



Kaisa Health Group Holdings Limited

佳兆業健康集團控股有限公司

(Incorporated in Bermuda with limited liability 於百慕達註冊成立之有限公司)

(Stock Code 股份代號: 876)

**2017**

Environmental, Social and  
Governance Report



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### ABOUT US

The principal activities of Kaisa Health Group Holdings Limited (Formerly known as Mega Medical Technology Limited) (the “Company”) and its subsidiaries (the “Kaisa Health Group” or the “Group”) are the manufacturing of and trading in dental prosthetics business, including the sale (both overseas and domestic) and production of dental prosthetics such as crowns and bridges, removable full and partial dentures, implants and full-cast restorations.

In 2017, the Group has launched a new product, the Mega Clear Aligner, which is the brand for the Group’s custom-made invisible dental braces, designed and custom-made dental braces for customers using 3D-printing technology. The product materials used for Mega Clear Aligner are certified by the drug administration authorities in the European Union, United States and the PRC.

During the year, the Group disposed of Modern Success Holdings Limited and its subsidiaries, and discontinued the operation of its business in electronic manufacturing services.



## ABOUT THIS REPORT

This report is the second Environmental, Social and Governance (ESG) Report published by the Company. Through reporting of the Group's policies, measures and performances in the environmental, social and governmental aspects, it provides the stakeholders with an understanding of the progress and development direction of the Group. Available in both Chinese and English, the report has been uploaded to the website of the Stock Exchange of Hong Kong Limited (the "Stock Exchange") and the Company ([www.kaisahealth.com](http://www.kaisahealth.com)).

## REPORTING SCOPE

This report focuses on the operation of the Group's principal activities (the manufacturing and sales of dental prosthetics) in the operation headquarter and factory in Shenzhen, China during the period from 1 January to 31 December 2017 (the "Year" or the "Reporting Period"). This report does not cover all of the Group's operations, yet the aim of the Group is to constantly upgrade the internal data collection procedure and gradually expand the scope of disclosure.

## REPORTING STANDARD

This report is prepared in accordance with the "comply or explain" provisions of the Environmental, Social and Governance Reporting Guide (the "Guide") issued by the Stock Exchange. The four reporting principles: materiality; quantitative; balance; and consistency form the backbone of this report. To ensure the accuracy of environmental key performance indicators (KPIs), the Group has entrusted the consulting firm, Carbon Care Asia Limited ("CCA"), to conduct a carbon assessment. The report also includes selected KPIs that are categorised by the Guide as "recommended disclosures" to improve the thoroughness of the report.

A complete index is inserted in the last chapter for reader's easy reference according to the Guide.

## CONFIRMATION AND APPROVAL

Information documented in this report is sourced from the official documents, statistical data of the Group, as well as the management and operation information collected according to the policies of the Group. The report was approved by the board of directors' on 26 June 2018.

## OPINION FEEDBACK

Kaisa Health Group highly values the opinions of the stakeholders. Should you have any enquiries or comments regarding the contents or the form of this report, please contact the Group as below.

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## MESSAGE FROM THE CHAIRMAN

The Group has been conducting dental prosthetics business since 2015 and is actively developing the overseas market. We believe, only by incorporating concerns for the environment and society into our business decisions that we can improve the Group's competitiveness in the long-run and maintain a healthy operation in the rapidly changing market.

The Group values environmental protection, and is committed to the effective use of natural resources, to reduce the impact of business operations on the environment. The Group implements an environmental management system in its factory in Shenzhen, China, which has been granted with the ISO 14001:2015 certification. The environmental management covers wastewater treatment, energy management, solid waste recycling and treatments, etc. in the manufacturing plant, with an aim to increase production efficiency and at the same time reduce impacts on the surrounding environment.

The Group strictly adheres to the corporate ethical standards, especially in supply chain management. We have established a set of procedures in relation to procurement and assessment of suppliers, to select business partners with values consistent with ours in order to ensure product quality and avoid potential environmental and social risks. Through the cooperation with our business partners, we build a reliable supply chain and progressively explore a sustainable production model.

The Group values the safety as well as the physical and mental health of our employees, and strives to provide our employees with a safe and healthy work environment. To safeguard the employees' occupational health and safety, the Group provides regular body checks for the employees engaging in hazardous work, and formulates specific safety rules according to the requirement of different job positions. In addition, the Group includes stress relief and emotional control courses in the training programs. To provide a good working environment and a platform for career development, the Group has established an internal communication mechanism, which provides the employees with proper and effective communication channels to assure that all works are conducted fair and square. In respect of employee training and development, we have established an annual training program to continuously improve the employees' skills to cope with the rapidly changing market competition and challenges.

Looking ahead, the Group will shoulder its corporate responsibilities by making full efforts in promoting the growth of the corporation, environmental protection and social development, as well as creating greater value for the stakeholders.

**Luo Jun**

*Chairman*

Hong Kong, 26 June 2018

## STAKEHOLDER ENGAGEMENT

### WAYS OF COMMUNICATION OF MAJOR STAKEHOLDERS DURING THE YEAR

In the Kaisa Health Group's business management, participation of stakeholders<sup>1</sup> plays an important role and helps the Group examine potential risks and business opportunities. By communicating with stakeholders and understanding their views, the Group will be able to align its business with stakeholders' needs and expectations and properly manage different stakeholders' opinions. The Group maintains constant interactions with key stakeholders inside and outside the Group through different channels. This ensures that stakeholders have an opportunity to learn about the Group's development and operating direction, and the Group in turn has an opportunity to listen to stakeholders' views, so that it can prioritise different issues and develop corresponding policies.



### MAJOR SUSTAINABILITY ISSUES DURING THE YEAR

The Group has entrusted an independent consulting firm to interview the top management in order to identify the most important environmental and social issues for the Group and its stakeholders, and discuss the Group's strategies and direction for sustainable development. Taking into account the opinions collected from the interviews and from the consulting firm, the Group selected four environmental and social categories from the Guide as the key issues for discussion in this report.

To ensure the effectiveness of communication with stakeholders, the Group strives to establish a communication system which is transparent, truthful and accurate with timely responses. In the future, the Group is going to enhance the interactions with stakeholders, set up diversified channels to encourage more contacts and establish a mutual and beneficial relationship.



1 "Stakeholders" refer to groups or individuals materially influencing or affected by the Group's business. They include internal directors, management, executives, and employees, as well as external investors, customers, contractors, suppliers, government and regulators, banks and other cooperative partners.



## ENVIRONMENTAL PROTECTION

Kaisa Health Group attaches great importance to environmental protection and is committed to using natural resources efficiently and reducing the impact of its business operation on the environment. The Group implements an environmental management system in its factory in Shenzhen, China, which has been granted ISO 14001:2015 certification. The environmental management covers wastewater treatment, energy management, solid waste recycling and treatments, etc. in the manufacturing plant.

### USE OF RESOURCES

The Group has formulated a Guideline on Conserving Energy and Reducing Consumption (《節能降耗作業指導書》), setting out a series of management measures regarding energy usage and resource consumption, with an aim of using resources effectively and improving environmental efficiency.

Resources	Management measures
Electricity	<ul style="list-style-type: none"> <li>Record the conditions and treatments of emergency cases with respect to the use of equipment, so as to carry out effective deployment and management to reduce electricity wastage</li> </ul>
Raw materials and ancillary materials for production (including precious metals, porcelain, porcelain powder and plastic denture)	<ul style="list-style-type: none"> <li>Establish and constantly improve the production processes, including the establishment of management systems for the procurement, inspection, storage, pick-up and distribution of materials to reduce material wastage</li> <li>Increase the utilisation rates of materials and improve the passing rate of production procedures to reduce material losses and scrap losses</li> </ul>
Water resources <sup>2</sup>	<ul style="list-style-type: none"> <li>Reuse water for industrial use to reduce water consumption</li> <li>Reinforce the inspection and maintenance work of water facilities to prevent wastage from water leakage</li> </ul>
Paper	<ul style="list-style-type: none"> <li>Implement paperless office to reduce paper consumption</li> </ul>

### EMISSIONS MANAGEMENT

Kaisa Health Group has established a series of management procedures for emissions management, covering waste gas emission, wastewater discharge, and waste disposal to ensure that environmental management is incorporated into the operational decision process.

<sup>2</sup> All water supplies are from the water aqueducts of the municipal government.

## ENVIRONMENTAL PROTECTION

### Greenhouse Gas Emission management

Greenhouse gas emission (or “carbon emission”) is closely related to climate change and global warming. Companies around the world all introduce carbon reduction measures and goals.

During the Year, the Group entrusted Carbon Care Asia Limited to carry out a carbon assessment by specifically calculating the amount of greenhouse gas emitted from business operation. Moreover, to ensure the accuracy of environmental KPIs, the assessment made reference to the Guide to Calculating and Reporting Greenhouse Gas Emission in Industry and Other Sectors (Trial Edition) (《工業其他行業企業溫室氣體排放核算方法與報告指南(試行)》) released by the National Development and Reform Commission of the People's Republic of China. The assessment results indicated that 98% of carbon emissions were from electricity purchased externally. The quantification process enables the Group to formulate specific management policies and improvement measures in the future in response to the country's goal of addressing climate change and achieving low-carbon transformation and development.

Greenhouse gas emission	
Scope	Emissions (Ton of CO <sub>2</sub> equivalent)
Scope 1: Direct greenhouse gas emissions	19
Scope 2: Indirect greenhouse gas emissions from use of energies	1,463
Scope 3: Other indirect greenhouse gas emissions	15
Total greenhouse gas emissions	1,497
Greenhouse gas intensity (Total emission/m <sup>2</sup> of area)	0.2

### Waste Gas Emission Management

Due to the nature of business, the Group understands that its production process generates dust, and it has installed dust filtering devices, so that dust is only discharged after filtering to ensure compliance with the Integrated Emission Standards for Air Pollutants. In addition, as exhaust gas emitted by vehicles causes roadside air pollution, the Group has established a Management Guideline on Vehicle Use (《車輛使用管理規定》) to reduce exhaust gas emission by requesting employees to plan travelling routes reasonably, turn off idling engines after reaching the destinations and refrain from the use of air-conditioning when the vehicles are idle.

### Wastewater Discharge Management

Wastewater discharged by the Group mainly consists of production wastewater (including wastewater generated during the heat treatment of dental prosthetics and the cleaning of dental prosthetics models) and domestic wastewater. For the discharge of the above two types of wastewater, the Group has taken the following management measures:

Wastewater Management Measures	
Production wastewater	<ul style="list-style-type: none"> <li>Establish treatment procedures for industrial wastewater in order to ensure that the discharge of sewage will comply with the requirements of the Class I standards for the second time phase specified in Discharge Limits of Water Pollutants (《水污染物排放限值》) of the local standards in Guangdong Province.</li> <li>Establish procedures in relation to industrial water recycling, which regulate wastewater generated from grinding shall be processed through filter tanks before discharging into the water tanks</li> </ul>
Domestic wastewater	<ul style="list-style-type: none"> <li>Domestic wastewater is discharged into the urban sewage system, particularly, toilet wastewater is discharged into the municipal sewage network through designated pipelines</li> <li>To prevent pollution, the storage or dumping of any chemicals and oil substances is prohibited in the surrounding areas of sewage collection systems</li> </ul>



## ENVIRONMENTAL PROTECTION

### Waste Management

The Group's Solid Waste Management Requirements (《固體廢棄物管理規定》) clearly states the treatment methods for different waste categories. In order to increase the employees' awareness of waste reduction, the Group has appointed officers dedicated to conducting 6S management in the plant, namely, Sort (Seiri), Set in order (Seiton), Shine (Seiso), Standardise (Seiketsu), Sustain (Shitsuke) and Safety, and supervising the implementation of waste reduction measures by all departments.

General wastes from daily living and hazardous wastes are treated separately according to the "recyclable" and "non-recyclable" classifications. For hazardous waste, employees must indicate clearly for identification, and carry out measures to prevent sun lights, rainwater and control dust to ensure no leakage. All non-recyclable hazardous waste must be stored in isolation in a designated area, as well as recycled and treated by a qualified recycling company.

### THE ENVIRONMENT AND NATURAL RESOURCES

During the year, the Group has formulated the Identification of Environmental Factors and Assessment Procedures for Environmental Impacts (《環境因素識別與環境影響評價程序》) to identify, assess and manage the work processes which may have impact to the environment. Every department has to list out the potential impacts on the environment caused by each process of business activities (including the emission of exhaust gas, wastewater and other wastes as well as resources utilisation) such as procurement, transportation, production and storage. The quality inspection department has to assess and establish appropriate management goals, indicators and plans according to the respective probabilities of occurrence, probabilities of prevention, influenced procedures and records of incident occurrences.

During the Year, the operation headquarter and factory of the Group in Shenzhen, China did not find any cases of violation related to discharge or environmental protection.

## EMPLOYMENT AND LABOUR PRACTICES

### HEALTH AND SAFETY

Kaisa Health Group cares for the physical and mental health of its employees and regards such care as the company's basic responsibility. It is committed to providing the employees with safe and healthy working environment. The Employee Safety Manual (《員工安全手冊》) systematically explains the basic safety regulations in a simple and straightforward manner and states clearly the specific safety rules for different positions (including equipment operation, transportation, maintenance, working at height, hazardous chemicals and emergency responses) that employees are required to follow. To further enhance production safety and implement a production safety responsibility system, the Group appointed a corporate safety officer, and formed a production safety leading group, a safety assessment leading group and a safety inspection group in early 2017.

Production safety leading group	Safety assessment leading group	Safety inspection group
Responsible for the management of daily production safety	Responsible for the assessment of work safety for all staff in various departments	Responsible for the coordination, supervision and inspection of activities involving the investigations and treatment of accidents and potential hazards
The Production Safety Education and Training System (《安全生產教育培訓制度》) established by the safety officer provides new entrants and employees at different positions with appropriate safety training		

The Group has put in place a dust filtration system in the manufacturing workshop and provides personal protective devices for its employees. As for the noises generated from the use of air compressors during production, the Group has established the decibel standards and put in place the isolation measures to protect the occupational health of employees. In addition, medical examinations are provided to employees engaging in hazardous operations (including those responsible for drilling of support, tooth alignment, steel support polishing, porcelain drilling, mould repair, porcelain, sand blasting, grinding and metal drilling) on an annual basis. The examinations include general medical checkups such as routine internal checkups, electrocardiograms and liver function tests, as well as occupational health checkups such as chest and pulmonary function examinations for employees engaging in dust operation).

### DEVELOPMENT AND TRAINING

The Group attaches importance to the continuous development of its employees and regards "talents are the basis of development" as the core of its corporate culture. The Group believes that the combination of trust cultivation and practical skills training for talents will not only help to improve the employees' ability, but most importantly will also provide them with learning opportunities. According to the requirements of the Human Resources Administration Procedures (《人力資源管理程序》), the personnel department must prepare an annual staff training plan based on the operation needs of every department. During the year, the Group organised nearly 30 training events covering the areas of induction training, pre-job training, safety knowledge, marketing skills, management skills and quality system, etc..

Percentage of employees trained	Total training hours	Percentage of employees who received a regular performance and career development review
36%	30,938	100%

## EMPLOYMENT AND LABOUR PRACTICES

### EMPLOYMENT SYSTEM

Kaisa Health Group believes that employees are the driving force behind corporate growth, and is therefore committed to providing it employees with a good working environment.

Number of employees	Percentage of new employees	Employee turnover rate
1,010	57%	24%

With the expansion of business, the Group aggressively recruited additional staff during the year. In compliance with the Employees Handbook (《員工手冊》), the Group’s personnel department adopts the principle of hiring by merit rather than nepotism and selects the best candidates according to the respective job requirements. Employment contracts are signed with employees based on the principles of legality, fairness, equality and free will with mutual agreement and in good faith, in which details of employment including working hours, rest time and holidays, remuneration, social insurance and welfare benefits are clearly defined. In addition, the Group has also formulated the Anti-discrimination Requirements (《反歧視規定》) to ensure that employees are not subject to discrimination in areas such as recruitment, compensation, training, promotion and termination due to race, social class, nationality, age, religion, physical ability, disability, gender, sexual orientation or political affiliation.

The Group values the opinions of its employees. During the year, it formulated the Internal Communication Management Requirements (《內部溝通管理規定》) to establish and regulate internal communication channels. Any employee who is treated unfairly may submit his/her written or verbal complaint to the representative of the Company’s management or submit the complaint through the suggestion box.

Kaisa Health Group adopts the Board Diversity Policy (《董事會成員多元化政策》) and reviews the composition of the board regularly. It strives to attract talents with different genders, age ranges, cultures and education backgrounds. In the future, the Group will formulate a diversity policy applicable to the employees at all levels.

### LABOUR STANDARDS

The Group fully understands that child and forced labour violate basic human rights and the International Labour Convention. The Employee Handbook stipulates the strict prohibition of the employment of minors in whatever way, and the Group has also established the hiring mechanism and procedures as well as the remedies for the use of child labour.

<b>Hiring mechanism and procedures</b>	<ul style="list-style-type: none"> <li>The personnel department must verify the applicants’ identity cards, health certificates and photos during recruitment and confirm that they are at least 16 years old</li> <li>To prevent any applicants from using other people’s identity cards, new entrants must present their identity cards when they receive their salaries for the first time</li> </ul>
<b>Remedies for the use of child labour</b>	<ul style="list-style-type: none"> <li>Immediately stop the work of child workers and send them to hospital for physical examination at the cost of the Group</li> <li>Ensure that the child workers are escorted to their respective places of origin in a healthy and safe condition</li> </ul>

In addition, the Policy on Prohibition of Child Labour (《禁止僱傭童工政策》) and the labour contracts provide that both the employer and the employees shall adhere to the principles of legality, fairness, equality and free will, mutual agreement and integrity. When overtime work is required, the Group shall ensure that the employees do so on a voluntary basis and pay overtime wages according to the requirement of the policy.

During the year, the operation headquarter and factory of the Group in Shenzhen, China was not aware of any case of internal complaint or violation in relation to employment or labour practices (including child and forced labour).



## OPERATION MANAGEMENT

### SUPPLY CHAIN MANAGEMENT

The Group emphasises the importance of cooperation with suppliers, and firmly believes that the establishment of partnerships with the suppliers is helpful for the Group in constantly optimising its operation processes and improving its production quality.

We have established a set of procedures in relation to procurement and assessment of suppliers to select business partners with values consistent with ours, in order to ensure product quality and avoid potential environmental and social risks. The appointments of all suppliers, including the suppliers of dental prosthetics materials and transportation services, are approved through the procedures. In addition, the Supplier's/Subcontractor's Letter of Undertaking on Social Responsibility Management (《供應商／分包商社會責任管理承諾書》) of the Group sets out the corporation's requirements for suppliers in respect of environmental protection and labour standards. All suppliers are required to sign a letter of undertaking and complete a Questionnaire on Environmental Factors of Related Party (《相關方環境因素調查表》) to facilitate the identification and control of potential environmental impacts that may result from the relevant business.

### PRODUCT LIABILITIES

The Group is committed to providing the customers with quality products. The quality management system of the Group has been accredited with various certifications.

ISO 13485 international medical equipment quality management system certification	Compliance with the production license requirements of national medical equipment	All products are certified by the US Food and Drug Administration
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To ensure product safety, the Group has established the Monitoring and Measurement Control Procedures for Processes and Products (《過程和產品的監視和測量控制程序》) to measure and control the raw materials, semi-finished products and finished products in production. The inspection personnel of the quality control department inspects the raw materials according to the requirements of the Quality Inspection Standards for Raw Materials (《原材料質量檢驗標準》), after which only the approved raw materials may be stored in the warehouse. The inspection of production process is carried out by the execution operator and the quality control personnel according to the Management Procedures for Production Process (《生產過程管理程序》) and the specifications of different inspection requirements. Upon the completion of production, inspectors of the quality control department carry out the final product inspection according to the requirements of the Inspection Standards for Finished Products (《成品檢驗標準》) and the Design Form (《設計單》).

The Group's Substandard Products Management Procedures (《不合格品管理程序》) specifies the procedures for the identification, management and handling of products that do not meet the quality standards in every work process (from receipt of raw materials to shipment of finished products). All substandard products must be labeled for identification and stored separately from other raw materials and products, so that the department in charge can take follow-up actions according to the established arrangement. For the sold products, the Group has also established the Recall Management Procedures, ensuring the timely recall of products which involve potential safety hazards. During the year, there was no case of product recall in the operation headquarter and factory of the Group in Shenzhen, China resulted from issues of product quality or safety.

## OPERATION MANAGEMENT

The Group values the customers' satisfaction to the products and their feedback. It formulated the Customer Satisfaction and Feedback Management Procedures (《客戶滿意及反饋管理程序》), which defines the procedures for the follow-up and handling of problems encountered by customers when using the products. The Group conducts customer satisfaction surveys and collects opinions annually to facilitate the identification of rooms for improvement in products. During the Year, the Group received and analysed customers' opinions in four areas: product quality, delivery time, prices of products and service level, and developed a series of improvement measures, including:

<b>Product quality</b>	<ul style="list-style-type: none"> <li>Enhance pre-work training and assessment to ensure that employees have relevant professional skills</li> <li>Provide trainings for customer service personnel on product knowledge and communication skills</li> </ul>
<b>Delivery time</b>	<ul style="list-style-type: none"> <li>Improve product quality so as to avoid repeated production due to quality problems, which affects the production progress</li> <li>Enhance the coordination with courier service companies to improve delivery arrangement</li> </ul>
<b>Product price</b>	<ul style="list-style-type: none"> <li>Strengthen the development of new technologies to reduce production costs</li> </ul>
<b>Service level</b>	<ul style="list-style-type: none"> <li>Increase the number of customer service personnel according to geographical workload to reduce customers' waiting time</li> <li>Clearly define the responsibilities of managers in the marketing department, and respond to emergencies and customers' feedback in a timely manner</li> </ul>

The Group also formulated the Management Requirements for Advertising (《廣告管理規定》), which specifies that advertisement documents must be approved by the Food and Drug Administration before publishing. The Group has also formulated the Label Management Regulations (《標籤管理規定》), specifying the requirements for design, use, keeping, distribution and destruction of product labels. The labels of all new products shall be designed by the R&D department as required by the relevant national laws and regulations and then submitted to the QC department for inspection, to ensure that the labels meet relevant requirements.

The Group also formulated the Regulations on Privacy Management of Customers' Information, which specifies that all customers' information must be kept confidential. Specific guidelines in setting of access rights, using, keeping and destruction of different types of information are stipulated to prevent divulgement of customer data. Each employee must sign a confidentiality agreement. The head of each department must regularly review and report the implementation of confidentiality measures.

During the year, the operation headquarter and factory of the Group in Shenzhen, China was not aware of any case of non-compliance with respect to product liabilities.

## **OPERATION MANAGEMENT**

### **ANTI-CORRUPTION**

Anti-corruption has become one of the basic principles in defining corporate social responsibility by the international community. The Chinese government has also promoted anti-corruption proactively in recent years. The Group adopts a zero-tolerance policy on any form of corruption, including bribery and extortion, fraud and money laundering, and undertakes to conduct business in an honest, ethical and honourable manner.

The Group has formulated the Anti-Corruption Policy (《反貪污政策》) and the Integrity Agreement (《廉潔協議》), which set out specific requirements for the employees to address conflicts of interests as well as to prevent corruption and bribery. For example, employees are required to treat customers and other business partners in an unprejudiced manner, and prohibited from soliciting or accepting presents, property or gifts. Employees of the Group are encouraged to report any acts of non-compliance with laws, disciplines or regulations, and the employees' opinions. Comments and suggestions with respect to the Company's operations and management are received through multiple communication channels including suggestion boxes and e-mails.

During the year, there were no cases of corruption litigations brought against the Group or its employees, nor were there any cases of related non-compliance.



### COMMUNITY INVESTMENT

Kaisa Health Group recognizes the importance of meeting the expectations of different stakeholders in fulfilling its corporate social responsibilities, and is committed to building a healthy and vibrant community for the public by understanding the needs of the community where it operates.

Since 2004, the Group has established cooperation with various medical institutions to provide internship and employment opportunities for the students from local schools and has been supporting school education through the donation of laboratories. The Group has provided nearly 300 internship opportunities and training activities for over a decade, including technical training and factory visits.

The Group also established the Community Dental Services Program during the year, to improve the awareness of the residents in the neighbourhood where it operates with respect to oral health by organising activities including periodic dental knowledge talks.

Looking ahead, the Group plans to develop a community policy for the establishment of its overall direction in respect of community communication and community investment.

## ESG PERFORMANCE TABLE

### ENVIRONMENTAL PERFORMANCE

	Category	Emissions (kg)
Air Emissions	Nitrogen Oxides	7
	Sulphur Oxides	0.6
	Suspended Particles	0.6

	Category	Type	Consumption (MWh)
Energy	Direct Energy	Petrol	76
	Indirect Energy	Electricity	2,937
	Total energy consumption		3,013
	Energy intensity (MWh/m <sup>2</sup> )		0.4

	Scope	Emissions (tCO <sub>2</sub> e)	
Greenhouse Gas	Scope 1: Direct GHG Emissions	19	
	Scope 2: Energy Indirect GHG Emissions	1,463	
	Scope 3: Other Indirect GHG Emissions	15	
	Total Greenhouse Gas Emissions		1,497
	Greenhouse Gas Emissions intensity (tCO <sub>2</sub> e/m <sup>2</sup> )		0.2

	Category	Waste Produced (in tonnes)
Waste	Hazardous Waste (tonne)	0.002
	Hazardous Waste Intensity (tonne/1,000 m <sup>2</sup> )	0.0003
	Non-hazardous Waste Produced (tonne)	50
	Non-hazardous Waste Intensity (tonne/m <sup>2</sup> )	0.01

	Category	Water Consumption
Water	Water Consumption (m <sup>3</sup> )	33,567
	Water Intensity (m <sup>3</sup> /m <sup>2</sup> )	4.2

## ESG PERFORMANCE TABLE

### SOCIAL PERFORMANCE

	Gender	Ranking	Below 30	31-40	41-50	Over 50	Total workforce	Ratio of Male to Female Employee	Ratio of Average Salaries of Male to Female Employee
Total Workforce	Male	Chief Officer	0	0	1	0	1,010	1.1:1	1.2:1
		Senior Management	4	8	0	0			
		Middle Management	55	20	3	2			
		General Staff	383	45	8	0			
	Female	Chief Officer	0	0	0	0			
		Senior Management	1	9	1	0			
		Middle Management	26	17	2	1			
		General Staff	380	35	6	3			

	Gender	Ranking	Below 30	31-40	41-50	Over 50	Total	New employee ratio
New Employees	Male	Chief Officer	0	0	0	0	576	57%
		Senior Management	0	0	0	0		
		Middle Management	3	1	0	0		
		General Staff	248	20	3	0		
	Female	Chief Officer	0	0	0	0		
		Senior Management	0	1	0	0		
		Middle Management	0	0	0	0		
		General Staff	279	17	3	1		



## ESG PERFORMANCE TABLE

Employee Turnover	Gender	Ranking	Below 30	31-40	41-50	Over 50	Total	Rate of Employee Turnover
	Male	Chief Officer	0	0	0	0		
Senior Management		0	0	0	0			
Middle Management		0	0	0	0			
General Staff		109	23	0	0			
Female	Chief Officer	0	0	0	0			
	Senior Management	0	0	0	0			
	Middle Management	0	0	0	0			
	General Staff	90	15	3	1			

Number of Work-related Fatalities and Injuries	Gender	Work-related Fatalities	Work-related Injuries	Rate of Work-related Fatalities/ Injuries (Per 1,000 Employees)	Lost Days due to Work Injury.	Rate of Lost Days due to Work Injury	Number of Absentee Days	Total Absentee Rate
	Male	0	0	0	0	0	0%	124
Female	0	0	0	0	0	0%	166	

Training	Gender	Chief Officer	Senior Management	Middle Management	General Staff	Percentage to Total Workforce
Number of Employees Trained <sup>3</sup>	Male	0	12	114	21	36%
	Female	0	13	86	113	
The total training hours completed (hours)						30,938
The average training hours completed per employee (hours)						31
The percentage of total employees who receive a regular assessment on performance and career development						100%

Suppliers	Suppliers by Geographical Region	Products or Services Provided	Number of Suppliers	Percentage of Suppliers that Passed the Assessment (%)
	Suppliers	Southern China	Dental prosthetics materials	20
Southern China		Transportation services	2	
Eastern China		Dental prosthetics materials	10	
Northern China		Dental prosthetics materials	5	
Southern China		Dental prosthetics materials	4	
North America		Dental prosthetics materials	1	

3 including employees who resigned during the reporting period

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Aspects	Description	Reference Page(s)
<b>Aspect A1: Emissions</b>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste	6-8
A1.1	The types of emissions and respective emissions data	15
A1.2	Greenhouse gas emissions in total and intensity	7, 15
A1.3	Total hazardous waste produced and intensity	15
A1.4	Total non-hazardous waste produced and intensity	15
A1.5	Description of measures to mitigate emissions and results achieved	7
A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved	8
<b>Aspect A2: Use of Resources</b>		
General Disclosure	Policies on the efficient use of resources	6
A2.1	Direct and/or indirect energy consumption by type and intensity	15
A2.2	Water consumption in total and intensity	15
A2.3	Description of energy use efficiency initiatives and results achieved	6
A2.4	Description of whether there is any issue in sourcing water, water efficiency initiatives and results achieved	6
A2.5	Total packaging material used for finished products with reference to per unit produced	Temporarily unavailable: the data collection system will be optimised and the relevant data will be reported in the future.
<b>Aspect A3: The Environment and Natural Resources</b>		
General Disclosure	Policies on minimising the issuer’s significant impact on the environment and natural resources	8
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	8
<b>Aspect B1: Employment</b>		
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	10
B1.1	Total workforce by gender, employment type, age group and geographical region	16
B1.2	Employee turnover rate by gender, age group and geographical region.	17

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Aspects	Description	Reference Page(s)
<b>Aspect B2: Health and Safety</b>		
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	9
B2.1	Number and rate of work-related fatalities	17
B2.2	Lost days due to work injury	17
B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	9
<b>Aspect B3: Development and Training</b>		
General Disclosure	Policies on improving employees’ knowledge and skills for discharging duties at work. Description of training activities	9
B3.1	The percentage of employees trained by gender and employee category	17
B3.2	The average training hours completed per employee by gender and employee category	17
<b>Aspect B4: Labour Standards</b>		
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	10
B4.1	Description of measures to review employment practices to avoid child and forced labour	10
<b>Aspect B5: Supply Chain Management</b>		
General Disclosure	Policies on managing environmental and social risks of the supply chain	11
B5.1	Number of suppliers by geographical region	17
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	11, 17
<b>Aspect B6: Product Liabilities</b>		
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	11-12
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	11
B6.2	Number of products and service related complaints received and how they are dealt with	12
B6.4	Description of quality assurance process and recall procedures	11
B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	12



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Aspects	Description	Reference Page(s)
<b>Aspect B7: Anti-corruption</b>		
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	13
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	13
B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	13
<b>Aspect B8: Community Investment</b>		
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	14
B8.1	Focus areas of contribution	14
B8.2	Resources contributed	14



**Kaisa Health Group Holdings Limited**  
佳兆業健康集團控股有限公司