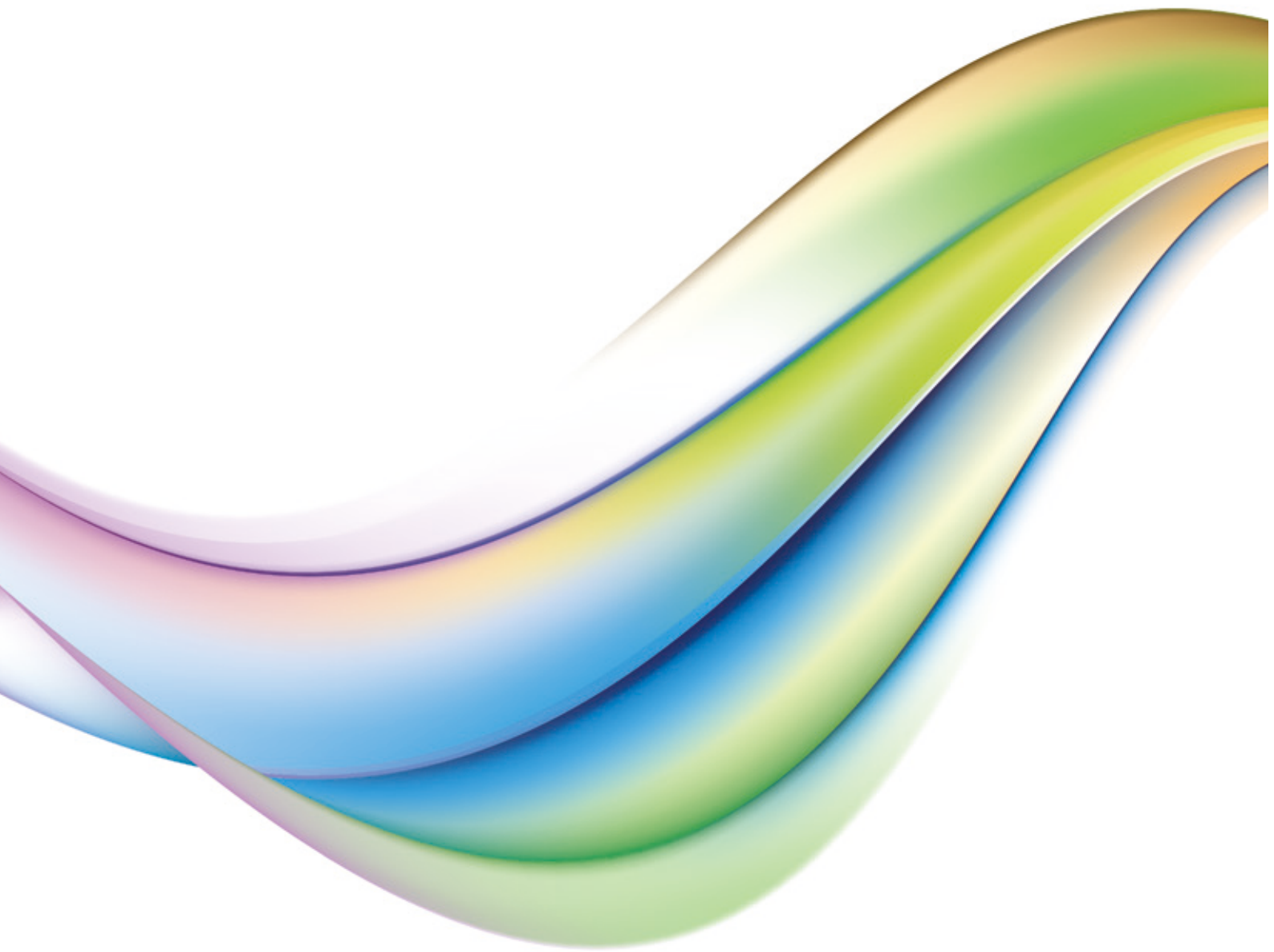


# King Force Group Holdings Limited

## 冠輝集團控股有限公司

*(Incorporated in the Cayman Islands with limited liability)*

*Stock Code: 8315*



### Environmental, Social and Governance Report 2018

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## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

King Force Group Holdings Limited (hereinafter referred to as “We”, “King Force”, the “Company”) is pleased to publish our second Environmental, Social & Governance (“ESG”) report and present our sustainability performance for the period from 1 April 2017 to 31 March 2018 (the “Reporting Period”). The scope of this report covers the major operation of our subsidiaries (collectively, the “Group”), including provision of security guard services in Hong Kong, and the mobile-online game business in Mainland China, as listed below:

- King Force Security Limited
- Magn Investment Limited
- Guanhui Huyu Technology (Hong Kong) Limited

This ESG report was prepared in accordance with Appendix 20 of the Rules Governing the Listing of Securities on GEM of the Stock Exchange of Hong Kong Limited (“HKEx”) and is fully complied with the “comply or explain” Provisions of the Appendix 20. The report has been reviewed and approved by the board of directors.

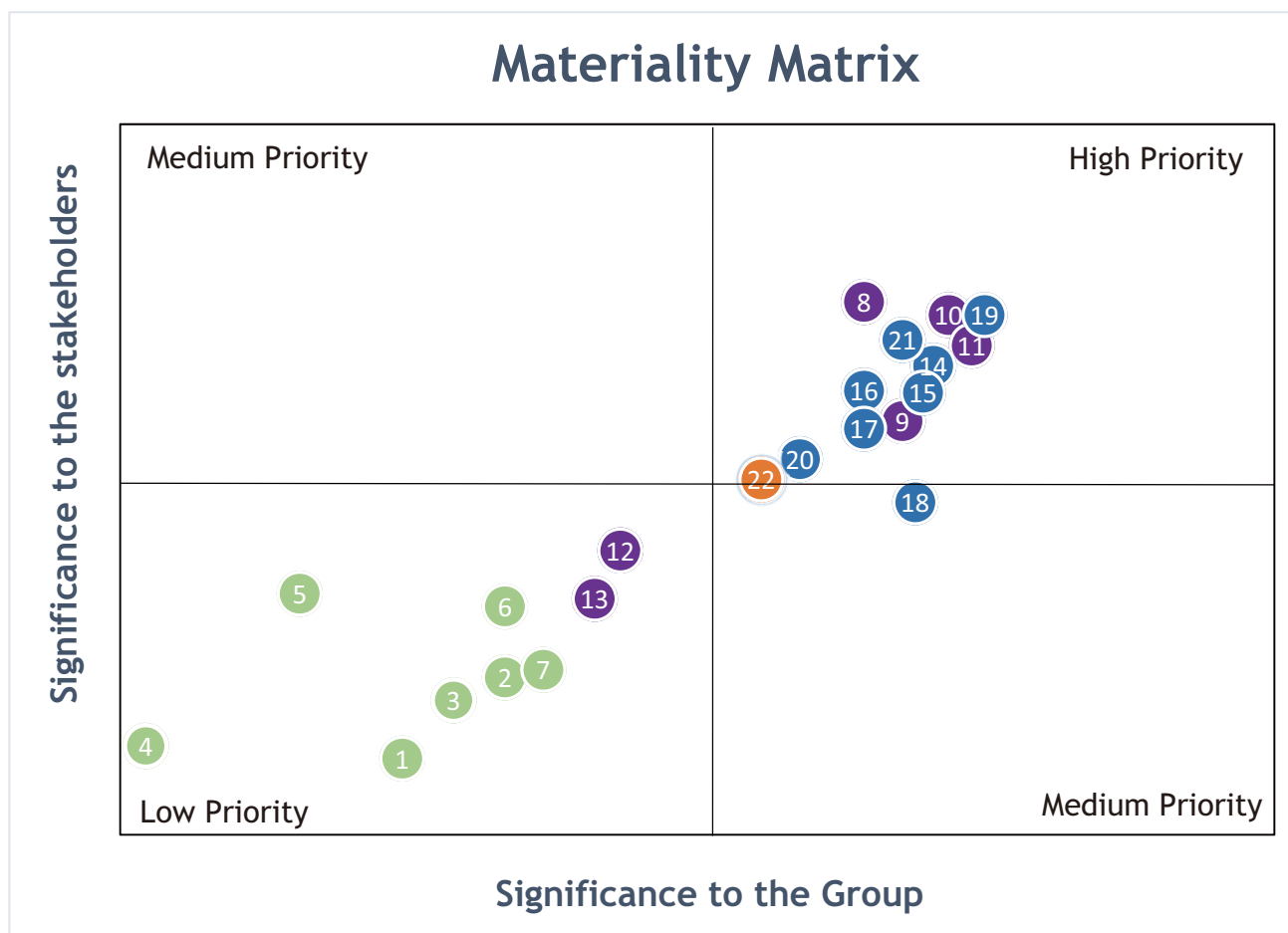
King Force focuses on strategic priorities in terms of promoting employees development, providing professional services, safeguarding our environment and paying back to the society to our sustainable development policies. We will continually refine our corporate strategy for sustainable business growth, and deliver long-term value for our stakeholders.

We would like to hear your feedback on our report. Please feel free to post to Unit 2008, 20/F, West Tower, Shun Tak Centre, Nos. 168-200 Connaught Road Central, Hong Kong or email us at [info@kingforcegroup.com](mailto:info@kingforcegroup.com).

## STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

We undertake stakeholder engagement as a key exercise to understand our stakeholders' views and concerns on sustainability in relation to our business activities, and to identify the ESG topics that are material to the Group. We have carried out a stakeholder engagement activity through an online questionnaire this year. The questionnaire acts as a tool for us to communicate with our stakeholders and obtain their opinions. Key stakeholders, including our board of directors, top management, employees were invited to rate the importance of 22 ESG topics related to the Group's business operations. A materiality assessment was then performed to determine and prioritise the material topics, which in turn provided us with insights to the formulation of our ESG policies strategies and goals.

The results of the materiality assessment are presented in the materiality matrix, with the most significant material ESG topics displayed at the upper right corner of the materiality matrix, as shown below:



Environment	Social	
1. Air emission 2. GHG emission 3. Hazardous waste generation 4. Non-hazardous waste generation 5. Energy use 6. Water use 7. Use of materials	<u>Employment</u> 8. Labour rights 9. Diversity and equal opportunity 10. Occupational health and safety 11. Employee development 12. Child labour 13. Forced labour	<u>Operation</u> 14. Customer satisfaction 15. Product quality and safety 16. Product and service labelling 17. Marketing communications 18. Intellectual properties 19. Customer privacy 20. Supply chain management 21. Ethical business
		<u>Community</u> 22. Community investment

According to the results, the most significant material ESG topics are customer privacy, occupational health and safety, employee development, customer satisfaction, product quality and safety, ethical business, diversity and equal opportunity, labour rights, product and service labelling, marketing communication, supply chain management, and community investment. With these results in mind, the Group will continue to improve its ESG performance to meet the expectations of our stakeholders. Details of our efforts during the Reporting Period are presented in the later sections.

## THE PEOPLE

Our employees are valuable assets and critical to the continuous improvement of our service quality. We recognise the significance in fostering a harmonious, fair and supportive workplace to encourage employees to strive for excellence.

### Labour Practices

The Group offers competitive remuneration packages for our employees, including wages, holidays, fixed working hours, allowances, over-time work compensation, medical and social insurance, mandatory provident fund (“MPF”) and discretionary bonus. To support our employees to shoulder their family responsibilities, our employees are entitled to other paid leaves including marriage, maternity and paternity leaves. In addition, a birthday leave has been introduced to our office staff of security guard service since 2016 as an additional welfare.

King Force is committed to the principle of equal employment opportunity. This principle is stated in our staff handbook as an employment policy. We ensure that our human resources practices, including staff hiring, compensation, training, appraisals and promotion are conducted in a fair and unbiased manner. We do not tolerate any discrimination on the ground of race, religion, sex, marital status, age, national origin, or other considerations deemed inappropriate by the relevant local and national laws. We also have zero tolerance on any form of harassment, especially sexual harassment in the Group. A grievance and complaint procedure is in place to allow our employees to report any malpractices and misconducts in workplace. All the reported information is treated as strictly confidential and cases will be investigated and handled promptly. Employee’s employment contract would be terminated if he/she repeatedly breached the company rules and regulations, or committed criminal offenses after due consideration by the management.

We highly respect human rights and the employment of child and forced labour is strictly prohibited in our workplace. This is ensured via our comprehensive recruitment procedures where all employees are properly vetted to ensure they are of proper working age, and eligible to work, and they sign their employment contracts voluntarily with the Group.

It is crucial to continuously motivate our staff, and to enhance their work performance and service quality. Hence, we offer various incentive schemes and award our employees based on their working performance, achievements and client’s compliment and feedback. In our security guard service business, we have established the “King Force Security Encouragement Award” to reward the employees with outstanding and professional performance. Furthermore, every year we organise various social and recreational activities, such as annual dinner, birthday parties, team building activities and sports activities for our staff to strengthen the relationships and between the Group and our employees.



We organised annual dinner to bring together our staff, and to appreciate the contribution of our employees

We strictly comply with relevant local laws and regulations relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, other benefits and welfare, and preventing child and forced labour. We did not note any material non-compliance of employment laws and regulations during the Reporting Period.

## Health and Safety

We are committed to offering a safe working environment to our employees. A health and safety policy is in place for promoting a corporate culture from minimising the working hazards and their exposures to our employees.

In our security guard services business, we have set up relevant workplace occupational health and safety guideline for our office staff and operational staff during normal workdays (e.g. use of display screen equipment and manual handling) and under adverse weather (e.g. typhoons and severe rainstorms). All the operational staff have confirmed they understand these occupational health and safety (“OHS”) requirements and agree to follow them before starting their works.

As a measure to comply with the Employees’ Compensation Ordinance, we have bought insurance to cover all employees against any accidents. On-site assessment is conducted to ensure that our employees are knowledgeable about the actual security conditions with potential safety risks, and they are well-equipped with safety equipment to execute their duties.

In case of any injuries and accidents, we have established “Work Injury Reporting and Follow-up Procedure” for our workers to follow in order to report and handle the case promptly to safeguard the well-being of all employees. All our staff can access our 24-hour control room as a support for emergency assistance.

In our mobile-online game business, we have developed “Work Injury and Emergencies Handling Plan” and outlined the procedures and relevant response actions on different types of injuries that may happen in offices for our staff to abide by, although our major operation is mainly within the offices. A Contingency Team is established to handle all the injuries and emergencies that may occur in the workplace and thus ensure the wellness of all employees.

During the Reporting Period, we were not aware of any material non-compliance of health and safety laws and regulations relating to providing a safe working environment and protecting employees from occupational hazards.

## Training and Development

Our security services are mainly divided into three parts: security guard services, event security services and VIP escorting services. We have set up training plan and induction training for the new hirers and on-the-job training for all existing employees. The scope of training is mainly related to the daily operational needs and for capacity development, and to equip our employees with working knowledge and skills to meet the needs of the Group's continual business growth and development. All of our security staff have obtained the Security Personnel Permit under the Security and Guarding Services Ordinance (Cap.460) of the Hong Kong Special Administrative Region ("HKSAR") before their work deployment to ensure that they have the competence in providing security service for our clients. We value the experience and capability of our senior staff members and they are assigned as mentors to our new comers to assist them in adopting to the new environment, and to provide necessary guidance to elevate our service quality. Our departmental supervisors also organise regular meetings with our employees. Through the two-way internal communication, we can understand the needs and difficulties that employees had encountered during their work. Thus, we are able to identify their training needs and thus improve the training plan and organisation in future.

Regarding our mobile-online game business, we identify the staff's training needs every year and develop an annual training plan according to the requirements in different job positions. We provide orientation training to all newcomers and introduce information on general corporate background, business strategies, operational practices to assist the newcomers to fit themselves in the new working environment promptly. Various internal and external training programmes (e.g. management and leadership skills, technical skills and massive open online courses) are also provided to our existing staff based on their positions and job nature, aiming to suit the employees' needs and enhance the knowledge in their area of profession.



## THE BUSINESS

### Integrity in Business

We are committed to treating our employees and customers with fairness, integrity and honesty. We have established stringent policies in the area of anti-corruption, conflicts of interest and privacy to ensure our employees' actions are complying with relevant local and national laws and regulations, and upholding the highest degree of business ethics in our operations.

#### *Anti-corruption*

We do not tolerate any corruption in our workplace. Policies and code of conduct as stipulated in the staff handbook are enforced to prevent any form of bribery, extortion, fraud and money laundering and ensure we are in compliance of the Prevention of Bribery Ordinance (Cap.201) of HKSAR and the Criminal Law of the People's Republic of China. All employees are strictly prohibited to accept and solicit any kind of benefits such as gifts and money from our customers, tenants and business partners. Any intangible or tangible gifts accepted from clients are required to report to our Human Resources Department for further handling. We trust and encourage our employees to be forthcoming in disclosing any encounters of bribery that will have negative impact on their ability to execute their work objectively. If there are any suspected or actual case(s) of bribery, fraud, extortion and corruption in the workplace, all employees are encouraged to report such case(s) via our established whistle-blowing channels (i.e. complaint hotline and email) directly to our senior or top management for further investigation.

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

#### *Conflict of Interests*

To prevent a conflict of interests between employees and the Group, rigid policies are in place to require all employees to declare in writing any potential conflict of interests that they themselves or immediate families may have encountered. Our goal is to ensure that there are no circumstances in which a primary interest decision may be unduly influenced by other, secondary interests.

#### *Privacy*

We are committed to safeguarding the privacy of the Group, our employees and our customers. We have implemented strict working procedures and code of conduct for our staff to follow when handling confidential and sensitive information. All employees' personal information is only collected when necessary and all the information is properly filed and stored by Human Resources Department to prevent unnecessary leakage or misuse by authorised parties. All employees have obligations to keep all the customers' as well as our Group's information, properties and trade information in a secure place and of the high confidentiality. Copying or disclosing of information to any unauthorised persons or third parties is not allowed without prior approval is obtained from the customers or the management people. Employees will be subject to disciplinary actions, including dismissal if they violate the rules stated in the staff handbook.

During the Reporting Period, we confirmed that no breaches were identified under the relevant laws and regulations in relation to privacy matters that have a significant impact on the Group with the products and services provided.

## Product and Service Responsibility

### *Security Guard Service*

We are committed to delivering professional, customer-oriented and reliable security services to our valuable customers and striving for excellence to satisfy our clients' needs and to meet their expectations.

We have implemented a quality management system, which is certified in conformity to internationally recognised ISO 9001:2008 standard, for our security guard service. The system helps us not only to comply with applicable statutory and regulatory requirements and customer's quality requirements, but also to manage the client's needs and expectations systematically for continual improvement of the service quality.

Once we receive our clients' confirmation on contract engagement, we follow our working procedures to formulate a transition plan for our clients. We then organise kick-off meetings with our clients representatives to understand their actual security conditions and if there are any special requirements or requests from them. After that, a suitable security team for delivering a tailored and premium service will be formed to serve our clients' needs. With our prompt response to our customer requests, and the supervision of tailored mobile patrol team and quick incident response management by our experienced and trained security team, we expect our quality service can meet the expectations of our clients.

We value our clients' feedback about their experiences and concerns on our service and this drives us to make improvements on our service quality. We have set up a 24-hour service hotline aiming to strengthen the accessibility between our management and our customers. We also conduct customer satisfaction surveys and client visits to evaluate our customer's satisfaction level on our service and to ensure their concerns can be taken into account properly. Based on the results of the surveys and visits, we review our service performance in terms of staff efficiency, ability to handle emergencies, follow-up on incidents, patrol performance, after office hour control, station management and equipment management, to identify the area(s) of improvement and to formulate corresponding improvement plans and strategies for continuous development.

When a complaint is received, we will follow the "Complaint Handling Procedure" to undertake prompt actions to investigate the cases and carry out remedial action plans where necessary. The root cause(s) of the complained issue will be analysed to prevent similar cases from occurring in future.

### *Mobile-online Game Business*

Our product quality is of the utmost importance to the success of mobile-online game business. We strive to offer a product that creates unique user experience and exceeds user's expectation. We have launched the quality management system in accordance to the requirements of ISO9000 and TL9000 R4.0 standard to manage our services in order to satisfy our customers' quality requirements, and by providing remarkable mobile-online games, accessible online support on our service software system, effective customer communication and ensure the rapid responses for customer complaints.

Prior to the launch of our products or services online, our team conduct pre-examination and rigorous product or services testing before approval, to avoid severe defects and technical problems, as well as issues related to piracy, infringement and objectionable contents. Meanwhile, we ensure the relevant online cultural business licence and copyright certification of the software are sufficient and well-maintained.

We are devoted to maintaining a good customer relationship and to building trust with our customers. We have implemented a customer service standard (5S) which stands for: Smile - to be polite to our customers; Speed - to be prompt in providing our service; Standard - to provide consistent quality service; Sincere - to be genuine and helpful to our customers and Satisfy - to provide well-rounded and immaculate service.

In order to protect our customers' rights, a policy on product and service advertising and labelling is in place to manage information disclosure and external promotion activities properly. When designing advertisement for product or service advertisement, we strictly comply with national legal requirements and prevent the disclosure of false or misleading descriptions on the products and services in the advertisements.

During the Reporting Period, we confirmed that there were no breaches identified under the relevant laws and regulations relating to health and safety, advertising, labelling that have a significant impact on the Group with the products and services provided.

## Supplier Management

In our security guard service business, security guard uniform and equipment, stationery and office equipment are the major items that are procured through our suppliers to support our daily operation. We have developed an approved supplier list for our daily purchasing to ensure the delivered products are of high quality. Our Human Resources Department conducts assessment to all the new suppliers according to their respective performance, price, product quality and reputation. Only those suppliers meeting our requirements can register as on-list approved vendors and are allowed to supply necessary products and services for our operations. We monitor our existing suppliers' performance continuously to ensure product quality and service (e.g. delivery time and after-sale service) is on par with our standard.

In our mobile-online game business, we have implemented a robust procurement management system for supplier selection and assessment to select suppliers with high competence and reliability in supplying the products and services that we require.. New suppliers are required to undergo a strict evaluation on their technical competence, product or service quality and price to prove their products or services are of high standard and satisfying our requirements. To maintain a mutual beneficial business partnership and promote sustainable supply chain along our operation, apart from the performance and quality consideration, we also take into consideration the performance related to labour rights and safety, environmental protection and business integrity. Our entire on-list suppliers must follow the standards under the Supplier Code of Conduct and Integrity Agreement in our business dealings to enhance their overall sustainability performance.

## THE COMMUNITY

The Group has hand close ties to the community. We have established policies to encourage our employees to contribute to the community through donations and volunteer work. We have taken into consideration the communities' interests during the community engagement process for community activities.

We have been an active sponsor of "Heart to Heart School and Neighbourhood Teams" under the "Heart to Heart" volunteer service project organised by the Hong Kong Federation of Youth Group ("HKFYG") since 2008. This year, we provided sponsorship to support the project continuously to assist local schools in forming volunteer teams and creating volunteer service opportunities for students to serve the people in need in the local communities.

We appreciate the work provided by the Hong Kong Young Women's Christian Association ("YWCA") to promote equal opportunity and rights for women and to provide diversified social services to the society. We again subscribed the "Care for The Elderly Charity Tickets" and supported YWCA to provide comprehensive services for the elderly through operating new self-financing health, wellness and learning centres.

With our great involvement in community service activities during the Reporting Period, we have been awarded as "5 Years Plus Caring Company" by the Hong Kong Council of Social Service; in addition to being named as "Heart To Heart Company" by HKFYG in recognition of our long-lasting effort in promoting youth volunteering work.



5 Years Plus Caring Company



Heart to Heart Company

## THE ENVIRONMENT

Our policies are to create positive impacts to the environment with sustainable operations in Hong Kong and Mainland China. We place strong emphasis on environmental protection by reducing pollution and maximising resources efficiency. To nurture a green corporate culture in our operations, we have established green office guidelines for our employees to follow and we encourage our employees to be more considerate of the environment in terms of energy and water conservation, paper consumption, and use of materials.

During the Reporting Period, there were no breach identified with the relevant laws and regulations that have significant impact on the Group relating to the air and greenhouse gas emission, discharges into water and land, and generation of hazardous waste and non-hazardous waste.

### Minimising Environmental Pollution

By the business nature as a security service and mobile game provider, our core operations are confined to office environment and hence we contribute limited direct air and greenhouse gas emission, wastewater discharge, and hazardous and non-hazardous waste generation to the surrounding environment. During the Reporting Period, we were not aware of any issue in sourcing water that is fit for purpose as all the water are supplied by metered source. In spite of that, we do share the common public interest of creating sustainable operations and further minimise the direct emissions from our operations, by properly managing the use of company vehicles and solid waste generation.

We strive to switch our company vehicles to fuel-efficient models for fewer air pollution and fuel consumption. Regular maintenance on our company vehicles is scheduled to improve their efficiency. Additionally, employees are encouraged to use public transportation where practicable. When travelling is required due to operational needs, employees should travel collectively by a company vehicle and carefully select the routes of vehicle transportation to reduce unnecessary trips, and thus minimising the air emission from vehicles.

Limited solid hazardous wastes such as waste battery, toners and electrical and electronic equipment and non-hazardous waste such as general office waste and domestic waste are generated from our offices. Separate containers or bins are placed in workplace for waste segregation. All the recyclable and non-recyclable wastes are collected by the property management company for handling, while the hazardous waste is recollected by the service provider or consigned to licensed waste collectors for recycling and treatment. In our security guard service business, we keep all the uniform returned by the resigned employees in good condition and actively reuse uniform to reduce the wastage and environmental burden when purchasing brand new uniform.

## Maximising Resource Efficiency

We recognise the importance of transforming our operations into more sustainable one. In order to enhance the efficiency of resources utilisation, green office guidelines are in place as a guideline to reduce the use of electricity, water, paper and other materials throughout our daily office operation, by incorporating the 4R principles (Reduce, Reuse, Recycle and Replace). Our efforts are to cultivate and work towards creating a green and low-carbon operation.

Use of Resources	
<b>Energy</b>	<ul style="list-style-type: none"> <li>– Encourage employees to save energy by turning off lights and electronics after use</li> <li>– Remind employees to turn off lights, computers, printers and other office equipment after office hours or when they are not in use.</li> <li>– Utilise natural lighting and natural ventilation as much as possible</li> <li>– Set and maintain the room temperature at 25 degrees Celsius</li> <li>– Arrange the air ventilation system to be turned off if the room is vacant</li> <li>– Set the computer and electrical appliances in energy- saving mode by default</li> <li>– Choose electrical appliances with “Grade 1” energy label</li> </ul>
<b>Fuel Efficiency</b>	<ul style="list-style-type: none"> <li>– Replace old vehicles with more fuel-efficient vehicles</li> </ul>
<b>Water</b>	<ul style="list-style-type: none"> <li>– Encourage employees to avoid buying plastic bottled water to deteriorate the plastic pollution</li> <li>– Carry out regular water pipe maintenance to prevent any water leakage</li> </ul>
<b>Paper</b>	<ul style="list-style-type: none"> <li>– Reduce paper consumption through the application of electronic system for our internal approval process and communication to reduce the use of paper</li> <li>– Purchase printing paper with the Programme for the Endorsement of Forest Certification (“PEFC”) eco-label</li> <li>– Think twice before printing and adopt double-sided printing, instead of single-sided printing</li> <li>– Reuse the single-sided paper for printing</li> </ul>
<b>Other Materials</b>	<ul style="list-style-type: none"> <li>– Repair the office furniture and electrical appliances before considering disposal of landfills to extend the lifespan of the equipment</li> <li>– Use reusable products (e.g. stationery with refills) instead of using single-use disposable items</li> <li>– Use prefabricated or eco-friendly building materials for office renovation</li> </ul>

With the implementation of the above green measures, we believe that we are moving towards our goals in energy and water saving, waste reduction and effective use of materials for protecting our environment. The results we have achieved for the Reporting Period are presented in the following section. Looking forward, we will continue to monitor and track our environmental performance regularly and seek opportunities to further reduce our energy and natural resources consumption where possible.

## Environmental Performance

Our Environmental Performance related to our security guard service and mobile–online game business operation across Hong Kong and Mainland China during the Reporting Period is shown in the table below:

King Force Group Holdings Limited		
<b>Security Guard Service Business</b> (Note 1,2&3)		
	Unit	FY2017/18
<b>Types of Resources Use</b>		
<b>Electricity</b>	kWh	61,957.00
<b>Intensity</b>	kWh/employee	1,630.45
<b>Water</b>	m <sup>3</sup>	203.99
<b>Intensity</b>	m <sup>3</sup> /employee	5.37
<b>Mobile Fuels</b>		
– Diesel Oil	Litre	1,330.98
– Unleaded Petrol	Litre	32,556.36
<b>Intensity</b>		
– Diesel Oil	Litre/employee	35.03
– Unleaded Petrol	Litre/employee	856.75
<b>Type of Waste</b>		
<b>Wastewater Discharge</b>	m <sup>3</sup>	203.99
<b>Intensity</b>	m <sup>3</sup> /employee	5.37
<b>Type of Greenhouse Gas Emission</b>		
– Direct Energy Emission (Scope 1)	tCO <sub>2</sub> e	90.26
– Indirect Energy Emission (Scope 2)	tCO <sub>2</sub> e	31.60
– Other Indirect Energy Emission (Scope 3) (Note 4)	tCO <sub>2</sub> e	2.31
<b>Intensity</b>		
– Direct Energy Emission (Scope 1)	tCO <sub>2</sub> e/employee	2.38
– Indirect Energy Emission (Scope 2)	tCO <sub>2</sub> e/employee	0.83
– Other Indirect Energy Emission (Scope 3)	tCO <sub>2</sub> e/employee	0.061

<b>Mobile-online Game Business</b> (Note 1,2&3)		
	Unit	FY2017/18
<b>Types of Resources Use</b>		
<b>Electricity</b> (Note 5)	kWh	130,867.00
<b>Intensity</b>	kWh/employee	2,295.91
<b>Water</b> (Note 6)	m <sup>3</sup>	934.00
<b>Intensity</b>	m <sup>3</sup> /employee	16.39
<b>Mobile Fuel</b>		
– Unleaded Petrol	Litre	3,102.24
<b>Intensity</b>		
– Unleaded Petrol	Litre/employee	54.43
<b>Type of Greenhouse Gas Emission</b>		
– Direct Energy Emission (Scope 1)	tCO <sub>2</sub> e	7.23
– Indirect Energy Emission (Scope 2)	tCO <sub>2</sub> e	116.40
– Other Indirect Energy Emission (Scope 3) (Note 7)	tCO <sub>2</sub> e	33.08
<b>Intensity</b>		
– Direct Energy Emission (Scope 1)	tCO <sub>2</sub> e/employee	0.13
– Indirect Energy Emission (Scope 2)	tCO <sub>2</sub> e/employee	2.04
– Other Indirect Energy Emission (Scope 3)	tCO <sub>2</sub> e/employee	0.58

Note 1: The Group provides security guard service and mobile-online game products & services to our customers and thus “packaging material” is not applicable.

Note 2: Limited hazardous and non-hazardous waste was generated from our offices of security guard service and mobile-online game business and the waste was consigned to the service provider or the property management company for handling and treatment. Information on the weight of the collected waste is not available.

Note 3: No separate bills were issued on wastewater discharge from our offices of mobile-online game business, as the sewage service charge is included in the property management fee. Information on the wastewater discharge is not available.

Note 4: The other indirect emission (Scope 3) includes business travel and electricity used for processing fresh water and sewage by government departments.

Note 5: The figure represents the amount of electricity consumed from our offices of Magn Investment Limited and Guanhui Huyu Technology (Hong Kong) Limited at Shanghai and Shenzhen.

Note 6: The figure represents the amount of water consumed from our Shenzhen office of Magn Investment Limited and Guanhui Huyu Technology (Hong Kong) Limited only. At our Shanghai office, water charge is included in the property management fee. Information on the water consumption is thus not available.

Note 7: The other indirect emission (Scope 3) includes business travel only.



## HKEX ESG REPORTING GUIDE INDEX

HKEx ESG Reporting Guide General Disclosures & Key Performance Indicators (“KPIs”)		Policies and Procedures	Explanation/Reference Section
<b>Aspect A Environmental</b>			
A1 Emission	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.	Our core operations are confined to offices as a security service and mobile game provider, we contribute limited direct air and greenhouse gas emission, wastewater discharge and hazardous and non-hazardous waste generation.	THE ENVIRONMENT – Minimising Environmental Pollution  THE ENVIRONMENT – Environmental Performance
KPI A1.1	The types of emissions and respective emission data.	–	THE ENVIRONMENT – Environmental Performance
KPI A1.2	Greenhouse gas emissions in total (in tonnes) and where appropriate, intensity (e.g. per unit of production volume, per facility).	–	THE ENVIRONMENT – Environmental Performance
KPI A1.3	Total hazardous waste produced (in tonnes) and where appropriate, intensity (e.g. per unit of production volume, per facility).	–	THE ENVIRONMENT – Environmental Performance
KPI A1.4	Total non-hazardous waste produced (in tonnes) and where appropriate, intensity (e.g. per unit of production volume, per facility, per store).	–	THE ENVIRONMENT – Environmental Performance
KPI A1.5	Description of measures to mitigate emissions and results achieved.	–	THE ENVIRONMENT – Minimising Environmental Pollution
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	–	THE ENVIRONMENT – Minimising Environmental Pollution

HKEx ESG Reporting Guide General Disclosures & Key Performance Indicators (“KPIs”)		Policies and Procedures	Explanation/Reference Section
<b>Aspect A Environmental</b>			
A2 Use of Resource	Policies on the efficient use of resources including energy, water and other raw materials.	Energy and Environmental Management Guideline	THE ENVIRONMENT – Maximising Resource Efficiency  THE ENVIRONMENT – Environmental Performance
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	–	THE ENVIRONMENT – Environmental Performance
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	–	THE ENVIRONMENT – Environmental Performance
KPI A2.3	Description of energy use efficiency initiatives and results achieved.	Energy and Environmental Management Guideline	THE ENVIRONMENT – Maximising Resource Efficiency  THE ENVIRONMENT – Environmental Performance
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	–	THE ENVIRONMENT – Maximising Resource Efficiency
KPI A2.5	Total packaging material used for finished products (in tonnes), and, if applicable, with reference to per unit produced.	–	THE ENVIRONMENT – Environmental Performance
A3 The Environment and Natural Resources	Policies on minimising the issuer’s significant impact on the environment and natural resources.	Our core operations are confined to offices as a security service and mobile game provider, we do not contribute significant impacts on the environment and natural resources.	THE ENVIRONMENT
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	–	THE ENVIRONMENT

HKEx ESG Reporting Guide General Disclosures & Key Performance Indicators (“KPIs”)		Policies and Procedures	Explanation/Reference Section
<b>Aspect B Social</b>			
B1 Employment	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.	Employee Handbook	THE PEOPLE – Labour Practices
B2 Health and Safety	Information on: a) the policies; and b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Employee Handbook  Office Safety Guideline  Workplace Occupational Health and Safety Guideline  Work Injury and Emergencies Handling Plan	THE PEOPLE – Health and Safety
B3 Development and Training	Policies on improving employees’ knowledge and skills for discharging duties at work.  Description of training activities.  Training refers to vocational training. It may include internal and external courses paid by the employer.	Employee Handbook Annual Training Plan	THE PEOPLE – Training and Development
B4 Labour Standard	Information on: a) the policies; and b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child or forced labour.	Employee Handbook	THE PEOPLE – Labour Practices
B5 Supply Chain Management	Policies on managing environmental and social risks of the supply chain.	Quality Management System Manual  Procurement Management Procedure  Supplier Code of Conduct	THE BUSINESS – Supplier Management

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<b>Aspect B Social</b>			
B6 Product/Service Responsibility	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.	Quality Management System Manual  Customer Service Policy  Product and Service Advertising and Labelling Policy	THE BUSINESS – Product and Service Responsibility  THE BUSINESS – Integrity in Business
B7 Anti-corruption	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.	Employee Handbook	THE BUSINESS – Integrity in Business
B8 Community Investment	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration communities’ interests.	Employee Handbook	THE COMMUNITY