

# HM INTERNATIONAL HOLDINGS LIMITED



(Incorporated in the Cayman Islands with limited liability)

Stock Code: 8416

# 2022

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



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# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

*For the year ended 31 December 2022*

## ABOUT THE COMPANY

Being one of the major financial printing service providers in Hong Kong, HM International Holdings Limited (the "Company") and its subsidiaries (together the "Group") offer integrated printing services, including comprehensive one-stop Business Process Outsourcing ("BPO") solutions that cover financial printing projects, marketing collateral printing projects and value-added digital services, such as website design, video production, e-book and app production and electronic marketing presentation material production.

Upholding the mission to deliver quality services with the "CARE" attitude: C – Confidentiality; A – Accuracy; R – Reliability; and E – Ease of Mind, the Group has been focusing on strengthening on three major areas, Creativity, Service and Technology, to differentiate its services among the competition.

The Group aims to fulfil the needs of its diversified clientele including corporations which are listed or seeking to be listed on the Stock Exchange of Hong Kong Limited (the "SEHK"), multinational financial institutions such as fund houses and insurance companies, education organisations, and private companies in hospitality, marketing and advertising and legal sectors.

The Company has been listed on GEM of the SEHK since January 2017.

## ABOUT THIS REPORT

This report is prepared by the Group in accordance with the requirements set forth in the Environmental, Social and Governance ("ESG") Reporting Guide ("Guide"), Appendix 20 of the Rules Governing the Listing of Securities on GEM of the SEHK, and was approved by the board of directors of the Group (the "Board"). It presents and aims to provide a balanced representation of our major ESG policies, initiatives and performances of the Group in the four main areas – employment and labour practices, operating practices, community participation and environmental protection – for the year ended 31 December 2022 (the "Reporting Period"). The governance structure and practices of the Group have been set out in the Corporate Governance Report on pages 35 to 48 of the 2022 Annual Report.

### Scope of the Report

We aimed to extend the scope of the Report as stated in our 2021 ESG Report. Our report this year not only focuses on the operation of the integrated printing services in the Hong Kong office of the Company, but also the subsidiaries that we have control on their operating practices ("the Company and its controlled subsidiaries") during the Reporting Period. To compare our yearly performance, we try to ensure the structure of this Report is aligned as closely as possible to that of the previous years. Together we show the data for the Company for comparison purpose and the Company and its controlled subsidiaries for the future monitoring. We define the reporting scope as the core and material business units within our Group. Unless otherwise specified, the reporting scope of this Report only covers our operations in Hong Kong. The reporting principles of "Materiality", "Quantitative", "Balance" and "Consistency" as set out in the Guide is served as the basis of the contents of this Report and the presentation of information.

This report provides information related to the business activities of the offices and sites controlled by the Group in Hong Kong. Data from our customers or suppliers are not included as such data is difficult to verify with available resources.

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### Materiality of the Report

We believe setting the context for materiality assessment is essential. Materiality should be determined by both internal and external factors. In order to help identifying material issues and concerns, we engage stakeholders through different channels to better understand their views. Following elements are considered after consultation including business strategy, legal and regulatory obligations, industry norms, stakeholders' concerns and community and societal expectations etc. We follow Global Reporting Initiatives ("GRI") on the definition for purposes of ESG reporting which is "The information in a report should cover topics and indicators that reflect the significant economic, environmental, and social impacts of the organisation, or that would substantively influence the assessments and decisions of stakeholders." Materiality varies based on different industries and companies, following the discussion with our senior management and operational staff, we assessed ESG issues relevant to the Group by considering their importance to our stakeholders as well as the Group, we therefore outlined the prioritisation on the aspects required by SEHK. These key performance indicators contain information deemed material to our Group or industry and may be in the high rank for reporting. Combining the results of discussion, we identified three material aspects, Employment, Product Responsibility and Use of Resources, to be the focuses of this report.

### Opinion and Feedback

This report is available online on our Company's website at [www.hetermedia.com](http://www.hetermedia.com) and the "Latest Listed Company Information" page of the GEM website at [www.hkgem.com](http://www.hkgem.com). This report will only be disseminated via electronic means.

We value feedback from our stakeholders. To enable us to address stakeholders' concerns and ensure continuous improvement of our reporting process, you are most welcome to share your feedback on our sustainability performance or reporting methods via email at [corpcomm@hetermedia.com](mailto:corpcomm@hetermedia.com).



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## MANAGEMENT STATEMENT



“**Unprecedented**” was the word that we began with in our ESG report for 2021.

Unfortunately, the same word remained to be valid to best describe the situation last year as we had continued experiencing another even more challenging year throughout 2022 and in fact the worst since COVID-19. Another year of disruption has underlined the need to further evolve and fine tune existing strategies to ensure that our business, our industry, and our community emerge stronger and more resilient. The Group was once again put in the hot seat against this unprecedented backdrop as almost all aspects of human interaction have moved online amid the strictest lockdowns and social distancing policies during the fifth wave. In the meantime, SEHK has introduced paperless listing for Initial Public Offering issuers since 5 July 2021. In December 2022, SEHK further published consultation paper to expand the paperless listing regime. While we understand and appreciate the decision of SEHK to further reduce the carbon footprint for the planet, our industry certainly struggled to keep our feet on the ground in this dubious economic situation and at the same time paying attention on the climate change. Nonetheless, the Group continued to demonstrate our highly resilient operating platform by generating a reasonable profit growth despite the extremely arduous circumstances continued in 2022 especially for the first six months.

In our 2021 ESG report, we mentioned about how the pandemic crisis highlighted the links between environmental changes and emergence of infectious diseases. With the continued concern of global warming, various extreme weather events in 2022, including heatwaves, extreme cold events, extreme rainfall triggered severe flooding, disaster like 2023 Turkey–Syria earthquake at the time of writing, etc. has ravaged different parts of the world. All the above have displayed a severe situation that we must act responsibly to our environment imminently.

While most people often believe the climate change related impacts as something will happen in future, the Board understands it is an ongoing process and it has become a major issue for our business. Urgent action is required to prevent such devastating effects on our environment.



In view of the increasingly severe climate change risks, in 2022 we continued to plan on integrating the ESG concepts into our corporate culture and operating strategies, consolidating the internal and external resources of the group, increasing resilience and demonstrating our determination on coping with the climate related risks. We further extended the scope of the Report to include the subsidiaries that we have control on their operating practices during the Reporting Period. In addition, we have pledged to adopt the Code of Practice against Discrimination in Employment on the Ground of Sexual Orientation. Keeping our employees safe and healthy has been a key priority for the Group. We will continue to encourage hybrid working and use the best technology to connect our employees and customers.

This year, we initiated our first step to review and better understand the importance of climate change and its related risks and opportunities present to our business. The Group has promoted climate change governance from top to bottom, we have formed a dedicated TCFD Working Group under the Risk Management Working Group to focus on the TCFD related issues. We become a supporter and aim to work on the scenario analysis in 2023. We are committed to reduce 70% of the carbon emissions in both Scope 1 and Scope 2 and 60% in Scope 3 in our own operations by 2030. Covid-19 affected our working patterns and reduced our footprint further. We targeted to build on this momentum as the pandemic is slowing behind us.

Even though all countries attempt to push people back to normal life, 2023 will remain to be a challenging year to the Group and ensure the business will be resumed back to the pre-pandemic level as quickly as possible. As a small and medium-sized enterprise, it is never easy to maintain the balance between the costs and application of the ESG strategy. We believe effective communication with the stakeholders and the commitment on the corporate social responsibility will help us to emerge stronger. While we still have a long way to go, with the shared vision and the determination, we have confidence that we can build a more sustainable future together which will create the benefits for all of us.

**Chan Wai Lin**

*Chief Executive Officer, Executive Director and Compliance Officer*

**HM International Holdings Limited**

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

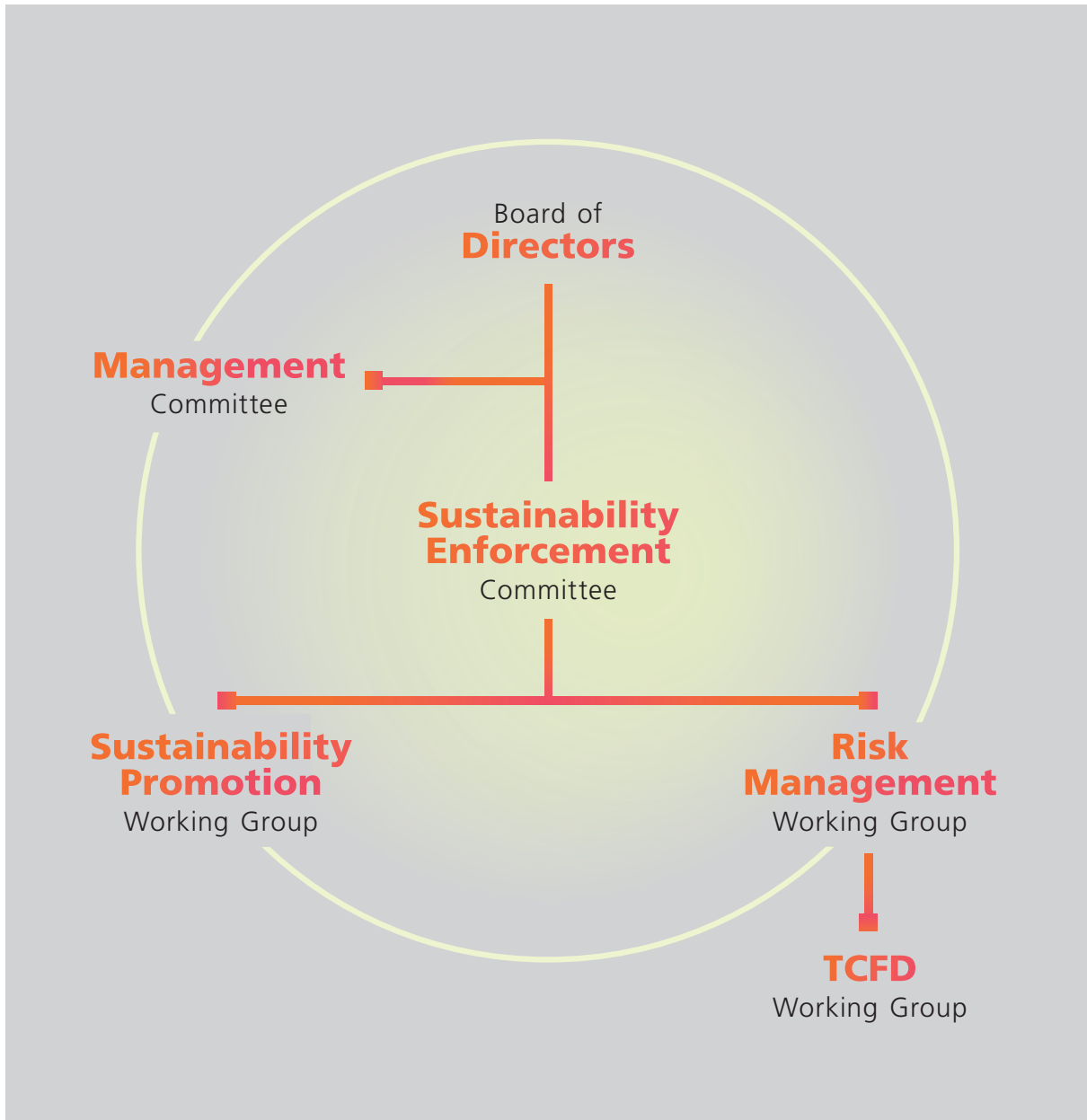
For the year ended 31 December 2022

## ESG GOVERNANCE

### Governance Structure

The Company recognises the scale of ESG issues on its business operations and considers this to be an important management issue. The Company has established a standalone committee comprising senior management and department heads on the governance of ESG issues to formulate plan and implement effectively to the Company, with the C-level management to chair the committee.

Our Management has attended the ESG meeting/forum held by different professional experts to keep abreast of the latest development on the ESG issues.



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### Roles and Responsibility

#### *The Board of Directors*

- Principally approving and monitoring of the policies and mechanisms to manage ESG issues and the adequacy of resources
- Review and endorse all sustainability policies, disclosures and goals
- Ensure appropriate risk mitigation measures are in place

#### *Management Committee*

- Formulates and advances plans for Company with the assistance of the Sustainability Enforcement Committee
- Integrates the ESG goals into businesses, identifies and manages the ESG risks
- Coordinates different departments to implement the ESG strategies and necessary actions
- Oversees the policies and mechanisms is implemented in an efficient and effective manner
- Provides ESG updates regularly to the Board

#### *Sustainability Enforcement Committee*

##### 1. Sustainability Promotion Working Group

- Formulates and advances plans focused on the achievement of the SDGs
- Formulates and advances plans for disclosure of the ESG information
- Arranges training and sharing sessions to promote the sustainability

##### 2. Risk Management Working Group

- Identifies significant risks and the impact for the Company, formulates and advances plans (including climate change) for countermeasures to ensure resilient move
  - i) TCFD Working Group
    - Evaluates the climate-related issues and risks
    - Formulates and advances plans focused on the climate-related issues impact and the transformation of the business

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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### CLIMATE CHANGE IMPACT AND THE TCFD

Being a party acceded to the Paris Agreement, Hong Kong Government has set out the decarbonisation target of reducing Hong Kong's carbon intensity by 65% to 70% by 2030. In the meantime, with effect from July 2020, SEHK's ESG Reporting Guide has been amended to incorporate elements of the Task Force on Climate-related Financial Disclosure ("TCFD") recommendations. Climate change related impacts present financial risks to many sectors, ours is in no exception. Being a responsible corporation, we need to consider our actions today in light of how financial risks from climate change may evolve in future. The Group will disclose information from the four perspectives of 1) Governance, 2) Strategy, 3) Risk Management and 4) Metrics and Targets on identifying and disclosing the potential financial impacts of climate-related risks and opportunities on our businesses.



#### 1) Governance

The impacts of climate change on different sectors of society are interrelated. As such, the Group views risks and opportunities related to climate change as important issues. An ESG governance structure supervised by the Board of Directors was established in 2021. (see Section "ESG Governance"). A standalone committee was formed in 2021 to ensure the ESG message has full penetration from top to bottom. The Board of Directors delegates the handling of climate-related issues to the Management Committee (the "Committee"). The Committee establishes multiple working groups and coordinates evaluation of climate-related issues and countermeasures to them. This dedicated approach governance structure enables us to have a more holistic view of the impact of the climate change to the business and operations of the Company. With the C-level Management who chair the committee and the Board members in other standing committee, this ensures the climate-related issues from dialogue with traditional business functions to be maintained and



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the related policies are formulated without isolation. In 2022, the Group has announced its support for the recommendations of the TCFD through the establishment of a working group under the Risk Management Working Group. The Sustainability Enforcement Committee will submit a report after the evaluation of the climate-related issues to the Committee for the strategy formulation before making comprehensive decisions. The Sustainability Enforcement Committee comprises senior management from different business functions and is responsible for monitoring our policies, programmes, and performances relating to climate change. The climate-related performance targets is set within the Committee in order to assist our Board in evaluating the effectiveness of its climate strategy and measures. The Committee will present to the Board annually on the status to ensure such issues and risks are incorporated into our strategy.

### 2) Strategy

The Group has set the tone in 2021 on the Sustainable Development Goals (“SDGs”) that we will focus and its basic approach to providing solutions to social issues. The Group has targeted to reduce the carbon emission by 70% in Scope 1 and Scope 2 and 60% in Scope 3 in 2030. The Group has also decided to adjust its supply chain management strategy to share the same vision with its downstream. We have the Committee being chaired by the C-level Management to expedite the decision process. It formulates and advances plans with the assistance of the Sustainability Enforcement Committee which comprises of Sustainability Promotion and Risk Management Work Group. The Working Groups are made up of different departments and functional committees members to ensure the messages and actions are conveyed thoroughly and effectively. The Group recognises that we are facing a challenging situation. Short-term impacts including the decreased demand of the traditional paper products, medium to long term threats including change of the regulations and costs rising. We understand failure to respond could cause a crisis to our business, conversely, responding appropriately and timely to such risks can generate business opportunities. In addition to its traditional business model, the Group is currently transforming to a digital mode of operation, which supports the shift to new business models in a digitalised society.

### 3) Risk Management

The Group recognises climate change as a serious issue and important matter for management. The Risk Management Working Group comprises department heads who are responsible for identifying and assessing climate-related risks, the formulation of countermeasures, and progress monitoring. The governance structure is established to ensure the process is oversighted by directors, whereby the activities of the Working Group are presented to the Committee and subsequently reported to the Board of Directors.

Climate change risk management approaches to the Group fall into three categories: 1) mitigation – we set the target to reduce the carbon emission, transform our business into a digital era and increase the awareness in the offices; 2) adaptation – disaster recovery and building resilience to those impacts to reduce damages and disruptions; 3) knowledge-base expansion – efforts to learn and understand more about the climate system, conveys the messages to everyone in the office and increases the awareness.

### 4) Metrics and Targets

In line with the timeframe set in Paris Agreement, the Group has targeted to reduce the carbon emission by 70% in Scope 1 and Scope 2 and 60% in Scope 3 by 2030. The Group will keep on disclosing information on the status of progress towards these targeted figures.

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Under the framework provided by the TCFD Recommendations, climate-related financial risks refer to the set of potential risks that may result from climate change, these risks are typically classified as physical and transition risks.

Physical risks resulting from climate change can be acute risks such as the potential economic costs and financial losses resulting from the increasing severity and frequency of extreme climate-change related events. There is increased severity of extreme weather events nowadays, such as floods, super typhoon, earthquake etc. e.g Hato in 2017 and Mangkhut in 2018 was severe, it could cause impact on our office buildings, operations, and employee safety. Chronic risk is another physical risk which refers to the longer-term progressive shifts in the climate. The sustained high temperature may cause chronic heat waves, regulations in some regions allow employee to stay home or having allowance in the days with high temperature. Financial performance of our Group may also be affected when exposed to the impact of drastic changes in climate. Transition risks related to the process of transitioning to a low-carbon economy may elicit changes on policy and legislation, technology, reputation, and market to address the mitigation and adaptation requirements related to climate change.

Physical risk may have the below potential impacts on the business activities of the Group:

- Increase in insurance costs and damage to operational sites caused by extreme weather
- Challenges in procurement process caused by supply chain disruption
- Cost of raw materials increases due to paper supply shortages caused by deforestation
- Energy costs increase due to rise in ambient temperature
- Quality of product may compromise under high temperature or humid conditions

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Transition risks may have the below potential impacts on the business activities of the Group:

- Possible increase in levies due to tightening of energy-saving legislation and other regulations
- Dramatic decrease in demand of the traditional paper products due to the digital trends and change in regulations
- Increases in raw material and energy costs
- Transformation of the production system due to changes in materials

The Group recognises the impact that climate change can have on its operations as a major issue and has started to analyse and implement countermeasures to both physical risks brought by drastic climate change and transition risks associated with a shift to a low-carbon society. We will continue to strive to create new business such as using recycle materials for our traditional business and expansion on digital business. The Group will re-evaluate and explore business opportunities through methods such as scenario analysis.



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### SUSTAINABLE DEVELOPMENT GOALS (SDGs)

As a company with corporate social responsibility, we understand we should be socially accountable to ourselves, our stakeholders, and the public. To adhere to compliance standards is fundamental and we should aim to achieve a higher level. An international well-recognised measures SDGs were adopted since 2021 to promote the ESG concept to our stakeholders. The 17 SDGs are intertwined and we specifically focused on the following goals in the Group's sustainability agenda.



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SDGs	Description	Our Position and Efforts
 <p><b>1</b> NO POVERTY</p>	<p><b>Goal 1:</b> <b>No Poverty</b></p> <p>End poverty in all its forms everywhere</p>	<p>We concern the proportion of the population living below the poverty line and out of which, particularly the grassroots elderly, single-living elderly and homelessness.</p> <ul style="list-style-type: none"> <li>• We joined Gingko House (銀杏館) the “Love Project” to distribute the Rice Dumplings, Mooncake with rice and soup, Lunch boxes at Dragon Boat Festival, Mid-Autumn Festival and Winter Solstice respectively to those very deserving under-privileged groups in Hong Kong. Not that we do the donation, our employees were present for the distribution to deliver the caring message.</li> <li>• We have also participated in the Food Angel Food Rescue and Assistance Programme (惜食堂食物回收及援助計劃) supported by The Community Chest of Hong Kong (香港公益金). It is a programme to foster the idea of “Waste Not Hunger Not”, our Social Responsibility Team joined them to prepare food collected from different sectors that would otherwise go to waste, the food after the processing will later turn into nutritious hot meal boxes to serve the underprivileged communities in Hong Kong.</li> <li>• We donated the gift bags to Po Leung Kuk Elderly Centre at Mid-Autumn Festival to share the joy.</li> </ul>



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SDGs	Description	Our Position and Efforts
 <p><b>3 GOOD HEALTH AND WELL-BEING</b></p>	<p><b>Goal 3: Good Health and Well-Being</b></p> <p>Ensure healthy lives and promote well-being for all at all ages</p>	<p>We strive to ensure good physical and mental health for our people in the workplace and in our community.</p> <ul style="list-style-type: none"> <li>• We promote the remote working mode and flexible working hours to our employees to maintain work-life balance. Especially during the period of COVID-19, we encouraged most of our employees to work from home to avoid the spread.</li> <li>• We continue to support the “Pink Revolution” organised by Hong Kong Cancer Fund. We funded the “Pink Recovery Pack” for breast cancer patients who have just undergone surgery. We arranged a pink office party for the employees to raise their awareness on breast cancer. Through “Dress Pink Day” and “Shop for Pink” to simply select a pink item, our staff can also donate all or part of the proceeds to Pink Revolution.</li> <li>• Studies shows that pets come with some powerful health benefits. Caring for a dog, cat, or other animal can reduce stress, anxiety, and depression, ease loneliness, encourage exercise and playfulness, and even improve cardiovascular health. Since 2019, we have supported “SPCA Aniform Day” by inviting our staff to wear the animal print clothing and/or accessories as a pledge for an animal-friendly community.</li> </ul>



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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SDGs	Description	Our Position and Efforts
	<p><b>Goal 5: Gender equality</b></p> <p>Achieve gender equality and empower all women and girls</p>	<p>We treat everyone the same regardless of their background, religions, races and gender etc. The promotion within the company completely is based on the performance of the individual but nothing else.</p> <ul style="list-style-type: none"> <li>Hong Kong Federation of Women’s Centres (HKFWC) is a non-partisan and non-religious women’s organisation. They concern about the situation of grassroots women, and promote gender equality in Hong Kong through services, education and advocacy. Through the women centres, they develop volunteer networks, provide appropriate services for women, and develop their potential. HKFWC enables women to develop their confidence, independence and competence. We show our support by inviting them to provide our employees a handcraft workshop (Calendula Cream Workshop) to promote our shared values.</li> </ul>



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### STAKEHOLDER ENGAGEMENT

Based on our experience and communication we have with our clients, external organisations and our employees, the Group consolidated seven different groups of stakeholders that are relevant to our business. These include our employees, shareholders and investors, industry associations, suppliers and service vendors, our clients, the community and Government and regulatory authorities.

The Group tries its utmost best to communicate with its key internal and external stakeholders through various communication channels. Stakeholder participation allows the Group to ensure our business and sustainability strategies align with the stakeholders' perspectives and expectations.

These continuous communication channels and measures also stimulate the Group to keep up with the pace of change, identify and prioritise any emerging ESG risks, and turn them into opportunities.

The following table illustrates our key internal and external stakeholders with their expectations, communication channels and the measures we carry out to facilitate the communication.

Stakeholder	Expectation	Communication Channel	Measures
<b>Employees</b>	<ul style="list-style-type: none"> <li>Workplace health and safety</li> <li>Diversity and inclusion</li> <li>Training and Career development</li> <li>Employment stability and benefits</li> <li>Labour relations</li> </ul>	<ul style="list-style-type: none"> <li>Intranet, emails and notices</li> <li>Training seminars and sharing sessions</li> <li>Employee surveys</li> <li>Quarterly talk</li> </ul>	<ul style="list-style-type: none"> <li>Provide new staff orientation sessions and welcome events</li> <li>Organise regular training and team building activities</li> <li>Provide a comfortable and safe working environment</li> <li>Listen to employees' comments and opinions proactively</li> </ul>
<b>Shareholders and investors</b>	<ul style="list-style-type: none"> <li>Investment return</li> <li>Transparent and timely updated information</li> <li>Risk Management</li> <li>Sustainability issues</li> </ul>	<ul style="list-style-type: none"> <li>Annual general meetings and extraordinary general meetings</li> <li>Financial reports, circulars and announcements</li> <li>Company website</li> <li>Emails</li> </ul>	<ul style="list-style-type: none"> <li>Issue notices of meetings, financial reports, circulars and announcements</li> <li>Update the information on the Company website from time to time</li> </ul>
<b>Industry associations</b>	<ul style="list-style-type: none"> <li>Experience sharing</li> <li>Fair competition</li> </ul>	<ul style="list-style-type: none"> <li>Industry conferences and meetings</li> </ul>	<ul style="list-style-type: none"> <li>Cooperate with industry partners to achieve better performance</li> <li>Attend open seminars in the industry</li> </ul>

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Stakeholder	Expectation	Communication Channel	Measures
<b>Suppliers and service vendors</b>	<ul style="list-style-type: none"> <li>• Fair trade</li> <li>• Long-term relationship with the Company</li> <li>• Transparent information</li> </ul>	<ul style="list-style-type: none"> <li>• Business meetings and verbal communication</li> <li>• Supplier assessments and reviews</li> </ul>	<ul style="list-style-type: none"> <li>• Enhance communication with suppliers and service vendors</li> </ul>
<b>Clients</b>	<ul style="list-style-type: none"> <li>• High-quality products and services</li> <li>• Close relationship with the Company</li> <li>• Transparent information</li> <li>• Business integrity and ethics</li> </ul>	<ul style="list-style-type: none"> <li>• Company website</li> <li>• Financial reports, circulars and announcements</li> <li>• Business meetings and verbal communication</li> <li>• Product and service brochures</li> <li>• Client satisfaction survey</li> <li>• Various social media</li> </ul>	<ul style="list-style-type: none"> <li>• Strengthen quality control management</li> <li>• Obtain feedback from our clients proactively</li> </ul>
<b>The community</b>	<ul style="list-style-type: none"> <li>• Business integrity and ethics</li> <li>• Local recruitment and economy revitalisation</li> <li>• Environmental protection</li> <li>• Financial contribution and volunteer work</li> </ul>	<ul style="list-style-type: none"> <li>• Financial reports, circulars and announcements</li> <li>• Company website</li> <li>• Various social media</li> </ul>	<ul style="list-style-type: none"> <li>• Organise and support charitable activities</li> </ul>
<b>Government and regulatory authorities</b>	<ul style="list-style-type: none"> <li>• Compliance</li> <li>• Health and Safety</li> <li>• Indirect economic effect</li> <li>• Social Responsibility for local</li> <li>• Communities and Environment</li> </ul>	<ul style="list-style-type: none"> <li>• Webinar</li> <li>• Conference</li> <li>• Press Release</li> <li>• Email</li> </ul>	<ul style="list-style-type: none"> <li>• Regular reporting</li> <li>• Complying with local laws and regulations</li> <li>• Collaboration with different parties to follow the established policies and standards</li> </ul>



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### EMPLOYMENT AND LABOUR PRACTICES

#### Employment

Employees are the foundation of the Group and the dedication and commitment of each of our employees are vital. We equally value our part-time and full-time employees as we believe part-time employees offer flexibility and their contribution to the Group is no difference than others especially in a volatile business environment. As a responsible employer, we have in place a set of employment policies that ensures fair remuneration for all part-time and full-time employees. Policies relating to our employment system, including compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunities, diversity, anti-discrimination, and other benefits and welfare are set out in the Staff Handbook.

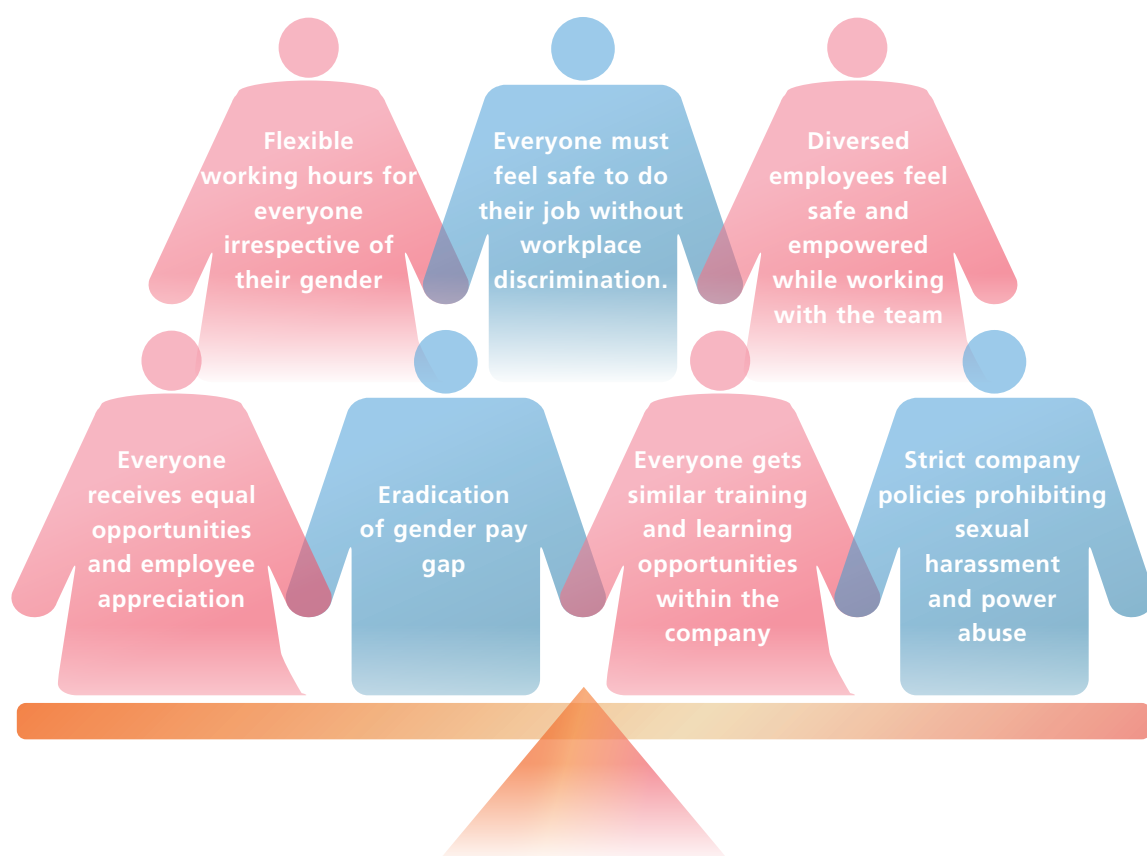




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Our Group has been awarded with the Certificate of the Good Employer Charter organised by the Labour Department as a recognition of being an employee-oriented employer, and also the Manpower Developer Award (2020-2022) organised by Employees Retraining Board (“ERB”) to recognise our outstanding achievements in manpower training and development. We pledge to continue offering care for our employees, enhancing work-family balance, providing employee benefits above the statutory requirements and encouraging communication amongst employees. In 2022, we have pledged to adopt the Code of Practice against Discrimination in Employment on the Ground of Sexual Orientation. This Code, issued by the Government of the Hong Kong Special Administrative Region, is to facilitate self-regulation on the part of employers and employees in eliminating discriminatory practices in employment. We committed to following the practices recommended in this Code.



Our BPO services are often complex and time-critical, and to meet the clients’ needs the Group operates around the clock throughout the year including public holidays. Yet to ensure our employees can achieve and maintain a healthy balance between work and family commitments, we have implemented family-friendly practices such as offering flexible working hours or work-from-home permit to those who consulted with their supervisors.

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We believe creating a culture of diversity and inclusion helps our employees to unleash their potentials. We value staff diversity in our workplace, and therefore we provide equal opportunities for all applicants and employees regardless of race, colour, national origin, religion, gender, marital status, age, sexual orientation, and disability. We are committed to treating all employees with fairness and respect. Employees are hired based on their abilities and merits, and are promoted based on their performance. These commitments are stated in our Inclusive Working Environment Policy. Our Code of Conduct also requires employees to maintain a proper demeanour and conduct to eliminate discrimination and harassment in our workplace. Employees who are being discriminated or harassed should report to the Group directly. Disciplinary actions will be applied to employees who have committed any act of discrimination or harassment.

During the Reporting Period, there were no cases of non-compliance with laws and regulations related to employment and labour practices.

### Social performance – Employment indicators

#### Number of full-time employees

The Company

Gender	Employee category	2022					TOTAL	2021					TOTAL
		Age Group				TOTAL		Age Group				TOTAL	
		<30	30-40	41-50	>50			<30	30-40	41-50	>50		
Male	Top Management	0	0	1	1	47	0	0	1	1	44		
	Senior Management	0	0	0	1		0	0	0	1			
	Middle Management	0	1	3	1		0	1	3	1			
	General Staff	8	19	8	4		9	16	9	2			
Female	Top Management	0	0	0	0	52	0	0	0	0	52		
	Senior Management	0	0	1	1		0	0	1	1			
	Middle Management	0	2	3	0		0	2	4	0			
	General Staff	13	21	6	5		14	18	6	6			
<b>Total workforce</b>		99					96						
<b>Male to female ratio</b>		0.90:1					0.85:1						
<b>Change</b>		3.13%											

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

For the year ended 31 December 2022

The Company and its controlled subsidiaries

Gender	Employee category	2022				TOTAL
		Age Group				
		<30	30-40	41-50	>50	
Male	Top Management	0	0	1	1	74
	Senior Management	0	0	0	1	
	Middle Management	0	3	5	3	
	General Staff	10	32	11	7	
Female	Top Management	0	0	0	0	70
	Senior Management	0	0	1	1	
	Middle Management	0	4	6	1	
	General Staff	17	26	7	7	
<b>Total workforce</b>		144				
<b>Male to female ratio</b>		1.06:1				

### Employee turnover

The Company

Gender	Employee category	2022				2021			
		Age group				Age group			
		<30	30-40	41-50	>50	<30	30-40	41-50	>50
Male	Top Management	0	0	0	0	0	0	0	0
	Senior Management	0	0	0	0	0	0	0	0
	Middle Management	0	0	0	0	0	0	0	0
	General Staff	4	2	2	0	2	6	0	0
Female	Top Management	0	0	0	0	0	0	0	0
	Senior Management	0	0	0	0	0	0	0	1
	Middle Management	0	0	1	0	0	1	1	0
	General Staff	4	4	2	1	6	5	0	0
<b>Total employee turnover</b>		20				22			
<b>Employee turnover rate<sup>1</sup></b>		1.72%				1.85%			
<b>Change</b>		-9.09%							

<sup>1</sup> Employee turnover rate is calculated based on the average of monthly full-time employees' departure during the Reporting Period, divided by the average of the employee numbers at the beginning and end of year.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

For the year ended 31 December 2022

The Company and its controlled subsidiaries

Gender	Employee category	2022				TOTAL
		Age Group				
		<30	30-40	41-50	>50	
Male	Top Management	0	0	0	0	13
	Senior Management	0	0	0	1	
	Middle Management	0	0	0	0	
	General Staff	5	2	5	0	
Female	Top Management	0	0	0	0	14
	Senior Management	0	0	0	0	
	Middle Management	0	0	1	1	
	General Staff	5	4	2	1	
<b>Total employee turnover</b>		27				
<b>Employee turnover rate</b>		1.60%				

As at 31 December 2022, the Company had a total of 99 employees (2021: 96 employees) whereas the Company and its controlled subsidiaries had 144 employees. As a responsible employer, we tried our best to keep our staff and maintain the same level costs and benefits.

The gender ratio of the Company's workforce (including directors, senior management and other staff) was 90% male to 100% female. Therefore, there were less male workforce than female workforce. To cope with the female-tilted workforce, the Company will provide more training to attract male employees to work in the service industry. The ratio for the Company and its controlled subsidiaries however was 106% male to 100% female. We will strive to maintain a balance between the number of male and female employees to narrow the gap between the workforce of the two genders.

Our company is committed to promoting board diversity and has introduced a female board member in January 2021.

### Development and Training

We believe by providing training programmes to our employees, we can promote improvement in their performance and nurture their career growth. The Group has prepared a training and development guideline for the management to establish training plans in a systematic manner. According to the guideline, we will conduct assessment to identify the training needs of our staff every year. The training programmes would eventually be developed based on the identified needs and will be organised both internally and externally. 2022 continued to be a challenging year to provide training to our staff, however we managed to provide 24 internal and external training programmes which comprised a variety of topics including professional and technical knowledge, corporate culture and communication skills.

Our employees are highly valued, and we show this by elevating their skills not only for our business growth, but also for their career growth. Apart from the continuous and effective trainings that promote knowledge acquisition and knowledge transfer, suitable performance evaluations are adopted to monitor the development of all employees. Regular transparent evaluations are conducted to review the employees' performance, attitude and abilities.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

For the year ended 31 December 2022

### Social performance – Development and training indicators

#### Employee Training Information

*The Company*

Year	Employee category	Number of employees trained			Percentage (%) of employee trained by gender	Number of hours trained		
		Male	Female	Total		Male	Female	Total
2022	Top Management	0	0	0	Male:23.40% Female:28.85%	0	0	0
	Senior Management	0	2	2		0	51.5	51.5
	Middle Management	5	6	11		52	61.5	113.5
	General Staff	6	7	13		36.5	54.5	91
	<b>Total</b>	11	15	<b>26</b>		88.5	167.5	256
2021	Top management	1	0	1	Male: 31.82% Female: 48.08%	4	0	4
	Senior management	0	2	2		0	118	118
	Middle management	5	4	9		65	81	146
	General staff	8	19	27		160	266	426
	<b>Total</b>	14	25	<b>39</b>		229	565	694

*The Company and its controlled subsidiaries*

Year	Employee category	Number of employees trained			Percentage (%) of employee trained by gender	Number of hours trained		
		Male	Female	Total		Male	Female	Total
2022	Top Management	0	0	0	Male: 22.97% Female: 25.71%	0	0	0
	Senior Management	0	2	2		0	51.5	51.5
	Middle Management	8	9	17		79	85.5	164.5
	General Staff	9	7	16		49.5	54.5	104
	<b>Total</b>	17	18	<b>35</b>		128.5	191.5	320

Compared to 2021, the total number of training hours has decreased by 63.11% in 2022. As most of the training institutions have developed online training class, the duration of the training tends to be shorter. We had 24 trainings provided in 2022 compared to 19 trainings in 2021. Investment in our people remains the core value of the Group, we managed to train 26 staff in 2022. The Group continues to pay special attention to employee engagement and talent retention. By doing so, not only do we strengthen employee's professional skills but also promote team-building and communication through training games and activities.



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

*For the year ended 31 December 2022*

### Health and Safety

Creating a healthy and safe working environment is our commitment to all employees, particularly when it comes to protecting employees from work injury and occupational diseases. To accomplish this objective, our Occupational Health and Safety Policy states the joint responsibility of the Group and our employees.

We enable our employees to have a flexible work arrangement long before COVID-19 to maintain work-life balance. It allows us to respond with more agility during the pandemic. But not every employee can handle all of their tasks from home. We have some guidelines and preventative measures in place to mitigate the chance of COVID spread and limit the COVID exposure among our staff. By doing this, we make working in office as safe as possible for the employees. We provide masks to our employees, refill the hand sanitiser dispensers regularly and provide single-use paper towels in the workplace. We have instructed our cleaning staff to regularly disinfect surfaces such as door handles, counters or common area. Since 2020, we have engaged a professional hygiene management company to conduct a Professional Sani-Mist Germicidal Treatment for the office at least once a month to eliminate bacteria, viruses and odour sources through deep cleaning and sanitation.

We are proud of our zero-injury record since 2017 and our employees who made and will continue to make safety a daily priority. The wellbeing of our staff is imperative to us and therefore we respond actively to government appeals and have restrictions to put in place to limit physical access to the premises. We also had implemented alternate working arrangements to reduce the on-site presence. In the meantime, we remain having facilities and activities in place that encourage calories burning and nutrients intake. Dart board, table tennis table and synthetic bowling greens are installed in the office and we have arranged more physical activities to promote healthy lifestyle.

To go beyond the standard set out in the regulations and to maintain a safe and healthy workplace, we are keen on listening to our staff who are encouraged to talk to the occupational safety and health representatives regarding any potential hazards at workplace. To take this even further, the Group introduced an "ESG Corner" on its intranet, where tips on workplace health and safety are shared with our employees, and by having quiz games, we opened up another channel to collect feedback from our employees. Most of our employees in 2022 were arranged to work on a hybrid working mode. Nevertheless, throughout the year the Group continued to promote and remind them the importance of Occupational Safety and Health both when they are in the workplace and when they work remotely.

During the Reporting Period, there were no cases of non-compliance with laws and regulations related to health and safety.

## Social performance – Health and safety indicators

### Number of work-related fatality and/or injury

	The Company and its controlled subsidiaries	The Company		
	2022	2022	2021	2020
Number of work-related fatalities	0	0	0	0
Number of work-related injury	0	0	0	0
Lost day due to work-related injury	0	0	0	0

### Labour Standard

Child and forced labour do not only put our reputation at risk, but more importantly, it is associated with possible infringement of basic human rights.

The Group has established policies to provide guidance on prohibiting any form of child or forced labour in our operations. As stated in our Hiring Procedure, the use of child labour is prohibited according to the Employment of Children Regulations made under the Employment Ordinance or other relevant employment laws. Reimbursements, cash compensation and compensatory leaves are provided to eligible employees who agree to engage in overtime work during work days and rest days.

During the Reporting Period, there were no cases of non-compliance with laws and regulations related to child and forced labour.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

For the year ended 31 December 2022

### OPERATING PRACTICES

#### Supply Chain Management

As a business involving the use of natural resources, the Group pays greater attention to minimising the environmental and social impacts of our business along with our suppliers and service vendors. We are including ESG factors in all aspects of supply chain management, from assessment to annual performance review. During the Year, the Group has approximately 46 suppliers, of which 35 are based in Hong Kong, 10 is based in Mainland China and 1 in Singapore. We prefer selecting those who have environmental commitments and we look for indicators such as the ISO 14001 certification. We prioritise suppliers with excellent ESG performance, and products that have Forest Stewardship Council certification. These measures ensure that we use products that are low polluting, recyclable, and resource-saving; reducing our environmental impact and promoting sustainable development. We also consider factors such as compliance with environmental legal requirements in our supplier and service vendor assessment, selection and evaluation process.

The Group understands supply chains can increase the reputational risks to an organisation, for that reason a Green Procurement Guideline is in place and an assessment of suppliers' social performance is required when sourcing. All potential suppliers will be assessed based on different aspects such as reputation, experience, financial performance, awareness to environmental protection etc. On-site visit will be conducted for further evaluation. They are also required to sign the Non-Disclosable Agreement ("NDA") and Supplier Information Security Requirement Acknowledgement to register on our confirmed supplier list. The Group has taken measures to enhance the sourcing workflow and raise our employees' awareness by ensuring environmental and social impacts are also taken into account when assessing the cost-effectiveness in our purchasing decision-making process. Supplier Code of Conduct, which is published under Section "Stakeholder Communications" on our Investors Page on the Company website, has stated the baseline and our suppliers are encouraged to strive to exceed the industry sustainability standards. Supplier's Performance Evaluation will be conducted on a semi-annual basis to ensure the quality of our services and they are invited to complete a questionnaire on an annual basis to review their security level. Suppliers are stipulated to do incident reporting with the respective handling mechanism on any defect.

The Group places more reliance on suppliers and service vendors as the Group's businesses evolve. When more and more sensitive data is being processed and stored with third parties, the Group has extended to its suppliers and service vendors the commitment and responsibility they have to the clients in maintaining the confidentiality, integrity and availability of such data, which is the rationale of the Group's vendor risk management policy. Vendor-related or project-based risks are assessed and categorised in high, medium or low criticality, subject to factors such as sensitivity of vendor-controlled data and access type, while appropriate controls are implemented to limit any threat or damage that may cause to the Group. The Group will further enhance the Supply Chain Management in 2023. A self-assessment questionnaire will be sent to the potential suppliers before the selection process.

#### Product Responsibility

The Group has been a participating member to Green Event Pledge organised by Environmental Protection Department (the "EPD") since 2019. We committed to make reference to the "Green Event Guidebook" published by EPD when organising or providing services to events, integrate the green concepts into events of different nature to enhance the environmental performance.

As a BPO service provider, having an effective approach in risk management is critical in safeguarding our clients. The Group has in place a set of privacy and security policies to make sure all employees are provided with sufficient guidelines to strictly comply with all relevant regulations and laws.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

For the year ended 31 December 2022

We care deeply about our clients' trust and satisfaction. With this in mind, the importance of confidentiality needs no further emphasis given the nature of the information we handle. We have always maintained a firm stance on protecting confidentiality by adhering to the strictest standards. Our Access Control Policy outlines our controlling measures on information access, while the Code of Conduct states clearly that all employees should treat all non-public information about the Group, any clients, and any suppliers and service vendors as confidential information. Employees who have access to confidential information are not permitted to use or share such information to any third parties except for the conduct within the Group's business.

The Group has attained an accredited certification for ISO 27001 Information Security Management System in 2018, to demonstrate a clear commitment to third parties and stakeholders in relation to information security management. The Group has also implemented a series of IT/ISO 27001 related policies and procedures to ensure consistency and data protection in the delivery of our services to the clients.

Looking forward, we are reviewing the mechanism and considering to prepare policies or guidelines related to product responsibility. In particular, we are going to formalise procedures for risk assessment and management policy to enhance our corporate governance, as well as updating our internal control guidelines and methods of redress, which will be opened to external stakeholders in the future.

During the Reporting Period, there were no cases of non-compliance with laws and regulations related to product and service responsibility, data protection and privacy policies.



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

For the year ended 31 December 2022

### Anti-corruption

The Group is aware of the impact of its activities and its relationships with other members in the community. In line with our Code of Conduct, our employees should be vigilant to any acts involving fraud, deception, theft, forgery, bribery or corruption. Unless consent is given, our employees should not offer, solicit or accept anything of material value to or from their colleagues, clients, suppliers and service vendors or other business partners of the Group.

We put special emphasis on preventing insider trading. The Code of Conduct requires our employees to keep all information of any listed companies strictly confidential, especially when the disclosure of such information would cause sharp fluctuation of share prices. Employees are also prohibited from trading the securities of these companies directly or indirectly.





## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

*For the year ended 31 December 2022*

The Group regularly communicates with our staff on the importance of integrity and arranges anti-corruption training sessions for all employees to arouse their awareness on business ethical standards and to ensure a full understanding on its expectations. Bribery and corruption are viewed as unethical and unacceptable in the Group. They are inconsistent with our values and will not be tolerated in the Group. In support of this position and to emphasise the importance, we further refined the anti-bribery and anti-corruption policy in 2022 to make it more comprehensive and provide clear guidelines on situations like kickbacks and gift receiving, to ensure we uphold the highest standards of professional integrity. We have also established a confidential whistle-blowing system as a channel for our staff to report any illegal behaviours. The whistle-blowing system will be reviewed continually to provide guidance in reporting and handling procedures. A more elaborated reporting channels and mechanism was launched in 2018 for different stakeholders to address their relevant concerns. If any person of the Group is suspected to have involved in illegal or dishonest acts, anyone can provide relevant information through reporting channels such as their line manager, department head, Chief Executive Officer, and the Chairman of the Audit Committee, depending on the seriousness and sensitivity of the issues involved and who is suspected of the wrongdoing. We are committed to achieving the highest possible ethical standards in all of its practices.

Whistle-blowing policy is also published under Section “Stakeholder Communications” on our Investors Page on the Company website, it is dedicated to external stakeholders to report any suspected misconduct, malpractice or illegal acts. Further details on the Whistle-blowing Policy and the reporting form can now be downloaded from the Company website.

During the Reporting Period, there were no concluded legal cases and cases of non-compliance with laws and regulations related to anti-corruption.





## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

For the year ended 31 December 2022



HM gift bag to Po Leung Kuk Elderly House on Mid-Autumn Festival



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

For the year ended 31 December 2022



**WE CARE THE  
COMMUNITY  
IN WHICH WE  
WORK AND LIVE,  
PEOPLE-ORIENTED  
LEADERSHIP STYLE  
HAS CREATED A  
CULTURE OF TRUST,  
CARING AND  
COHESIVENESS  
WITHIN THE GROUP.**

### COMMUNITY PARTICIPATION

#### Community Investment

The Group's Social Responsibility Team was established in 2007, and ever since we have been taking part in various charity events, projects and donation drives. In 2022, we have recruited 125 volunteers. Due to the restriction of the physical access to the premises requested by most of the associations, it was difficult to serve our community on-site. We encouraged our employees to give back to the society, items purchased to contribute for various charitable activities and direct donation is HK\$14,951 and HK\$58,520 respectively.



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

For the year ended 31 December 2022

As a caring enterprise, the Group is keen on understanding the needs and fulfilling the expectations of our stakeholders and the communities which we operate in. The enactment of Community Investment Guideline indicates our commitment to foster positive relationships in the communities.

In recognition of our continuous efforts, we have been awarded with the Caring Company Logo from the Hong Kong Council of Social Service for fourteen consecutive years.



Donation of love soup and meal box to Gingko House





Our SRT Team joined the Food Angel Food Rescue and Assistance Programme to prepare food collected from different sectors



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

*For the year ended 31 December 2022*

### ENVIRONMENTAL PROTECTION

The nature of our business carried out by the Group does not involve direct destructive effects on the environment. Yet, the Group has been and still is devoted to conserving and protecting the environment, for which, several activities and measurements are undertaken. Moreover, the Group understands its role as a responsible enterprise and aims at minimising the impact of its operation on the environment while facilitating its financial growth by establishing the Environmental and Social Policy and adopting the measures therein.

#### Emissions

During the Reporting Period, we have quantified the greenhouse gas emissions from our operations with a carbon assessment. The Guidelines compiled by the EPD and the Electrical and Mechanical Services Department of Hong Kong, and international standards such as ISO 14064-1 and Greenhouse Gas Protocol were referred to during the quantification of greenhouse gas emissions. The assessment process allowed us to understand the use of resources better, develop specific action plans to enhance efficiency and formulate carbon reduction targets.

Greenhouse gas emission is mainly generated from fossil fuel combustion that the Group consumes directly and indirectly in its daily operation. Direct emissions include unintentional greenhouse gas released from printing machines. Indirect greenhouse gas emissions are mainly attributed to the consumption of electricity from using the lighting system, air-conditioning and office equipment.

Business travel, especially by air, is one of the contributors to the Group's greenhouse gas emissions. We encourage employees to make use of virtual meetings and virtual training courses to avoid overseas business travel whenever practicable. We also encourage employees to schedule visits or offsite meetings within one trip to reduce the frequency of travel.

In order to reduce the number of non-hazardous waste, the Group engages a professional vendor to handle recycling of sensitive paper documents. Paper wastes, plastic bottles and aluminium cans would be collected separately by putting them in the designated color recycle bins at offices. Reusing of stationery such as paper clips, folders, binders, envelopes, refillable ball pens, etc. are recommended to fully utilise the office materials.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

*For the year ended 31 December 2022*

### Use of Resources

It is the Group's duty to use resources efficiently and responsibly. We have adopted a series of measures which allows us to effectively manage our use of resources.

Paper is a major resource the Group uses, therefore the majority of A4 office papers in our daily operation is FSC™-certified, the mark of responsible forestry in production. We also minimise our paper consumption by replacing printed notices and memorandums with uploaded versions published on the Group's intranet and encouraging paperless meetings. Ever since the digital document management process was launched in the operations department in November 2019, the demand on the paper has dropped drastically. Our paper order has further decreased significantly to 640kg in 2022 in the Company. Compared to the 9,275kg paper the Company had purchased in 2019, We have made a significant achievement. The overall ordering has decreased dramatically and the idea of less paper usage to save the planet has been cultivated. Benefits of transforming into a paperless office is more than cost effective, it has also created an efficient workflow as well as the data security enhancement and promotion on environmental friendliness. With most of our employees working from home, paperless workflow has allowed us to maintain the same service level in the last two years during the coronavirus pandemic. The Company and its controlled subsidiaries has all together purchased 5,355.2kg paper in 2022. We have begun to embed the ESG culture into our subsidiaries. We aim to reduce the paper usage by half in 2023. Externally, the Group continues to apply the green and digitisation approach in the marketing programmes. We have E-card/eDM/online media placement and advertisement to replace the traditional printing products; produced an online product catalogue for sales toolkit. We have also leveraged different social media channels for branding campaign and deploying an online platform for event promotion and registration.

The Group encourages water conservation at the workplace to nurture a water saving culture among the employees by reminding employees to turn off water taps when they are not in use. Any leakage or dripping found in our office areas should also be reported promptly to prevent unnecessary water consumption.

The Group has established guidelines to advise employees to use energy efficiently. Office copy machines will be automatically switched to energy saving mode when left idle for a set period of time. Electric appliances will also be automatically switched off when they are not in use.

The Group is dedicated to using resources efficiently and has certain energy and resource saving initiatives in place to help reducing its consumption of resources.

Although the Group has put waste recycling and donation into practice to minimise any environmental impact, we understand that waste reduction is more beneficial and cost-effective than recycling. We encourage our employees to reuse office stationeries and advocate the use of reusable containers and utensils in the office.



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

For the year ended 31 December 2022



Dress Pink Day 2022





## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

For the year ended 31 December 2022



SPCA Aniform Day 2022

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

For the year ended 31 December 2022

### Environment and Natural Resources

We understand that in order to generate long-term values for stakeholders and local communities, it is important to minimise the negative environmental impact of our business operations.

Due to our business nature, apart from emissions and use of resources, our operation does not have other significant impact on the environment. The Group is certified with the FSC™ Chain of Custody Certification, which outlines the requirements for tracking certified materials from the forest to the final product to ensure the wood contained in the product or product line originates from certified forests.

The Group has established a whistle-blowing system for employees to raise concern on any behaviour that is detrimental to the environment. During the Reporting Period, there were no cases of non-compliance with laws and regulations related to emissions and environmental protection.

### Environmental performance

Air emissions	Air Pollutant Emission (kg)			
	The Company and its controlled subsidiaries	The Company		
		2022	2022	2021
Nitrogen oxides (NOx)	0.66	0.66	0.84	-21.43%
Sulphur oxides (SOx)	0.02	0.02	0.02	0%
Respiratory suspended particles (RSP)	0.05	0.05	0.06	-16.67%

In response to the major decarbonisation strategies in “Hong Kong’s Climate Action Plan 2030+”, the Company has reduced the number of vehicles and during the Reporting Period, the air pollutants of NOx, SOx and RSP have dramatically decreased by 21.43%, 0% and 16.67%.

Greenhouse gas emissions	Greenhouse Gas Emission (tonnes)			
	The Company and its controlled subsidiaries	The Company		
		2022	2022	2021
Greenhouse gas in total	137.69	78.93	73.43	7.49%
Scope 1: Direct greenhouse gas emissions	4.01	4.01	4.44	-9.68%
Scope 2: Energy Indirect greenhouse gas emissions	107.58	71.45	66.97	6.68%
Scope 3: Other Indirect greenhouse gas emissions	26.10	3.47	2.02	71.78%
<b>Intensity of greenhouse gas (tonnes CO<sub>2</sub>-e per employee)</b>	<b>0.96</b>	<b>0.80</b>	<b>0.76</b>	<b>5.26%</b>



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

For the year ended 31 December 2022

During the Reporting Period, the total greenhouse gas emissions were 78.93 tonnes with an intensity of 0.80 tonnes of CO<sub>2</sub>-e per employee. This figure represents a slight increase of 5.50 tonnes, or 7.49%, compared to the total greenhouse gas emissions in 2021. The increase was due to travelling after Outbound Travel Alert (OTA) issued for COVID-19 on overseas countries/territories was lifted in May and the World Health Organization (WHO) has made a call to lift or ease the strict measures on international travel regulations.

The paper usage of our controlled subsidiaries is relatively high, though we have the paperless workflow in place, printing for the customers are significant in the premises. We have formulated different plans to reduce consumption in the next year to achieve the target.

Use of energy	Energy Consumption (MWh)			
	The Company and its controlled subsidiaries	The Company		
		2022	2021	Change
Petrol	14.35	14.35	15.89	-9.69%
Purchased electricity	136	90	85	5.88%
<b>Total</b>	<b>150.35</b>	<b>104.35</b>	<b>100.89</b>	<b>3.43%</b>
<b>Intensity of energy (MWh per employee)</b>	<b>1.04</b>	<b>1.05</b>	<b>1.05</b>	<b>0%</b>

During the Reporting Period, the total energy consumption used was 104.35 MWh with an intensity of 1.05 MWh per employee. It remains no change compared to the intensity of energy per employee in 2021. The Group overall has a relatively lower intensity of energy per employee. It was because our subsidiaries do not have any vehicles in use and the concept of energy saving was successfully cultivated in our subsidiaries.

Data of water consumption is not available since the Company and its controlled subsidiaries operate in leased office premises for which both water supply and consumption are solely controlled by the building management. The provision of water consumption data or sub-meter for individual occupants is not feasible.

Waste disposal	Waste Disposal (tonnes)			
	The Company and its controlled subsidiaries	The Company		
		2022	2021	Change
Hazardous wastes	0	0	0	N/A
Non-hazardous wastes	11.92	4.81	9.51	-49.42%
<b>Total</b>	<b>11.92</b>	<b>4.81</b>	<b>9.51</b>	<b>-49.42%</b>
<b>Intensity of waste (tonnes per employee)</b>	<b>0.08</b>	<b>0.05</b>	<b>0.10</b>	<b>-50.00%</b>

During the Reporting Period, the non-hazardous wastes produced were 4.81 tonnes with an intensity of 0.05 tonnes per employee. This figure represents a significant decrease of 4.70 tonnes or 49.42%, compared to the total waste in 2021.

The Company and its controlled subsidiaries all together has generated 11.92 tonnes non-hazardous wastes. We will strive for better and aim to reduce this number drastically in 2023.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

For the year ended 31 December 2022

### ESG PERFORMANCE AT A GLANCE

#### Environmental Performance

Air emissions	Types of emissions	Amount emitted
	Nitrogen oxides (NOx) (in kilogram)	0.66
	Sulphur oxides (SOx) (in kilogram)	0.02
	Respiratory suspended particles (RSP) (in kilogram)	0.05

Greenhouse gas emissions	Types of emissions	Amount emitted
	Greenhouse gas in total (in tonnes)	78.93
	Scope 1: Direct greenhouse gas emissions (in tonnes)	4.01
	Scope 2: Energy Indirect greenhouse gas emissions (in tonnes)	71.45
	Scope 3: Other Indirect greenhouse gas emissions (in tonnes)	3.47
Intensity of greenhouse gas (tonnes CO2-e each employee)	0.80	

Waste disposal	Types of wastes	Waste produced
	Total hazardous (in tonnes)	4.81
	Non-hazardous (in tonnes)	4.81
Intensity of non-hazardous (tonnes each employee)	0.05	

Use of energy	Types of consumption	Waste produced
	Petrol (in MWh)	14.35
	Electricity (in MWh)	90
	Total energy consumption (in MWh)	104.35
Energy intensity (MWh each employee)	1.05	

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

For the year ended 31 December 2022

### Social performance – Employment and Labour Practices

	Gender	Employee category	Age group				Total workforce	Male to female ratio
			Below 30	30 to 40	41 to 50	Above 50		
Number of full-time employees	Male	Top management	0	0	1	1	99	0.90:1
		Senior management	0	0	0	1		
		Middle management	0	1	3	1		
		General staff	8	19	8	4		
	Female	Top management	0	0	0	0		
		Senior management	0	0	1	1		
		Middle management	0	2	3	0		
		General staff	13	21	6	5		

	Gender	Employee category	Age group				Total employee turnover	Employee turnover rate
			Below 30	30 to 40	41 to 50	Above 50		
Employee turnover	Male	Top management	0	0	0	0	20	1.72%
		Senior management	0	0	0	0		
		Middle management	0	0	0	0		
		General staff	4	2	2	0		
	Female	Top management	0	0	0	0		
		Senior management	0	0	0	0		
		Middle management	0	0	1	0		
		General staff	4	4	2	1		



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Work-related fatality and / or injury	Gender	Number of work-related fatalities	Number of work-related injury	Lost day due to work-related injury
	Male	0	0	0
	Female	0	0	0

	Gender	Employee category				Total	Percentage (%) of employee trained by gender
		Top management	Senior management	Middle management	General staff		
Number of trained employees	Male	0	0	5	6	26	23.40%
	Female	0	2	6	7		28.85%
Total training hours	Male	0	0	52	36.5	256	/
	Female	0	51.5	61.5	54.5		



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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### ESG REPORTING GUIDE CONTENT INDEX

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<b>A. Environmental</b>		
<b>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	34
A1.1	The types of emissions and respective emissions data	38
A1.2	Greenhouse gas emissions in total and intensity	38
A1.3	Total hazardous waste produced	39
A1.4	Total non-hazardous waste produced and intensity	39
A1.5	Description of measures to mitigate emissions and results achieved	34
A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved	34
<b>A2 Use of Resources</b>		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials	35
A2.1	Direct and indirect energy consumption by type in total and intensity	39
A2.2	Water consumption in total and intensity	There was no independent water meter installed in the office to record water consumption and the properties management is unable to provide relevant water bills. Hence, there was no data of water consumption.
A2.3	Description of energy use efficiency initiatives and results achieved	39

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Material Aspect	Content	Page Number / Remark
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved	Currently sourcing sufficient water from municipal water supplies.
A2.5	Total packaging material used for finished products	The Group did not use packaging material.
<b>A3 Environment and Natural Resources</b>		
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources	38
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	39
<b>B. Social</b>		
<b>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.	18
B1.1 (Partial)	Total workforce by gender and age group	20
B1.2 (Partial)	Employee turnover rate by gender and age group	21
<b>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.	24
B2.1	Number and rate of work-related fatalities	25
B2.2	Lost days due to work-related injury	25
B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	25

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<b>B3 Development and Training</b>		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	22
B3.1	The percentage of employees trained by gender and employee category	23
B3.2	The average training hours completed per employee by gender and employee category	23
<b>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	25
<b>B5 Supply Chain Management</b>		
General Disclosure	Policies on managing environmental and social risks of the supply chain	26
<b>B6 Product Responsibility</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	26
B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	27
<b>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	28
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	29
B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	29

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<b>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	31
B8.2	Resources contributed	31