles
Reporting Boundary	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. If there is a change in the scope, the issuer should explain the difference and reason for the change.	Reporting Boundary

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Reporting Guide Requirements	Description	Relevant Section
A1 Emissions		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issue relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	A1 Emissions
KPI A1.1	The types of emissions and respective emissions data.	Air Emissions and Sewage Treatment
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Greenhouse Gases Emissions
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Hazardous and Non-hazardous Waste Management
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Hazardous and Non-hazardous Waste Management
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	ESG Governance, Air Emissions and Sewage Treatment
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.	ESG Governance, Hazardous and Non-hazardous Waste Management

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Reporting Guide Requirements	Description	Relevant Section
A2 Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	A2 Use of Resources
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Energy
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Water Consumption
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	ESG Governance, Energy
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.	ESG Governance, Water Consumption
KPI A2.5	Total packaging material used for finished products (in kg) and, if applicable, with reference to per unit produced.	Packaging Materials
A3 The Environment and Natural Resources		
General Disclosure	Policies on minimizing the issuer's significant impacts on the environment and natural resources.	A3 Environment and Natural Resources
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	A3 Environment and Natural Resources

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Reporting Guide Requirements	Description	Relevant Section
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.	A4 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.	A4 Climate Change
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.	B1 Employment
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	B1 Employment
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	B1 Employment

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Reporting Guide Requirements	Description	Relevant Section
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.	B2 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.	B2 Health and Safety
KPI B2.2	Lost days due to work injury.	B2 Health and Safety
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	B2 Health and Safety
B3 Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	B3 Development and Training
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	B3 Development and Training
KPI B3.2	The average training hours completed per employee by gender and employee category.	B3 Development and Training

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Reporting Guide

Requirements	Description	Relevant Section
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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 labor.	B4 Labor Standards
KPI B4.1	Description of measures to review employment practices to avoid child and forced labor.	B4 Labor Standards
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	B4 Labor Standards

B5 Supply Chain Management

General Disclosure	Policies on managing environmental and social risks of the supply chain.	B5 Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	B5 Supply Chain Management
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	B5 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.	B5 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.	B5 Supply Chain Management

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Reporting Guide Requirements	Description	Relevant Section
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.	B6 Product Responsibilities
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	B6 Product Responsibilities
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	B6 Product Responsibilities
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	B6 Product Responsibilities
KPI B6.4	Description of quality assurance process and recall procedures.	B6 Product Responsibilities
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	B6 Product Responsibilities
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.	B7 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.	Preventing Bribery and Corruption
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Preventing Bribery and Corruption
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Preventing Bribery and Corruption

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Reporting Guide Requirements	Description	Relevant Section
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.	B8 Community Investment
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	B8 Community Investment
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	B8 Community Investment