

2024

Environmental, Social  
and Governance Report





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## ABOUT CENTURY LEGEND

Century Legend (Holdings) Limited (“Century Legend” or the “Company”), together with its subsidiaries (collectively referred to as the “Group” or “we”), is principally engaged in:

- **Hair styling:** provision of hair styling and related services and product sales in Hong Kong;
- **Hospitality services:** provision of hospitality services in Hong Kong;
- **Property investments:** investing in commercial and residential properties for rental income potential and for potential capital appreciation in both Macau and Hong Kong;
- **Securities investments:** investing in listed equity securities and equity-linked investments in Hong Kong and United States;
- **Property project management:** provision of property related project management service; and
- **Money lending:** provision of commercial and personal loans in Hong Kong.

The Company has been listed on the Main Board of Stock Exchange of Hong Kong Limited (“SEHK”) (stock code: 00079) since 1993.

Our hair salon “Headquarters” is an established brand in the hairdressing industry and has cultivated a premium and loyal clientele with high spending power. Priority will remain to sustain the brand’s desirability and to drive customer loyalty by offering services and products of stable and high quality. For our hospitality business, with the opening up of additional international and Mainland source markets coupled with the city’s expanded “Mega Events” schedule aiming for Hong Kong to become a magnet for mega events, the Group expects improvement in the segment performances.

## AWARDS & HONOURS

Throughout 2024, in line with our steadfast commitment to sustainability, the Group has been honoured with a series of awards and certifications recognizing our achievements in environmental and social initiatives.

### Century Legend (Holdings) Limited

Environmental  
Aspect



Hong Kong Awards for Environmental Excellence – Appreciation Certificate



Hong Kong Green Organisation (2023-2025)

Environmental Aspect



Energywise Certificate – “Good Level”



Wastewise Certificate – “Excellent Level”

Social Aspect



Manpower Developer Award Scheme – Certificate of Appreciation 2022-24



Manpower Developer Award 2016-25



Caring Company – “15 Years +”



Happy Company – “5 years +”



## Social Aspect



Good MPF Employer 10 years, e-Contribution Award, and MPF Support Award



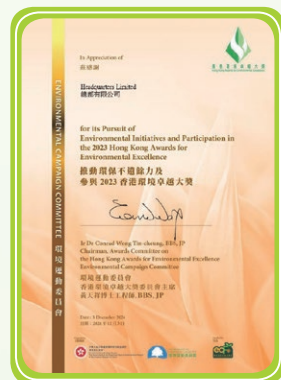
Trophy in Recognition of Volunteer Service to Po Leung Kuk



Volunteer Movement Participating Organization Certificate

## Headquarters

## Environmental Aspect



Hong Kong Awards for Environmental Excellence – Appreciation Certificate



Wastewi\$e Certificate – “Excellent Level”

Social Aspect



Caring Company – “10 Years +”



Good MPF Employer, e-Contribution Award, and MPF Support Award



Manpower Developer 2013-25



Manpower Developer Award Scheme – Certificate of Appreciation 2022-24



Social Capital Builder Logo Award



Partner Employer Award – 5 Years +



Trophy in Recognition of Volunteer Service to Po Leung Kuk

## ABOUT THE REPORT

The Group is pleased to present its ninth Environmental, Social, and Governance (“ESG”) Report (the “Report”) to demonstrate its ESG strategies and performances.

### Reporting Standards and Principles

The Report has been prepared by following the “Environmental, Social, and Governance Reporting Guide” as set out in Appendix C2 of the Rules Governing the Listing of Securities on the Main Board of the SEHK, in full compliance with the mandatory disclosure requirements and “Comply or explain” provisions.

The preparation of the Report was guided by the following reporting principles:

Materiality	Stakeholder engagement was conducted and business nature and development were considered to identify material ESG issues.
Quantitative	Key performance indicators (“KPIs”) were disclosed in a quantitative manner where appropriate. The KPIs are calculated with reference to “Appendix 2: Reporting Guidance on Environmental KPIs” and “Appendix 3: Reporting Guidance on Social KPIs” of “How to Prepare an ESG Report” by SEHK.
Consistency	Consistent statistical methodologies were adopted for meaningful comparisons of ESG data over time. In case of any changes in the reporting scope or methods, they shall be explained for stakeholders’ reference.

### Reporting Scope and Period

The Report presents our ESG performances for the period from 1 January 2024 to 31 December 2024 (The “Reporting Period”). The reporting scope is consistent with that in the ESG Report 2023, covering the Group’s performance across its major business segments and operations, including:

- The Head office in Wan Chai;
- The hair salon in Central under the brand name “Headquarters” (“Headquarters”); and
- The hostel in North Point under the brand name of “Homy Inn”, the guesthouse in Sheung Wan under the brand name of “Homy Central”, and the hotel in Yau Ma Tei under the brand name of “Homy Residence” (collectively referred to as the “Accommodations”).

### Access to the Report

The Report is available in English and Chinese versions and is uploaded to the website of SEHK and the Company’s website (<http://www.clh.com.hk>). In case of any discrepancies between the two versions, the English version shall prevail.

## SUSTAINABILITY COMMITMENT AND GOVERNANCE

### Sustainability Commitment

The Group considers sustainability a fundamental element of its operational framework, acknowledging its significance beyond environmental stewardship and social responsibility as a critical driver of strategic growth. In fulfillment of its corporate obligations and to ensure the enduring viability of both its enterprise and the communities it serves, the Group maintains steadfast dedication to:



Managing business in a provident manner and executing management decisions with due care and attention.



Enhancing the efficiency of the usage of resources and reducing waste by improving daily operation procedures and practice.



Acting in an environmentally responsible manner.



Operating as a socially responsible company across all of its business sectors.



Disclosing its ESG performance annually.

In our roles as active members in both the Chamber of Hong Kong Listed Companies and the Hong Kong General Chamber of Commerce, we are committed to ongoing efforts in environmental protection and providing support to communities in need. Our aim is to contribute to the broader goal of achieving societal sustainability.

### Sustainability Governance

The Board of Directors (the “Board”) holds ultimate oversight responsibility for the Group’s ESG strategic initiatives and maintains accountability for the accuracy and completeness of ESG disclosures. In executing this mandate, the Board systematically identifies, assesses, prioritizes, and administers material ESG considerations. Through regular Board deliberations, the efficacy of ESG initiatives and advancement toward established objectives undergo comprehensive evaluation, enabling the Board to implement requisite enhancements to the Group’s governing frameworks. In addition, the Group has engaged an independent ESG consultant, Riskory Consultancy Limited, to assist in report preparation and provide ESG-related consultancy services.

For the Group’s other corporate governance issues, please refer to the “Corporate Governance Report” in the Annual Report 2024.



## STAKEHOLDER ENGAGEMENT

The Group recognizes that stakeholder perspectives and input can substantially influence its business trajectory, operational effectiveness, and performance indicators. As such, stakeholder feedback is accorded paramount importance in our strategic considerations and decision-making processes. To enable this dialogue, we provide various regular engagement channels through which both internal and external stakeholders are invited to share their opinions with us.

Customers	<ul style="list-style-type: none"> <li>• Daily operations and interactions</li> <li>• Customer service hotline</li> </ul>
Employees	<ul style="list-style-type: none"> <li>• Staff activities</li> <li>• Meetings</li> <li>• Performance assessment</li> </ul>
Shareholders/Investors	<ul style="list-style-type: none"> <li>• Annual reports, financial reports, and announcements</li> <li>• Annual General Meeting</li> <li>• Websites</li> </ul>
Suppliers/Business Partners	<ul style="list-style-type: none"> <li>• Visits and meetings</li> <li>• Performance reviews</li> </ul>
Public and Media	<ul style="list-style-type: none"> <li>• Mass media</li> <li>• Websites</li> </ul>
Government Bodies	<ul style="list-style-type: none"> <li>• Direct communication</li> <li>• Qualification assessment</li> </ul>

### Stakeholders' Feedback

The feedback from all stakeholders is highly valued by the Group regarding its ESG strategies and performances. Stakeholders are invited to share their views or provide recommendations via email ([info@clh.com.hk](mailto:info@clh.com.hk)) or our company website (<http://www.clh.com.hk>).

## MATERIALITY ASSESSMENT

Through comprehensive engagement with stakeholders and extensive internal management deliberations, the Group has undertaken a systematic process to identify, evaluate, and prioritize 20 ESG matters deemed critical to its operational efficacy and long-term sustainability objectives. Relevant policies and guidelines have been rigorously implemented to manage these material aspects with strict adherence.

ESG Material Issues		Materiality
Environmental	Climate change-related risks (e.g. typhoons, flooding)	Most Important
	Effective use of resources (e.g. paper)	Important
	Waste management	
	Impact on the environment	
	Emission of pollutants and greenhouse gases	
	Water and wastewater management	
	Green procurement	Relevant
Social	Risk or emergency management	Most Important
	Anti-corruption system	
	Product and service quality	
	Customer data privacy and information security	
	Diversity and equal opportunities, and anti-discrimination	
	Occupational health and safety	
	Prevention of child labour and forced labour	
	Participation in or organizing of volunteer activities	
	Complaints management	Important
	Protection of intellectual property rights	
	Customer satisfaction	
	Employment relationships, policies, and employee welfare	
	Training and development	

To enhance the effectiveness of our ESG management, we are committed to maintaining open lines of communication with our stakeholders and persistently identifying opportunities for improvement in areas related to material aspects.

# Environment



## ENVIRONMENT

### Emissions

Environmental protection represents a fundamental value for the Group. While our business operations do not generate significant direct environmental impacts, we maintain an unwavering commitment to reducing our carbon footprint through ongoing optimization of operational practices. We comply with all applicable laws and regulations, including but not limited to:

- Cap. 311 Air Pollution Control Ordinance; and
- Cap. 354 Waste Disposal Ordinance of the Laws of Hong Kong.

By taking the above laws and regulations as reference, we set up Environmental Protection Policy for employees to follow.

During the Reporting Period, the Group was not aware of any material non-compliance with laws and regulations relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous wastes, which would have a significant impact on the Group.

### Air Emissions

The Group's main air emission sources were the town gas consumption in Headquarters and Accommodations as well as the petrol consumption of vehicles during the Reporting Period. The relevant emission data is as follows:

Air Emissions	Unit	2024	2023
Nitrogen Oxides (NO <sub>x</sub> )	Kg	5.20	5.36
Sulphur Oxides (SO <sub>x</sub> )	Kg	0.04	0.04
Particulate Matter (PM)	Kg	0.09	0.10

In the future, the Group will continue to identify and adopt different emission reduction measures to lower air pollutants generated in daily operations.



# Environment

## Greenhouse Gas Emissions

The main sources of our greenhouse gas (“GHG”) emissions were fuel and electricity consumption during the Reporting Period. The GHG emission data is as follows:

GHG Emissions	Unit	2024	2023
Scope 1 Direct Emission	Tonnes of CO <sub>2</sub> e	58.51	59.29
Scope 2 Energy Indirect Emission	Tonnes of CO <sub>2</sub> e	392.87	362.89
Total GHG Emissions	Tonnes of CO <sub>2</sub> e	451.38	422.18
Intensity	Tonnes of CO <sub>2</sub> e/ million revenue (HKD)	9.40	7.96

In our pursuit of reducing air pollution and GHG emissions, we have embraced energy-saving measures within our daily operations:

- Switch off lighting and air-conditioners not in use.
- Adopt energy-efficient lighting.
- Keep moderate temperature of air-conditioning.

We remain committed to enhancing and expanding these environmental initiatives to further reduce our ecological footprint.

## Hazardous and Non-hazardous Waste

During the Reporting Period, there was no significant generation of hazardous or chemical waste, as all chemicals utilized were fully consumed during operations. During the Reporting Period, the electronic waste data is as follows:

Electrical Equipment and Electronic Waste	Unit	2024	2023
Total Amount	Tonnes	1.06	0.48
Intensity	Kg/million revenue (HKD)	22.07	9.14

The Group has instituted guidelines and procedures to manage contaminated and electronic waste responsibly, ensuring proper disposal.

Used dye containers and hair spray bottles were placed into labeled receptacles lined with plastic and covered with close-fitting lids.

Electronic waste, including desktops, monitors, and televisions was collected and recycled by I.T.C. Recycle.

Wastes such as electronic appliances and computer accessories were either collected by recycling companies or donated to charitable organizations if they were in good condition.

## Environment

For non-hazardous waste, the Group generates mainly municipal waste and paper. During the Reporting Period, the non-hazardous waste data is as follows:

Non-hazardous Waste Generated	Unit	2024	2023
Paper <sup>1</sup>	Tonnes	2.13	2.11
Aluminium Cans	Tonnes	0.07	0.07
Plastic Bottles	Tonnes	0.57	0.27
Glass Bottles	Tonnes	0.46	0.59
Beverage Cartons	Tonnes	0.00	N/A
General Wastes Produced by Guests <sup>2</sup>	Tonnes	8.41	9.93
Total Non-hazardous Waste Generated	Tonnes	11.64	12.97
Intensity	Tonnes/million revenue (HKD)	0.24	0.24

Notes:

1. Paper waste was estimated based on purchase orders of papers.
2. General wastes include disposable slippers, tissue, and other general wastes produced by guests.

All wastes were collected by the Building Management Offices. All the non-hazardous waste was recycled except for general waste generated by Accommodations' customers. Other recyclable materials, including waste packaging and raw materials, were collected either by recyclers or suppliers.

The Group implements its environmental protection policy following the 3R principle (Reuse, Reduce and Recycle), emphasizing waste reduction at source and proper waste sorting for recycling. We collect paper, plastics, and aluminum cans separately for recycling. Headquarters has implemented an environmental policy which stipulates that employees need to return all reusable equipment and materials to the collection point for reuse. Headquarters will gradually replace disposable plastic gloves with reusable gloves to reduce waste.

The Group has established key measures to reduce paper consumption and manage wastepaper, which represents our primary non-hazardous waste source:

- Wastepaper, including newspaper, magazines, printings purchased from other companies, daily correspondences, and promotional leaflets received, is collected by the Building Management Office for recycling except for confidential shredded paper;
- Adopt duplex printing and set duplex printing as the default setting in printers;
- Use recycled paper for printing internal documents and opt for electronic bills instead of paper bills whenever possible; and
- The bills for utility services and circulars from Building Management Office are received through email.

During the Reporting Period, a total of 2.13 tonnes of wastepaper (including newspaper, magazines, printings purchased from other companies, daily correspondences, and promotional leaflets received) has been collected and recycled. Therefore, it contributes to a reduction of 10.24 tonnes of CO<sub>2</sub>e emission.

To award our effort in reducing waste, the Company and Headquarters were both awarded "Excellent Level" for the Wastewi\$e Label. We will continue implementing various initiatives to progressively minimize our waste generation.

# Environment

## Use of Resources

The Group maintains a strong commitment to resource efficiency and energy conservation, as outlined in our Environmental Protection Policy, ensuring optimal resource utilization.

## Energy Consumption

The Company's endeavours in energy conservation have been acknowledged with the 'Good Level' distinction under the Energywise Label. During the Reporting Period, the electricity and fuel consumption were as follows:

Energy Consumption Sources	Unit	2024	2023
Direct Energy Consumption			
Petrol	MWh	19.24	21.59
Towngas	MWh	276.25	276.74
Indirect Energy Consumption			
Purchased Electricity	MWh	577.18	585.43
Total Energy Consumption	MWh	872.67	883.76
Intensity	MWh/million revenue (HKD)	18.16	16.66

We are committed to ongoing efforts aimed at reducing energy usage and improving energy efficiency through various initiatives:



Using LED lighting in Headquarters.



Replacing traditional lighting with LED lighting in Accommodations and planning to complete the replacement in coming years.



Reminding staff to reduce the standby power used for office equipment, including copiers, paper shredders, monitors and water dispensers.



Unplugging all switches before weekends and holidays.

## Water Consumption

We recognize water as a vital resource and carefully monitor our consumption to prevent waste. Considering our business nature and geographical location, we do not have any issue in sourcing water that is fit for purpose. During the Reporting Period, the water consumption data is as follows:

Water Consumption	Unit	2024	2023
Total Water Consumption <sup>1</sup>	m <sup>3</sup>	13,235.00	12,779.31
Intensity	m <sup>3</sup> /million revenue (HKD)	275.49	240.95

Notes:

- As the water consumption of the office operation is managed by the Building Management Office and the respective data is not available and insignificant, only the water consumption of Headquarters and Accommodations is disclosed.



# Environment

We have improved water efficiency at Headquarters by installing new water pumps to optimize pressure and implementing regular pump maintenance to ensure optimal flow. We are committed to seeking new water conservation and efficiency measures.

## The Environment and Natural Resources

While our business operations have a limited environmental footprint, we maintain our commitment to environmental stewardship, focusing on reducing greenhouse gas emissions and waste production. As an example of our commitment, Headquarters adopts the use of eco-friendly products in service provision, such as hair dyes with reduced ammonia content and products developed using coenzyme technology.

The Company's commitment to environmental stewardship has been acknowledged through the attainment for several environmental certifications, including:

Certification	Organizer
Hong Kong Awards for Environmental Excellence – Appreciation Certificate	The Environment and Ecology Bureau and The Environmental Campaign Committee
Energywi\$e Label – “Good Level”	The Environmental Campaign Committee
Wastewi\$e Label – “Excellent Level”	The Environmental Campaign Committee
Hong Kong Green Organization (2023-2025)	The Environment and Ecology Bureau and The Environmental Campaign Committee

In addition, Headquarters has also received the Wastewi\$e Label – “Excellent Level” and Hong Kong Awards for Environmental Excellence – Appreciation Certificate.

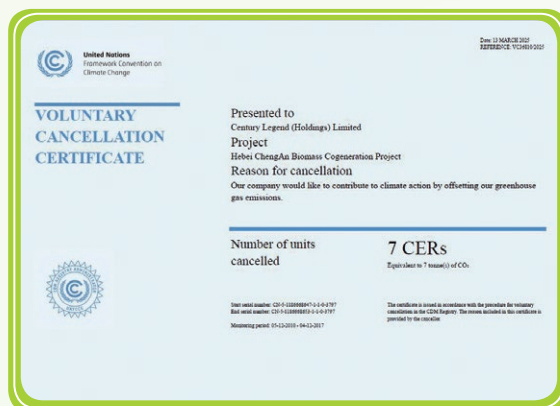
During the Reporting Period, the Group participated in Earth Hour 2024, organized by the World Wide Fund for Nature (WWF), to show symbolic support for the planet and to raise awareness of habitats protection by changing our habits of resource consumption.



## CLIMATE CHANGE

We have assessed climate-related physical and transition risks to our operations. While our business model and facilities have limited exposure to direct climate impacts, severe weather events like typhoons and intense rainfall could impact the safety of our employees and customers. Accordingly, we have formulated an emergency work arrangement under extreme weather and will persist in exploring various strategies to manage these climate-related risks effectively.

During the Reporting Period, we have successfully implemented various reduction measures and utilized carbon offsets to achieve reduction in our greenhouse gas emissions. The carbon offset project we have utilized is the Hebei ChengAn Biomass Cogeneration Project (Project ID: 3797) from the United Nations Clean Development Mechanism (“CDM”), which focuses on generating electricity by utilizing local straw from cotton. The electricity generated from this project is sold to the Hebei Provincial Power Grid, replacing the capacity of coal-fired power plants. The project contributed to greenhouse gas emission reduction, comprehensive utilization of resources, environmental protection, and providing job opportunities and increasing income of local residents. Certified Emission Reductions (“CERs”) from this project were also used for carbon neutrality at the 19th Asian Games Hangzhou 2022 and the 4th Asian Para Games Hangzhou 2022.



# Social



## SOCIAL

### Employment and Labour Practices

Our employees are fundamental to the Group's success. We invest in their holistic well-being through comprehensive benefits, professional development opportunities, and retirement security plans.

#### Employment

We implement various initiatives to create and maintain a cooperative work environment for our team. We comply with all applicable laws and regulations, including but not limited to:

- Cap. 57 Employment Ordinance; and
- Cap. 485 Mandatory Provident Schemes Ordinance of the Laws of Hong Kong.

During the Reporting Period, the Group was not aware of any material non-compliance with laws and regulations relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare, which would have a significant impact on the Group.



# Social

## Total Workforce

As at 31 December 2024, the Group had a total of 45 employees (2023: 43). All employees are based in Hong Kong. The employee demographic is as follows:

	Unit	2024	2023
By Gender			
Male	Person	12	12
Female	Person	33	31
By Employment Type			
Full-time	Person	41	38
Part-time	Person	4	5
By Age Group			
25 or below	Person	3	2
26 – 35	Person	7	10
36 – 45	Person	7	8
46 – 55	Person	13	12
56 or above	Person	15	11

## Remuneration, Benefits and Welfare

We maintain competitive compensation packages to retain our valuable talent and support business continuity. Our remuneration package includes basic salary, discretionary bonus based on the performance of the Group and employees, and Mandatory Provident Fund (“MPF”). The remuneration package is reviewed and adjusted annually based on performance appraisals and market trends. We also offer various welfare and benefits for employees, including but not limited to:

- Quarterly bonus to apprentices in hair salon with outstanding performance;
- Medical insurance, including clinical, hospitalization, and supplementary major medical;
- Life insurance;
- Accidental death and dismemberment insurance;
- Annual, sick, compensation, marriage, maternity, paternity, compassionate, examination, birthday, and study leaves;
- Meal allowance, transportation reimbursement, and shortened working hours on the following day for employees working overtime as stated in the employee handbook; and
- Staff dismissed earlier for celebration on festivals such as Chinese New Year’s Eve, Mid-Autumn Festival, Winter Solstice, Christmas Eve, and New Year’s Eve.

To address the retirement needs of our employees and bolster their retirement protection, we also make voluntary contributions to the MPF. In recognition of enhancing retirement protection for our employees, the Company is awarded The Good MPF Employer 10 Years, e-Contribution Award and MPF Support Award issued by the Mandatory Provident Fund Schemes Authority. Headquarters is also awarded Good MPF Employer, e-Contribution Award and MPF Support Award.

# Social

## Turnover

The yearly staff turnover rate in the Reporting Period was 29% (2023: 28%). The turnover rate categorized by gender and age group is as follows:

Turnover Rate	2024	2023
By Gender		
Male	25%	8%
Female	30%	35%
By Age Group		
25 or below	33%	200%
26-35	71%	10%
36-45	43%	0%
46-55	8%	42%
56 or above	20%	18%

## Equal Opportunity and Diversity

The Group promotes equal opportunity in recruitment, development, advancement, and compensation. Our non-discrimination policy protects employees regardless of gender, ethnicity, religion, age, marital or family status, disability, pregnancy, or any other legally protected characteristics.

Our employee handbook strictly prohibits sexual harassment. All reported incidents undergo immediate investigation. Violators face disciplinary action, and when warranted, cases will be reported to law enforcement.

To demonstrate our effort in equal opportunity and diversity commitment, the Company has committed to the Racial Diversity & Inclusion Charter for Employers organized by the Equal Opportunities Commission, and Headquarters has been awarded the Partner Employer Award 5 Years + issued by the Hong Kong General Chamber of Small and Medium Business.

## Employee Communication

The Group prioritizes transparent, two-way communication with our employees to understand their needs and concerns, which helps create a supportive workplace and improve job satisfaction. To this end, we set up a variety of communication channels, including notices, memos, emails, and lunch meetings, to ensure active and continuous dialogue with our staff. To recognise our effort, the Company was awarded the Happy Company Award issued by the Hong Kong Promoting Happiness Index Foundation. The Company and Headquarters were awarded Caring Company – “15 Years +” and “10 years +” respectively, issued by the Hong Kong Council of Social Service (“HKCSS”).

## Social

Furthermore, the Group consistently arranges different internal events to nurture a strong team spirit as well as sense of belonging within our workforce. Events such as annual dinner, birthday gathering, festival lunch, voluntary services, and Christmas gatherings are regularly organized.



Employee birthday celebration activity



Company Christmas buffet lunch

### Employee Health and Safety

The Group prioritizes employee health and safety by maintaining a secure, clean, and healthy workplace, recognizing that employee wellbeing is essential for operational excellence and service continuity. We comply with all applicable laws and regulations including but not limited to:

- Cap. 95 Fire Services Ordinance; and
- Cap. 509 Occupational Safety and Health Ordinance of the Laws of Hong Kong.

The Group reported no work-related fatalities in the past three years (including the Reporting Period). During the Reporting Period, there was no work injury reported, and no lost days due to work injury. The Group was not aware of any material non-compliance with the laws and regulations relating to providing a safe working environment and protecting employees from occupational hazards, which would have a significant impact on the Group.

The operations at Headquarters are subject to a higher risk of injury due to the business nature. To raise employees' awareness of the potential risks at the workplace, we have formulated guidelines and procedures in the following situations:

- Cleaning blood-contaminated equipment;
- Handling and disposing of sharp equipment;
- Handling of wounds;
- Serving food and drinks; and
- Handling of waste.



## Social

We have standardized protocols to address and manage work-related injuries effectively. Employees involved in work-related injuries shall inform their Department Heads or Human Resources Department, and seek medical consultation in nearby hospitals or clinics within 24 hours. Human Resources Department shall complete and submit the work injury report to the Labour Department and insurance company upon receipt of the employee's sick leave certificates and medical receipt within 48 hours.

### Development and Training

We invest in employee development and training as a core part of our sustainability strategy. This investment enhances individual career growth, maximizes employee potential, and strengthens our competitive position through a more skilled and motivated workforce.

Our employees have access to a broad spectrum of training and development opportunities directly related to their roles, encompassing a diverse array of topics such as:



We utilize varied on-the-job training and development programs to assess individual capabilities and optimize task assignments, ensuring effective allocation of human resources.

To enhance the sense of fulfilment among our employees, we conduct proper evaluations of training and development activities and present awards to employees with excellent performances. To further encourage and support employees to obtain higher qualifications, we provide opportunities for continuous professional development and subsidize professional examinations. To recognize its contribution to employee training and development, both the Company and Headquarters obtained the Manpower Developer Award Scheme – Certificate of Appreciation issued by the Employees Retraining Board.

## Social

Furthermore, Headquarters is committed to ensuring that employees possess sufficient job knowledge and skills, offering comprehensive training programs designed to enhance their skillsets, such as

- Model night is organized once every week for apprentices to practice hair skill with experienced stylists as trainers;
- Apprentices are assigned and rotated to different positions to learn various skills, such as hair styling and hair dying; and
- They have to pass several internal exams before promotion to ensure their professionalism. Senior hairstylists assessed their skills and performance by tests and an independent examiner is invited to be the reviewer in the final exam.

During the Reporting Period, the Group had a total of 29 employees trained (2023: 42). The training data is as follows:

	2024	2023
<b>Percentage of Employees Trained</b>		
By Gender		
Male	25%	92%
Female	79%	100%
By Employee Category		
Management	56%	100%
Frontline and Other Employees	67%	97%
<b>Average Training Hours per Employee</b>		
By Gender		
Male	5	14
Female	9	15
By Employee Category		
Management	3	3
Frontline and Other Employees	9	18

### Labour Standards

The Group strictly prohibits child and forced labour in all our operations, upholding fundamental human rights and ethical labour standards. We strictly adhere to applicable local laws and conduct, including but not limited to Cap. 57 Employment Ordinance of the Laws of Hong Kong. Neither child labour nor forced labour is found during the Reporting Period. During the Reporting Period, the Group was not aware of any material non-compliance with laws and regulations relating to preventing of child and forced labour, which would have a significant impact on the Group.

We have instituted standard procedures within our recruitment process to serve as effective safeguards against child and forced labour. All applicants are required to sign a declaration for their provision of valid and accurate information on the job application form. The identity documents and relevant certificates are checked by the Human Resources Department. Employment offer will not be provided to applicants who cannot provide identity documents or relevant documents.

Should incidents of child or forced labour be identified, their employment will be terminated immediately, and a subsequent review of the recruitment procedures will be conducted to prevent future occurrences.

# Social

## Operational Practices

### Supply Chain Management

The Group recognizes supply chain management as essential to sustainable development, as it reduces risks, enhances operational efficiency, and ensures ethical procurement practices vital for long-term business success. During the Reporting Period, the Group had 108 major suppliers from Hong Kong (2023: 90 suppliers) and conducted the annual performance review on 99 suppliers.

Regarding procurement and tendering processes, our practices are guided by the principles outlined in the Group's code of conduct:



Effectively introduce competitions;



Adopt effective monitoring system and management control, to spot and avoid corruption, fraud, and other misconduct;



Abide by all related laws, regulations, and contract terms;



Select qualified and responsible suppliers and contractors on an impartial basis; and



Select a suitable type of contract according to needs and quality.

Terms of contracts with suppliers are established based on mutual agreement, ensuring transparency in settlements. Moreover, to confirm that product quality aligns with descriptions provided, inspections are conducted in accordance with the agreed terms.

Our partner selection process thoroughly evaluates environmental and social risks when choosing suppliers, contractors, consultants, and other business partners to ensure responsible collaboration. In addition to the environmental-related certifications, we take suppliers' environmental compliance into consideration. For instance, factories are required to comply with local construction requirements or adopt compliant methods to dispose of contaminated materials. Furthermore, suppliers are encouraged and preferred to use environmentally friendly materials. For social or employee-related compliance, any child labour or forced labour and other illegal employment measures are also strictly prohibited.



# Social

## Product Responsibility

### *Product and Service Quality*

The Group maintains rigorous product and service quality standards, strengthening customer trust and creating competitive advantage in the marketplace. The Group complies with relevant laws and regulations, including but not limited to:

- Cap. 123 Buildings Ordinance;
- Cap. 95 Fire Services Ordinance;
- Cap. 371 Smoking (Public Health) Ordinance;
- Cap. 486 Personal Data (Privacy) Ordinance; and
- Cap. 210 Theft Ordinance of the Laws of Hong Kong.

During the Reporting Period, the Group was not aware of any material non-compliance with laws and regulations relating to health and safety, labelling and privacy matters relating to products and services provided and methods of redress, which would have a significant impact on the Group.

Our hair salon services prioritize the use of eco-friendly, herbal, and natural products to protect customer health and safety. To minimize the damage to customers' hair during the hair-dyeing process, hair dye containing low ammonia and coenzyme technology products are selected over those with high concentrations of chemicals.

In our hospitality service operations, the Accommodations maintain high-quality facilities, recognizing that these standards are essential for guest satisfaction and our reputation in the hospitality sector. The Group strictly adheres to Cap. 123 Buildings Ordinance, Cap. 95 Fire Services Ordinance and Cap. 371 Smoking (Public Health) Ordinance of the Laws of Hong Kong. The areas of design, structure, fire precautions, health, sanitation, and safety are considered and ensured to comply with relevant standards. Besides, safety devices and systems are in place, such as smoke detectors, automatic sprinkler systems, and fire extinguishers. We also post clear indications of exit signs and emergency exit plans behind each room's door and conduct regular checks on safety facilities. For instance, fire alarm testing is conducted annually.

The Accommodations provide personalized services that meet guest requirements, actively using customer feedback to drive continuous improvement. We invite guests to express their views by utilizing the feedback cards available in each room or by engaging directly with our staff, as this input is invaluable to our commitment to excellence. Complaints received will be reviewed and handled promptly. There was no product sold or shipped subject to recalls for safety and health reasons due to our business nature. During the Reporting Period, one service-related complaints were received, and they were reviewed and handled promptly.

### *Intellectual Property Rights*

The Group vigorously protects our intellectual property rights as vital business assets that maintain our competitive advantage and brand integrity. We take firm action against any intellectual property infringement. We strictly comply with Cap. 210 Theft Ordinance of the Laws of Hong Kong.

Unauthorized personal use, reproduction, or removal of the Group's assets, encompassing all materials and information intended for official use, is strictly forbidden. Should any violations be detected, appropriate corrective action will be taken, offenders will be subject to disciplinary actions or prosecution.

# Social

## *Data Protection and Privacy*

The Group prioritizes customer data security through robust protective measures, recognizing that safeguarding confidential information is fundamental to maintaining customer trust and relationships. We have implemented relevant safeguards to protect against the loss or exposure of confidential data. The Accommodations maintain strict confidentiality regarding customer information. Customer information is only accessible to authorized staff in the check-in system, and all printed copies are stored in a locked cabinet. Besides, we maintain high levels of confidentiality with respect to the personal information of our employees. Only necessary personal information is collected, and employee privacy is protected at all times.

Employees and associated individuals are strictly prohibited from engaging in the illegal or unauthorized utilization of confidential or price-sensitive information, such as customer details, for the Group's securities trading. Such violations are subject to disciplinary actions, immediate dismissal without compensation, and civil and criminal penalties to include heavy fines and imprisonment.

## *Advertising and Labelling*

We ensure accurate and reliable information across our digital platforms to build consumer trust and transparency in our hospitality offerings. To this end, we ensure that all information presented on our official websites and through online travel agencies (OTAs) such as Agoda is accurate and do not contain any misleading content.

## **Anti-corruption**

The Group conducts all business operations with strict ethical standards, recognizing that integrity is essential for stakeholder trust and sustainable business success. We adhere to Cap. 201 Prevention of Bribery Ordinance of the Laws of Hong Kong, and strictly prohibit all forms of bribery, extortion, fraud, money laundering, and corruption. During the Reporting Period, the Group was not aware of any material non-compliance with laws and regulations relating to bribery, extortion, fraud, and money laundering, which would have a significant impact on the Group. No concluded legal cases regarding corrupt practices were filed against the Group or our staff.

Conflicts of interest must be identified and addressed to protect the Group's operational integrity. A conflict exists when personal interests oppose or contradict the Group's interests, such as using one's position for self-benefit or to advantage family members, relatives, friends, or anyone to whom one is indebted or obligated. To prohibit all forms of conflicts of interest in the operation, the Group's code of conduct clearly states that all staff is required to obtain approval from the Group's executive committee in all situations of conflict of interest.

## *Whistle-blowing Policy*

The Group has established a whistle-blowing policy to provide guidelines and procedures for our stakeholders to report misconduct or malpractice. Our stakeholders, including shareholders, customers, suppliers, and internal staff, are provided with reporting channels. We will undergo an investigation when a suspicious case is received. The confidentiality of the complainant is protected throughout the process. If the complainant's identity is exposed, whoever retaliates against the complainant will be subject to disciplinary action. All concerns will be handled impartially and effectively and will be reported to relevant enforcement authorities when necessary.

## *Anti-corruption Training*

Anti-corruption training is provided to our staff in order to align with the Group's values and standards. Our management was provided with the learning materials in relation to anti-corruption practices published by the Independent Commission Against Corruption (ICAC) during the Reporting Period. Going forward, we will consider extending anti-corruption training to all employees.

# Social

## Community

### Community Investment

As a responsible corporate citizen, we meet our social responsibilities and make positive contributions to society. To demonstrate our continuous investment in community services and charitable activities, both the Company and Headquarters has been honoured as the “Caring Company” by HKCSS for more than 15 and 10 consecutive years respectively and the Appreciation Trophy in recognition of Volunteer Service to Po Leung Kuk. The Company was awarded the Volunteer Movement Participating Organization – Certificate of Participation issued by the Social Welfare Department. Headquarters also received the Social Capital Builder Logo Award issued by the Home and Youth Affairs Bureau.

During the Reporting Period, our community investment spans across environmental protection and social caring. We constantly encourage and motivate staff to participate in voluntary services and make donations to help people in need. For cash donations, both the Company and Headquarters had made donations to Po Leung Kuk, supporting the Community Chest’s “Green Low Carbon Day” and “Dress Casual Day”. The Company also made cash donation and Christmas gifts donation to Po Leung Kuk to help children in need.

The “Green Low Carbon Day” raised funds for green related projects supported by the Community Chest and encouraged participants to adopt low-carbon lifestyle. The donation to “Dress Casual Day” would benefit over 160 social welfare member agencies of the Community Chest that reach out to more than 2.5 million beneficiaries in Hong Kong in areas of children and youth, elderly, family and child welfare, medical and health, rehabilitation and aftercare, and community development.

The Company organized an outing activity for children from Po Leung Kuk to visit the Fire and Ambulance Services Education Centre cum Museum. For more than ten consecutive years, Headquarters has actively provided complimentary haircut service to children of Po Leung Kuk.





## ESG REPORTING GUIDE CONTENT INDEX

Content		Relevant Section
Mandatory Disclosure Requirements		
Governance Structure	A statement from the board containing the following elements: (i) a disclosure of the board's oversight of ESG issues; (ii) the board's ESG management approach and strategy, including the process used to evaluate, prioritize and manage material ESG-related issues (including risks to the issuer's business); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses.	Sustainability Commitment and Governance – Sustainability Governance
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.	About the Report – Reporting Standards and Principles
Reporting Boundary	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report.	About the Report – Reporting Scope and Period
A. Environmental		
A1. Emissions		
General Disclosure	Information on (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Emissions
KPI A1.1	The types of emissions and respective emissions data.	Emissions – Air Emissions
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and intensity.	Emissions – Greenhouse Gas Emissions
KPI A1.3	Total hazardous waste produced (in tonnes) and intensity.	Emissions – Hazardous and Non-hazardous Waste
KPI A1.4	Total non-hazardous waste produced (in tonnes) and intensity.	Emissions – Hazardous and Non-hazardous Waste
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	Emissions – Air Emissions, Greenhouse Gas Emissions
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.	Emissions – Hazardous and Non-hazardous Waste

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

Content		Relevant Section
B. Social		
Employment and Labour Practices		
B1. Employment		
General Disclosure	Information on (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Employment
KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	Employment – Total Workforce
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Employment – Turnover
B2. Health and Safety		
General Disclosure	Information on (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Employee Health and Safety
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Employee Health and Safety
KPI B2.2	Lost days due to work injury.	Employee Health and Safety
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Employee Health and Safety
B3. Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Development and Training
KPI B3.1	The percentage of employees trained by gender and employee category.	Development and Training
KPI B3.2	The average training hours completed per employee by gender and employee category.	Development and Training
B4. Labour Standards		
General Disclosure	Information on (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Labour Standards
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Labour Standards
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Labour Standards



Content		Relevant Section
Operating Practices		
B5. Supply Chain Management		
General	Policies on managing environmental and social risks of the supply chain.	Supply Chain Management
Disclosure		
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
B6. Product Responsibility		
General	Information on	Product Responsibility
Disclosure	(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.	Product Responsibility – Product and Service Quality
KPI B6.2	Number of products and service-related complaints received and how they are dealt with.	Product Responsibility – Product and Service Quality
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Product Responsibility – Intellectual Property Rights
KPI B6.4	Description of quality assurance process and recall procedures.	Product Responsibility – Product and Service Quality
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Product Responsibility – Data Protection and Privacy
B7. Anti-corruption		
General	Information on	Anti-corruption
Disclosure	(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.	
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 – Whistle-blowing Policy
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Anti-corruption – Anti-corruption Training

Content		Relevant Section
Community		
B8. Community Investment		
General	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Community Investment
Disclosure		
KPI B8.1	Focus areas of contribution.	Community Investment
KPI B8.2	Resources contributed to the focus area.	Community Investment