



SING LEE SOFTWARE (GROUP) LIMITED

新利軟件(集團)股份有限公司*

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

(Stock Code 股份代號 : 8076)

2016

Environmental, Social and Governance Report

*For identification purposes only 僅供識別

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About Singlee Software Group

Sing Lee Software (Group) Limited (“Singlee Software Group”, “the Group”) is one of the major developers and suppliers of information technology and services in China's financial industry and education industry. The core business partners including but not limited to Industrial and Commercial Bank of China, Agricultural Bank of China, Bank of China, China Construction Bank, Bank of Communications; Shenyin & Wanguo Securities, GF Securities; and Zhejiang University. The Group's subsidiaries, Hangzhou Singlee Technology Company Limited and Hangzhou Singlee Software Company Limited respectively focus on securities, education, banking and related industries to provide a complete solution.

Headquartered in Hong Kong, it has set up office in Hangzhou, Beijing, Shanghai, Guangzhou, Xian, Wuhan, Shenyang and in other places. More corporate information about the Group is available on the Group website.

The Group's revenue segmented on types of goods or services delivered or provided:

- a) Sales of software products
- b) Sales of related hardware products
- c) Provision of technical support services

For the year ended 31 December 2016, provision of technical support services remained the principal source of revenue of the Group. This services revenue accounted for 76% (2015: 77%) of Group revenue.

The Group is listed on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited. It has 4 subsidiaries which are incorporated in British Virgin Islands or PRC. There were no significant changes during 2016 regarding the Group's size, structure, ownership and supply chain as compared to 2015.

At the date of this Report, the Board comprises 3 Independent Non-executive Directors, namely: Mr. Pao Ping Wing, Mr. Thomas Tam and Mr. Lo King Man.

About this Report

Overview

This is Sing Lee Software (Group) Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) (Stock code: 8076) first annual Environmental, Social and Governance (“ESG”) report. The report covers the financial year ended 31 December 2016 and discloses information on the Group’s ESG policies and performance.

Scope of this Report

This Report covers the Group’s operations.

Content of this Report

The content of this Report is defined through a systematic process. The process includes identifying ESG aspects, assessing the materiality and relevance of the identified ESG aspects and the aspect boundaries, and reviewing and addressing stakeholders’ feedback on our ESG issues. This Report includes key issues relevant to different stakeholder groups based on the Group’s continual engagement with stakeholders in its daily operations.

The report highlights the Group’s sustainability efforts in Social and Environmental Aspects. For details of our corporate governance, please refer to the "Corporate Governance Report" included in our Annual Report 2016.

The data measurement techniques and calculation methods used for this Report are stated where appropriate.

Reporting reference

This Report has complied with all the “comply or explain” provisions of the Environmental, Social and Governance Reporting Guide (“ESG Reporting Guide”) set out in Appendix 20 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Hong Kong Exchanges and Clearing Limited. The ESG Reporting Guide Content Index that refers to the relevant information contained in this Report is set out in **Appendix I** of this Report.

Feedback to this Report

Stakeholders’ valuable opinions can help the Group continue to improve performance on ESG. Please feel free to contact our Company Secretary with any comments or suggestions related to the Report.

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Message from the Chairman

As we grow, we recognize that so must our commitment to the environment, our employees, our customers, our investors, and the communities where we live and operate. Creating shared sustainable value with its stakeholders in the economic, social and environmental dimensions has always been the business philosophy of the Group. Over the past years, the Group has sought support from a wide range of stakeholders to achieve its strategic goals. We recognise implementation of strategic goals will require clear business unit ownership and full employee engagement at all levels across the Group, as well as close collaboration with our external stakeholders. We will endeavour to achieve our strategic objectives while addressing our stakeholders' needs so that we can continue to have a business that is both successful and sustainable.

We aim to provide high quality service for our customers, and we take a proactive approach to engage with our customers to understand their needs and expectations. Their insights serve as the key foundation of our future customer engagement strategies.

We know well that talent is the core resource and precious wealth for enterprise development. In addition to the market, technology and knowledge, competition among enterprises is talent competition so that we actively protect the interests of employees, support employee career development and create a happy and harmonious working atmosphere for employees. We have created an efficient, united and competitive talent team. We carry out public welfare activities, helping the disadvantaged groups, which make them feel the warmth and love we send.

We strive to operate business with minimal environmental impact to create value for shareholders, employees and other stakeholders, in a constantly changing world.

On behalf of the Board, I would like to take this opportunity to thank all our stakeholders for their valuable contribution and continued support throughout the year.

Hung Yung Lai

Chairman

Our Approach to ESG

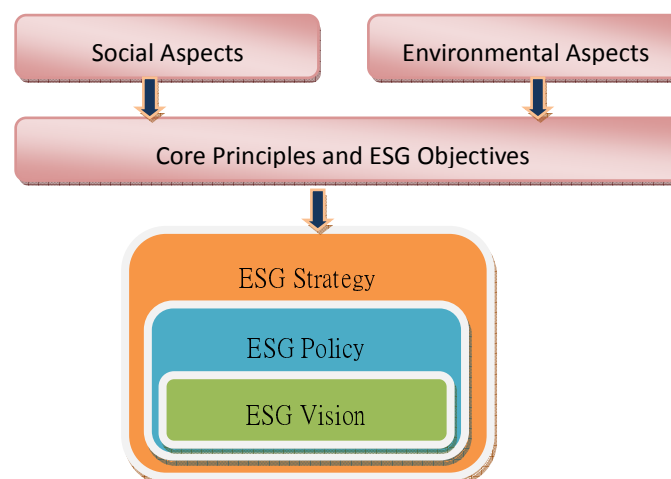
ESG Vision, Policy and Strategy

At the Group, ESG is viewed as a business philosophy that creates sustainable value for shareholders by embracing opportunities and managing risks deriving from economic, social and environmental developments. ESG is an integral part of the Group's business strategy and management approach as we believe that business sustainability can only be achieved by operating a profitable business without compromising the well-being of either our society or the environment.

The Group's ESG Vision: "To be a responsible corporate citizen committed to the sustainable development of the society and the environment."

The Group's ESG Policy defines our long-term approach to specific issues in the two subject areas, Social and Environmental, which is instrumental in enabling our business to operate in a sustainable manner.

The Group's ESG Vision and Policy guide the Group's business and operational decisions. The Group's ESG Strategy is built on the relevant core principles across the Environmental and Social Aspects with pragmatic objectives providing guidance on the application of these principles in its daily operations.



The Group's ESG Policy and ESG Strategy are reviewed periodically to ensure their relevance and appropriateness to the business.

Our Approach to ESG

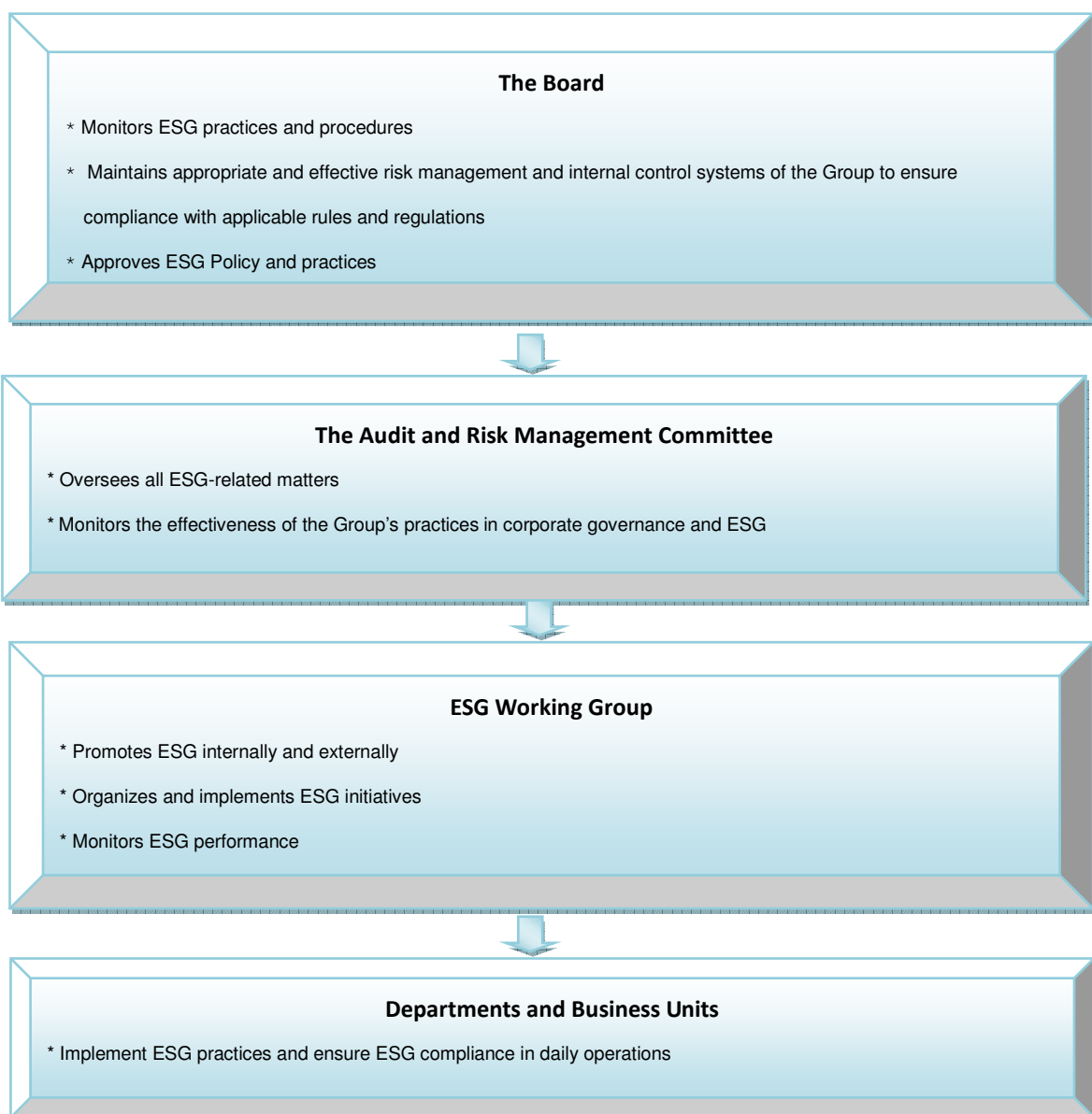
ESG governance and management

The board has overall responsibility for the Group's ESG strategy and reporting.

The Board has delegated the day-to-day responsibility for all corporate governance and ESG-related matters to the Audit and Risk Management Committee.

Departments and Business Units integrate ESG objectives into their operations and activities. They take into account stakeholders' feedbacks to identify and manage the ESG-related impacts of their activities, as well as the related risks and opportunities.

The Group's ESG governance structure



Our Approach to ESG

Material and relevant Social and Environmental aspects

We conducted a comprehensive materiality assessment that included focus groups, interviews and a survey of stakeholders to identify issues that reflect significant social and environmental impacts of our business, and the issues that matter most to our stakeholders.

The Group has identified social and environmental aspects that are either material or relevant to the Group based on their associated risks to the Group's business and their impact on the Group's stakeholders. The material and relevant social and environmental aspects are set out below.

"ESG Reporting Guide"- Social aspects		"ESG Reporting Guide"- Environmental aspects	
Material	Relevant	Material	Relevant
<u>Product Responsibility</u> 1. Reliable services and products 2. Observing and protecting intellectual property rights 3. Customer data privacy and security <u>Anticorruption</u> 4. Corruption prevention <u>Employment</u> 5. Attract and retain the best people <u>Development and Training</u> 6. Learning and development	<u>Supply Chain Management</u> 1. Supply chain and procurement <u>Health and Safety</u> 2. Occupational health and safety <u>Labour Standards</u> 3. Human rights <u>Community Investment</u> 4. Community investment 5. Employee engagement in community	N/A	<u>Emissions</u> 6. Carbon emissions - Climate change mitigation and adaptation 7. Waste management <u>Use of Resources</u> 8. Energy management 9. Water management 10. Paper reduction <u>The Environment and Natural Resources</u> 11. Environmental education and advocacy

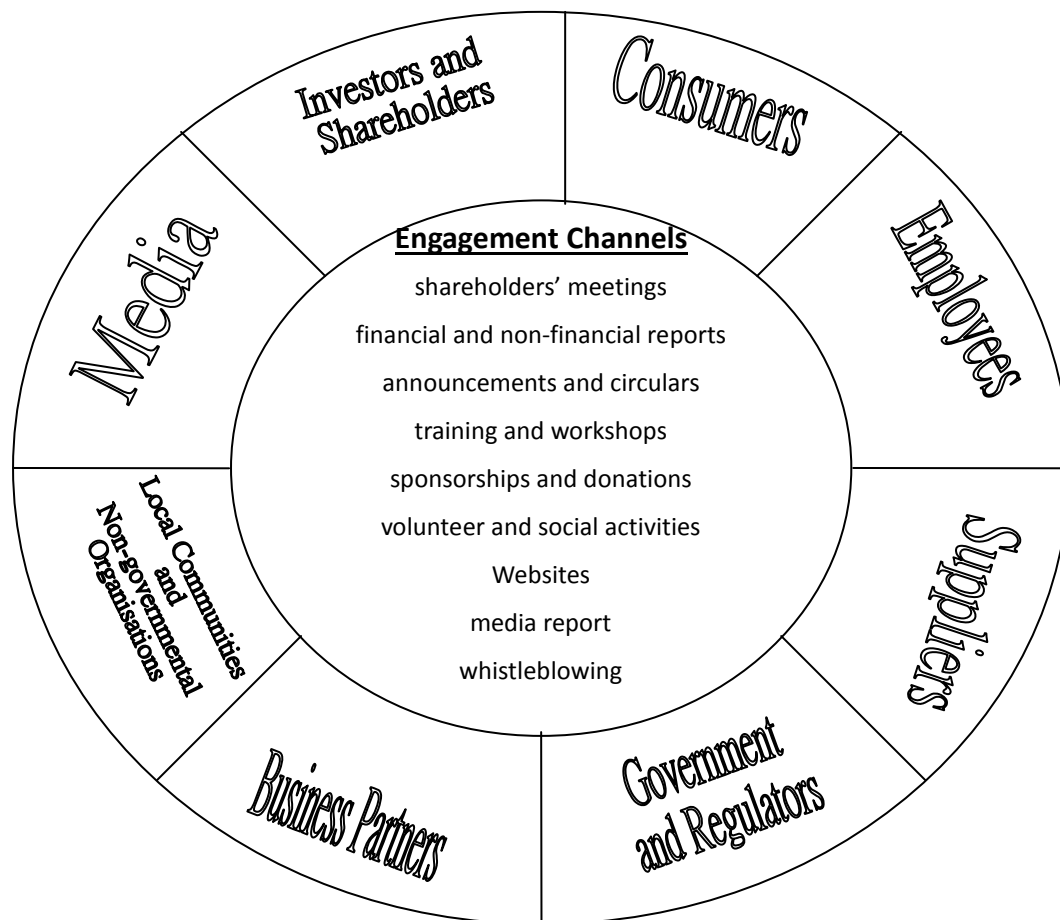
- Material Environmental and Social aspects are those closely linked to issues that pose high or medium risk(s) to the Group's operation, or topics that are frequently raised by the Group's stakeholders during the Group's ongoing engagement activities.
- Relevant Environmental and Social aspects are those potentially necessary for inclusion in the ESG Report to communicate the extent to which the Group contributes to and is affected by the aspects, and to promote greater transparency and accountability.

Stakeholder Engagement

Effective and ongoing stakeholder engagement is an integral part of the Group's business development and commitment to Environment and Society. By understanding our stakeholders' views, we can better align our business practices with their needs and expectations. This approach enables us to build trust and mutual beneficial relationships with our stakeholders and promote sustainability.

As part of its business strategy, the Group engages with its stakeholders via different channels on relevant issues. The Group identifies and prioritises stakeholders from time to time, and formulates its engagement approach based on the engagement objectives and stakeholders' level of interest and influence.

Regular Communication Channels



Operating Practices

Core Principles and Objectives

Core Principles	Objectives
customer centric services	<ul style="list-style-type: none"> - To ensure customer satisfaction - To identify and pursue opportunities for new and better products and services - To recognise and proactively respond to market changes and customer needs - To enhance product and service quality
Achieve and maintain the highest standards of openness, probity and accountability	<ul style="list-style-type: none"> - To perform our duties with a high degree of integrity and honesty
Engage supply chains that reflect our values and commitment	<ul style="list-style-type: none"> - To promote good social responsibility practices among our suppliers and business partners

Product Responsibility

Adhering to the 'Customer First' motto, we place customers' satisfaction as our priority. We strive to establish and maintain good relationships with our customers, to listen to their concerns and to surpass their expectations with our premium quality. As technology continues to advance, we will see changes in customers' behaviour and expectations. Like other industries, we need to keep pace with evolving customer needs.

Reliable services and products (Material Areas 1)

It is our priority to maintain a high quality standard of our products and maintain our customer's satisfaction. With our commitment to delivering products which are safe and of consistent quality, we have policies and systems in place to ensure that products sold in compliance with local rules and regulations related to health and safety. In additions, we provide free maintenance services for certain software products for 1 to 3 years.

All our employees work in adherence to the quality policy. We have received recognitions for the quality of our products and services as below:

ISO9001:2008
certificate



CMMI v1.3 level3
certificate



ISO9001:2008 certificate

The scope of certification is as follows: computer software technology development in financial industry, technical services, the transfer of results; financial computer software, hardware and other accessories sales and related management activities.

CMMI v1.3 level3 certificate

CMMI :

CMMI is called Capability Maturity Model Integration, is a process to improve the maturity model for product and service development. It includes the best implementation of development and maintenance methods, covering the product from the beginning to the delivery and maintenance of the life cycle, the purpose is to illustrate the enterprise software engineering process management and improvement, enhance the development and improvement capabilities, which can be on time to develop high quality software without over budget.



CMMI system is an important criterion for evaluating the maturity capability of software enterprises in the world. It is an international standard for enterprises to develop process and quality control. Award CMMI certification becomes an important indicator for measure software engineering development capability in the world.

Through awarded CMMI3 level evaluation certification, implying our software product service and process management capabilities reached the advanced level of the industry.

Observing and protecting intellectual property rights (Material Areas 2)

We respect intellectual property rights. For the information of employees when discharging their duties, we set policy and guidelines to prevent infringement in our business.

The success of the Group will depend in part on whether it is able to obtain copyright protection for its software products. The Group takes full advantage of legal protections by registration of Software Copyright. As at the end of the year, we have a total of 43 Software Copyright certificate. Despite our precautions, we may not be able to prevent unauthorized use of our software products by the third parties. In certain circumstances, litigation may be necessary to protect our software products.

In addition, the technical services contracts signed by the Group contain confidentiality and intellectual property rights clauses, and both parties must strictly abide by them.

Customer data privacy and security (Material Areas 3)

The Group recognises its responsibilities in relation to the collection, holding, processing, use and/or transfer of personal data. Personal data is collected only for lawful and relevant purposes and appropriate steps are taken to ensure that personal data held by the Group is accurate. The Group will use the personal data collected in accordance with the Data and Privacy Policy. We regularly review this Data and Privacy Policy and may from time to time revise it or add specific instructions, policies and terms.

We strive to protect personal data from unauthorised access and abuse. Our Code of Conduct sets out employees' contractual responsibility to safeguard any confidential or sensitive information to which they have had access during their employment. Seminars were given to employees regularly to enhance awareness on personal or business data privacy and also to promptly reflect prevailing laws and other relevant regulations that employees ought to be aware of and comply with.

We will take all practicable steps to ensure the security of the personal data and to avoid unauthorised or accidental access, erasure or other use. This includes physical, technical and procedural security methods, where appropriate, to ensure that the personal data may only be accessed by authorised personnel. Employees are subject to disciplinary action if they violate the Data and Privacy Policy or the relevant guidelines of the Group.

The Group continues to strengthen its information security controls to protect its stakeholders' data privacy in accordance with the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong) and Law of the People's Republic of China on Protection of Consumer Rights and Interests in PRC. As part of the control measures, regular information security training was arranged for our employees. In additions, the Group Whistleblowing Policy is in place to facilitate reporting of any breach of data security and privacy. The adequacy of the Data and Privacy Policy is monitored through staff complaints received.

Anti-corruption

Corruption prevention (Material Areas 4)

The Group supports a culture of integrity, ethical conduct, fairness, honesty and openness when doing business, and zero tolerance of bribery. The business benefits of rejecting bribery are manifold and include reputational, customer, and business partner confidence. The Group is committed to ensuring that no bribes, kickbacks or similar gifts, payments or advantages are solicited from or given or offered to any person, for any purposes.

Our Anti-Corruption Policy prescribes the minimum set of rules to be adopted throughout our Company to prevent, identify and address any instances of alleged or actual bribery or corruption involving the Group.

Our employees are regularly advised of relevant policies and guidelines, including any updates or revisions. When new laws and regulations that may impact the business are introduced, we provide training to relevant staff to ensure compliance.

Persons in violation of our company policies and/or applicable laws and regulations may be subject to disciplinary or administrative action as well as civil or criminal liability. Where instances of non-compliance are confirmed, staff may be terminated or further actions may be taken.

A Group Whistleblowing Policy is in place to facilitate reporting of employees' misconduct. The policy applies to all employees of the Group and non-employees such as consultants and outsourcers who are engaged by a member of the Group, customer, supplier, or any other stakeholder. They can confidentially and/or anonymously report unethical and illegal behavior.

We have established effective procedures to ensure thorough investigation of all allegations of corruption – whether internal or involving third-party business partners. Instances of improper action are addressed internally unless such matters indicate criminal activity, in which case we will immediately notify appropriate law enforcement agencies.

Supply Chain Management

Supply chain and procurement (Relevant areas 1)

The Group always aims to exert a positive influence on our supply chain. We seek to both engage and create long-term partnerships with them, driving improvements in ESG performance and in turn improving their environmental and social impacts.

Effective supply chain management can help to increase our operational efficiency and minimise ESG risk. The Group accomplishes this through engagement with our suppliers and to ensure that the needs of our customers are met in an efficient manner while emphasising responsible operating practices.

Our main types of suppliers include outsourced services-provided suppliers and material suppliers. In 2016, they were all located in PRC.

We engage supply chains that reflect our values and commitment. Our all key suppliers are required to act responsibly and adhere to our ESG standards. We also offer encouragement and support to our suppliers in improving their own sustainability performance. Building trusting relationships with our suppliers helps us manage our potential environmental and social risk while enhancing the efficiency of our operations.

Our procurement guidelines stipulate that the selection of suppliers should take consideration of, but not limited to, price competitiveness, quality, fulfillment of specifications and logistics services. Our Group Purchasing Policy integrates environmental and social responsibility considerations into our purchasing decisions by promoting sound practices in our supply chain. The Policy enhances communications with our suppliers that they are required to comply with our basic environmental and social responsibility requirements where possible and appropriate when doing business with us. The requirements cover legal and regulatory compliance, business ethics (including anti-corruption), community development, human rights, labour practices, and environmental protection.

We conduct a yearly supplier performance review, targeting all our key suppliers. Any unsatisfactory ratings are communicated to the relevant supplier(s) for rectification or improvement. In addition to assessing our suppliers on quality, cost, service and delivery, we also assess whether they display a commitment to upholding high standards of environmentally and socially responsible behavior. The Group will monitor whether the practices of engaging suppliers are properly implemented through different channels, such as media report, conversation with suppliers.

During the year, the Group was not aware that any key suppliers had any significant actual and potential negative impact on business ethics, environmental protection, human rights and labour practices, nor any of them had any non-compliance incident in respect of human rights issues.

Employment and Labour Practices

The Group considers its employees to be its greatest asset and strives to attract and retain the best people for the sustainable growth of the Company. We strategically align our policies and procedures to ensure that employees are treated fairly and equally, and that their rights and interests are protected, as well as to address work-life balance. To remain competitive in an increasingly complex and sophisticated marketplace, we are committed to providing training and development opportunities to our employees to equip them to deliver their best performance and achieve corporate goals. We also endeavour to provide a healthy and safe workplace and effective communication channels within the Company.

Core Principles and Objectives

Core Principles	Objectives
Be people-oriented	<ul style="list-style-type: none">- To provide fair, competitive and transparent reward and recognition- To promote an equal opportunity workplace- To maintain a healthy and safe workplace- To invest in employee training and development- To respect human rights

Employment

Attract and retain the best people (Material Areas 5)

Compensation and dismissal

1. The Group is committed to providing a fair and competitive compensation package in the form of basic salary, incentive pay, provident fund, and other fringe benefits, such as healthcare benefits, paid leave for various purposes, and education and training sponsorship.
2. Remuneration and benefits are benchmarked against prevailing local industry norms and commensurate with experience and qualifications.
3. Dependent on staff category, KPIs are adopted as part of staff packages to incentivise.
4. Dismissal is based on the Hong Kong Employment laws and the Mainland Labour Contract Law. In all cases, managers consult the Human Resources Department to ensure that applicable legal requirements are observed.

Recruitment and promotion, equal opportunity and anti-discrimination

1. Employment is offered to the best qualified applicants in terms of their merits and abilities to meet the job requirements.
2. During recruitment and staff promotion, we provide equal opportunity to all people regardless of age, gender, marital status, pregnancy, family status, disability, race, nationality or religion. Our judgment is based on qualifications, experience, skills, potential and performance.
3. Performance appraisal and counselling are offered to employees at least once a year, which not only aim to assess their merits for salary review, but also to improve employees performance and set future objectives for the individual.
4. It is also our policy to compensate employees equitably, including providing equal remuneration for women and men.

5. Procedures are in place to handle employees' grievances and complaints to ensure fair treatment of all employees when their concerns are being addressed.
6. Relevant training is organised from time to time to equip employees with practical knowledge of upholding human rights and equal opportunities at the workplace so as to minimise the risk of violating the various discrimination ordinances and ensure the application of transparency and fairness throughout the workplace, including the recruitment process.

Diversity

We believe that workplace diversity, including diversity in leadership, helps increase employee morale and effectiveness and enhance creativity and unity within the organisation. We advocate diversity at the Board level and the workplace for the purposes of attaining sustainable and balanced development.

Development and Training

Learning and development (Material Areas 6)

We encourage and support employees to reach their full potential through continuous training and development. The training covers a range of topics including our products and services, the latest development of markets, relevant rules, regulations and best practice standards, managerial, language and technical skills, and personal effectiveness and career development. Employees can attend in-house training seminars, and be sponsored by the company to participate in external training seminars and course.

The annual performance appraisal is an interactive exercise conducted for all employees. The exercise involves appraising past performance, reviewing the employee's personal and career development status and training progress, and setting work objectives and improvement goals.

Health and Safety

Occupational health and safety (Relevant areas 2)

We have developed and adopted health and safety policies covering prohibition of smoking in workplace, identification and prevention of risks and hazards in working area, and follow-up actions for accidents or personal injuries. We require our employees to strictly adhere to and comply with such policies. Management members regularly assess the effectiveness of the policy whereas if there are any improvements to protect the health and safety of the employees. We also update the health and safety policies from time to time to ensure that the policies are best fit to the Group's core businesses.

In view of the Group's business nature, we do not consider any employees who are involved in occupational activities that have a high incidence or high risk of specific diseases. Hence, we do not have any formal agreements with any trade unions covering occupational health and safety.

Occupational health and safety measures are as follows :

1. The office has the proper lighting and ventilation systems, the environment is neat and there is plenty of space between each work place.
2. The office furniture and configuration are well maintained and replaced when necessary.
3. Our office cleans air-conditioning and ventilation systems twice a year to ensure that indoor air quality is maintained at a good level.
4. Mainland staff is entitled to basic physical examination benefits each year.
5. To provide labor protection for employees, the Company participates in social security and medical insurance for employees.
6. Provide office safety and health information to employees to understand the importance of occupational safety and health, and department heads should be aware of their responsibility to monitor the safety and health of their employees.
7. We follow the Government's work guidelines on typhoons and rainstorm warnings.
8. The Company regularly dispatches representatives of security officers to participate in the 60-hour fire training activities to enhance the fire safety and escape knowledge of employees. And obtained the Hangzhou Fire Safety Training Certificate issued by the Hangzhou Fire Vocational Skills Training School.

The Group implements and monitors occupational health and safety measures as follows:

Any issues in relation to the occupational health and safety of the Group will be brought to the Audit and Risk Management Committee by the Management as and when necessary. The Human Resources Division oversees the occupational safety and health matters of the Group. Occupational health and safety-related accidents in the workplace have to be reported to the Human Resources Division. The employees within the Group can raise any occupational health and safety-related issues through different channels from time to time.

Labour Standards

Human Rights (Relevant areas 3)

Although we consider that the Group does not operate in circumstances and environments with high exposure to risk concerning human rights and we have not identified any operations that constitute risk to the right to exercise freedom of association or collective bargaining, nonetheless we are committed to protecting human rights in the workplace. Employees' freedom of speech and association are respected as long as they are within legal boundaries.

All employment with the Company is voluntary and we strictly comply with the Hong Kong Employment Ordinance and Mainland Labour Contract Law and does not employ any child labour. The Group regularly reviews its employment practice to ensure that we are in full compliance with the Hong Kong and PRC law and regulations related to child labour and forced labour.

Child Labor

The Group does not hire child labor aged below the relevant legal threshold of the respective markets. At the time of interview, the Human Resources Department will request the job applicants to produce

valid identity document for the verification of actual age of the applicants.

No Practice of Forced Labors

The working hours of the employees strictly comply with the local laws. The employees' resting time is well respected and the employees enjoy paid holidays in accordance with the laws. To maintain the physical and mental balance of the employees, computerized attendance systems are put in place to effectively manage the working hours and resting dates of the employees. To prevent forced overtime work, any necessary arrangements of overtime must be agreed by the employees voluntarily. Overtime and overtime pays are in line with the local laws and regulations.

In 2016, we did not identify any operation as having significant risk of child labour or forced or compulsory labour. There was no breach of the laws and regulations in relation to child and forced labour across our Group in 2016.

Community

A successful business is a sustainable business. We recognise that the long-term success of the Group is closely linked with the health and prosperity of the communities we operate in.

Core Principles and Objectives

Core Principles	Objectives
Create shared benefits with the community we serve	- To improve the quality of life of those who are in need
Promote community participation	- To recognise, encourage and support employees volunteering for the benefit of the community

Community Investment and Employee engagement in community (Relevant areas 4, 5)

To reinforce the Group's commitment to the community, a Community Investment Policy has been approved. The policy focuses to align our community investment towards development goals or particular causes for the improvement of the community and environment which the Group values in the long-term. Key stakeholders' concern and synergy with our social responsibility core values and products and services are taken into account. The policy also sets out the approval procedures, the reporting requirement and the monitoring mechanism to further enhance accountability and transparency, and ensure effectiveness.

Reporting on Environmental Aspects

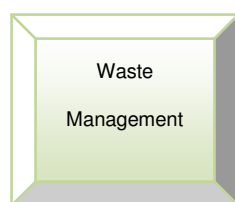
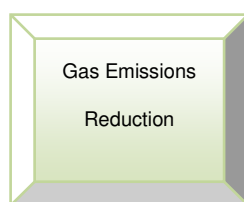
At the Group, we recognise the importance of environmental protection as the starting point for sustainability. We continue to work to reduce the environmental impact of our operations and to promote environmental protection within the Group and the supply chain.

Although we do not operate in an environmentally sensitive business and is predominantly service-oriented, we recognise that our operations still have an impact on the environment and acknowledge that addressing environmental issues is a collective responsibility shared by every member of the community. We are committed to minimising the adverse impact that our operations may have on the environment. Going beyond legal compliance, we are continually improving our environmental management practices and measures to reduce energy and other resource use, minimise waste and increase recycling. We also encourage our employees to adopt environmentally responsible behaviour and promote environmental protection in our supply chain.

Core Principles and Objectives

Core Principles	Objectives
Reduce environmental impact of our operations	<ul style="list-style-type: none">- To minimise use and maximise reuse of resources- To monitor and reduce our carbon footprint- To reduce the waste generated by the operation- To maximize the recycling of resources
Advocate environmental protection	<ul style="list-style-type: none">- To promote environmental protection within the Company and the supply chain

We have developed the following policies and procedures to help us meet our environmental objectives:



Emissions

Carbon emissions - Climate change mitigation and adaptation (Relevant areas 6)

The Audit and Risk management Committee has the responsibility to identify and assess any significant risks and opportunities arising from climate change at a company-wide level. In addition, the Group's Enterprise Risk Management Framework has been established to address risks of varying nature. As a provider of services, we are a relatively small greenhouse gas (GHG) emitter. Nevertheless, we consider the regulatory, physical, competitive and reputational risks and opportunities arising from climate change in order to minimise any direct and indirect costs related to climate change and to manage investor interests in this area. We stay abreast of environment-related regulatory developments that could impact our business, our supply chain and customers, and assess the resulting risks.

The Group has not identified any specific regulatory requirements related to climate change that present significant risks to the Group at this time. However, the development of international policy and regulation on climate change, the introduction of regulatory measures by the Central Government to cut emissions and the evolving commitment of the Hong Kong Government to carbon reduction are anticipated and may present potential risks to the Group in the coming years. Most of the physical risks which the Group is exposed to are tied to the potential impact that climate change may have on the risks of coastal flooding, frequency and severity of tropical cyclones, infectious diseases, pandemics and power failures occurring. If these physical risks are realised, some may pose risks to the Group's services activities, resulting in loss of business. The Group has therefore established contingency plans for managing such risks.

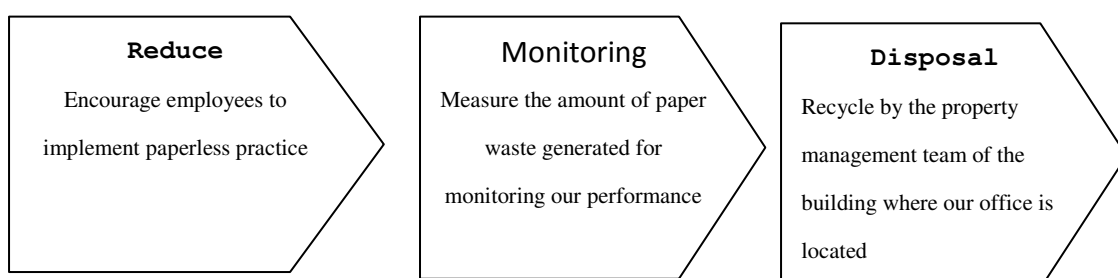
At the Group, energy consumption accounts for a major part of our GHG emissions. During 2016, we undertook various energy-saving measures to improve energy efficiency and reduce energy consumption in operations.

Waste Management (Relevant areas 7)

We adopt responsible waste management practices including avoidance of waste, source reduction, reuse, recycling and responsible disposal. Our employees handle office waste generated in a proper and environmentally-friendly manner that is also in accordance with legislative requirements and industry best practices. Recycling facilities have been made available at all offices to collect paper.

No significant hazardous waste was generated in view of the Group's business nature. Paper waste is our major source of non-hazardous waste in the office. As the Group's waste paper was collected by the property management of the buildings in which the offices were located, the Group did not find any records of any significant waste disposal disposed of at landfills.

The following is the general procedures to manage our paper waste:



Resources Management

"3R" Principle

The Group continued to adhere to the "3R" Principle - "Reduce, Reuse and Recycle" in the consumption of resources.

Headquarters and subsidiaries work together to enable resources to be used effectively and to carry out green office activities.



Energy Management (Relevant areas 8)

As indirect GHG emissions from our electricity consumption is the biggest contributor to our carbon footprint, we continue to implement various energy saving and efficiency measures across our offices. A number of features have been adopted to meet best practice standards for environmental protection. These include the installation of LED lighting in the office areas to reduce energy consumption and prevent unnecessary energy wastage. We regularly review the energy consumption data to facilitate better reporting and management of the energy consumption in our offices.

Energy use efficiency initiatives

1. Use of energy-efficient lights and electrical appliances in office workplace.
2. The corridor light is not fully open and the interval light is taken.
3. Switch off the unused electrical equipment and appliances.
4. Computer will be switched off for idle or would not be used within two hours.
5. Turn off some lights and air conditioning during lunch hours and non-office hours.
6. Computer regularly maintenance, cleaning, pay attention to dust and moisture to reduce energy consumption.
7. Purchase energy-efficient office equipment.
8. Switch off the water dispenser, computer, printer, air conditioning and other electrical equipment, and unplug the plug, disconnect the power when leave office.
9. Staff is encouraged to dress in smart casual and indoor temperature is maintained at around 26°C in the summer time.
10. Enable the "Standby" or "Sleep" mode of personal computers.

During the year, energy consumption per capita in the Mainland offices was 7% lower than last year.

Water management (Relevant areas 9)

The Group operates its business in leased office premises, we did not encounter any problems in sourcing water for our daily operations. Much of our water consumption is for basic cleaning and sanitation, as well as certain catering facilities in our offices. We have implemented our water saving policy and encourage our staffs to use water efficiently within our operation. Although our business is not a water-demanding business, we understand the importance of saving water as a scarce resource on a global scale and will continuously look for opportunities to reduce water usage in the future.

Water consumption efficiency initiatives

1. Extend the air conditioning drain to a barrel and can collect a liter of water within 2 hours. The water saved can be used to water flowers and mop the floor.
2. The toilet is flushed with large water flow and small water flow, depending on the water needed for flushing the dirt.
3. "running, falling, dripping, leaking" faucets are replaced timely to reducing waste.

During the year, water consumption per capita in the Mainland offices was 3% more than last year. The main reason is the development of the company's business and the personnel cross-regional collaboration work increased, the mobility of personnel also larger, so the amount of water consumption increased due to irregular increase in the flow of people.

Paper Reduction (Relevant areas 10)

Paper consumption is another key environmental concern in our daily operations. Internally, we have implemented a number of measures to reduce office paper use and promote the reuse of waste paper. A number of electronic or automated internal administrative processes are in place to eliminate paper records. Corporate publications, including the annual report, interim report and quarterly report, are printed only as necessary. We also encourage our shareholders to access the Group's corporate communications via electronic means, which not only saves paper but is a timely, more convenient and efficient method of communication.

Saving paper measures

1. The draft of the document, as far as possible using the draft mode, narrowing the line spacing, and use small size print, not only to save ink, electricity, but also to save the paper consumption.
2. Practice of double-sided printing or copying, the default output of the office photocopier is black and white and double-sided.
3. A recycle bin is placed next to the copier to collect paper for use on one side for recycling, for example, for photocopying or cutting into scratch paper.
4. Use of Office Automation System instead of the paper-based approval process to reduce the use of paper.
5. Publish notice or brochure in electronic version and upload the files to the Group's intranet or made publicly available online.

During the year, paper consumption per capita in the Mainland offices was 40% more than last year. The increase was due to the increase in business trading volume during the year.

Save other resource measures

1. Recycling of office supplies such as paper clips, binder clips, envelopes, letterheads, bags, etc.
2. Recycle newspapers, electrical appliances, waste materials and supervise them effectively.
3. Reduce or minimize the use of disposable cups.
4. Encourage employees to reduce color copy and print to help reduce carbon footprint.
5. Replace disposable pen, use refillable pen.

The Environment and Natural Resources

Environmental education and advocacy (Relevant areas 11)

Environmental education and advocacy among employees encourages the adoption of environmentally responsible behaviour which helps fulfill the Group's commitment to minimising its adverse impact on the environment. We organise our own activities and encourage our employees to join external events that promote environmental protection on a regular basis.

To help promote environmental awareness among our employees, they are encouraged to comment and share their views on the environmental issues via e-mail. They also are reminded to "recycle", "save energy", "save water" and "protect our natural environment" regularly.

In addition, we select environmentally friendly suppliers and we also are committed to promoting environmental protection to suppliers.

ESG Performance Summary

The data measurement techniques and calculation methods used for this Report are stated where appropriate. Unless otherwise stated, the figures provided in this section are reported for the corresponding year(s) specified below or as at 31 December of the corresponding year(s).

Social

Product Responsibility

1. There were no products recalled for safety and health reasons during the reporting period.
2. There were no products and services related complaints received during the reporting period.
3. Quality assurance process and recall procedures

Quality assurance process

1. Develop a joint quality program

If the purchase of mainstream equipment, not only the purchase of equipment itself, but also to buy suppliers in product design, manufacturing processes, quality control, technical description and other aspects of the service. The effective purchase of suppliers of such services, the need for both the ability of supply and demand coordination, coordination is the development of joint quality plan. The joint quality plan generally includes three aspects, they are economy, technology and management.

2. Supplier sales representative

To directly control the suppliers of products quality, we can sent our supplier representative to suppliers' factory, whose main duty is to put forward the specific requirements of the quality of products to the suppliers, to understand the situation of the supplier quality control, such as the quality control mechanism, establishment of quality system files, the establishment and implementation of the quality system, product design, production, packaging and testing, especially to supervise the final inspection and the sum of test before leaving the factory, verify and confirm quality certificate issued by the suppliers and play the role of quality control in the suppliers' factory.

3. Regular or irregular supervision and inspection

According to the actual situation, send technical personnel or experts to carry out regular or irregular supervision and inspection of suppliers. Through supervision and inspection, it is advantageous to comprehensively grasp the comprehensive ability of suppliers, find out their weak links in time and improve them, so as to guarantee the quality of supply. The main supervision and inspection of both sides of the implementation of the sale contract, the focus of supervision and inspection of the quality of products to be purchased. As in pre production is mainly the supervision and inspection of raw materials and purchased parts quality status; in production is mainly to supervise the process inspection of semi-finished products quality status; after production is mainly to supervise the inspection, test and packing of the finished products. It should be noted that critical processes or special procedures must be monitored and checked as key points.

4. Timely grasp the changes in the production status of suppliers

Due to changes in the internal and external environment of the enterprise, the production status of suppliers will inevitably change. We will be in a timely manner to grasp the changes, and some important changes in production, suppliers should be required to report to us in a timely manner. In the event of major changes in product design or structure, significant changes in manufacturing processes, verification of significant changes in total testing equipment and procedures, the supplier shall report to the purchaser on its own initiative. After we receive the report, we must seriously analyze the situation, and when necessary, should be directly understood to the supplier side, mainly to clarify the impact on product quality. In most cases, suppliers change product design, and adopt new materials, equipment, and new technology to improve the quality and efficiency of the products, which is beneficial to the quality of the products. However, it must be noted that any change has a process of adaptation, and at the initial stage of change it is likely to cause instability in the quality of the goods. This needs to be checked by strengthening the final check sum test.

5. Regular sorting

The main purpose of the regular sequencing of the supplier is to assess the quality and comprehensive capabilities of the supplier and to provide a basis for decision-making for the retention and replacement of the supplier.

6. Help suppliers introduce new quality systems and management methods

In order to effectively control the quality of our goods procurement, with the supplier to import their own years summed up the advanced quality control methods and techniques, take the initiative to help and guide the supplier in a short period of time, greatly enhance the quality management level and technical level, enhance the quality assurance ability. It is advantageous for our suppliers to give our suppliers some help, and it is also advantageous to us. The description of suppliers is multifaceted. The main purpose is not to increase production capacity, but to improve the quality of goods. To improve the quality as the center, can explain the supplier organization related personnel technical training, equipment technical transformation, to achieve check the sum of the standardization and standardization of the test. Carry out ISO9000 standards, strive for quality system certification and so on. To help suppliers, the focus is to strengthen the quality of the weak links, to solve the key issues affecting the quality of goods.

Products recall procedures

For the return of products from customer, the following procedures are implemented by the Group:

1. First of all, to confirm the customer's idea, is it really want to return, want to cancel or change the contract?
2. If there is any return due to the quality of the product, return procedure as follows:
 - Apply by sales department for relevant personnel inspection, and to issue an appraisal report by the technical department.
 - If the qualification report is qualified, the salesperson will communicate again. If the customer really wants to return, submitted to the business unit to take the internal process, without affecting the secondary sales situation, customer can return. If impact secondary sales, salesperson and customer need to communicate again.

- If the qualification report is not up to standard, the purchasing department will communicate with the supplier and handle the return and compensation.

4. Compliance and grievance

In 2016, the Group was not aware of any incidents of non-compliance with regulations concerning the provision and use of the Group's products and services, including but not limited to, quality, safety and health of product and services, and property rights including intellectual property rights that would have a significant impact on the Group. There were no incidents and substantiated complaints concerning breaches of customer privacy or losses of customer data in 2016.

Anti-corruption

1. In 2016, no significant risks relating to corruption were identified. There were no confirmed incidents in relation to corruption or public legal cases brought against the Group or its employees concerning corruption. There were also no confirmed incidents where contracts with business partners were terminated or not renewed due to violations relating to corruption during the year. No whistleblowing disclosures related to anti-corruption were received during the year.

2. Effective internal control systems are an integral part of good governance and a key element in preventing corruption. In addition to setting out guidelines, principles and values, we recognise that an environment where employees feel free to bring problems to management is also necessary to make our internal control systems effective.

We encourage reporting on corruption. Our Whistleblowing Policy makes it clear that all reports will be handled confidentially to the fullest extent possible under the circumstances, which enables employees to raise concerns about any malpractice, impropriety or fraud relating to internal controls and other matters, without fear of reprisal or victimization.

Monitoring and Review

As the business and operating environments as well as the companies' business strategies, operations and practices are changing continuously over time, we are facing new corruption risks and challenges. As such, our anti-corruption programme, the corruption risks it may be exposed to and the effectiveness of its anti-corruption controls, will be monitored and reviewed regularly or in response to changes or occurrence of corruption incidents.

Anti-corruption controls are effective in helping prevent and deter corruption. Yet company policies and business processes are carried out by people, and human judgment and decision, and sometimes discretions, are required in almost all business processes, particularly important ones. Therefore, to ensure integrity and the adoption of clean business practices in the carrying out of business by the directors and staff, we promote (such as arrange seminar) an ethical, anti-corruption and compliant culture within the organisation through effective communication of ethical values and the anti-corruption policy and corruption prevention capacity building among the staff at all levels.

Whistleblowing Policy

Whistle-blowing procedures and implementation :

1. In general, work-related issues should be discussed with immediate superior. If the concern remains unresolved, employees have the option of bringing the issue directly to the Management.
2. Employees can report the issue by email, or by mail.
3. Genuine concerns raised to the Management will be taken seriously and the confidentiality of employees raising concerns will be protected.
4. Once we receive the employee concern, an acknowledgment of concern received will be replied to the employee. If the initial facts substantiate it as a valid concern, we will inform the employee that the concern will be investigated and followed up. However, if the concern is not valid, reason of the denial will be provided.
5. A log-book will be kept of all concerns received and their progress status.
6. The management or his designate will conduct an initial investigating meeting to discuss the concerns raised, and seek to establish the facts, and the further action to be taken. The employee raising the concern will be informed of the outcome of the investigation as soon as practicable. A written report of the conclusion shall be issued by the Management or his designate.
7. If the employee is not satisfied with the decision made by the Management, he may appeal to the Audit and Risk Management Committee.
8. The Audit and Risk Management Committee shall review the case and designate personnel (Internal Auditor) or hire outside professional body to investigate the case if necessary. A written reply shall be issued by the Chairman of the Audit and Risk Management Committee or his designate. If considered appropriate, the Chairman of the Audit and Risk Management Committee shall report the case to the Board for further action to be taken.
9. In case the concern is raised against the Management, the employee can bring the issue directly to the Audit and Risk Management Committee.

Reporting

The written report of the conclusion of all cases shall be filed as an official record in strict confidence. The written report of the conclusion of all cases shall be made available upon request by any member of the Audit and Risk Management Committee.

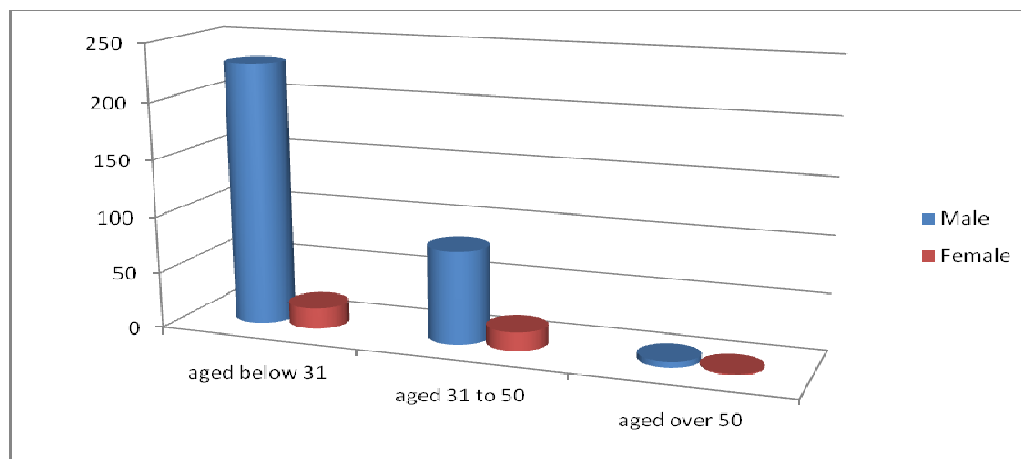
Monitoring and Review

The Audit and Risk Management Committee will have the responsibility for monitoring the progress, producing and publishing results and undertaking periodic review.

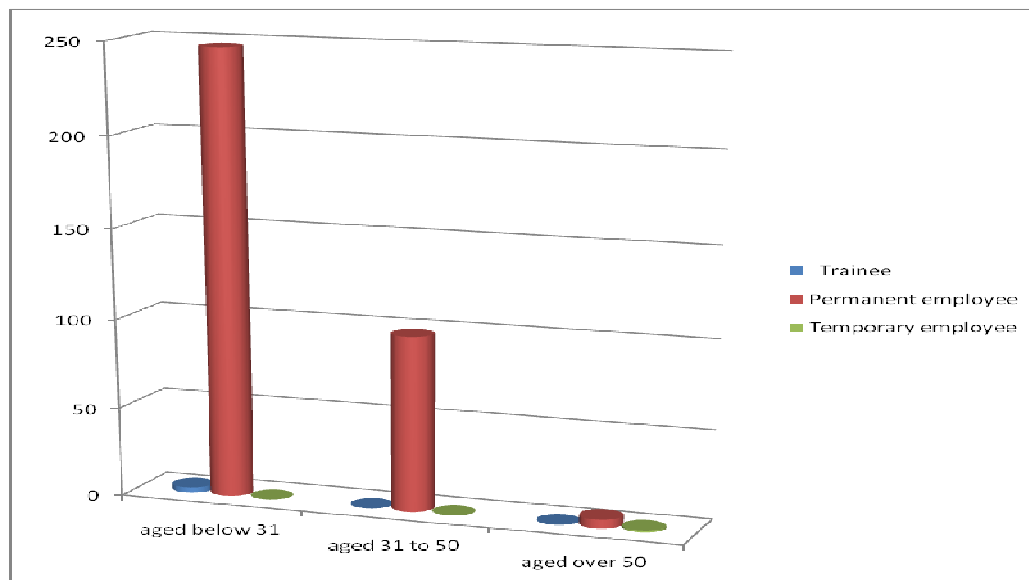
Employment

As of 31 December 2016, the Group had a total of 357 employees, 20% increase from 2015 mainly due to organic growth and increased headcounts for strategic initiatives. Apart from this, there was no significant variation in employment numbers. Since Mainland employees account for over 99% of the Group's total employees, the Group's key performance indicators at this level focus only on Mainland employees.

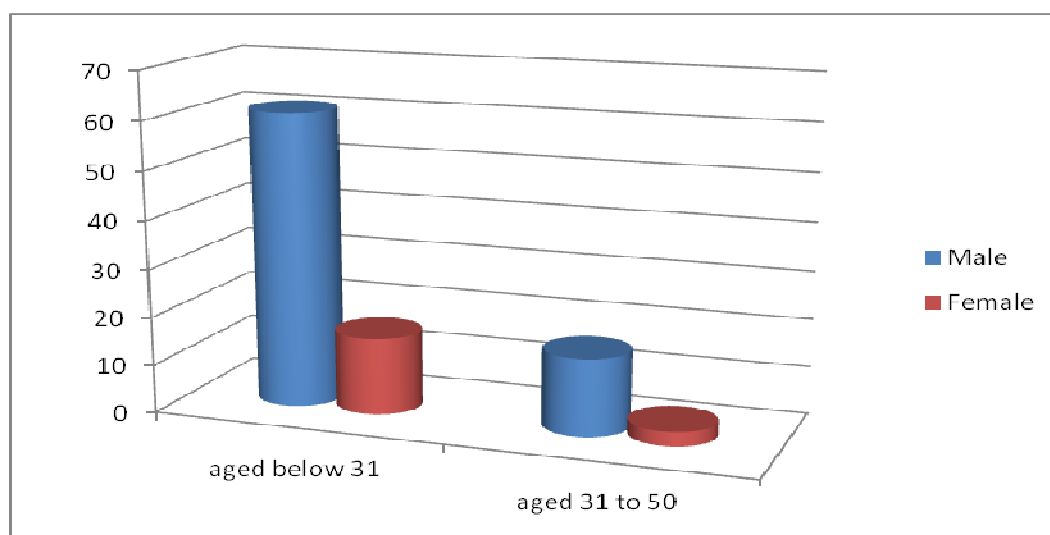
1. The average age of employees by gender in this year is as follows :



2. The average age of employees divided by employment type in this year is as follows :



3. The rate of employee turnover by gender and age group is as follows :



4. Compliance and grievance

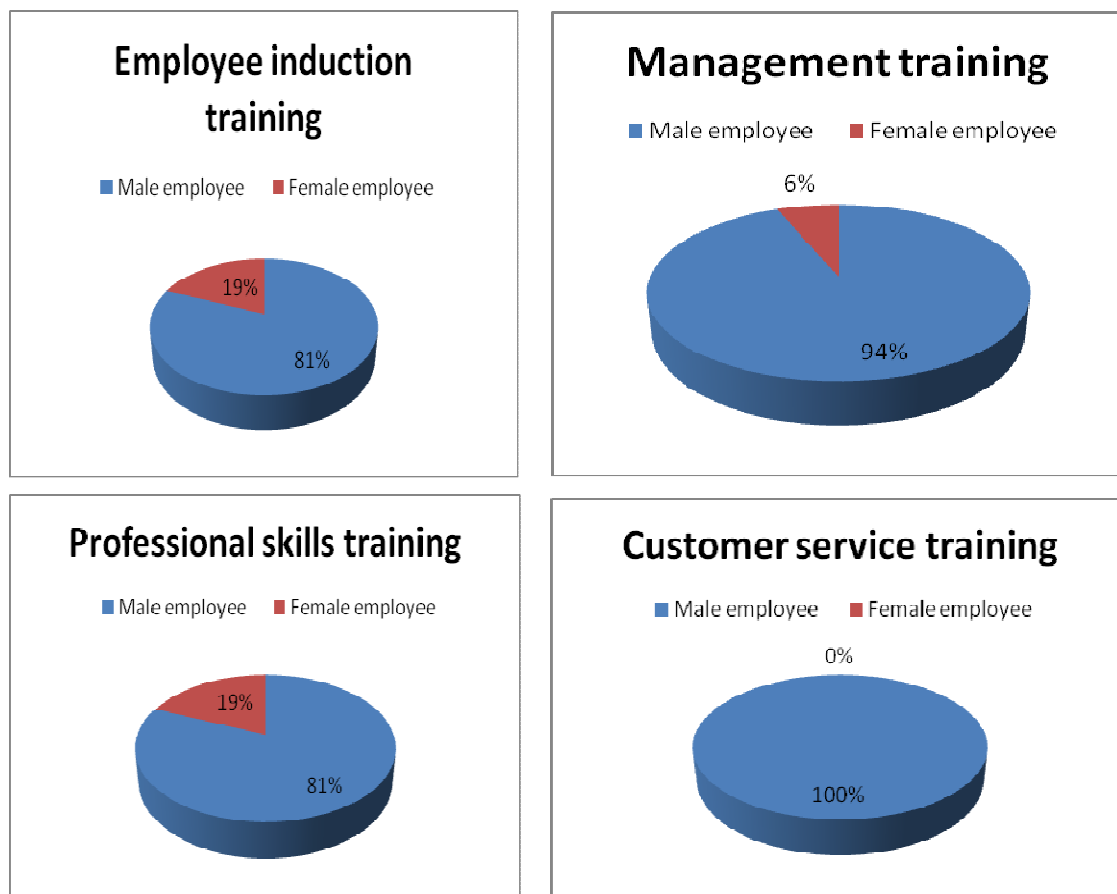
In 2016, there were no confirmed non-compliance incidents or grievances in relation to employment that would have a significant impact on the Group.

Development and training

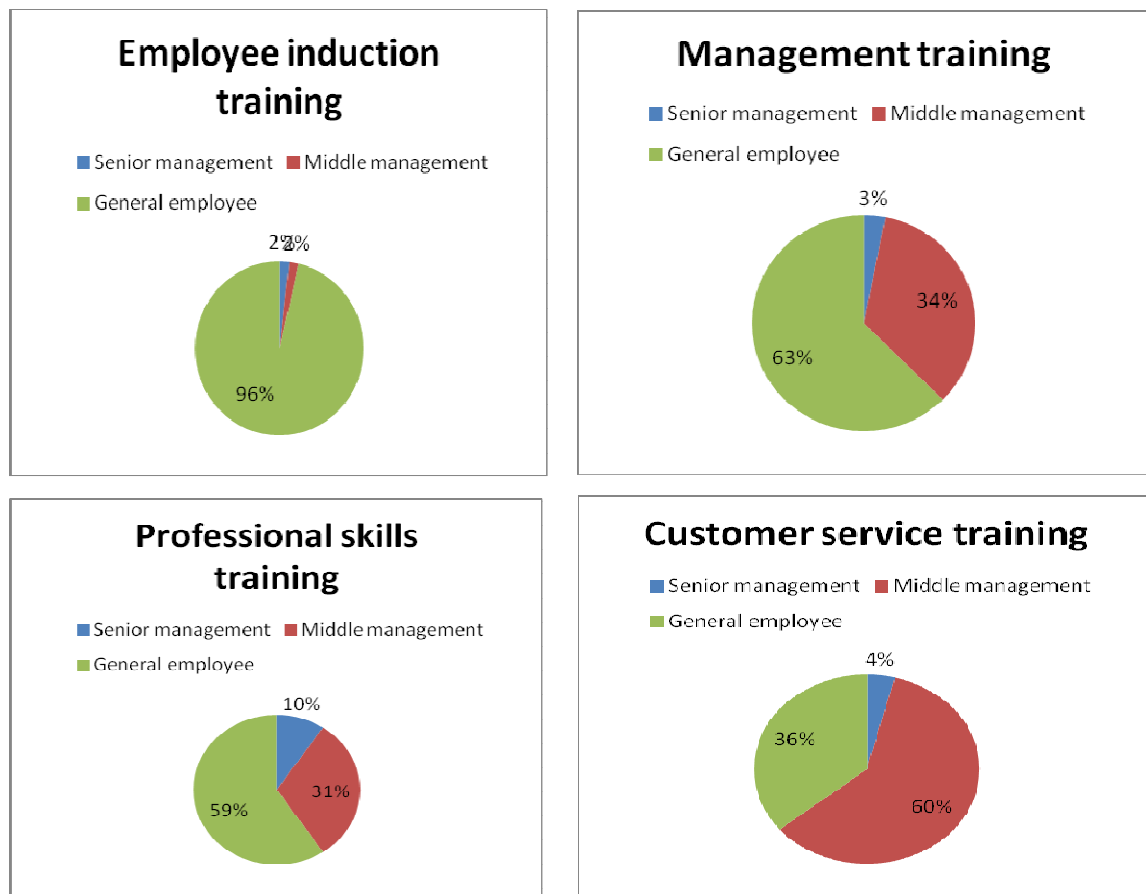
1. This year, the trained employees are diversified, and all levels of staff are involved, including senior management, middle management and general employees. The following 4 training sessions were held this year:

- | | |
|---------------------------------|--|
| - Employee induction training: | Mainly for the content of the Group system training, so as to assist the new employees to better understand the Group's system and to help them become familiar with their new work environment and improve their work efficiency. |
| - Management training: | Mainly supervision training and product knowledge training for sales department and middle management. |
| - Professional skills training: | Mainly skills training for technical staff. |
| - Customer service training: | Mainly customer service processes training for staff in Merchant Department. |

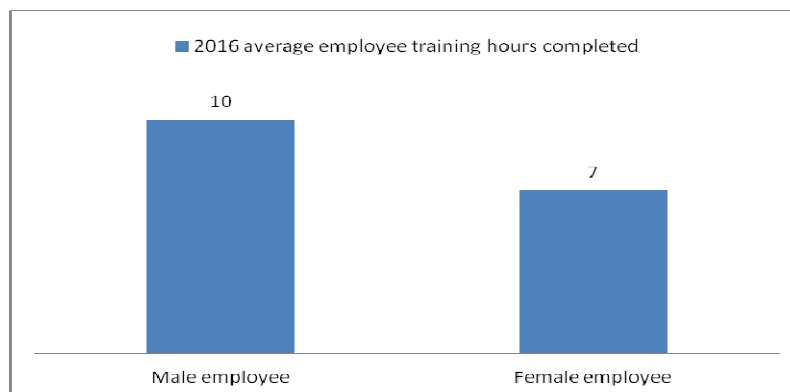
2. The percentage of employees trained by gender is as follows:



3. The percentage of employees trained by employee category is as follows :



4. The average training hours completed per employee by gender :



5. "SINGLEEE TODAY"

In order to promote the corporate culture of Singlee, the Group has united the company's spirit of solidarity and launched the "SINGLEEE TODAY", with a total of 4 issues in 2016 (a total of 32 issues at the end of 2016). "SINGLEEE TODAY" is to provide employees with the latest industry information, the company's latest business dynamics and outstanding performance of outstanding staff. In addition, "SINGLEEE TODAY" also gives employees a platform to communicate, to strengthen the communication between employees, interaction and the establishment of good relations with the staff and the Company.



6. This year, the group participated in the community to celebrate the G20 summit held by the National Games. 15 colleagues participated in the Games. The Games not only increased the sense of belonging to the business community, but also through a simple interactive game, so that each colleagues to strengthen mutual understanding and trust between the team members to break the gap; and through tactical research, so that each colleagues with wisdom and skills, sincere cooperation, to win, fully demonstrated the spirit of hard work and can be used in life and work.



Health and Safety

1. In 2016, there were no records of work-related incidents causing fatalities or injuries, nor lost days due to work injury or occupational diseases.

2. Compliance and grievance

In 2016, there were no confirmed non-compliance incidents or grievances in relation to health and safety that would have a significant impact on the Group.

Labour Standards

1. Compliance and grievance

In 2016, there were no confirmed non-compliance incidents or grievances in relation to human rights and labour practices standards and regulations that would have a significant impact on the Group.

Community Investment

1. The Group is actively involved in community activities to protect the environment. The contribution areas focus on environmental matters and health. For example, in this year's participation in The Community Chest Green Day, Skip Lunch Day 2016, Dress Casual Day 2016, Love Teeth Day 2016/2017, The Community Chest Flag Day and Hong Kong Green Building Week 2016 Biz-Green Dress Day. In addition, the Group has signed a charity offer by the Hong Kong Sports Secretariat to help reduce the kitchen production. The Group encourages employees to avoid excessive food intake, and encourages employees to take food away and waste less during entertainment.

2. Hong Kong office staff participation in these community activities ratios of 100%. The Group is committed to participating in social activities and contributing to the community and at the same time reminding employees of the development of local social welfare services and their personal health.

Environmental

Unless otherwise specified, the environmental data covers the Group's operation in the Mainland only, excluding its offices in the Hong Kong due to their relatively small environmental footprint.

1. Emissions^{1,2}

Indicators	2016	2015
Total GHG emissions (Scope 1 and 2) (KG)	72,289	72,247
Total GHG emissions (Scope 1 and 2) per floor area ³ (KG/m ²)	32.70	32.68
Total GHG emissions (Scope 1 and 2) per employee ⁴ (KG/employee)	417.86	443.23
Indirect emissions (Scope 2) (KG)		
Electricity	70,014	70,720
Indirect emissions (Scope 3) (KG)		
Paper consumption	2,275	1,526
GHG emissions avoided by recycling of paper ³ (KG)	384	389

1. Due to its business nature, the significant air emissions of the Group are the GHG emissions, arising mainly from the use of electricity derived from fossil fuels.
2. The Group's GHG inventory includes carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride. The Group's GHG emissions data is presented in carbon dioxide equivalent and was based on the reporting requirements of the "Reporting Guidance on Environmental KPIs" issued by HKEX.
3. In 2016, there were 28 (2015: 20) of the Group's offices, there are 19 common offices in 2016 and 2015. The above data only contains these 19 offices, so that made the data for meaningful comparison.
4. Based on the nature of the business, some of the employees are work at the customer offices. These employees have very few opportunities to use the Group's office electricity, so these employees have not been included.

2. Energy consumption¹

Indicators	2016	2015
Total energy consumption (KWh)	86,309	87,180
Total energy consumption per floor area ² (KWh/m ²)	39.04	39.43
Total energy consumption per employee ³ (KWh/employee)	498.90	534.85
Indirect energy consumption (KWh)		
Electricity	86,309	87,180

1. Energy consumption data was based on the amount of electricity consumed and the relevant conversion factors provided by Climate Change Info-Net.
2. In 2016, there were 28 (2015: 20) of the Group's offices, there are 19 common offices in 2016 and 2015. The above data only contains these 19 offices, so that made the data for meaningful comparison.
3. Based on the nature of the business, some of the employees are work at the customer offices. These employees have very few opportunities to use the Group's office electricity, so these employees have not been included.

3. Paper consumption ¹

Indicators	2016	2015
Total paper consumption (KG)		
Office paper	474	318
Total paper consumption per employee ² (KG/employee)	2.74	1.95

1. In 2016, there were 28 (2015: 20) of the Group's offices, there are 19 common offices in 2016 and 2015. The above data only contains these 19 offices, so that made the data for meaningful comparison.
2. Based on the nature of the business, some of the employees are work at the customer offices. These employees have very few opportunities to use the Group's office paper, so these employees have not been included.

4. Water consumption

Indicators	2016	2015
Total water consumption (m ³)	953	868
Total water consumption per floor area ¹ (m ³ /m ²)	0.43	0.39
Total water consumption per employee ² (m ³ /employee)	5.51	5.33

1. In 2016, there were 28 (2015: 20) of the Group's offices, there are 19 common offices in 2016 and 2015. The above data only contains these 19 offices, so that made the data for meaningful comparison.
2. Based on the nature of the business, some of the employees are work at the customer offices. These employees have very few opportunities to use the Group's water, so these employees have not been included.

5. Effluent and waste management ^{1,2}

Indicators	2016	2015
Total water discharged (m ³)	953	868
Waste collected for recycling (KG ³)		
Paper ³	80	81

1. In 2016, there were 28 (2015: 20) of the Group's offices, there are 19 common offices in 2016 and 2015. The above data only contains these 19 offices, so that made the data for meaningful comparison.
2. Based on the nature of the group business, the group was not aware of any significant produce of hazardous waste.
3. Includes confidential waste paper generated within the Group and paper documents submitted by external parties.

6. Compliance and grievance

In 2016, there were no confirmed non-compliance incidents or grievances in relation to environmental protection that would have a significant impact on the Group.

Subject Areas, Aspects, General Disclosures and KPIs	Description	This Report (page number)/ Remarks
A. Environmental		
Aspect A1: Emissions		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste	<ul style="list-style-type: none"> •Reporting on Environmental Aspects - Emissions (pages 18-19) •Environmental Performance Summary - 6. Compliance and grievance (page 33)
KPI A1.1	The types of emissions and respective emissions data	<ul style="list-style-type: none"> •Environmental Performance Summary - 1. Emissions (page 32)
KPI A1.2	Greenhouse gas emissions in total and, where appropriate, intensity	<ul style="list-style-type: none"> •Environmental Performance Summary - 1. Emissions (page 32)
KPI A1.3	Total hazardous waste produced and, where appropriate, intensity	<ul style="list-style-type: none"> •Based on the nature of the group business, the group was not aware of any significant produce of hazardous waste
KPI A1.4	Total non-hazardous waste produced and, where appropriate, intensity	<ul style="list-style-type: none"> •Reporting on Environmental Aspects - waste management (page 19) •Environmental Performance Summary - 5. Effluent and waste management (page 33)
KPI A1.5	Description of measures to mitigate emissions and results achieved	<ul style="list-style-type: none"> •Reporting on Environmental Aspects - Emissions (pages 18-19) •Environmental Performance Summary - 1. Emissions (page 32)
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved	<ul style="list-style-type: none"> •Reporting on Environmental Aspects – Emissions and waste management (pages 18-19) •Environmental Performance Summary - 5. Effluent and waste management (page 33)
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources including energy, water and other raw materials	<ul style="list-style-type: none"> •Reporting on Environmental Aspects – Use of Resources (pages 20-22)
KPI A2.1	Direct and/or indirect energy consumption by type in total	<ul style="list-style-type: none"> •Environmental Performance

	and intensity	Summary - 2. Energy consumption (page 32)
KPI A2.2	Water consumption in total and intensity	<ul style="list-style-type: none"> •Environmental Performance Summary - 4. Water consumption (page 33)
KPI A2.3	Description of energy use efficiency initiatives and results achieved	<ul style="list-style-type: none"> •Reporting on Environmental Aspects –Energy Management (page 20) •Environmental Performance Summary - 2. Energy consumption (page 32)
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved	<ul style="list-style-type: none"> •Reporting on Environmental Aspects –Water management (pages 20-21) •Environmental Performance Summary - 4. Water consumption (page 33)
KPI A2.5	Total packaging material used for finished products and, if applicable, with reference to per unit produced	The Group's main business is the provision of technical support services (over 75% of total revenue), so that physical products (i.e., software and hardware products) are less. The software products do not need any packaging, most of the hardware products are delivered directly from the supplier to customers, only a few products delivered from the Group. Therefore, the use of packaging materials does not have an important impact on investors and other stakeholders.
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources	<ul style="list-style-type: none"> •Reporting on Environmental Aspects – Environmental education and advocacy (page 22)
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	<ul style="list-style-type: none"> •Reporting on Environmental Aspects –Emissions (pages 18-19) •Reporting on Environmental Aspects – Resources management (pages 20-22)

B. Social		
Employment and Labour Practices		
Aspect 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	<ul style="list-style-type: none"> •Reporting on Social Aspects – Employment (pages 14-15) •Social Performance Summary –Employment (4) (page 28)
KPI B1.1	Total workforce by gender, employment type, age group and geographical region	•Social Performance Summary – Employment (1-2) (page 27)
KPI B1.2	Employee turnover rate by gender, age group and geographical region	•Social Performance Summary – Employment (3) (page 27)
Aspect 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	<ul style="list-style-type: none"> •Reporting on Social Aspects – Health and Safety (pages 15-16) •Social Performance Summary – Health and Safety (2) (page 30)
KPI B2.1	Number and rate of work-related fatalities	•Social Performance Summary – Health and Safety (1) (page 30)
KPI B2.2	Lost days due to work injury	•Social Performance Summary – Health and Safety (1) (page 30)
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	•Reporting on Social Aspects – B2. Health and Safety (pages 15-16)
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities	<ul style="list-style-type: none"> •Reporting on Social Aspects – Development and Training (page 15) •Social Performance Summary – Development and Training (1) (page 28)
KPI B3.1	The percentage of employees trained by gender and employee category	•Social Performance Summary – Development and Training (2-3) (pages 28-29)
KPI B3.2	The average training hours completed per employee by gender and employee category	•Social Performance Summary – Development and Training (4) (page 29)
Aspect B4: Labour Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have	<ul style="list-style-type: none"> •Reporting on Social Aspects – Labour Standards (pages 16-17) •Social Performance Summary –

	a significant impact on the issuer relating to preventing child and forced labour	Labour Standards (1) (page 31)
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour	•Reporting on Social Aspects – Labour Standards (pages 16-17)
KPI B4.2	Description of steps taken to eliminate child and forced labour practices when discovered	No such incidents were reported during the reporting period.
Operating Practices		
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain	•Reporting on Social Aspects – Supply Chain Management (page 13)
KPI B5.1	Number of suppliers by geographical region	•Reporting on Social Aspects – Supply Chain Management (page 13)
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	•Reporting on Social Aspects – Supply Chain Management (page 13)
Aspect B6: Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress	•Reporting on Social Aspects – Product Responsibility (pages 9-11) •Social Performance Summary – Product Responsibility (4) (page 25)
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	•Social Performance Summary – Product Responsibility (1) (page 23)
KPI B6.2	Number of products and service related complaints received and how they are dealt with	•Social Performance Summary – Product Responsibility (2) (page 23)
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights	•Reporting on Social Aspects – Product Responsibility (page 11)
KPI B6.4	Description of quality assurance process and recall procedures	•Social Performance Summary – Product Responsibility (3) (pages 23-25)
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	•Reporting on Social Aspects – Product Responsibility (page 11)
Aspect B7: Anti-corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering	•Reporting on Social Aspects – Anti-corruption (page 12) •Social Performance Summary – Anti-corruption (1) (page 25)
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	•Social Performance Summary – Anti-corruption (1) (page 25)
KPI B7.2	Description of preventive measures and whistle-blowing	•Social Performance Summary –

	procedures, how they are implemented and monitored	Anti-corruption (2) (page 25-26)
Community		
Aspect B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities takes into consideration the communities' interests	•Reporting on Social Aspects – Community Investment (page 17)
KPI B8.1	Focus areas of contribution	•Social Performance Summary – Community Investment (1) (page 31)
KPI B8.2	Resources contributed to the focus areas	•Social Performance Summary – Community Investment (2) (page 31)