



中国科技产业集团有限公司
CHINA TECHNOLOGY INDUSTRY GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8111)



Environmental, Social and Governance Report
2023

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DEFINITIONS

“Company”	means	China Technology Industry Group Limited, a company incorporated in the Cayman Islands with limited liability, whose shares are listed in the GEM Board of the Stock Exchange of Hong Kong Limited (Stock Code: 8111);
“Subsidiaries”	means	has the meaning ascribed to it in the Listing Rules;
“Group” or “We”	means	the Company and its subsidiaries;
“Report”	means	the Environment, Social and Governance Report 2022-2023 presented by the Group;
“Reporting Period”	means	from 1 April, 2022 to 31 March, 2023;
“Year”	means	within the financial year;
“Board”	means	the board of directors of the Company;
“Director(s)”	means	the director(s) of the Company;
“Hong Kong Stock Exchange”	means	The Stock Exchange of Hong Kong Limited;
“Guide”	means	Environmental, Social and Governance Reporting Guide under Appendix 20 to the Rules Governing the Listing of Securities on Hong Kong Stock Exchange;
“ESG”	means	Environmental, Social and Governance;
“Hong Kong”	means	the Hong Kong Special Administrative Region of the People’s Republic of China;
“%”	means	per cent.



MESSAGE

The year 2022 is a year full of opportunities and challenges. At the beginning of the year, due to the energy crisis caused by new variants of the coronavirus and geopolitical factors, inflation occurred in many regions, and the global economy and society were in turmoil, affecting the business environment. With the control of the epidemic, the number of infections has slowed down, anti-epidemic policies such as entry and exit restrictions, and home quarantine have been lifted. The economy has gradually recovered and the Company has speeded up progress on seeking opportunities to develop its business and expand its customer base. This year, we have adhered to our commitment to sustainable development and integrated it into our daily operations and corporate culture. We firmly believe that as long as the management and employees work together and establish good trust relationships with customers, suppliers, and business partners, we can seize opportunities, leverage the advantages of the group in the green business field, and become an important role in business and sustainable development.

In recent years, natural disasters have continued to spread worldwide, and extreme weather events have become more frequent, threatening people's lives and property. In 2021, in order to address climate change and accelerate the construction of a clean, low-carbon, safe, and efficient energy system, the National Energy Administration issued the "Guiding Opinions on Energy Work in 2023", proposing three main development goals. Among them, "continuously enhancing supply security capacity" was placed at a priority higher than the remaining goals, namely "deepening structural transformation" and "steadily improving quality and efficiency". The aim is to reach a new level of wind power and photovoltaic installation capacity and usage proportion this year. Therefore, the Group believes that under the goal of reaching "Carbon Peak" (碳達峰) and "Carbon Neutral" (碳中和), energy storage has become the necessary way to achieve the "new power system on new energy". As an enterprise in the environmental protection industry, the Company provides renewable energy product sales and new energy power system integration services, we have been identifying and exploring other business new opportunities in the renewable energy sector, and continue to closely monitor the development of new energy storage industry, actively explore new opportunities to expand the supply of renewable energy products, in order to pursue a diversified overall revenue base and explore new growth drivers to support long-term development. In addition to pursuing business development, we actively fulfill our corporate social responsibilities and support the accelerated development towards a "carbon neutral" future. We insist on providing stable, clean, and long-term electricity to the community.

After experiencing an uncertain market and social environment, the Group has adopted and continuously explored more flexible business strategies, strengthened corporate control measures and enriched our product portfolio. For instance, in order to provide a more complete range of solar-related products, the Company is intent to set a photovoltaic component production plant in the PRC. While stabilizing our development, we maintain climate change mitigation and adaptation as the focus of corporate development. In the ongoing battle against the epidemic, ensuring the health and stability of employees and stakeholders is a top priority. To support sustainable development, we ensure a healthy and safe working environment and offer different pieces of training for our employees.

Under an environment with uncertainties, the considerations of sustainable development have become crucial. The Group commits to focusing on business development in the coming years while continuously achieving sustainable development goals. We maintain communication with different stakeholders to identify the potential risks and opportunities at an early stage, followed by establishing related measures. Ultimately, we would also like to take this opportunity to express our sincere gratitude to our employees for their efforts, and the trust and support of all stakeholders.

ABOUT THIS REPORT

This report is an Environmental, Social and Governance Report published by China Technology Industry Group Limited detailing our measures over the past year to promote the Group's continuous improvement in sustainability performance, we hope to disclose the visions, strategies and practices of the company comprehensively and objectively, thereby enhancing the confidence of various stakeholders and understanding to our group.

This Report is prepared by a working group, data collection, framework determination, report preparation, report design, information review, and review by departments and senior management. This Report has been reviewed and approved by the Group's Board of Directors.

Reporting Scope and Reporting Period

This report covers China Technology Industry Group Limited and its subsidiaries. Among them, the environmental and social key performance indicators disclosed in this report mainly cover the sales of renewable energy-related products, the new energy power system integration business in Mainland China and the Hong Kong office from April 1, 2022 to March 31, 2023 Overall performance in environmental, social and governance aspects during this period.

Basis for Preparation

This Report is prepared in accordance with the steps of identifying and ranking important stakeholders and ESG-related important issues, determining the boundaries of the ESG report, collecting relevant materials and data, preparing this Report based on the data, and reviewing the data in this Report to ensure the completeness, authenticity, and balance of the content of the Report.

This Report is prepared in accordance with the Environmental, Social and Governance Reporting Guide as set out in Appendix 20 to the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited, and comply with the following Reporting Principles:

Materiality	The Group's board of directors has identified significant environmental, social, and governance issues for the Group and its stakeholders in accordance with business segments and actual situations. These issues have defined the focus of this report.
Quantitative	The data in this report is disclosed and calculated in accordance with the requirements of the GEM Listing Rules, and the Group's environmental and social key performance indicators are disclosed in a quantitative manner.
Consistency	The Group has adopted a consistent approach in terms of Reporting Scope and data collection for meaningful comparisons of ESG data over time. In case of any adjustments in the reporting scope or preparation of data, they shall be explained for stakeholders' reference.

Sources of Data and Access to Report

The information and data disclosed in this Report are derived from the Group's statistical reports and internal documents and have been reviewed by relevant departments. The last chapter of this Report has a complete content index for readers to quickly search. The Group undertakes that there is no false record and no misleading statement in this Report, and assumes liabilities to the authenticity, accuracy, and completeness of the information in this Report.

This Report is available in both Chinese and English, which are issued in electronic versions. In case of any discrepancies between the two versions, the Chinese version shall prevail.

The electronic versions of the Report can be downloaded from the official website of the Group (<http://www.chinatechindgroup.com>) as well as the website of the Hong Kong Stock Exchange (www.hkexnews.hk).

SUSTAINABLE DEVELOPMENT STRATEGIES

In recent years, the Chinese government has also been promoting and improving climate change-related works, aiming to achieve "Carbon Peak" by 2030 and "Carbon Neutrality" by 2060. In 2021, the Chinese government issued the "Working Guidance for Carbon Dioxide Peaking and Carbon Neutrality in Full and Faithful Implementation of the New Development Philosophy" (中共中央國務院關於完整準確全面貫徹新發展理念做好碳達峰中和工作的意見) and the "Action Plan for Carbon Dioxide Peaking Before 2030" (2030年前碳達峰行動方案), proposing a series of goals to achieve carbon neutrality by 2060. In 2022, the National Development and Reform Commission and the National Energy Administration jointly released the "Implementation Plan for Promoting the High-Quality Development of New Energy in the New Era" (關於促進新時代新能源高質量發展實施方案), including such as the targets of reaching above 1.2 billion kilowatts on the installed capacity of wind power and solar energy, to accelerate the construction of a clean, low-carbon, safe, and efficient energy system. The Group continues to focus on developing the Group's renewable energy products business and new energy power system integration business, while exploring opportunities to diversify its renewable energy portfolios, in order to make us available to face the changes of new energy allocation.

As a company focused on new energy technologies, we understand the importance of corporate social responsibility, including environmental, social and governance, and are increasingly becoming an important issue in the business community. The Group integrates the concept of sustainable development into its business, including the sales of renewable energy products and the integration of new energy power systems, such as solar energy trackers, wind turbine towers, photovoltaic system integration, etc. As the Group's business activities are closely related to the environment and society, we actively integrate ESG elements into all aspects of our business operations, hoping to further reduce the environmental impact of our business and promote and consolidate sustainable development.

We have also established a Corporate Governance Committee, which is formulated by the Executive Director of the Board of Directors of the Company. The primary duties of the Corporate Governance Committee are, among other things, to formulate and review the Group's corporate governance policies and practices, and make recommendations to the Board as necessary. The Committee is also responsible for reviewing and monitoring the training and continuing professional development of directors and senior management, as well as compliance with legal and regulatory requirements so that we can meet the requirements and principles of corporate governance in any respect. Based on the past and existing stakeholders' communications and issues of concern, we identify, analyze, assess, prioritize and manage key risks related to daily operations and environmental, social and governance in order to explore potential opportunities.

Through communication with different stakeholders, the significant issues that are valuable to the Group are identified, and we commit to aligning our priorities of sustainable development with the world's standards. We also optimize environmental quality management, environmental protection, humanistic and social responsibility and other related aspects of our working projects. To fulfill our sustainable development goals, the Group has established an ESG working mechanism.

For disclosures on corporate governance matters, please refer to the Corporate Governance Report in the 2023 Annual Report.

Stakeholder Engagement

The Group understands and attaches great importance to communication with stakeholders. By identifying the groups of communities with influences, decision-making powers, and close relationships, we built a two-way, transparent, and long-term communication mechanism. We consider and respond to the expectations and concerns of stakeholders in formulating operational strategies and environmental, social and governance measures to help enhance stakeholders' awareness and confidence in the Group's business, to establish mutually beneficial and persistent cooperation. At the same time, the Group will identify potential and actual risks and opportunities for the future business operations and long-term development of the Group as early as possible, and to assist the Group in formulating its long-term strategy.

The following shows the Group's main communication channels with various stakeholders, as well as their issues of concern:





Customers

- Product and service quality and safety
- Protection of customer rights and interests

Employees

- Employee remuneration and benefits
- Occupational health and safety
- Training and career development



Government and Regulatory Authorities

- Compliance with laws and regulations
- Sustainable development

Shareholders

- Corporate governance
- Business compliance
- Reasonable and sustainable return on investments
- Disclosure of public information



Suppliers

- Fair procurement procedures
- Timely payment of supplied goods/services
- Compliance with laws and regulations
- Integrity management

Community

- Community involvement
- Environmental protection awareness
- Community environment improvement



Material ESG Issues

During the Reporting Period, we assessed a series of ESG issues related to the sustainability and development of the Group's business, as well as their relevance and importance to the wider society, based on considerations such as the operating environment, resource allocation, and reporting preparation time, through an "internal materiality assessment" approach.

Materiality Assessment Process

Material Stakeholder Identification

Group considered multiple factors to determine whether there were any changes in its stakeholders during the Reporting Period

- whether there were significant changes in the Group's main business and operating environment;
 - whether there were significant changes in stakeholders' influence on the Group; and
 - whether there were significant changes in the Group's influence on stakeholders.
- Based on these considerations, we identified material stakeholders and found that the Group's main stakeholders remained consistent with the previous year.

Review and Assessment of Materiality Issues

- In reviewing materiality issues previous year and establishing materiality issues for the current year, the Board of Directors considered the expectations and opinions of important stakeholders, as well as the impact of various environmental, social, and governance issues on the Group through internal materiality assessment.
- In addition to assessing the significance of ESG issues on the Group's business and stakeholders, the Board of Directors also considered the following factors:
 - Regulatory requirements;
 - ESG materiality maps of the Sustainability Accounting Standards Board (SASB) and MSCI; and
 - Important ESG issues identified by peer companies listed in Hong Kong.

Establishment of Materiality Issues:

- After completing the review and assessment of each issue, we adjusted the list of materiality issues for the current year compared to the previous year's issues.

Materiality Topics

In response to our stakeholders and to develop an effective sustainability strategy, we conducted a materiality assessment process, identified important sustainability issues to our business operations, and compiled it into a materiality list, the following list shows 23 materiality topics that we identified in this year.



ENVIRONMENTAL PROTECTION

Climate Change

The Group is aware of the impact of climate change, including global warming and changes in weather patterns, which have led to frequent occurrences of extreme weather events and caused significant and unpredictable damage. This has prompted governments around the world to formulate countermeasures. We actively adjust and optimize the structure and energy portfolio of our industries, commit to protecting the environment as a precondition in our business models and operations, and strive to integrate more environmentally-friendly practices into our business activities. We continuously explore new opportunities in the new energy industry, enhance environmental performance, ecological benefits, and climate risk resilience, promote businesses and policies related to new energy, and achieve a clean, low-carbon, and efficient energy system, contributing to environmental protection.

To ensure the safety of our operations and staff, we have taken appropriate measures in response to extreme weather events in accordance with government regulations, such as guidelines under typhoon and rainstorm warning for all employees, implementation of guidelines for employees to work in high temperatures due to hot weather, and close attention to weather information to make appropriate work arrangements.

Environmental Management

Sustainable resources are closely related to our business. As a renewable energy products and services supplier, we provide suggestions regarding the specific design, requirements and standards for relevant construction projects. Therefore, in our daily operations, we rarely generate or need to use resources that are environmentally polluting in our projects, such as high-emission production plants, packaging, sewage, construction waste, etc. Our projects contribute to the goal of sustainable development, protect natural resources, and help society move towards the mode of new energy. We commit to surpassing the legal requirements and adopting international and national standards. We strictly comply with relevant laws and regulations, including but not limited to:

- Law of the People's Republic of China on Environmental Impact Assessment;
- Environmental Protection Law of the People's Republic of China Law; and
- Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste.

Based on this, we set up environmental protection and management rules with a clear aim of conducting our business in the most environmental-friendly manner. We hope to continuously optimize our management and performance in water, energy use, and resource use, and promote the green development of environmental, social and economic.

Air Emissions and Management

The Group is committed to bringing a positive impact on the environment and contributing to China's dual carbon goals. The principal business of the Group, namely sales of solar and wind power-related products and new energy power system integration business, falls within the scope of renewable energy. In the process of generating electricity, there are almost no emissions related to air pollution, which helps to reduce greenhouse gas as well as exhaust gas emissions and has a relatively small environmental impact. Besides, the Group also participates in the "Carbon Footprint Repository for Listed Companies in Hong Kong" programme established by the Hong Kong Environmental Protection Department. We share carbon footprint data on the platform and take successful examples of low-carbon management and measures for reference in response to climate change. With the aim of reducing emissions, in addition to focusing on our developed business of renewable energy product supply, we will also pay close attention to the development of a new energy storage industry, thereby reducing emissions and pollution caused by traditional energy storage products. And in our daily life, we consider and arrange more emission reduction and energy-saving measures to help us achieve our goals, the following are the measures we take to achieve the goals:

Emission reduction and energy-saving measures

1. Utilize daylight instead of lamplight when possible.
2. Choose machines, equipment, vehicles and office supplies that comply with national and international environmental standards. Encourage employees to travel by public transport.
3. Remind employees to turn off all idle electrical equipment when off to reduce power consumption. The company's air conditioning must be kept between 24 and 26 degrees Celsius during summertime.
4. Display posters in main office areas to raise environmental awareness among employees.
5. Retrofit equipment that is in use that exceeds the emission standard and the service life. If the discharge standards are not met after the retrofitting, they should be scrapped.

Emission Data

Category	Unit	Year ended 31 March 2023	Year ended 31 March 2022
Air emissions			
Nitrogen oxides (NOx) ⁽¹⁾	Kg	0	0
Sulphur oxides (SOx) ⁽¹⁾	Kg	0	0
Particulate matter (PM) ⁽¹⁾	Kg	0	0
Greenhouse gases emissions			
Total greenhouse gas emissions	Tons of CO2 equivalent	4.1	6.4
Scope 1 – Direct emissions	Tons of CO2 equivalent	0 ⁽¹⁾	0 ⁽¹⁾
Scope 2 – Energy indirect emissions	Tons of CO2 equivalent	4.1	6.4
Total greenhouse gas emission intensity	Kg of CO2 equivalent/ sq. meter of total floor area	7.5	11.8

Notes:

⁽¹⁾ The Group did not use vehicles and other equipment or machinery in the daily operation process, so it did not use related energy during the Reporting Period.

Energy Consumption

In the Group's daily operations, electricity is the primary energy consumed. Therefore, we monitor energy consumption from time to time and discover opportunities to improve energy efficiency within our business scope.

Energy Consumption Data

Category	Unit	Year ended 31 March 2023	Year ended 31 March 2022
Total energy consumption	kWh	9,213.5	15,339.0
Direct consumption – gasoline	kWh	0 ⁽¹⁾	0 ⁽¹⁾
Indirect consumption – electricity	kWh	9,213.5	15,339.0
Total energy consumption intensity	kWh/sq. meters of total floor area	16.9	28.1

Notes:

⁽¹⁾ The Group did not use vehicles and other equipment or machinery in the daily operation process, so it did not use related energy during the Reporting Period.

Resource and Waste Management

Due to the nature of the Group's business, we do not generate or need to use resources that provide comparatively large environmental pollution in our daily operations, such as high-emission production plants, construction waste, packaging materials, etc., nor need to use a large number of natural resources such as coal, oil, etc. We do not generate an enormous amount of waste in our operations as well. Despite we generate less waste in the course of our business, we will not stop there and will constantly discover ways to reduce waste generated in our daily operations gradually. Various measures, such as prohibiting disposable tableware and encouraging employees to participate in waste treatment, are implemented to reduce waste produced by the Company, as well as to introduce environmental protection elements into employees' daily lives to foster their awareness. In order to effectively monitor the amount of waste generated and the effectiveness of the implementation of the measures, we will also use the relevant data as a reference indicator to review the effectiveness of the measures in a timely manner, according to the benchmarks of previous years. In terms of paper, in order to reduce the damage to the environment, save office space, reduce complicated paperwork procedures, etc., we use the following measures in our daily office work:

Resource and Waste Management

- Preset the printer for double-sided printing
- Reuse the used single-sided office paper to minimize paper waste and consumption
- Regularly evaluate the data collected from office printers to monitor the effectiveness of operating a paperless office
- Integrated software such as DingTalk into daily office communication, to promote broader, more comprehensive, and effective use by employees, thus encouraging and implementing paperless and green office practices, such as check-in and leave, recruitment, promotion review, and relevant human resources work

This year, we signed the Food Wise Charter, encouraging employees to reduce the generation of food waste and solid waste, starting from the source to minimize waste. We also actively participate in energy-saving activities, such as Earth Hour 2023.



Waste Data

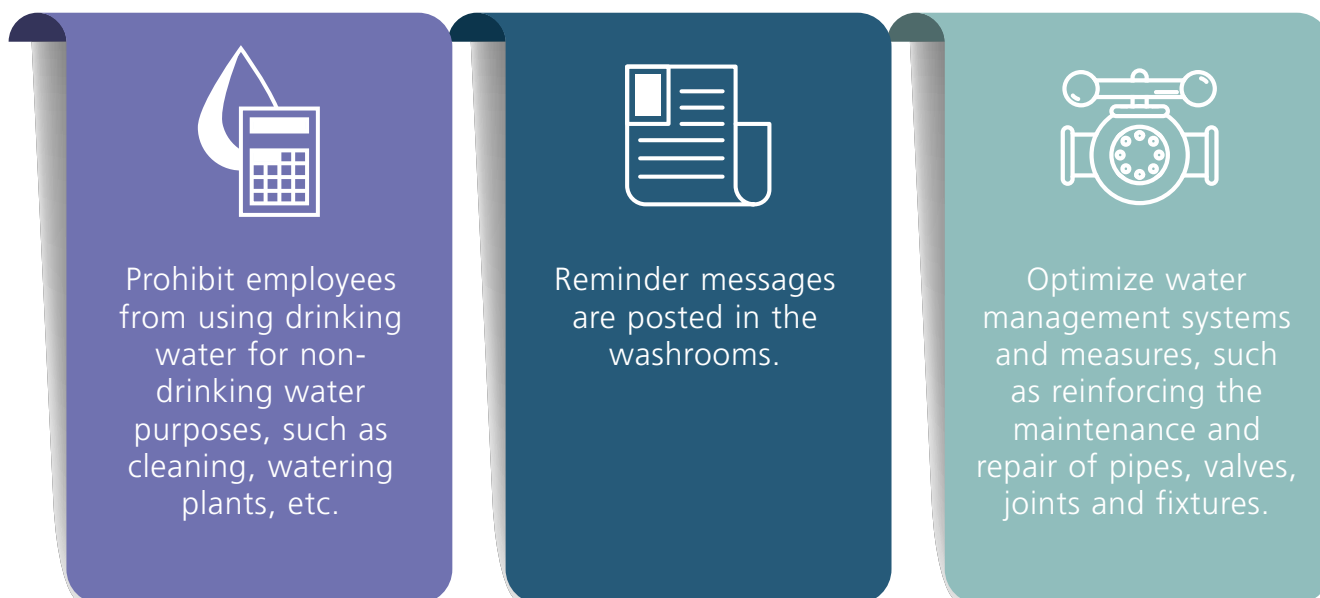
Waste	Unit	Year ended 31 March 2023	Year ended 31 March 2022
Total non-hazardous waste	Tonnes	1.51	1.41
Intensity of non-hazardous waste	Kg/sq. meter of total floor area	2.77	2.58
Total hazardous waste	Tonnes	0 ⁽¹⁾	0 ⁽¹⁾
Intensity of hazardous waste	Kg/sq. meter of total floor area	0 ⁽¹⁾	0 ⁽¹⁾

Note:

⁽¹⁾ The Group did not generate hazardous waste in the course of its daily operations and therefore did not have relevant data during the Reporting Period.

Water Resources Management

The Company's business does not involve significant use of water resources. Our primary source of water consumption comes from the daily water used by our employees. The source of water is from municipal water supply, so we have not encountered any issues in sourcing water that is fit for the purpose. In order to enhance the employees' awareness of water conservation and the concept of water efficiency, so that we can save water during office hours or in our daily lives outside the office, we strive to enhance our water efficiency through the following measures:



During the Reporting Period, we responded to World Water Day on 22 March and promoted our employees to raise their awareness of water conservation. During the year, the Group's water consumption is as follows:

Water Consumption Data

Water Resource	Unit	Year ended 31 March 2023	Year ended 31 March 2022
Water consumption	m ³	100	100
Intensity of water consumption	m ³ /sq. meter of floor area	0.18	0.18

MERITOCRACY

Anti-corruption

The Group adopts a zero-tolerance approach towards corruption and bribery activities. Integrity, honesty and fairness are among the Group's core values, so we place great emphasis on our corporate ethics culture and related regular governance, achieving effective accountability, and integrating good corporate governance elements into our management structure and internal procedures. In order to prevent any misconduct in the course of business or daily operations, thereby safeguarding the interests of shareholders and increasing the value of the Company, since the day of listing, we have adopted the Corporate Governance Code in Appendix 20 of the GEM Listing Rules, and complied with the laws and regulations related to anti-bribery, extortion, fraud and money laundering that have a significant impact on us as follows:

- The "Anti-corruption Programme – A Guide for Listed Companies" issued by the Independent Commission Against Corruption ("ICAC");
- The Prevention of Bribery Ordinance (Cap. 201 of the Law of Hong Kong);
- Anti-Unfair Competition Law of the People's Republic of China;
- Criminal Law of the People's Republic of China; and
- Company Law of the People's Republic of China.

The Group will also regularly distribute information regarding anti-corruption training for directors and staff to members of the Board of Directors, such as online training courses, so that management members can learn from the past and gain new information and knowledge in this regard, also, continuously fight against corruption by regularly review and improve corporate governance practices where appropriate. For more information on the Group's corporate governance, please refer to the Corporate Governance Report on the Company's 2023 Annual Report.

The Group encourages employees to report suspicious or confirmed misconduct to the human resource department, department manager or senior management under confidential conditions. Upon discovery and confirmation of misconduct, the related personnel will face disciplinary action and report to the relevant regulatory authority if necessary. The labour contract also clearly states that it is forbidden to benefit directly or indirectly through family, relatives or friends, and other related clauses to prevent conflicts of interest. At the same time, the establishment and strict implementation of the code of conduct and the management system of gifts and hospitality include a set of business hospitality standards, receivers' standard hospitality fees and a confidentiality system, to provide a set of guidance for all employees on matters such as providing accommodation, giving and receiving gifts, dining and entertainment, and negotiating with government officials, to minimize any opportunity to undermine the integrity.

During the year ended 31 March 2023, there were no confirmed legal cases or significant risks related to corruption brought against the Group or its employees, nor any confirmed incidents related to corruption and criminal or misconduct cases. In addition, there were no confirmed incidents where contracts with business partners were terminated or not renewed due to violations relating to corruption during the Reporting Period.

Supply Chain Management

The Group understands that suppliers play a significant role in achieving sustainable development and business goals. Therefore, we are actively looking for supply chain partners with a good reputation and whose operating practices exceed our minimum requirements, so as to promote an environmental-friendly and responsible production and operational model. In terms of the two primary business segments of the Group, we rely heavily on suppliers, which significantly impact our business performance.

We require suppliers, contractors, subcontractors and other business partners to comply with the principles outlined by the Group and in contracts and be responsible for ethics, society and the environment, comply with all the applicable laws and regulations in relation to product safety and performance of product production, so as to maintain the core values of the Group. When a supplier does not comply with our policy or contractual requirements, we will terminate our cooperation with the supplier until the situation has been improved. During the Year, the Group cooperated with 4 suppliers, all of which operated in Mainland China, and in compliance with our requirements.



Product Responsibility

Quality of Products and Services

The Group operates on a “project-based” model, where each project will typically involve one customer, the photovoltaic power stations are in accordance with the technical requirements demanded by the customers. Through rigorous supply chain management and standardized project management processes, we apply consistent practices to hire and a variety of measures to control quality in the early stage of project. From the procurement of raw materials to the completion of the entire process, strict quality control requirements are adhered to in every section to ensure high quality and safety for all the products and services. During the construction phase, we ensure the plan will comply with the “Construction Law of the People’s Republic of China” and other national laws and regulations, as well as industry standards. In order to accurately understand the requirements of customers and implement them, we organized regular meetings with customers and project managers to coordinate and maintain communication during the project, to rectify any existing or foreseeable problem, so as to maintain and provide high-quality products and services that meet the requirements of customers. After the completion of construction and prior to the operation of the power stations, our project coordinators conduct a comprehensive inspection on the quality, safety and completion process to ensure the project operates safely and smoothly. The following are the services we will provide in the project:

Sales of Renewable Energy Products

- Certain technology consultation services (including photovoltaic mounting brackets design services)
- Certain on-site services (including assisting customers on-site with unloading goods, collecting products, stock-taking, final testing products before acceptance)
- Technical services for the wind turbine tower products (including technical advice, support and training) New Energy Power System



Integration Business

- Acting as the contractor
- Helping the customers to integrate their equipment, functions and information into a connected, unified and coordinated system
- Making project design proposals
- Site visits
- Procuring construction materials
- Carrying out construction work
- Assisting in operation trials



Customer's Complaints

We always adhere to the business philosophy of "customer first, forge ahead". We listen and seriously respond to the opinions of our customers, so as to achieve enhancement and sustainable development. We offer subsequent system management services to its customers' new energy power stations, assist and analyze the problems reflected by customers, so as to reduce the complaints from customers and the number of products to be recalled. A dedicated customer service team is responsible for handling consumer complaint(s). We welcome suggestions from customers on our services and other matters related to the Group. Complaint(s) are first investigated by various management personnel independently according to internal guidelines and procedures within the prescribed time, and the cases are carefully evaluated, followed by reporting to senior management for review and approval. After completing the entire process, the contents and documents related to the complaint(s) are recorded and preserved for future reference, so as to continuously improve our products and services. We believe that good, healthy, and effective communication is a crucial step toward success.

The Group does not carry out any large-scale advertising and promotional activities. The Group did not recall any products or receive any complaints regarding products and services due to safety and health reasons as well. Therefore, during the Reporting Period, the Group was not aware of any significant non-compliance with laws and regulations concerning health and safety, advertising, labelling, and privacy matters relating to products and services provided or methods of redress.


Intellectual Property Right and Data Privacy

The company is committed to enhancing the management of customer information security to prevent the leakage and loss of customer information, making the protection of customer personal data a top priority in order to uphold customer trust. Additionally, we comply with relevant laws and regulations, including but not limited to:

- Law of the People's Republic of China on the Protection of Consumer Rights Interests; and
- Personal Data (Privacy) Ordinance (Cap. 486 of the Laws of Hong Kong).

In addition, the Group also stipulated the terms of the privileged system in the management regime and labour contracts to remind and emphasize that all employees are responsible for protecting the confidential data and information of the Company, customers, business partners, and other stakeholders. After the termination of the employee contract, we also stipulate that the resigned employee shall strictly maintain the confidentiality of any matters such as the Group's commercial secrets and company secrets that are not suitable for public disclosure (for example customer lists, sourcing information, production and marketing strategies, etc.) and shall not disclose to third parties in any form. We appoint dedicated staff to handle the matters and ensure that unauthorized access to the data and information is not available from any parties.

We value the Intellectual Property Right, all the company office's computers have installed with appropriate and legitimate anti-virus software to prevent and reduce the risk of being stolen, loss or damage of company confidential data and any information caused by viruses, hacker intrusions, etc. Due to the nature of its business, the Group does not involve any issues relating to third-party intellectual property rights or patented technologies in our daily operation.



During the Reporting Period, we are not aware of any violations of laws and regulations relating to data security and privacy matters, nor are we aware of any infringement of our partners' intellectual property rights, or of our partners' infringement of our intellectual property right. There was no intellectual property disputes that had a material adverse impact on our business.

Anti-pandemic

Employees are considered valuable assets to the company, and therefore, we have always prioritized their physical and mental well-being and safety. Over the past year, amidst the COVID-19 pandemic, the company has adhered to the principle of placing employee health and safety as the foremost priority. We closely monitor updates on the pandemic and the latest government prevention and control policies, and promptly adjust our preventive measures in response to the company's situation, aiming to break the chain of transmission and mitigate risks. During the Reporting Period, we strictly implemented the epidemic prevention and control guidelines issued by mainland China and Hong Kong, including but not limited to the "COVID-19 Prevention Plan" issued by the Hong Kong Centre for Health Protection, and the "Guidelines on Prevention of COVID-19 for the General Public" published by the State Council. We rapidly implemented all feasible measures and enhanced hygiene protocols to minimize relevant risks throughout our operations. These measures include:

- Employees must first register, scan the health code and check the body temperature before entering the office;
- Stop business travel to regions with high infected cases;
- Prepare masks, disinfection supplies and other prevention materials for employees to reduce the stress and difficulty of employees on searching the required materials;
- Establish an Epidemic Prevention Team to provide employees with information such as the arrangement of work resumption, infected case handling, new measure arrangements, etc. in order to standardize the management work;
- Increase the frequency of health checks to employees and their close contacts;
- Use remote, flexible and adaptable work arrangements such as work from home for employees in epidemic areas or high-risk regions, and make re-arrangement after the epidemic stabilized; and
- Take appropriate measures to enhance the flow of information and identify infected or suspected employees as soon as possible.

With the containment of the pandemic, the Chinese government has gradually reduced temporary lockdown measures, narrowed the scope of nucleic acid testing, and lifted requirements for inter-regional personnel concerning negative nucleic acid certificates, health codes, and quarantine management. Consequently, our operations have gradually returned to normal. Through this experience of combating the epidemic, we have deeply recognized the importance of employee health management. Therefore, we will continue to implement certain relevant policies and measures in the future to ensure that the hygiene environment of the workplace meets standards and safeguards the health of our employees.

Employer-employee Relationship

The Group firmly believes that establishing a good relationship with employee is the most important foundation for the survival and continuous development of the company. Therefore, we have always upheld “people-oriented” as our core value. We deeply believe that the success of the Group relies on the continuous dedication and hard work of our employees. In return for their contributions, we are committed to creating a healthy, inclusive, and comfortable working environment for our employees, prioritizing their safety, health, and well-being. The Group attaches great importance to the ethics, personal integrity, and professional conduct of its employees. During the recruitment and employment process, we require employees to strictly adhere to the labor laws and regulations of the respective countries and regions, including but not limited to:

- Labour Law of the People’s Republic of China;
- Labour Contract Law of the People’s Republic of China;
- Employment Ordinance (Cap 57 of the Laws of Hong Kong); and
- Employment Promotion Law and other relevant laws and regulations.

We set up guidelines in relation to the human resources management system, employee code of conduct, company management system and other measures according to the above relevant laws and regulations. We require our employees to uphold the attitude of “observing discipline and commitment” and so as to build and maintain a harmonious atmosphere in the working environment and good relationships with each other.

The Group enters into employment contracts with the employees in accordance with the relevant laws and regulations, and stipulates the terms of employment in the contracts, so as to protect the legitimate rights and interests of both the Group and the employees, and to ensure the Group’s operations comply with business ethic, including:



Employment Contract’s Content

- Basic salary and discretionary bonus
- Probation
- Arrangements for termination of the contract
- Legal working hours required by the governments of the business locations
- Statutory holidays
- Arrangement of social insurance
- Labour protection, conditions and occupational hazard protection requirement
- Labour discipline (including confidentiality requirement)
- Paid leaves are entitled in accordance with its respective local laws and regulations

We uphold the attitude of being responsible to every employee, we value the pace of employees and the Group by caring and grow together and be a trustworthy employer.

Labour Standard

The Group is well aware that employing child labor and engaging in forced labor are inconsistent with the principles of the Universal Declaration of Human Rights, social norms, and legal requirements. Therefore, we adopt a zero-tolerance approach towards the use of child labor and forced labor. We strictly adhere to relevant laws and regulations, including but not limited to:

- Labour Contract Law of the People's Republic of China;
- Law of the People's Republic of China on the Protection of Minors; and
- Provisions on the Prohibition of Using Child Labor and other relevant laws and regulations.

To prevent such situations in the Group, we required candidates to provide identity documents and proofs for verification to ensure they are of legal working age during the recruitment process, for example, on the related application documents, the applicant is required to sign a statement to commit that all the information provided including identity documents, academic certificates, resignation certificates, etc., is a valid document. The responsible staff will repeatedly and carefully check the documents to ensure the authenticity and the interviewee reaches the legal working age. We will terminate any employment relationship as soon as any noncompliance is discovered and report to the relevant regulator for follow-up if necessary. During the Reporting Period, the Group was involved in a litigation regarding staff payroll. The case was handled in accordance with the Award/Order, and no litigation fee was incurred.

Employment Data

The total number of employees during the Reporting Period was 30, all were full-time employees. The demographics of the Group's employment data are summarized below:

Category	Year ended 31 March 2023	Year ended 31 March 2022
By gender		
Male	17	16
Female	13	12
By age		
25 or below	0	0
26-35	5	6
36-45	19	16
46 or above	6	6
By employee category		
General employees	13	8
Middle management	11	13
Senior management	6	7
By region		
Hong Kong	7	7
Mainland China	23	21

Employee Turnover Data

Category	Year ended 31 March 2023 (%)	Year ended 31 March 2022 (%)
Employee Turnover Rate	0 ⁽¹⁾	28.6 ⁽¹⁾
By gender		
Male	0 ⁽²⁾	25.0
Female	0 ⁽²⁾	33.3
By age		
25 or below	0 ⁽²⁾	0 ⁽²⁾
26-35	0 ⁽²⁾	66.7
36-45	0 ⁽²⁾	18.8
46 or above	0 ⁽²⁾	16.7
By region		
Hong Kong	0 ⁽²⁾	14.3
Mainland China	0 ⁽²⁾	33.3

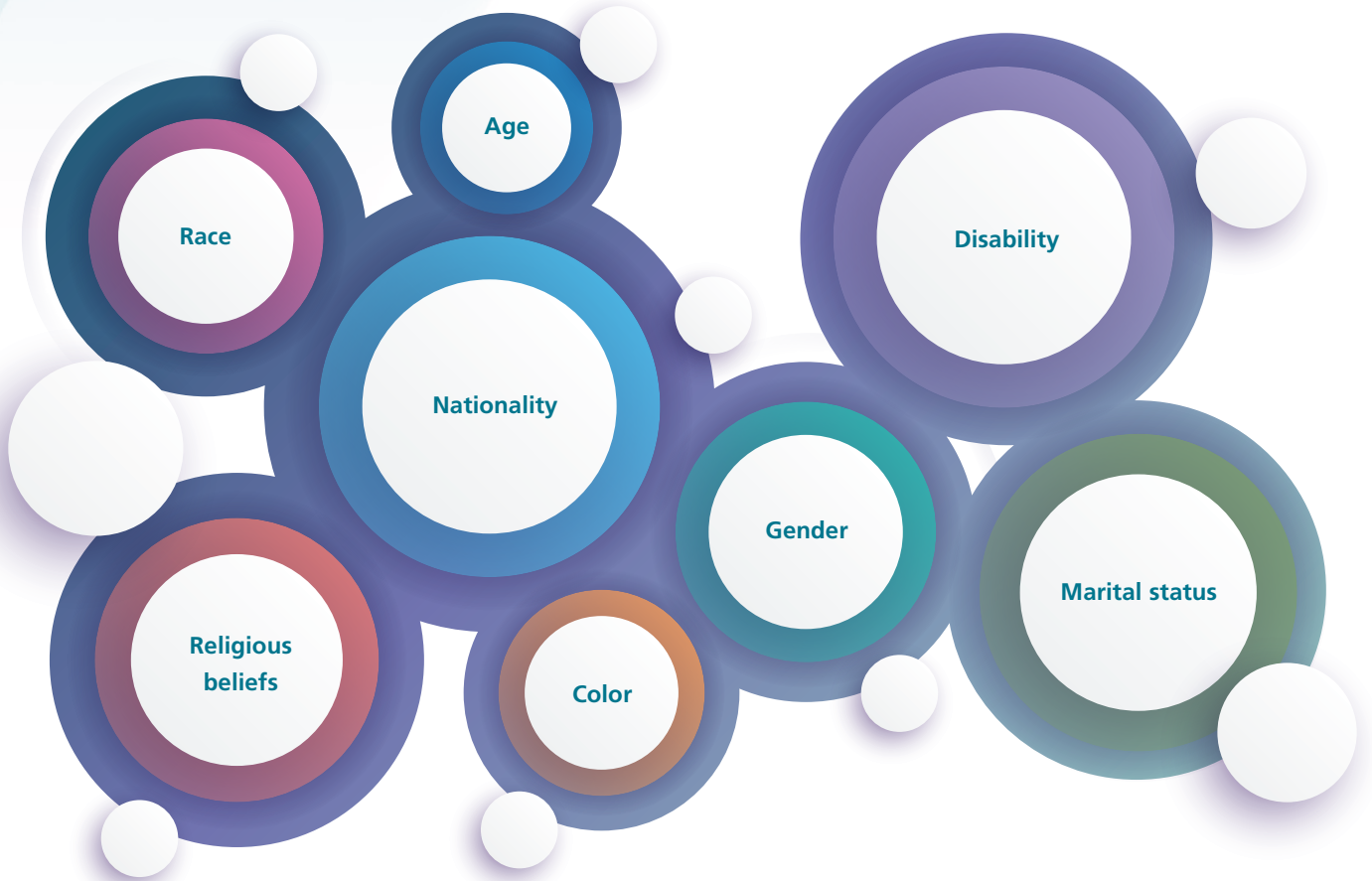
Notes:

⁽¹⁾ Employee Turnover Rate = Employees in the specified category leaving employment/Number of employees in the specified category.

⁽²⁾ There was no employee turnover in this category, so there is no relevant data.

Multi-culture

We are committed to providing all employees with a fair, inclusive, and mutually respectful working environment. In all aspects, including recruitment, career development, promotions, and training, we strictly adhere to the principles of fairness and equity. We firmly reject any form of discrimination based on the following or any other reasons:



We conduct regular employee satisfaction surveys to understand the needs and opinions of our employees. Based on the survey results, we use them as a foundation to improve company policies and arrangements, aiming to achieve a work-life balance. By enhancing employee well-being, we aim to maintain effective and close relationships with our employees, foster a sense of unity and belonging, and promote overall cohesion within the company. This allows us to steadily progress towards our goals as a united front.

In addition, we continue to organise internal activities to respond to and celebrate traditional festivals and United Nations' events such as International Women's Day, Earth Hour, International Day of Family, Sports for All Day, etc., we encourage employee to participate and enhance their physical and mental health, maintain work-life balance and achieve sustainable development of employees. During this challenging time, we will strive to help our affected colleagues through different channels.

Talent Management, Development and Training

“Selecting talents based on merits” has always been the Group’s approach to talent management. We firmly believe that talent is one of the company’s most valuable assets and is the cornerstone of sustainable development. To this end, we are committed to providing a comprehensive work environment that respects the rights granted to employees by the law. We establish clear promotion pathways, allowing employees to develop their potential and cultivate enthusiasm for their work. By fostering a positive work atmosphere, we aim to retain exceptional employees.

In order to create an equal and safe working environment, we continuously strengthen the comprehensive ability of employees, and strive to explore and extract their potential, continue to optimize the human resource management system and deal with employment-related management work. We attach importance to and appreciate the efforts and contributions of each employee, by setting the standards of compensation and benefits management based on the duties of different positions, and developing quantifiable performance appraisal standards, so that we can follow the performance and work ability of employees and its contribution to the Group, in accordance with the requirements of the law, industry norms and the Group’s guidelines to make reasonable adjustments to the employees’ remuneration and benefits, so that we are able to accurately and reasonably formulated quantifiable performance appraisals to determine performance wages and rewards and penalties. In addition, we will also give priority to internal staff to encourage and enhance their self-improvement ability and enthusiasm to grow with the Group when there are vacancies.

We believe that an excellent team is a necessary factor for the success and sustainable development of our business, so it is important of equipping professional skills and trainings. In view of this, we encourage and subsidise employees to attend training courses related to the nature of their work or to obtain different qualifications to enhance their ability and develop in different aspects. These include induction and on-the-job training (e.g. skills training, communication, etc.) that can help on the actual duties of the work for employees at all levels. We will continuously review, explore and improve our training resources to ensure the suitability and effectiveness. To maintain the consistency of the Group, we will also keep a complete record of training and development activities for all employees, which their ability will be regularly reviewed by the relevant departments. We actively cultivate a learning culture in the Group and encourage employees to exchange their knowledge and insights with peer companies for strengthening their skills and insight.

Employee Training Data⁽¹⁾⁽²⁾

Category	Year ended 31 March 2023 (%)
Percentage of Total Trained Employees	93.3
By gender	
Male	100
Female	84.6
By employee category	
General employees	84.6
Middle management	100
Senior management	100

Category	Year ended 31 March 2023 (Hour)
Average Training Hour Completed per Employee	16.1
By gender	
Male	15.1
Female	17.5
By employee category	
General employees	11.1
Middle management	12.7
Senior management	33.3

Note:

⁽¹⁾ Percentage of employees trained = Total number of trained employees/Total number of employees of specific category

⁽²⁾ Average training hours completed per employee = Total number of training hours/Total number of employees of specific category

Occupational Safety

It is the Group's responsibility to promote an occupational health and safety culture and to provide employees with a safe and healthy work environment. We strictly comply with the relevant laws and regulations including but not limited to:

- Law of the People's Republic of China on the Prevention and Control of Occupational Diseases;
- Labor Law;
- Occupational Health and Safety Management System; and
- Measures for Ascertainment of Work-related Injuries and other relevant laws and regulations.

We promise to ensure the safety of the working environment, to protect employees, third party contractors and subcontractors from occupational injuries while maintaining the safety of the surrounding public and standardizing production behavior, and comprehensively improve the level of safety management.



Meanwhile, we promise our employees in the labour contract that to provide them with the protection equipment that necessary in the course of operation and compliance with national regulations. We stipulate that employees must comply with all the safety regulations, operating procedures and instructions at work. The Group will continue to raise its focus on project safety, strengthen the management and evaluation of constructors and suppliers through safety and environmental inspections and assessments of construction projects, improve the management level of the project site standardization and ensure the safety of the construction process. According to the track records of past two years and during the Reporting Period, we did not receive any reports of work-related fatalities and injuries.

Charity Activity

Since its establishment in 2000, the Group has been actively fulfilling its corporate social responsibility and adhering to the mission of “taking from society, giving back to society.” We have consistently cared for the communities where our business operates and have been committed to creating employment opportunities, driving local economic development, and improving the quality of life for residents in the project areas through our initiatives. Our aim is to meet the needs of the local communities and encourage our employees to integrate into these communities, understand their needs, and establish close and friendly relationships.

In the future, contributing to the community will remain a steadfast commitment in the Group’s plans. We use its own resources to help people in need and actively promote community activities covering all levels of society. We will continue to look for projects invested by the community. At the same time, we support employees to take the initiative to propose community support plans to the Group and do our best to assist in the implementation of the plans, so that corporate social responsibility becomes an important part of the Group’s corporate culture, cultivate employees’ sense of community, nurture correct values and teach the next generation, and promote them to take the initiative to care for and help those in need in society.



ESG REPORTING GUIDE OF THE STOCK EXCHANGE GEM LISTING RULES APPENDIX 20

Subject area	Content	Chapter/Disclosure
Mandatory Disclosure Requirement		
Governance Structure	<p>A Statement from the board containing the following elements:</p> <p>(i) disclosure of the board’s oversight of ESG issues.</p> <p>(ii) 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 business); and</p> <p>(iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer’s business</p>	Sustainable Development Strategies; Stakeholder Engagement; and Materiality ESG Issues
Reporting Principles	A description of, or an explanation on, the application of the reporting principles (materiality, quantitative, and consistency) in the preparation of the ESG Report	Basis for preparation
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.	About This Report; Stakeholder Engagement; and Materiality ESG Issues

Subject area	Content	Chapter/Disclosure
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 issue relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Environmental Protection
KPI A1.1	The types of emissions and respective emissions data.	Emissions Data
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity.	Emissions Data
KPI A1.3	Total hazardous waste produced (tonnes) and where appropriate, intensity.	Waste Data
KPI A1.4	Total non-hazardous waste produced and intensity.	Waste Data
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	Gas Emissions and Management
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Resource and Waste Management

Subject area	Content	Chapter/Disclosure
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water, and other raw materials.	Resource and Waste Management; Water Resources Management
KPI A2.1	Direct and/or indirect energy consumption by type in total (Kwh in '000s) and intensity.	Energy Consumption Data
KPI A2.2	Water consumption in total and intensity.	Water Resources Data
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Water Resources Management
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s), and steps taken to achieve them.	Water Resources Management
KPI A2.5	Total packing material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable due to business nature
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources.	Environmental Management; and Resource and Waste Management
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Resource and Waste Management
Aspect A4: Climate Change		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Climate Change
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Climate Change

Subject area	Content	Chapter/Disclosure
B. Social		
Aspect B1: Employment		
General Disclosure	Information on:	Employer-employee Relationship
	(a) the policies; and	
	(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	
KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	Employment Data
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Employment Turnover Data
Aspect B2: Health and Safety		
General Disclosure	Information on:	Occupational Safety; and Anti-pandemic
	(a) the policies; and	
	(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Occupational Safety
KPI B2.2	Lost days due to work injury.	Occupational Safety
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Occupational Safety; and Anti-pandemic

Subject area	Content	Chapter/Disclosure
Aspect B3: Development and Training		
General Disclosure	Policy on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Talent Management, Development and Training
KPI B3.1	The percentage of employees trained by gender and employee category	Employee Training Data
KPI B3.2	The average training hours completed per employee by gender and employee category.	Employee Training 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 Standard
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Labour Standard
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Labour Standard
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	Supply Chain Management
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Supply Chain Management
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply Chain Management
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply Chain Management

Subject area	Content	Chapter/Disclosure
Aspect B6: Product Responsibility		
General Disclosure	Information on:	Quality of Products and Services; and Intellectual Property Right and Data Privacy
	(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.	
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Customer's Complaints
KPI B6.2	Number of products and service-related complaints received and how they are dealt with.	Customer's Complaints
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Intellectual Property Right and Data Privacy
KPI B6.4	Description of quality assurance process and recall procedures.	Quality of Products and Services
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Intellectual Property Right and Data Privacy

Subject area	Content	Chapter/Disclosure
Aspect B7: Anti-corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud, and money laundering.	Anti-corruption
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Anti-corruption
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Anti-corruption
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Anti-corruption
Aspect B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Charity Activity
KPI B8.1	Focus areas of contribution.	Charity Activity
KPI B8.2	Resources contributed to the focus area.	Charity Activity