Environmental, Social and
Governance Report
2020/2021

nomad
HOLDINGS LIMITED

Nomad Technologies Holdings Limited
(Incorporated in the Cayman Islands with Limited Liability)
Stock Code: 8645

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ABOUT THE REPORT

This Environmental, Social and Governance Report (the "Report") covers the sustainability policies and performance of Nomad Technologies Holdings Limited ("the Company" or "Nomad", and together with its subsidiaries, the "Group") from 1 July 2020 to 30 June 2021 (the "Reporting Period"). It focuses on the environmental, social and governance ("ESG") performance and practice across our offices and server rooms in Malaysia, covering both network support and connectivity services. This Report follows the disclosure framework stated in the Appendix 20 of the GEM Listing Rules of The Stock Exchange of Hong Kong Limited, the *Environmental, Social and Governance Reporting Guide* (the "HKEx ESG Reporting Guide").

All the data and information cited in this Report are from internal archived documents and records. For a more precise disclosure relevant to the environmental performance, a carbon emission assessment was conducted by an external professional party, which at the same time can help to enhance the Report's credibility and objectivity.

The Board of Directors ("the Board") of the Company is well noted with the Report's contents and understand its responsibility towards the publication of the Report. If you have any feedback towards this Report or the Company's overall sustainability performance, please email to contact@nomad-holdings.com directly, or via the ways stated below. Your opinions are important for our sustainable improvement and contemporary advancement.

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This Report is available for viewing on the GEM website at www.hkgem.com and the Company's website at www.nomad-holdings.com under the "Investor Relations" section and printed version of the Report is available to the shareholders of the Company upon request.

ABOUT THE COMPANY

Our Group is a well-established managed internet service ("MIS") provider in Malaysia. We provide customised network support and connectivity services. These two kinds of managed internet services are complementary to each other to facilitate seamless data transmission and management.

- Network support services: encompass network infrastructure design and hardware installation, network management and security services

- Network connectivity services: provide intranet and internet connectivity solutions and value-added services

By providing these two services on a single platform, we are the single point of contact that provides end- to-end network solutions to our customers.

Our business model

Customers	**Nomad**	**3rd party telecommunication companies**	**Metro Ethernet**
• purchase the hardware or use the hardware provided by Nomad	• an ASP licence holder • a virtual network operator that is eligible to subscribe for the networks of 3rd party telecommunication companies	• provide network, connectivity services to our customers	**broadband**

MESSAGE FROM THE BOARD

Nomad is pleased to present this report to provide an overview of the Group's management of ESG performances. Being a well-established MIS provider in Malaysia, it is our responsibility to ensure that the Company's operation and development meet the expectations and interests of both internal and external stakeholders, such as employees, shareholders, customers and suppliers. We believe that the feedback from stakeholders are the foundation of improvements and driver to the Company's future development. To be responsive, the Board is committed to generate and realize long-term values for the stakeholders by improving the Company's sustainability performances.

Although we have not yet established a sustainability committee to oversee the Company's sustainability development, the Board is responsible for all the decisions made on any significant issues relevant to environment, society and corporate governance, which are always premised on the compliance with the legal and regulatory requirements. Through the process of publishing this Report, it helps the Board to identify the risks relevant to sustainability, and thus enhances the determination of appropriate and practical sustainability policies for implementation.

To ensure the effectiveness of the implementation of ESG policies within the Group, the Board takes the lead and assumes the overall responsibility of the Group's ESG issues, including policy formulation, practice monitoring, target tracking and ESG reporting. With the application of the ESG management approach and strategy, the Board has garnered an in-depth understanding of the latest ESG development in the Group while allowing all employees to maintain sound communication with the management in the execution of business policies. Together with the outcome of the annual materiality assessment through ongoing stakeholder engagement, the Board can identify the serious challenges raised by its key stakeholders on the sustainable development of the Group and make appropriate decisions and plans for business development by putting more efforts on the topics that are believed to be relevant, urgent and important to the Group's long-term competitiveness in the industry.

In this Report, the Company's ESG performances are disclosed to demonstrate how we balance the needs of business development and sustainable development in the past financial year. Besides, relevant policies, risks management mechanism and internal monitoring system are also disclosed to show how we implement the concept of sustainability into our daily operation. We sincerely hope that our efforts devoted in the Company's sustainability development can satisfy the stakeholders' expectations and benefit them in the long run.

We, the Board of Directors, have approved the content of this Report on 19 November 2021. We are committed to keep improving our ESG performance and disclosure and look forward to hearing your comments for future improvement.

The Board of Directors

19 November 2021

IDENTIFICATION OF KEY ISSUES AND STAKEHOLDER ENGAGEMENT

During the Reporting Period, the Company has close communication with different stakeholders via various means, such as face-to-face meetings, conference calls and business exchanges. Through the communication process, the most influential and material issues can be identified, which gives the Company the best references to continuously improve its ESG performance. The identification of key issues allows the Company to understand more on the impacts of its daily operation in different aspects.

Stakeholders	Material Issues
• Employees	• Emissions
• Shareholders/Investors	• Use of resources
• Suppliers	• Environment and natural resources
• Business Partners	• Climate change
• Customers	• Employment
• Government/Regulatory Parties	• Health and safety
	• Development and training
	• Labour standards
	• Supply chain management
	• Services responsibility
	• Anti-corruption
	• Community investment

After referencing the industry characteristics, stakeholders' feedbacks and the Hong Kong Exchanges and Clearing Limited ("HKEx") ESG guidelines, we have identified 12 key issues as shown in the table above. According to the reporting principles of materiality, quantitative, balance and consistency in the GEM Listing Rules, details about these 12 key issues are disclosed as the main focuses and other mentioned aspects in HKEx ESG guideline for compliance.

Reporting Principles

During the preparation process, the Group adheres to the fundamental reporting principles, namely materiality, quantitative, balance and consistency, outlined in the HKEx ESG Reporting Guide.

Materiality	Quantitative
We performed a materiality review based on peer review and stakeholder engagement process that determined the material ESG aspects to us and guided the focus of this Report.	All of the disclosed information, statistics of environmental and social key performance indicators ("KPIs") in particular, are organised and calculated according to a series of standardised methodologies.

Balance	Consistency
The Board had reviewed the Report and confirmed that the Report had not omitted any information related to material ESG topics. This Report had been prepared without bias.	We adopted consistent environmental and social data treatment approach to allow a fair comparison of our environmental and social performance over time.

OVERALL PERFORMANCE

New challenges in environmental protection, corporate management, social relations, and other aspects arose in various industries from time to time. To be a responsible enterprise showing care to the environment and society, we need to continuously improve our existing policies and encourage creativeness from our employees to explore more solutions for new challenges. During the Reporting Period, the Company has implemented various measures and policies in the ESG aspects.

- *Environmental Protection Measures*

    A1. Emissions

    The Group adheres to good environmental management, striving to protect the environment to fulfil its corporate social responsibility. The Group's environmental policy encompasses our general approach towards controlling environmental impacts of our business operation. The Group's operations have no direct significant adverse impact on the environment and natural resources. The main business of the Group does not involve production process and has no known significant adverse impact on the environment and natural resources.

    With concerns over the negative impact of business operations on the environment, the Group strives to reduce the adverse environmental impact by raising the employees' environmental awareness and implementing energy-saving and emission reduction measures. With respect to compliance, the Group's operating locations in Malaysia have fully complied with the relevant environmental laws and regulations in Malaysia in its daily operations, including but not limited to the Laws of Malaysia Energy Commission Act 2001, Laws of Environmental Quality Act 1974, and other relevant environmental laws. During the Reporting Period, the Group is not aware of any material non-compliance of environmental laws and regulations relating to air and GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous waste that would have a significant negative impact on the Group.

    As the Group does not involve in business activities with heavy use of fossil fuel, the Directors consider that air emissions including nitrogen oxides ("NOx"), sulphur oxides ("SOx") and other pollutants are not material to our operations and therefore this aspect is not sufficiently material to be reported. The principal emissions from the Group are greenhouse gas ("GHG") emissions, details are summarized in the table below.

Activity	2021 tCO_2e	%	2020 tCO_2e	%
Scope 1 Direct Emissions				
Mobile Combustion	**90.90**	**28.8%**	101.21	32.5%
Fugitive Emissions	**180.90**	**57.4%**	180.90	58.1%
	271.80	**86.2%**	282.11	90.6%
Scope 2 Energy Indirect Emissions				
Electricity Purchased	**43.50**	**13.8%**	29.16	9.4%
	43.50	**13.8%**	29.16	9.4%
Total GHG Emissions	**315.30**	**100%**	311.27	100%
Intensity (tCo$_2$e per floor area (sqft))	**0.02**	**–**	0.04	–

According to the result of a carbon assessment, emissions from scope 1, which are the emissions from direct combustions, contributed the most to the overall GHG emissions. This was mainly caused by the emissions generated from vehicles used by our technicians travelling to the customers' premises, and the fire extinguishing systems FM200 used in our offices and server rooms.

In addition, we have also implemented several energy-saving measures based on actual situations to further reduce the negative environmental impact of our operations. Measures adopted by the Group to mitigate the direct GHG emissions in our operations include (i) maintaining vehicles and equipment to prevent inefficient fuel consumption or abnormal operations; and (ii) encouraging staff to switch off electrical appliances when not in use to save electricity. As the Directors consider that our emissions are not material to our business operations, the Group has not yet set any emission targets.

The Group does not involve in production of hazardous wastes and the amount of non-hazardous wastes is insignificant during the Reporting Period. The Group encourages employees to participate in waste reduction management to achieve the objectives in mitigating wastes by the use of electronic communication such as e-mail and to encourage our staff to adopt green practices such as use of recycled paper. The Group will continue to strive for reducing our waste and hence further reduce the negative impact on the environment.

As our business does not involve a significant usage of water and production of hazardous or non-hazardous wastes, the water consumption and waste management policies and data will not be further disclosed in this section.

A2. Use of Resources

We preserve the resource and strive to minimize our footprint in consuming resources in our business operations. The Group continues with initiatives to introduce resource efficiency and eco-friendly measures to the Group's operations, and is committed to optimising the use of resources in all of our business operations. During our operations, the Group has established relevant policies and procedures in governing the efficient use of resources, in reference to the objective of achieving higher energy efficiency and reducing the unnecessary use of resources. The resources consumed by the Group comprise mainly electricity, gasoline, water and paper. Given the nature of its business, the Group did not consume any packaging material during the Reporting Period. The Group's major resource consumption during the Reporting Period is summarized in the table below.

Resource Consumption

Categories	2021 Amount	2021 Intensity	2020 Amount	2020 Intensity
Electricity Consumption	72,497 kWh	8.10 kWh per floor area (sq ft)	52,070 kWh	6.85 kWh per floor area (sq ft)
Diesel Consumption	–	–	–	–
Gasoline Consumption	38,729L	4.33L per floor area (sq ft)	44,635L	5.87L per floor area (sq ft)
LPG/Natural Gas Consumption	–	–	–	–

Note: No data of water consumption is disclosed as water consumption is not material to our operation and collection of relevant data is not available. Beside, no data of paper consumption is disclosed as collection of relevant data is not available.

Electricity

The Group purchases electricity from the local public utilities for its daily operations in the offices. To further mitigate the consumption of electricity so as to diminish its GHG emissions, the Group has promoted the slogan of 'Saving Electricity' in its daily operations, and in particular implemented the following practices:

- switch off all idle lights and air conditioners;

- maintain the electrical equipment in the offices (including air conditioners and paper shredders) on a regular basis to keep their high efficiency;

- adjust the set temperature of air conditioners at offices appropriately;

- consider the energy-efficiency of electrical appliances during procurement, such as the purchase of equipment with Grade 1 energy label;

- use LED bulbs for office lighting instead of energy-intensive lamps in the offices; and

- encourage all employees to keep the curtains open and utilise natural sunlight in the offices when possible.

Gasoline

Gasoline is mainly consumed for business transportation and the Group has laid great emphasis on the control of gasoline consumption during daily operations. Specifically, the Group has always been committed to optimising its management of business trips by setting up and implementing strict internal policies in the fleet control, and believes that ensuring its access to more eco-friendly energy sources is the key to the mitigation of the Group's negative environmental impact and the long-term stability of the Group's business.

In addition to the promotion of energy conservation through education among its employees, the Group has particularly focused its efforts on the selection of environmentally-friendly vehicles for transportation, keeps encouraging all its employees to choose public transport instead of private cars for business trips and endeavours to reduce the non-essential business trips by utilising advanced technologies such as online conference, in order to move toward 'low carbon and low consumption' business models.

Water

Since the Group's business activities do not consume a significant amount of water, the Directors consider that water consumption is not material to our operation and is not sufficiently material to be reported. During the Reporting Period, the Group did not face any problem in sourcing water. The Group continues to delve into more advanced and effective ways of water conservation in the offices, and strongly advocates the importance of saving water to the global sustainable development. To improve the utilisation efficiency of water resources, the Group has adopted the following practices:

- fix dripping taps immediately once leakage is found;

- remind staff to turn off water taps after use through emails and notices; and

- place "saving water resources" posters in prominent places at the offices to encourage water conservation.

Paper

The Group is dedicated to saving paper in its offices by promoting the concept of 'paperless office' and has encouraged our staff to adopt green practices such as use of recycled paper. Other measures taken by the Group to save paper are highlighted below:

- promote the concept of 'paperless office', and disseminate information by electronic means (i.e. via email or e-bulletin boards) as much as possible;

- set double-sided printing as the default mode for most network printers when printouts are needed;

- promote the idea of "Think before print" by using posters and stickers in offices to remind the staff of avoiding unnecessary printings;

- place boxes and trays as containers beside photocopiers to collect single-sided paper for reuse;

- reuse the paper-made office stationery such as envelopes and folders; and

- use the back of old single-sided documents for printing or as draft paper.

Through the above policies and measures on mitigating use of resources, the Group has reduced the usage of resources in our business operation to a large extent.

The Group always aims to build a better society by creating long-term values to all the stakeholders and reducing our negative impacts to the environment. We adhere to our social responsibilities as a technology company, actively engage in public welfare undertakings, and fulfil our corporate social responsibilities with practical actions to contribute to the development of the industry.

A3. The Environment and Natural Resources

As an IT service provider, the adverse environmental impact of business operations of the Group is minimal. The Group is not aware of any significant negative impacts of our activities on the environment and nature resources. As a responsible enterprise, it has been part of the management's policy of the Group to show exemplary environmental responsibilities by operating businesses in a manner consistent with best eco-friendly practices. The Group aims to save natural resources by enhancing the awareness among employees and reviewing the efficiency of our business operations regularly. With the integration of policy and measures mentioned in the section headed "Use of Resources", the Group strives to minimise the adverse impacts of our business operations on the environment and natural resources.

A4. Climate Change

Global warming has been one of the utmost concerned issues in recent years. Acute physical risk can arise from extreme weather conditions such as flooding and storms and chronic physical risk can arise from sustained high temperature, while transition risk may result from the change in environmental-related regulations or change in customer preferences.

To minimize life, property and financial losses, precautionary measures on flexible working arrangement have been taken by the Group under different extreme weather scenarios of typhoon and flooding. To reduce emissions and energy consumption, the Group has implemented various environmental protection measures. Please refer to sections of "A1. Emissions" and "A2. Use of Resources".

Though climate change and abovesaid extreme weather conditions do not directly impose significant threat to the Group's business operations, the effects of global climate change harm the wellbeing and stability of countries and people on earth. However, we will continue to monitor the climate-related risks and implement relevant measures to minimize the potential impact of climate change.

- *Employment and Labour Practices*

B1. Employment

We always believe that employees are the foundation of the Group's sustainable development. Only happy and loyal employees will bring us the growth momentum to our development and create more long-term values. Therefore, we have established comprehensive and delicate employment policies and employee benefits to maintain both the quality and loyalty of our team.

The Group's employment policies have been updated and adjusted to cater for social changes and to abide by the applicable laws, regulations and standards in Malaysia, such as the instructions of SOCSO (PERKESO) and Employment Insurance System (EIS). For the Reporting Period, the Group has complied with all the relevant laws and regulations, including but not limited to the following:

- Employment Act 1955 (Malaysia);

- Employees Provident Fund Act 1991 (Malaysia);

- Employees Social Security Act 1969 (Malaysia); and

- Employment Insurance System Act 2017 (Malaysia).

For the Reporting Period, the Group has complied with the relevant laws and regulations in relation to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, welfare and other benefits that have a significant impact on the Group.

As at 30 June 2021, the Group had 59 employees (30 June 2020: 51 employees). Below is the detailed breakdown of the number of employees by gender, age group, employment type, and geographical region.

		2021	2020
Total number of employees of the Group		59	51
Gender	Male	45	40
	Female	14	11
Age	<16	0	0
	16-24	3	2
	25-40	47	41
	41-59	7	8
	60 or above	2	0
Employment Type	Full-time	55	51
	Part-time	4	0
Geographical Region	Malaysia	59	51
	Hong Kong	0	0

The employee turnover rate during the Reporting Period by gender, age group, employment type and geographical region are as follows:

Employee turnover rate		2021	2020
Overall		24%	18%
Gender	Male	19%	14%
	Female	5%	4%
Age	<16	0%	0%
	16-24	2%	2%
	25-40	19%	8%
	41-59	3%	8%
	60 or above	0%	0%
Employment type	Full-time	24%	18%
	Part-time	0%	0%
Geographical region	Malaysia	24%	18%
	Hong Kong	0%	0%

Recruitment and promotion

The Group has adopted a set of transparent policies and procedures to conduct its annual recruitment plans. The Group considers talent acquisition is essential in maintaining our energy and competitiveness in the market. According to its recruitment policy and procedures, the Group offers fair and competitive remuneration and benefits in accordance with the applicants' educational backgrounds, personal attributes, job experiences and career aspirations to attract high-calibre candidates. The Group also refers to market benchmarks in relation to staff promotion and provides equal opportunities for promotion and development for eligible employees who have shown outstanding performance and potential in their positions. Any promotion within the Group is based on clear and legitimate procedures.

The recruitment, employment, training, promotion and benefit policies of the Group do not take into account personal factors of the individual, such as race, nationality, religious beliefs, gender, age or marital status, unless the applicant or employee is not allowed to be employed under the laws of the country, such as under 18 years old. Otherwise, accommodating the business needs of the Group is the utmost criteria in recruitment.

The Group's Human Resources ("HR") Department is responsible for all the recruiting and talent development issues. After posting the job vacancies to the public, all the candidates would be shortlisted and interviewed by the managers of the relevant departments. The managers should perform background searches of the candidates, including the verification of academic and professional qualifications, proof of residency and employment history, to ensure the quality of the candidates, while the HR Department should assist to verify all the relevant information. For all the suitable candidates, an employment contract would be provided to each of them with all the rights and responsibility specified.

Compensation and dismissal

The Group periodically reviews its remuneration packages and performs the probationary and regular evaluations on the capability and performance of its employees, to ensure that all employees can be recognised and rewarded by the Group appropriately with respect to their efforts and contributions. Adjustment of compensation and termination of employment are determined by a number of factors, such as the performance appraisal of employees against well-defined KPIs and the internal policies of the Group. Since the Group strictly prohibits any kind of unfair or illegitimate dismissal, stringent policies regulating the procedures of dismissal of employees are in place for employee management. In particular, for employees who have violated the Group's employment policies, the Group will warn them verbally before issuing a warning letter. For employees who repeat the same mistakes repeatedly notwithstanding any prior warnings, the Group will terminate their employment contracts immediately in accordance with the applicable laws and regulations in Hong Kong and Malaysia.

When either the Group or employees want to terminate the employment contract, both need to give the other party a reasonable notice period or payment in lieu of notice. A handover checklist will be prepared by the HR Department for the employees as reference to ensure the return of the company's properties and the termination of all user accounts.

Working hours and rest periods

Maintaining a proper balance between work and leisure can effectively help employees to relax while, in return, enhancing the productivity of the Group. As such, the Group has formulated relevant policies and systems in compliance with the applicable employment laws to determine the working hours and rest periods for its employees. In addition to basic annual leave and statutory holidays, all the employees are entitled to apply for paid leaves when they need to. They are eligible for 8 to 21 days of annual leaves according to their servicing periods with the Group. They are also eligible for paid sick leaves with certificates issued by recognized medial practitioners. Medical allowance has been provided to all the employees who will be reimbursed medical expenses on presentation of medical proof. Besides, marital leave, maternity and paternity leaves are provided to encourage the employees to fulfil their other roles in life.

Paid Leaves	Days Allowed
Marital leave	5 days
Maternity leave	60 days commencing from the day of birth
Medical leave	14-22 days
Paternity leave	5 days commencing from the day of birth

Employee Welfares and Benefits

The purpose of the Group's remuneration policy is to attract, retain and motivate outstanding employees. Through annual appraisals, employees with excellent performance are encouraged to keep up with their good work, while employees who fail to meet performance standards are advised to improve themselves to maintain a high quality and efficient corporate culture.

As required by the relevant law, the Group ensures that all the staff are covered by different public schemes to protect and help the employees who are in urgent needs:

- the Employee Provident Fund: a saving plan for staff retirement; not only functions as a retirement fund, but also a multi-purpose savings fund that allows withdrawals for house financing, education, and medical expenses

- the Social Security Organization ("SOCSO"): provides aids to employees who suffer from work-related injury

- the Employment Insurance Scheme ("EIS"): helps employees who become unemployed

Equal opportunity, diversity and anti-discrimination

As an equal opportunity employer, the Group is committed to creating a fair, respectful and diverse working environment by promoting anti-discrimination and equal opportunity in all its human resources and employment decisions. Specifically, hiring, training, promotion opportunities, dismissal and retirement policies are all based on factors irrespective of the applicants' or the employees' age, sex, marital status, pregnancy, family status, disability, race, colour, descent, national or ethnic origins, nationality, religion or any other non-job related factors. Meanwhile, in accordance with the applicable local laws and regulations, the Group's equal opportunity policy allows zero tolerance to any workplace discrimination, harassment or vilification. Employees are vigorously encouraged to report any incidents involving discrimination to the Human Resource Department of the Group, which takes the responsibility for assessing, dealing with, recording and taking any necessary disciplinary actions in relation to the substantiated cases.

B2. **Health and safety**

Health and safety at work involves both the prevention of harm and the promotion of employees' well-being at the workplace. To provide and maintain a safe, clean and environmentally friendly working condition for its employees, the Group has established strict safety and health policies in line with the relevant laws and regulations in Malaysia, including but not limited to the Occupational Safety and Health Act 1994 (OSHA) (Malaysia).

In addition, the Group has established internal policies that regulate the daily practice to prevent occupational hazards and risks in the workplace. During the year under review, the Group has complied with the relevant laws and regulations in relation to the provision of a safe working environment and protecting the employees from occupational hazards that have a significant impact on the Group.

The Group is not aware of any cases of work-related injuries or deaths fatalities among employees in the Group during the past three financial years (including the Reporting Period). The Group pledges to maintain a safe and healthy workplace for all employees. In addition to complying with the local safety regulations of its places of operation, the Group will also remove known safety hazards in a reasonable manner. In order to maintain a good working environment and ensure safety in the office area, smoking is strictly prohibited in all office areas.

During the Reporting Period, the Group mandatorily implemented anti-pandemic measures in offices, suspended all non-essential business activities and arranged employees to work from their places of residence so as to prevent the spreading of the Novel Coronavirus ("COVID-19") at workplace in accordance with anti-pandemic measures in Malaysia.

During the Reporting Period, staff who work in the office have to follow the following precautions:

1. Access control and daily temperature checks – no access to the office will be granted to anyone exhibiting symptoms of COVID-19;
2. Mandatory to wear mask in the office;

3. Maintain social distance with everyone in the office; and

4. Prohibit face-to-face meetings at the office.

B3. Development and Training

As a responsible employer, the Group has the responsibility to provide employees with various training and development opportunities to ensure that they can excel in their appointed positions. Thus, the Group systematically assists employees to improve their business capabilities and strengthen their knowledge in management theories, so that they can obtain comprehensive training and practical experience with a view to improving their working abilities.

The Head of Administrative & Human Resources ("HOHR") is responsible for organising and monitoring the ongoing trainings of all Directors and new employees. For new employees, induction training will be provided by their Head of Department; while for all other employees, on-the-job training will be given on an ongoing basis. The trainings provided cover a variety of aspects including but not limited to business operation, such as intellectual property, media law and the job function of different position. For other professional training related to the job function of the employee, it will be taken on a voluntary basis via the Human Resources Development Fund.

With all the training provided, we look forward to the personal development of the employees and will further enable their talent development by providing them with more opportunities at work. Employees with outstanding performance will be nominated by the respective Head of Department for promotions. To evaluate the employees' performance, performance appraisals are conducted annually to assist the management and employees in a communication process to focus on the objectives and achievements of the employees.

Below is the detailed breakdown of the training data of employees by gender and employment category during the Reporting Period.

Percentage of employees trained		25%
Gender	Male	20%
	Female	5%
Employment category	Senior management	8%
	Middle management	17%

Total number of training hours		149
Gender	Male	101
	Female	48
Employment category	Senior management	80
	Middle management	69

Average number of training hours		10
Gender	Male	8
	Female	16
Employment category	Senior management	16
	Middle management	7

B4. Labour Standards

The Group abided by the Employment Act 1955 (Malaysia) and other applicable labour laws and regulations in Malaysia in relation to the prevention of child and forced labour employment. To avoid the employment of child labour, the Group checks and verifies the identity cards or other identification documents of the candidates in the course of recruitment. The Group fully carries out the labour contracts and relevant well-established internal labour policies, under which a transparent system and corresponding reporting channels are in place to ensure no unfair labour practice is adopted. Once the Group finds any case against labour standards, the employment will be immediately terminated, while the responsible personnel will be disciplined accordingly.

During the Reporting Period, the Group has strictly complied with the relevant laws and regulations in relation to the prevention of child or forced labour that have a significant impact on the Group.

- *Operating Practices*

B5. Supply Chain Management

		2021	2020
Total number of suppliers		**179**	135
Geographical regions	Domestic	**173**	129
	Overseas	**6**	6
Supplier nature	Services	**102**	69
	Hardware	**77**	66

The Group relies on a variety of suppliers to provide good services and products to customers. Therefore, it is important for us to monitor and manage the suppliers' performances, which directly affects our servicing quality. We have established a complete set of policies for the staff's reference to standardize the selection and management of suppliers in the ESG aspects.

According to our internal policies, when we need to engage a supplier for hardware or services procurements, we should get quotations from at least 3 different suppliers except for items from limited seller, competitive reseller, or any urgent order. All the suppliers must provide the exact items and services mentioned in the quotation, or we would have follow-up actions to ensure our rights, including terminating the contract.

Procurement Procedures

Get quotations from at least 3 suppliers on each item/service needed	→	Review all the quotations and documents provided by suppliers for further actions	→	Issue purchase orders to suppliers to complete the orders	→	Receive updates of orders from suppliers and written declarations when orders are completed

To minimize the potential risks along the supply chain, the Group has set criteria in different aspects to manage and standardize the suppliers' performance, such as the price, servicing quality, Strategic Sourcing and Supply Certification ("SSM") and other relevant certifications.

We expect our suppliers to be environmentally and socially responsible. Therefore, we encourage our suppliers to be certified by different management systems or frameworks to standardize their performances, such as the ISO 9001 Quality Management System, ISO 18295 Customer Contact Centres, ISO 45001 Occupational Health and Safety Management System, ISO 27001 Information Security Management System etc. To ensure the operation standard of suppliers are up to our expectation and requirement, annual evaluation is conducted by our staff. If a supplier is found violating the regulations, we will terminate our cooperation.

B6. **Services Responsibility**

The quality of services is always the key focus in our operations. The Group has established a comprehensive and stringent quality assurance system through various internal policies to ensure the quality, reliability and timeliness of our managed internet services. The Group works with suppliers and subcontractors that act in an environmentally, socially and ethically responsible manner. The Group's engineering team is responsible for the quality control of its managed internet services, such as network infrastructure design projects, network connectivity services and conducting user acceptance testing for its customers. The Group adheres to the quality control system developed by its engineering team.

The Group is dedicated to delivering top-notch services to its clients and has complied with the relevant rules, regulations and standards in Malaysia that have a significant impact on the Group relating to health and safety, advertising, labelling and privacy matters with respect to its products and services and methods of redress for the Reporting Period, including the following:

• Personal Data Protection Act 2010 (Malaysia);

• Consumer Protection Act 1999 (Malaysia);

• Intellectual Property Corporation of Malaysia Act 2002; and

• Copyright Act 1987 (Malaysia).

During the Reporting Period, the Group did not recall any product sold due to safety and health reasons.

Customer Privacy Protection
It is unavoidable for the Group to collect and use certain information about individuals or companies with which the Group has a relationship. Our ability to prevent the leakage of customer privacy contributes a large part of our reputation and the trust from the market. Therefore, the Group established a complete Customer Data Protection Policy (the "Policy") to give all employees the guidance on how the data should be handled to reduce the risks of improper disclosure.

The Purposes:
1.   Comply with data protection law and follow good practice
2.   Protect the rights of employees, customers, and partners
3.   Increase the transparency of how the data being stored and processed
4.   Protect the Group from the risks of data breaches

This Policy has clearly stated the scope of application and the responsibility of different roles, which give the basic framework for effective implementation. The Board is ultimately responsible to ensure the Group complies with all legal obligations. Under the leadership of the Board, this Policy is implemented and monitored mainly by the Data Protection Officer, the IT Manager and the Group Sales Manager.

Managing Structure:

The Board of Directors

Data Protection Officer

1. Report directly to the Board

2. Review all relevant policies and procedures

3. Arrange trainings to all parties included in the policy scope

4. Deal with all relevant enquiries from different parties

IT Manager	**Group Sales Manager**
1. Ensure the security standard of data storage meeting acceptable standard	1. Ensure all the marketing materials or external communications coping with the policy
2. Perform regular check-ups to ensure the normal functioning of both software and hardware	2. Approve any data protection statements attached to communications
3. Evaluate all potential cooperation partners	3. Ensure marketing initiatives abide by the data protection principles

Data Storage

To ensure the security of data storage, strict rules are set on how and where to store both paper and electronic data. Apart from keeping all physical data storage vehicles, such as paper, compact disc (CD) or universal serial bus (USB), locked securely when not being used, all other servers and online storage systems are protected by approved security software and firewalls. Besides, no data can be saved to any unauthorised cloud computing services, laptops, mobiles, or other electrical devices. All servers containing personal data are sited in secure locations, where is away from general office space. When employees need to dispose or delete the data no longer required, guidelines are set for them to avoid improper disposal or data breach.

Data Usage

We understand that the access to customers' personal data brings us the greatest potential risk of data breach. To minimize the risks and protect our most valuable assets, no personal data of the customers are allowed to be shared informally, and employees can only access the data from the central system instead of their personal computers. Unnecessary additional data sets should not be created. Furthermore, all data must be encrypted before any electronic transferring, which should never be sent via email as this form of communication is not secure.

Data Accuracy and Update

It is the Group's responsibility to ensure our employees take reasonable steps to keep all data as accurate and up to date as possible. The database should be checked regularly to avoid any wrong records and outdated contact. The marketing manager has the responsibility to ensure the marketing databases are checked against industry suppression files every six months.

Customer Requests

All individuals who are the subject of the personal data held by the Group are entitled to

1. Ask what information the Group has held and what the collection purposes are
2. Ask how to access to it
3. Be informed how the data are handled
4. Be informed how the Group protects the data

Other than the above situations and certain circumstances stated in the Personal Data Protection Act 2010 ("PDPA"), such as formal requests from the law enforcement agencies, no data will be disclosed by the Group to the third party without the customer's consent.

During the Reporting Period, the Group did not find any cases involving leakage of clients' private data or violating any relevant laws and regulations of privacy protection, including the PDPA.

Customer Communication

The Group is always dedicated to providing good customer service and maintaining a stable customer relationship. As such, we have established policies to handle customers' complaints to ensure the efficiency and effectiveness of the communication channels, the discharge of responsibilities of the staff and the handling procedures.

Complaints are handled by different departments according to their nature, namely technical, sales, support services and general complaints. By doing so, the appropriate staff can be assigned to give the most effective solution to the customers within a reasonable timeframe. The customers are provided with the access to the handling process from time to time, which ensures the transparency and increases the customers' trust towards the Group. To improve our service quality, the management team will review the complaints quarterly and establish relevant improvement plans.

The following diagram illustrates the Group's complaints handling procedures:

Acknowledge receipt of a complaint via phone or in writing within 2 business days	Inform the complainant with progress updates, proposed actions and expected timeframe	Urgent complaints will be resolved within 2 working days or explanation will be provided for complaints which take longer time to resolve	If the complainant are unsatisfied with the outcomes, they may escalate the complaints to senior management directly
		Non-urgent complaints will be resolved within 30 calendar days	If the complainant are satisfied with the outcomes, confirmations will be sent to the complainant
		For complaints which may take more than 30 calender days to resolve, regular updates will be provided to the complainant	

If a complaint is not resolved to the complainant's satisfaction, the complainant may seek help from external party, the Malaysian Communication and Multimedia Commission which is a Governmental party to deal with complaints about telecommunication services.

During the Reporting Period, the Group did not receive any significant complaints from customers.

Protection and Maintenance of Intellectual Property

The Group has established a comprehensive Intellectual Property Policy to provide guidelines on the implementation of copyright compliance, the application and violation procedures and the actual operation standards for the employees, which helps to standardize the Group's performance. This policy will be reviewed annually to cope with the Group's development and daily operation updates.

The HOHR is responsible for the application of registration of trademarks or patents on behalf of the Group. All the relevant documents, such as the certification of registration of trademark or patent, shall be filed by the HOHR, which is also responsible for the continuous management, maintenance, and monitoring of all the relevant status and renewal issues. For the use of third party's brands and franchises, it is the Managing Director and Director's responsibility to discuss, review and confirm the cooperation terms with the third party.

Communication and Information Management

The Group believes that the management of the external communication determines our credibility and reputation. It is important for us to ensure that the correct messages are delivered to the market with appropriate interpretation. Therefore, the Group follows its communication policies to provide timely, accurate and complete information to external parties based on the actual situation while observing all confidentiality agreements to avoid selective disclosure and to ensure that the public have fair and open access to the accurate information of the Group.

B7. Anti-corruption

To maintain a fair, ethical and efficient working environment, the Group abided by the applicable laws and regulations relating to anti-corruption and bribery, irrespective of the region in which the Group operates, including the Malaysian Anti-Corruption Commission Act 2009 (Malaysia) during the Reporting Period.

Probity lays the foundation for the sustainable development of the Group. We believe that only operating the business with clean hands can help the Group to develop in a sustainable way for long- term values. Therefore, we do not tolerate any form of bribery and corruption and have requested all the employees to perform their daily tasks in a credible and reliable manner.

To ensure that all staff thoroughly understand our requirements, we have stated in the employment contract and other internal materials, each position's responsibility and rights which are based on the relevant laws and regulations. If cases of bribery or corruption are found and the Group considers this is a serious misconduct, the staff concerned will be subject to disciplinary action which include dismissal.

The Group has formulated and strictly enforced its trade and transaction policies to prevent any illegal practices, including corruption, extortion and money-laundering within the Group. The Group prohibits all forms of bribery and corruption and requires all its employees to follow the relevant codes of professional ethics. All employees are expected to discharge their duties with integrity, to act fairly and professionally, and to abstain from engaging in bribery or any activities which might exploit their positions against the Group's interests. During the Reporting Period, no legal cases regarding corrupt practices were brought against the Group or any of its employees.

Whistle-blowers can report verbally or in writing to the audit committee of the Group for any suspected misconduct with full details of the incidents and supporting evidence. The audit committee of the Group will conduct investigations against any suspicious or illegal behaviour to protect the Group's interests. The Group has established an effective grievance mechanism to protect the whistle-blowers from unfair dismissal or victimisation. Where any crime is suspected by the Group, a report will be submitted promptly to the relevant regulators or law enforcement authorities when the management of the Group considers necessary.

During the Reporting Period, the Group is not in violation of any relevant laws and regulations in relation to bribery, extortion, fraud, and money laundering that have a significant impact on the Group.

- *Community*

B8. Community Investment

The Group always aims to build a better society by creating long-term values to all the stakeholders and reducing our negative impacts to the environment. We adhere to our social responsibilities as a technology company, actively engage in public welfare undertakings, and fulfil our corporate social responsibilities with practical actions to contribute to the development of the industry.

As a responsible enterprise, the Group recognises its strong commitment to its stakeholders in contributing to society while maintaining momentum in achieving good financial results. In recent years, the Group has focused on meeting the genuine needs of local communities and making unremitted efforts in supporting the healthy growth of community members. The Group believes that the ongoing community engagement and meaningful dialogue with local people are key to understanding its business impact and to perceiving its sustainability missions. Due to the social distancing requirements and the Movement Control Order implemented by the government of Malaysia, the Group did not organize or participate in any charitable activities which suited its vision.

Despite charitable activities were restricted due to the Movement Control Order, the Group has committed to contribute to the community. During the Reporting Period, the Group received an appreciation letter from the Malaysian state government of Penang in provision of free communication and connectivity facilities at 10 locations of vaccination centres throughout the state of Penang for a period of one year from April 2021.

Looking ahead, the Group will invest more from it economic returns back to the education, health, harmony and wellbeing of local communities and keep building the trust with community groups.

CORPORATE GOVERNANCE AND BUSINESS OPERATION

Good corporate governance is the foundation of stable operation and sustainable development. To assess the quality of the overall quality of governance and operational risks, we make every endeavour to ensure the effective implementation and monitoring of management policies and measures, which help us to prepare for possible changes and new challenges. Apart from complying with the Corporate Governance Code set out in Appendix 15 of the GEM Listing Rules of The Stock Exchange of Hong Kong Limited, the Company has also strictly complied with all the relevant rules and regulations applicable to its business operation.

For further information on corporate governance of the Company, please refer to the Corporate Governance Report section of the annual report of the Company for the year ended 30 June 2021.

OUTLOOK

Nomad has always been upholding the concept of protecting the environment and enhancing social governance. In coming years, except becoming a leading MIS provider in Malaysia, we will explore markets outside Malaysia and expand its current business of rendering of network support services and network connectivity services into markets in Hong Kong and the People's Republic of China. Meanwhile, we will utilise our own resources and strengths to create greater long-term values for both internal and external stakeholders without sacrificing our environment under the vigorously development in our businesses. We will also continue to improve our business model which is beneficial to the environment, society, and governance.

ESG REPORT SUMMARY AND INDEX

General Disclosures and KPIs	Description	References & Remarks
Environmental Protection Measures		
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.	Please refer to the section of "*Environmental Protection Measures — A1. Emissions*"
KPI A1.1	The types of emissions and respective emissions data.	Air emissions are not material to our operations.
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Please refer to the section of "*Environmental Protection Measures — A1. Emissions*"
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	The Group generated no significant hazardous or non-hazardous waste during the Reporting Period.
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	The Group has not yet set any emission targets as emissions are not material to our operations.
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Hazardous waste generation and handling are not material to our operations.

General Disclosures and KPIs	Description	References & Remarks
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Please refer to the section of *"Environmental Protection Measures — A2. Use of Resources"*
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).	Please refer to the section of *"Environmental Protection Measures — A2. Use of Resources"*
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Water consumption is not material to our operations.
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Please refer to the section of *"Environmental Protection Measures — A2. Use of Resources"*
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Water consumption is not material to our operations.
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Packaging material is not material to our operations.
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Please refer to the section of *"Environmental Protection Measures — A3. The Environment and Natural Resources"*
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Please refer to the section of *"Environmental Protection Measures — A3. The Environment and Natural Resources"*
Aspect A4: Climate Change		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Please refer to the section of *"Environmental Protection Measures – A4. Climate Change"*
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Please refer to the section of *"Environmental Protection Measures – A4. Climate Change"*

General Disclosures and KPIs	Description	References & Remarks
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.	Please refer to the section of *"Employment and Labour Practices — B1. Employment"*
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Please refer to the section of *"Employment and Labour Practices — B1. Employment"*
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Please refer to the section of *"Employment and Labour Practices – B1. Employment"*
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.	Please refer to the section of *"Employment and Labour Practices — B2. Health and safety"*
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Please refer to the section of *"Employment and Labour Practices — B2. Health and safety"*
KPI B2.2	Lost days due to working injury.	Please refer to the section of *"Employment and Labour Practices — B2. Health and safety"*
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Please refer to the section of *"Employment and Labour Practices — B2. Health and safety"*

General Disclosures and KPIs	Description	References & Remarks
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Please refer to the section of "*Employment and Labour Practices — B3. Development and Training*"
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Please refer to the section of "*Employment and Labour Practices – B3. Development and Training*"
KPI B3.2	The average training hours completed per employee by gender and employee category.	Please refer to the section of "*Employment and Labour Practices – B3. Development and Training*"
Aspect B4: Labour Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Please refer to the section of "*Employment and Labour Practices — B4. Labour Standards*"
KPI B4.1	Description of measures to reviews employment practices to avoid child and forced labour	Please refer to the section of "*Employment and Labour Practices — B4. Labour Standards*"
KPI B4.2	Description of steps taken to eliminate such practices when discovered	Please refer to the section of "*Employment and Labour Practices — B4. Labour Standards*"

General Disclosures and KPIs	Description	References & Remarks
Operating Practices		
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Please refer to the section of "*Operating Practices — B5. Supply Chain Management*"
KPI B5.1	Number of suppliers by geographical region.	Please refer to the section of "*Operating Practices — B5. Supply Chain Management*"
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Please refer to the section of "*Operating Practices — B5. Supply Chain Management*"
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Please refer to the section of "*Operating Practices – B5. Supply Chain Management*"
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Please refer to the section of "*Operating Practices – B5. Supply Chain Management*"
Aspect B6: Services 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.	Please refer to the section of "*Operating Practices — B6. Services Responsibility*"
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	Please refer to the section of "*Operating Practices – B6. Services Responsibility*"
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Please refer to the section of "*Operating Practices – B6. Services Responsibility – Customer Communication*"

General Disclosures and KPIs	Description	References & Remarks
Aspect B6: Services Responsibility		
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Please refer to the section of *"Operating Practices — B6. Services Responsibility — Protection and Maintenance of Intellectual Property"*
KPI B6.4	Description of quality assurance process and recall procedures.	Please refer to the section of *"Operating Practices – B6. Services Responsibility"*
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Please refer to the section of *"Operating Practices — B6. Services Responsibility — Customer Privacy Protection"*
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.	Please refer to the section of *"Operating Practices — B7. Anti-corruption"*
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.	Please refer to the section of *"Operating Practices — B7. Anti-corruption"*
KPI B7.2	Description of preventive measures and whistle blowing procedures, how they are implemented and monitored.	Please refer to the section of *"Operating Practices — B7. Anti-corruption"*
KPI B7.3	Description of anti-corruption training provided to directors and staff	Not applicable as no anti-competition training was provided to directors and staff.
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 take into consideration the communities' interests.	Please refer to the section of *"B8. Community Investment"*
KPI B8.1	Focus areas of contribution (e.g education, environmental concerns, labour needs, health culture, sport).	Please refer to the section of *"B8. Community Investment"*
KPI B8.2	Resources contributed (e.g money or time) to the focus area.	Please refer to the section of *"B8. Community Investment"*