



**Cloud Investment Holdings Limited**  
**雲信投資控股有限公司**  
(Incorporated in the Cayman Islands with limited liability)  
(Stock Code: 8129)



Environmental, Social and Governance Report 2017

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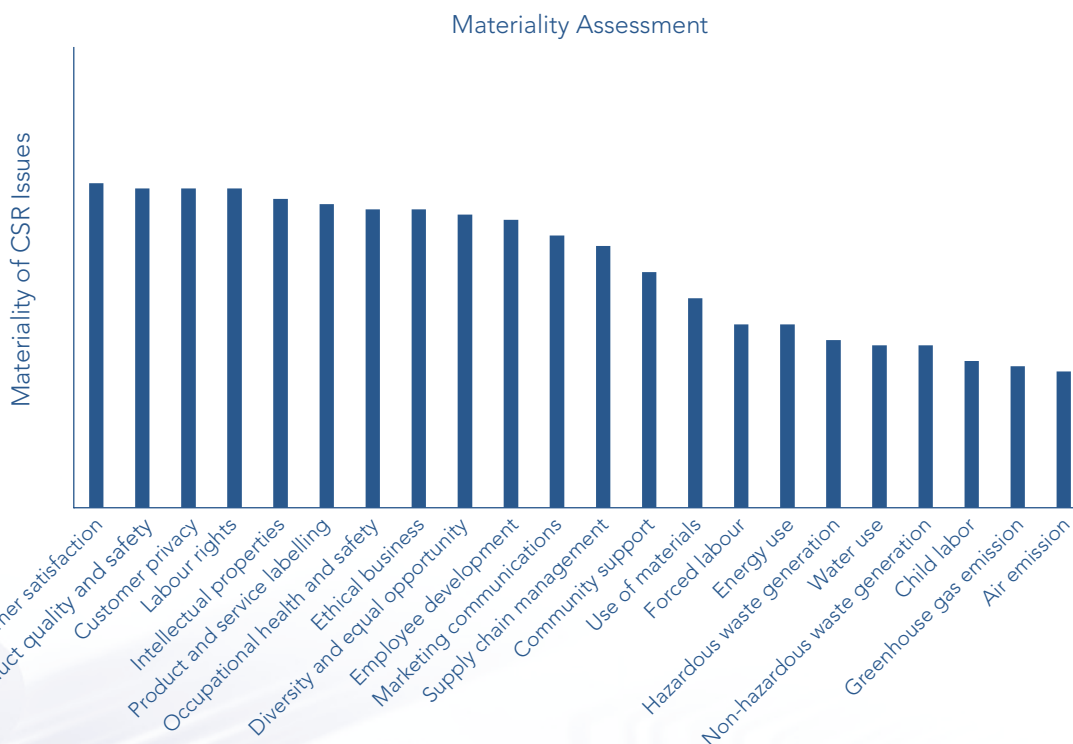
# Environmental, Social and Governance Report

Cloud Investment Holdings Limited (formerly known as China Bio Cassava Holdings Limited) (hereinafter referred to as “We”, “Cloud Investment”, the “Company”) is very pleased to publish the second environmental, social and governance (“ESG”) report (“Report”) which covers the major operations of the Company and its subsidiaries (collectively, the “Group”) in Hong Kong, including the provision of financing services, the provision of financial public relations services, as well as computer software and embedded systems development and sales and licensing of the software and systems and provision of IT services. The ESG Report was prepared in accordance with the ESG Reporting Guide of the Rules Governing the Listing of Securities on GEM set out by The Stock Exchange of Hong Kong Limited (“HKEx ESG Reporting Guide”), fulfilling all “comply or explain” provisions under appendix 20 during the financial period from 1 January 2017 to 31 December 2017 (“Reporting Period”). This report has been reviewed and approved by Cloud Investment’s Board of Directors.

This ESG Report provides information on environmental and social issues that are relevant to the Group and details our efforts in sustainable development. We would like to hear your feedback on this ESG Report, please email us at <info@cloud-grp.com>.

## STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

Stakeholder engagement is a critical process for us to understand and identify the material ESG issues in our operations. We have engaged various stakeholders, including employees, suppliers and contractors, through an online questionnaire. They were invited to rate the relative importance of twenty two ESG topics. Based on the results from the stakeholder engagement, we have conducted a materiality assessment, as presented below:



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From the results of materiality assessment graph, we have identified the most important ESG topics, as follows:

- Maintaining customer satisfaction;
- Enhancing product quality and safety;
- Keeping our customer privacy;
- Safeguarding labour rights of our people; and
- Protecting intellectual properties and labelling of our products and services.

In the years ahead, by taking into consideration the above materiality assessment results in our operations, we strive for continuous improvement in our sustainability performance to meet the expectations from our stakeholders. Details of our efforts and performance in financial year 2017 are presented in the following sections.

### QUALITY SERVICES AND PRODUCTS

We strive to provide high quality products and services to our customers and at the same time ensure the sustainable development of the Group.

#### Financing services

Our aim is to help customers overcome financial difficulty through providing professional advice and loan services. Various types of loan services, including personal loans, revolving loans, mortgages and small and medium-sized enterprises loans, are developed to help meet consumers' financial needs. To strengthen our financing services, we have extended our application channel to the online platform – allowing our customers to receive our loan service in a simple and more efficient way.

While it is important to offer a satisfying loan amount to our customers, we also need to consider their capacity to repay the loan. We have established a credit approval process outlining the procedures of evaluating and approving loan applications, and we have made sure that our employees understand every steps – from documents collection, verification, assessment to final approval; as a result, delivering the best service and reducing our risks.

To provide customers with appropriate products and services, clients' personal information is unavoidably collected and used. Therefore, ensuring the privacy of customer information is one of our most important responsibilities in maintaining our reputation and in establishing the trust. To safeguard all personal and confidential information about our clients, a privacy policy is set up to ensure that our staff handle and protect customer information appropriately. For more details, please refer to our privacy policy: <http://www.fortunecredit.com.hk/privacy.html>

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## Software and embedded system development, sales and licensing and IT services

“Q9 Anywhere” is our slogan. We are committed to providing customers with high quality Chinese input software products and services, and we strive to continually develop products that meet the needs of our customers. With our principal innovative proprietary “matrix mapping system”, our flagship product Q9 Character Input System allows our customers to input Chinese characters in an easy way. We intend to make Q9 available anywhere. Over the years, we have extended our product portfolio to other languages, including English, Japanese and Korean, with broad interfaces to multi-platforms, including mobile telephones, PDAs and PCs.

We are aware of the potential spread of counterfeit goods. To prevent counterfeit products from reaching the marketplace and safeguard our intellectual property in the business, we have taken various measures as follows:

- All our research and development (“R&D”) staff are required to sign a “Non-disclosure Agreement” for not disclosing confidential information to other persons, corporations or firms.
- Products need to be activated by using a unique serial number to register. Our system will stop running the software programme after the trial period of 30 days if registration is not complete.
- Our R&D staff regularly monitor any pirated version on the Internet and carry out our action if necessary; for example, a letter is sent to the website companies requiring them to remove the illegal software and related content.

Customer feedback is particularly valuable to us as it helps us understand customer needs and continuously improve our products and services. We have a dedicated team to handle customer comments. They will collect and analyze customer feedback, optimize the operation process, and improve product and service quality. In addition, various channels, including telephone hotline, fax, post and email, are provided for customers to reflect their opinions on our products and service or file any complaints conveniently. For more details, please refer to our Customer Service Policy: <https://q9tech.com/web10/page.php?c=209>

## Financial public relations services

We have commenced the provision of financial public relations services business since July 2017, and are providing services in corporate communications, media relations, investor relations, crisis management and capital raising, and are specialized in strategic planning and one-stop coordination of various events, in particular financial activities such as initial public offering, media and investor luncheon, roadshow, etc.

We are committed to organizing fruitful events for our clients, in order to strengthen their brand image and relationship with different stakeholders. We are dedicated to fostering long-term relationships and listening to our clients’ wishes in providing exceptional services that meet their needs. Our team, with rich experience in financing services and unparalleled attention to details, will assist in accomplishing our clients’ goals and bring great success to their events. We undertake to keep all confidential information concerning the business and affairs of our clients which come into our possession during the engagement strictly confidential and not to use any such information for any other purposes other than that for which it is provided.

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The Group will continue to expand the scale of provision of financial public relations services business with the grasp of huge potential opportunities from the speedy pace of reform of the PRC enterprises and the lasting and healthy growth of interaction of the capital markets of Hong Kong and the PRC.

During the Reporting Period, we confirm that there was no non-compliance with relevant laws and regulations that have a significant impact on the Group relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.

### BUSINESS ETHICS

A code of business ethics is stipulated in our human resource policy and procedures in which describe the principles on how our employees should conduct business in a socially responsible and ethical manner. Employees who are found violating the code will be subject to disciplinary action which includes termination of the employment contract.

#### Anti-bribery

Our businesses are subject to all relevant anti-bribery laws in Hong Kong. Employees are not allowed to accept or offer any benefits such as gifts, loans, monies, contracts etc, without prior consent of the Company.

#### Conflict of interest

Employees are prohibited from utilizing their positions or inherent power to obtain any benefits/entertainment from customers, subcontractors, suppliers or other business partners. In the course of conducting our business, the Company understands there will be occasions when it is appropriate, out of politeness, to receive small gifts or business entertainment. Employees must make good judgment to conduct all businesses without undue influence when receiving business gifts and entertainment, and must inform relevant parties.

#### Accounting and financial reporting

Preparing financial reporting accurately with proper accounting, internal accounting controls and auditing practices are essential to maintain the Group's reputation for honesty and integrity. We have a whistle-blower policy with reporting channels and guidance to encourage employees to report any possible improprieties in matters of financial reporting or relevant matters. The reported matters will be investigated promptly followed by remedial actions as appropriate.

During the Reporting Period, we confirm that there was no non-compliance with laws and regulations that have a significant impact on the Group relating to bribery, extortion, fraud and money laundering.

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## MOTIVATED WORKPLACE

Employees are the most important asset of the Group. We strive to provide a safe and motivated workplace for our employees and are committed to preventing and eliminating any discrimination and harassment actions.

The human resource policy and procedure was set up based on the Hong Kong Employment Ordinance, and hence, we comply with all relevant laws and regulations in areas including salary, working hours, holidays and dismissal. All employees are members of the Mandatory Provident Fund Scheme as per the requirements of the Mandatory Provident Fund Schemes Ordinance. Other benefits include additional leaves (annual leave, marriage leave, compassionate leave etc.) and medical insurance. To appreciate the hard work and maintain good relationships with our employees, we regularly organize company events such as Christmas and Chinese New Year gatherings.

Performance assessment is conducted annually for reviewing the performance of each employee and ultimately, form a basis of salary adjustments, promotions, transfers and training. We encourage our employees to get professional training and obtain professional qualifications by providing examination leaves and subsidies for eligible employees.

We also value the communication with our employees; therefore, communication channels are set up for employees to file complaints and provide opinions.

During the Reporting Period, we confirm that there was no non-compliance with laws and regulations that have a significant impact on the Group relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunities, diversity, anti-discrimination, other benefits and welfare; preventing child and forced labour; and in providing a safe working environment and protecting employees from occupational hazards.

## PROTECTING THE ENVIRONMENT

As a responsible corporate, we understand we have a role to play to minimize our environmental footprints within our operations to protect the environment.

Most of our operations take place in the office environment and thus do not pose direct and significant impacts to the environment. Our operations do not generate hazardous waste. The management of general waste, water supply and its discharges are controlled by building management of the office buildings. Also, we do not produce packaging materials (i.e. product boxes and labels) ourselves but via our suppliers in limited amount. Notwithstanding the above, we are committed to fulfilling our responsibility by protecting our environment. Starting with increasing awareness among employees, we have developed guidelines to promote green office practices, for instance, by improving energy efficiency and conserving resources.

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### Electricity/Water

- Set the temperature of air conditioning to strike the balance between electricity use and employee comfort
- Encourage switching off the office equipment when they are not in use
- Pay close attention on water pipe maintenance to prevent any leakage of water

### Paper

- Reuse single-sided paper for printing and writing
- Encourage using application of computer technology over paper to reduce paper consumption
- Encourage double-sided printing instead of single-sided printing

### Stationery/Other equipment

- Reuse stationery, e.g. used envelope and document folder
- Reuse empty water bottles which are collected by service provider

We also constantly look for ways on how we can make our operations greener and more sustainable. To know more about our own environmental footprints, we started to quantify our environmental impacts this year and tried to identify areas where we possibly can focus on.

Waste reduction, for example, has been one of our priorities. Through measuring and tracking our performance, we realized the majority of waste from our operations came from pre-printed boxes and manual books. This enables us to review and improve our current waste management practices by, namely, recycling and reusing them wherever possible to divert waste from landfills. Accordingly, corresponding waste management measures are deployed such as placing recycling boxes in the offices for collecting waste paper and damaged computer accessories.



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Our environmental performance in financial year 2017 is summarized in the following table:

<b>Greenhouse gas ("GHG") emissions<sup>1</sup></b>	<b>Unit</b>	<b>FY 2017</b>
<b>Direct emissions ("Scope 1")<sup>2</sup></b>	Tonnes CO <sub>2</sub> e	–
<b>Energy indirect emissions ("Scope 2")<sup>3</sup></b>	Tonnes CO <sub>2</sub> e	28.55
<b>Total Scopes 1 and 2 GHG emissions Intensity<sup>4</sup></b>	Tonnes CO <sub>2</sub> e	28.55
Floor area	Tonnes CO <sub>2</sub> e/m <sup>2</sup>	0.01
<b>Resource use<sup>1</sup></b>	<b>Unit</b>	<b>FY 2017</b>
<b>Consumed electricity</b>	kWh	47,277.02
<b>Energy intensity<sup>4</sup></b>	kWh/m <sup>2</sup>	10.04
Floor area	m <sup>3</sup>	6.85
<b>Consumed water</b>		
<b>Water intensity<sup>4</sup></b>	m <sup>3</sup> /m <sup>2</sup>	0.001
Floor area		
<b>Consumed packaging</b>	Tonnes	0.86
<b>Packaging intensity<sup>4</sup></b>	m <sup>3</sup> /m <sup>2</sup>	0.007
Floor area		
<b>Produced waste<sup>5</sup></b>	Tonnes	0.20
<b>Waste intensity<sup>4</sup></b>	m <sup>3</sup> /m <sup>2</sup>	0.00007
Floor area		
<b>Use of Paper recycled</b>	Tonnes	0.006

During the Reporting Period, we confirm that there was no non-compliance with relevant laws and regulations that have a significant impact on the Group relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.

<sup>1</sup> Our FY 2017 environmental data, which included greenhouse gas emissions, energy, water, packaging, waste and paper data, covered our core operations that pose material impacts to the environment.

<sup>2</sup> Our operations are office based and do not require the direct burning of fuels. Air conditioning and thus the refrigerants are controlled by building management of the office buildings. Thus, there were no direct emissions identified in our operations.

<sup>3</sup> Energy indirect emissions ("Scope 2") only covered the greenhouse gas emissions generated from the imported electricity.

<sup>4</sup> Our intensity values are based on subsidiaries with available environmental data.

<sup>5</sup> Our operations do not generate hazardous waste. The management of general waste is controlled by building management of the office buildings. The amount of waste reported is based on our best estimates and consists of general waste, pre-printed boxes and manual books. The pre-printed boxes and manual books are recycled via recycling company.

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## HKEX ESG REPORTING GUIDE INDEX

HKEx ESG Reporting Guide General Disclosures	Policy/Procedure	Reference section
<b>A. Environment</b>		
<b>A1 Emission</b>	Information on: (a) the policies; and (b) compliance and material non-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, generation of hazardous and non-hazardous wastes, etc.	Green office practices are implemented. We are also in process of setting up environmental policies that suit the condition of our Group.  Protecting the Environmental
<b>A2 Use of Resource</b>	Policies on efficient use of resources including energy, water and other raw materials.	Green office practices are implemented. We are also in process of setting up environmental policies that suit the condition of our Group.  Protecting the Environmental
<b>A3 The Environment and Natural Resources</b>	Policies on minimising the operation's significant impact on the environment and natural resources.	Not applicable – the Group's operations do not have significant impact on the environment and natural resources. –
<b>B. Social</b>		
<b>B1 Employment</b>	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.	Human Resource Policy and Procedure  Motivated Workplace

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HKEx ESG Reporting Guide General Disclosures	Policy/Procedure	Reference section
<p><b>B2 Health and Safety</b></p> <p>Information on:                      (a) the policies; and                      (b) compliance and material non-compliance with relevant standards, rules and regulations on providing a safe working environment and protecting employees from occupational hazards.</p>	<p>Human Resource Policy and Procedure</p>	<p>Motivated Workplace</p>
<p><b>B3 Development and Training</b></p> <p>Policies on improving employees' knowledge and skills for discharging duties at work.                      Description of training activities.</p>	<p>Human Resource Policy and Procedure</p>	<p>Motivated Workplace</p>
<p><b>B4 Labour Standard</b></p> <p>Information on:                      (a) the policies; and                      (b) compliance and material non-compliance with relevant standards, rules and regulations on preventing child or forced labour.</p>	<p>We strictly comply with all the laws and regulations related to labour standard in Hong Kong.</p>	<p>–</p>
<p><b>B5 Supply Chain Management</b></p> <p>Policies on managing environmental and social risks of supply chain.</p>	<p>No policy – We only have a few major suppliers involved in our operations. Supply chain management is not considered as a material topic.</p>	<p>–</p>
<p><b>B6 Product Responsibility</b></p> <p>Information on:                      (a) the policies; and                      (b) compliance and material non-compliance with relevant standards, rules and regulations on health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress.</p>	<p>Credit Approval Policy and Procedures                      Customers' Privacy Statement                      Customer Service Policy</p>	<p>Quality Services and Products</p>

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HKEx ESG Reporting Guide General Disclosures	Policy/Procedure	Reference section
<p><b>B7 Anti-corruption</b></p> <p>Information on:                      (a) the policies; and                      (b) compliance and material non-compliance with relevant standards, rules and regulations on bribery, extortion, fraud and money laundering.</p>	<p>Human Resource Policy and Procedure</p> <p>Whistleblower Policy</p>	<p>Business Ethics</p>
<p><b>B8 Community Investment</b></p> <p>Policies on community engagement to understand the community's needs where it operates and to ensure its activities take into consideration communities' interests.</p>	<p>No policy – We are at the stage of considering to set up community investment policy that suits the condition of our Group.</p>	<p>–</p>