

**eBROKER GROUP LIMITED**

**電子交易集團有限公司**

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

Stock code: 8036



**2021  
Environmental, Social and  
Governance Report**

# 2021 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## ABOUT THIS REPORT

eBroker Group Limited (the “Company” together with its subsidiaries, hereinafter referred to as the “Group”, “we” or “us”) is pleased to present this Environmental, Social and Governance Report (the “Report”) to summarise the Group’s policies, measures and performance on the key environmental, social and governance (“ESG”) issues.

### Reporting Period

The Report illustrates the overall performance of the Group regarding the environmental and social aspects from 1 January 2021 to 31 December 2021 (the “Reporting Period” or “2021”).

### Scope and Boundary of Report

This Report covers the core and material business engaged by the Company’s subsidiaries, namely the provision of financial software solution services to primarily financial institutions (including mainly brokerage firms, proprietary trading firms and wealth management companies) in Hong Kong and the Research and Development Center in Shenzhen. There were no significant changes observed in the Group’s business in the reporting period. The first part is (a) about the environmental initiatives carried out by the Group and the second part of report is (b) the social impact brought by the Group in both Hong Kong and the PRC, during the Reporting Period.

### Reporting Guidelines

This Report is prepared in accordance with the Environmental, Social and Governance Reporting Guide (the “ESG Reporting Guide”) under Appendix 20 of the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited (the “SEHK”). The Company has complied with all “comply or explain” provisions set out in the ESG Reporting Guide and followed the following reporting principles in the preparation of this Report: Materiality, Quantitative, Balance and Consistency.

- “Materiality” Principle:  
The Group determines material ESG issues by stakeholder engagement and materiality assessment.
- “Quantitative” Principle:  
Information is presented with quantitative measure, whenever feasible, including information on the standards, methodologies, assumptions used and provision of comparative data.
- “Balance” Principle:  
This Report identifies the achievements and changelings faced by the Group.
- “Consistency” Principle:  
This Report adopts consistent methodologies for meaningful comparisons unless improvements in methodology are identified.

The information contained herein is sourced from internal documents and statistics of the Group, as well as the combined control, management and operations information provided by the subsidiaries in accordance with the Group’s relevant policies. A complete content index is appended to the last section hereof for ease of reference. This Report is prepared and published in both Chinese and English. In the event of contradiction or inconsistency between the Chinese version and the English version, the English version shall prevail.

### Feedback

The Group respects your opinion and feedback on this Report. You are welcome to contact us at:

Address Suite 1410-11, North Tower, World Finance Centre, 19 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong (For the attention of the Board)

Fax +852 2928 9008

Email [info@ebrokersystems.com](mailto:info@ebrokersystems.com)

## ABOUT THE GROUP

The Group is principally engaged in the provision of financial software solutions services to primarily financial institutions (including mainly brokerage firms, proprietary trading firms and wealth management companies) in Hong Kong. Our vision is to connect to the world for the right trading opportunities and to define a new standard for our customers to better perform global trading in exchange-listed instruments world.

### Product and Services

Our products and services cover the whole life cycle of trading and settlement process from low latency trading, risk management, compliance and settlement for the financial community. Our solutions are engineered to perform a variety of functions for both front office and back office.

We work with key players across the region, which include top-tier financial institutions, leading local and regional brokerage firms, wealth management companies and proprietary trading firms.

We are committed to driving our client business strategy by delivering innovative and high-performance financial technologies to fulfill our clients' needs.

## GOVERNANCE STRUCTURE

The Group is committed to integrating environmental, social and governance factors into its operations to create sustainable value for stakeholders and take up the responsibilities as a corporate citizen.

The Board of Directors (the "Board") supports the Group's commitment to fulfilling its environmental and social responsibility and has overall responsibility for the Group's ESG strategy and reporting. The Board is responsible for evaluating and determining the Group's ESG-related risks, and ensuring that appropriate and effective ESG risk management and internal control systems are in place.

The Board has overall responsibility for the Group's ESG strategy but has delegated the day-to-day responsibility of the implementation to the ESG Working Group (the "Working Group") with representatives from different departments in the Group. The Working Group is responsible for facilitating the adoption of ESG strategies and policies throughout the Group. It collects data, evaluates performance and reports major issues to the Board regularly, assisting the Board in reviewing ESG performance and targets.

The progress of implementation and the performance of the goals and targets are also closely reviewed by the Working Group from time to time. If the progress falls short of expectation or changes of business operations, it may be necessary to make changes and communicate about the goals and targets with key stakeholders such as employees, customers and suppliers.

### Stakeholder Engagement

Stakeholders' opinions are the solid foundation for the Group's sustainable development and success. The stakeholder engagement helps the Group to develop a business strategy that meets the needs and expectations of stakeholders, enhances the ability to identify risk and strengthens important relationships. Stakeholders can express their opinions through various channels. The relevant stakeholders of the Group and their engagement platforms are as follows:

Stakeholder	Engagement Platform
<b>Government and regulatory agencies</b>	<ul style="list-style-type: none"> <li>Annual reports, interim reports, ESG reports and other public information</li> </ul>
<b>Shareholders and investors</b>	<ul style="list-style-type: none"> <li>Annual general meetings and other general meetings of shareholders</li> <li>Company website</li> <li>Press releases/announcements</li> <li>Annual reports, interim reports, ESG reports and other public information</li> <li>Training</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>Performance evaluation</li> <li>Leisure activities</li> <li>Survey</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>Fax, email and telephone</li> </ul>
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>Tendering process</li> <li>Telephone discussions</li> </ul>

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### Materiality Assessment

The Group identifies issues for disclosure in this Report through materiality assessment. By considering the dependence and influence on the Group of the stakeholders and the availability of resources for the Group, the management has conducted a survey with stakeholders. They have expressed their opinions and recommendations on the sustainability issues related to the Group's operation.

Consolidating the results of the assessment, the Group has compiled the materiality matrix (refer to the diagram below). We determine the extent of disclosure for issues in this Report based on the importance of the issue to the business and the stakeholders.

**Materiality Matrix**

<b>High</b>	Water Efficiency The Environment and Natural Resources Climate Change	Employment Practice Occupational Health and Safety Development and Training Child Labour and Forced Labour Customer Data and Privacy Protection Product Health and Safety Customer Satisfaction Intellectual Property Right Quality Management Anti-corruption Community Investment Diversity and Equal Opportunities Anti-discrimination Advertising and Labelling
	<b>Low</b>	<b>Low</b>
<b>Low</b>	Emissions Effluents and Waste Energy Efficiency Raw Material Consumption	Supply Chain Management
	<b>Low</b>	<b>High</b>

## ENVIRONMENTAL ASPECTS

As a financial technology solution provider, the Group recognises its social responsibilities with regards to managing the environmental impacts associated with our operations. Given the non-manufacturing nature of our business, our Environmental Policy primarily focuses on the issues relating to air and greenhouse gases (“GHG”) emission, wastes and energy consumption. The details are explained in the following sections.

### Emissions

Apart from the Group’s vehicles that are used for daily commute, the Group’s day-to-day business does not involve direct generation and emission of air, water, and land pollution. Due to our business nature, we are not aware of any relevant environmental laws and regulations in respect of air and GHG emissions discharge into water and land that would have a significant impact on us.

### Air Pollutants Emissions

As the Group’s operations focus on the provision of financial software solutions, there were no significant air emissions from stationary sources. The air pollutants were mainly emitted from the fuel consumption of the Group’s vehicles, including sulphur oxides (SO<sub>x</sub>), nitrogen oxides (NO<sub>x</sub>) and particulate matter (PM). To control the emissions from the Group’s vehicles, all of the Group’s vehicles were under frequent and regular checks and maintenance.

**Table 1 Air Pollutant Emissions**

	Unit	2021 <sup>1</sup>	Unit	2020 <sup>1</sup>
Nitrogen oxides (NO <sub>x</sub> )	kilograms	6.66	kilograms	5.07
Sulphur oxides (SO <sub>x</sub> )	kilograms	0.16	kilograms	0.12
Particulate matter (PM)	kilograms	0.49	kilograms	0.37

### Carbon management

In response to the community’s growing concerns on GHG emissions, climate change and other related issues, the Group provides guidelines on energy-saving strategies in the office, details of which are illustrated in the section headed “Use of Resources” in this Report.

The total GHG emissions were 91.14 tonnes CO<sub>2</sub>-equivalent (t CO<sub>2</sub>-e) in 2021, a decrease of approximately 17.79%, as compared to last year. The decrease was attributable to the significant decrease in scope 2 emissions and the significant decrease in scope 3 emissions which reflect the effectiveness of our Environmental Policy during the Reporting Period.

**Table 2 Greenhouse Gas (GHG) Emissions<sup>1</sup>**

	Unit	2021	2020
<b>Scope 1<sup>2</sup></b>	t CO <sub>2</sub> -e	28.16	20.98
<b>Scope 2<sup>3</sup></b>	t CO <sub>2</sub> -e	62.67	88.43
Purchased Electricity	t CO <sub>2</sub> -e	62.67	88.43
<b>Scope 3<sup>4</sup></b>	t CO <sub>2</sub> -e	0.31	1.45
Paper Disposal	t CO <sub>2</sub> -e	0.31	1.45
<b>Grand Total</b>	t CO <sub>2</sub> -e	91.14	110.86
Intensity	tonnes CO <sub>2</sub> -e/sq. ft <sup>5</sup>	0.03	0.03

1 The calculation method of the corresponding air emissions and the emission factors used in the calculation are based on HKEx Appendix 20 ESG Reporting Guide and their referred documentation, unless stated otherwise.

2 Scope 1: The direct emissions from the business operations owned or controlled by the Group, including the emissions from the Group’s vehicle fleet.

3 Scope 2: The “indirect energy” emissions from the internal purchased electricity consumption by the Group

4 Scope 3 refers to all other indirect emissions that occur outside the Company, including both upstream and downstream emissions. It includes the emissions produced indirectly from paper wastes disposed at landfills.

5 The total office area of the Group was 7,971,81 square feet, which includes the offices in Hong Kong and Shenzhen.

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During the Reporting Period, scope 2 emissions accounted for approximately 68.77% of the total GHG emissions. Scope 1 emissions included petrol consumption of vehicles and scope 3 emissions included GHG emissions arising from disposal of paper waste. The Group did not record any indirect emission generated from air travelling for business. Going forward, the Group will continue to monitor the GHG emissions annually to see if any feasible mitigation measures can be implemented.

We encourage the use of public transport and the use of online meetings. Besides, a thorough inspection can be carried out at regular intervals for vehicles' emissions.

The Group's target is to retain the total greenhouse gas emission and energy consumption to maintain at current level in the next reporting period. To achieve the target, we will continue to promote the green practices and help employees to adopt environmental friendly behaviours.

### Wastes

The Group aims to streamline processes and procedures to increase the efficiency and reduce the consumption of day-to-day operation inputs including paper and electronic equipment. The Group encourages waste minimisation, upcycling, recycling and the use of recycled or environmentally friendly materials, and the practice of disposing of the hazardous or non-hazardous waste in a responsible manner.

For the non-hazardous waste, we targeted to retain the paper waste disposal at below 1 tonne annually in the next reporting period. We encourage our employees to develop environmentally friendly habits such as utilising recycled paper, and adopting paper-saving techniques such as two-sided printing, whenever possible.

**Table 3 Waste Production**

	Unit	2021	2020
<b>Non-hazardous wastes</b>			
Office paper consumption	Tonnes	0.31	0.30
Recycled	Tonnes	1.13	0.025
Intensity	tonnes CO2-e/sq. ft	0.00049	0.000089
<b>Hazardous wastes</b>			
Cartridges recycled	Tonnes	0	0.007

### Use of Resources Energy management

The major resources consumed by the Group's operations are purchased electricity, water and paper consumption. No packaging materials consumption was required on our products or services due to the nature of the principal business of the Group. The Group's Environmental Policy states our commitments on energy saving:

- Track and monitor the usage of energy
- Support technology which uses less energy
- Minimise the dependency on carbon dependent sources and other natural resources
- Embrace sustainable development through good environment management

We encourage our employees to switch off electrical appliances when they are not in use (such as air-conditioning, computer, printer, photocopier, lighting, etc.) and set their computers in energy-saving mode.

The total energy consumption is 212.91 MWh in 2021, a slight increase of approximately 12%, as compared to 2020. The increase was attributable to the significant increase in direct energy as petrol consumption of the Group's vehicle fleet. The energy consumption intensity was 0.06 MWh/sq. ft in 2021 and 2020.

**Table 4 Energy Consumption**

	Unit	2021	2020
Direct Energy <sup>6</sup>	MWh	104.39	72.62
Indirect Energy <sup>7</sup>	MWh	108.52	116.84
<b>Total</b>	MWh	212.91	189.46
<b>Intensity</b>	MWh/sq. ft	0.06	0.06

### Water management

The water consumption of the Group mainly relates to basic cleaning and sanitation. We did not consume significant amount of water through our business activities. During the Reporting Period, the Group did not encounter any problem in sourcing water fit for purpose. The Group has set water consumption target to maintain a similar level and committed to minimising such consumption. The majority of the water supply facilities were provided and managed by the property management company of respective offices. It was thus not feasible to obtain consumption data. Nevertheless, we encourage our employees to develop the habit of conserving water and to use water resources properly.

### The Environment and Natural Resources

The Group's operations did not have a direct impact on the environment and the consumption of natural resources. However, indirect GHG emissions would aggravate global warming. The Group strives to reduce indirect GHG emissions and its impact on the environment and natural resources through various measures mentioned in the sections "Emissions" and "Use of Resources". The Group will continue to review the performance and where viable set practical targets and goals.

### Climate change

Around the world, most publics believe global climate change is a pressing concern. During the Reporting Period, the Group reviews and identifies the potential climate-related risks. Obvious physical risk including the extreme weather condition, such as flooding and typhoon which leads to operational impacts. Besides, the Group is also exposed to transitional risk which arise from the policies for climate change and reporting requirement for corporate sustainability which increase the business cost. The Group will continue to review and analyse the changes in local policies and regulations on a regular basis to ensure their effectiveness. Getting all stakeholders' involvement would strengthen the sustainability adaptation to address climate change.

<sup>6</sup> It refers to the energy consumption from the petrol consumed by the Group's vehicle fleet.

<sup>7</sup> It refers to the energy consumption from the purchased electricity of the Group.

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### SOCIAL ASPECTS

#### Employment and Labour Practices

##### *Employment*

The Group believes that employees are the most important asset that contributes to our success. As the business grows, the Group must establish sustainable human capital to attract and retain talents. The Group strictly abides by the employment laws and regulations in Hong Kong and Mainland China, including but not limited to the Employment Ordinance, the Minimum Wage Ordinance, the Employees' Compensation Ordinance and the Sex Discrimination Ordinance, Labour Contract Law of the People's Republic of China, Law of the People's Republic of China on Social Insurance and Labour Law of the People's Republic of China. During the Reporting Period, the Group did not have any significant non-compliance issues in this regard.

The Group's *Human Resources Management Policies and Procedures* govern recruitment, employment, performance evaluation, disciplinary action, termination and staff training processes of the Group.

##### *Recruitment*

The Group will use its best efforts to attract and retain appropriate and suitable personnel to serve our Group. The Group assesses the available human resources continuously and will determine whether additional personnel are required to cope with our business development. We recruit employees primarily from the open market and through internal referral. We enter into individual employment agreements with our employees, specifying terms including, among other things, remuneration, benefits, confidentiality obligations and termination.

##### *Remuneration, Promotion and dismissal*

The Group determines employees' remunerations based on factors such as qualifications, duties, contributions and experience. We have an annual review system to assess the performance of the employees, which forms the basis of determination on pay rises, bonuses and promotion. We have also established the Share Award Scheme to offer suitable incentives to attract and retain targeted talent and personnel for the continuance of operations and future development of the Group.

Employment might be terminated by the Directors for non-performance, breach of policies or gross misconduct. For voluntary resignation, an exit interview is conducted with the resigned employee, so the Group would understand the reason of resignation, and continue to improve human resource management.

##### *Working hours and rest periods*

The Group is committed to offering reasonable working hours and rest period to employees. Each employee is advised of his normal working hours on engagement. Employee's working hours may be re-scheduled by his supervisor to suit operational needs. The Group implements a five-day workweek. All employees shall be entitled to General Holidays as announced in the Hong Kong SAR Government Gazette each year. In addition to general holidays, employees are entitled to annual leave, maternity leave, sick leave and compassionate leave.

##### *Equal opportunity, diversity, anti-discrimination*

To achieve sustainable and balanced development, the Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. The Group has established the Board Diversity Policy to set out the approach to achieve diversity on the board of directors of the Company. Selection of candidates will be based on a range of diverse perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. As stated in our Human Resources Management Policies and Procedures, we value the dignity and equality of each employee, and ensure that all applicants have an equal opportunity of employment irrespective of their age, sex, marital status, pregnancy, family status, disability, race, nationality or religion.

##### *Employee benefits and welfare*

The Group provides various benefits and welfare to the employees in accordance with the applicable laws and regulations of Hong Kong. The Group participates in the defined contribution scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance, which is available to its employees in Hong Kong. Contributions to the MPF Scheme by the Group and employees are based on a percentage of employees' basic salaries. The Group's employer contributions vest fully with the employees in Hong Kong when contributed to the MPF Scheme. The Group also contributes to social insurance premiums including pension, medical care, work injury, unemployment and maternity insurance, as well as housing funds for all employees in Mainland China. The Group also provides medical insurance, long service payment and compensation insurance. In addition, the Group provides monetary awards, such as discretionary bonus, to employees.

We have organised leisure events such as running or jogging activities for our employees to help maintain their health and wellbeing.



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### Employee Profile:

As at the end of the Reporting Period, the Group had a workforce of 50 full-time employees and 1 part-time employee. The breakdown by gender, age group, employment type and geographical location are as follows.

**Table 5 Employee Profile**

	2021	2020
<b>By gender</b>		
Male	34	36
Female	17	19
<b>By age group</b>		
Below 30	11	12
30 – 50	29	32
Above 50	11	11
<b>By employment type</b>		
Full Time	50	54
Part-Time	1	1
<b>By geographical region</b>		
Hong Kong	31	30
Mainland China	20	25
<b>Total</b>	<b>51</b>	<b>55</b>

**Table 6 Employee Turnover Rates**

	Turnover Rate <sup>8</sup>	2021 Number of turnovers	Turnover rate <sup>8</sup>	2020 Number of turnovers
<b>By gender</b>				
Male	21%	7	14%	5
Female	29%	5	0%	0
<b>By age group</b>				
Below 30	73%	8	0%	0
30 – 50	14%	4	9%	3
Above 50	0%	0	18%	2
<b>By geographical region</b>				
Hong Kong	23%	7	10%	3
Mainland China	25%	5	8%	2
<b>Total</b>	<b>24%</b>	<b>12</b>	<b>9%</b>	<b>5</b>

<sup>8</sup> Turnover rate = (Total number of employees in the specific category leaving employment during the Reporting Period/Total number of employees in the specific category at the end of the Reporting Period) \* 100%

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### Health and Safety

The Group attaches great importance to the health of its employees and is committed to providing a safe and healthy working environment for them. The Group maintains medical insurance for its employees and adopts policies and procedures regarding work safety, occupational hazards and occupational health issues. Safety arrangements in cases of emergency such as during typhoons, rainstorm warnings and fire evaluation are stated in the Employee Handbook to ensure that all employees are aware of emergency procedures.

### Response to COVID-19

The challenges arising from the COVID-19 pandemic are unprecedented. To reduce the risk of infection and the spread of the virus in the workplace, we have implemented precaution measures, including:

- Record employees' body temperature before they enter the office;
- Require employees to wear masks in office areas;
- Remind employees to wash and sanitise their hands frequently.

The Group complies with relevant laws and regulations in Hong Kong and Mainland China, including but not limited to the Occupational Safety and Health Ordinance and Law of the People's Republic of China on Prevention and Control of Occupational Diseases. During the Reporting Period, the Group did not have any non-compliance issues in this regard.

**Table 7 Safety Performance**

	Unit	2021	2020	2019
Number of fatalities	/	0	0	0
Fatalities rate <sup>9</sup>	%	0	0	0
Number of lost days due to work injury	/	0	0	0

### Development and Training

The Group places a great deal of importance on the career development and training of its staff. The Group has developed a *Training Policy* to ensure employees acquire the necessary skills to perform tasks up to the standards of the Group. The Group establishes *training plans* regularly to ensure that training to be provided can meet the business needs on an ongoing basis; and maintain *attendance records* as appropriate to ensure that our staff have adequate knowledge and competence to fulfil the respective job requirements.

Staff at all levels are expected to engage in continuing professional development. We provide management training courses, which are conducted by our senior management team, to our employees in the supervisory level to develop their management and leadership skills and to better manage their work and their team. Our software engineers participate in courses provided by our suppliers to keep abreast of the latest technology developments. Training includes in-house or external courses and on-the-job training and self-study or tuition to sit for professional examinations. In Year 2021, the average training hours of male and female employees was 2.47 hours and 0.71 hour, of which the average training hours of senior management, middle management and other staff was 10.67 hours, 2.95 hours and 0.97 hour respectively. The percentage of male and female employees who participated in training courses of total employees of the Group was 61.76% and 17.65%, of which 100% of senior management, 73.68% of middle management and 24.14% of other staff participated in training courses. Since there were no significant changes to policies and regulations on software industry, therefore, the training hours retain at same level in both years.

### Labour Standards

The Group primarily engages in the provision of solution services. There have never been any unlawful child labour or forced labour practices in the Group's operations. Our major business activities are carried out in Hong Kong and our suppliers do not involve in labour-intensive activities such as manufacturing in general. To the best of our Directors' knowledge, there are no operations or suppliers considered to have significant risk for incidents of child or forced labour in terms of our business activities and the operating locations.

Background checks of employees are performed to ensure that they meet statutory standards in recruitment and our compliance with labour laws and regulations. The Group also strives to adhere strictly to the statutory labour standards, in particular to issues regarding equality and discrimination, details of which are set out in the section headed "Employment" in this Report.

During the Reporting Period, the Group strictly complied with the laws and regulations relating to employment, such as the Employment Ordinance. The Group is not aware of any laws and regulations relating to preventing child or forced labour that have a significant impact on us.

<sup>9</sup> Fatality rate = (Total number of fatalities as a result of work-related injury/Total number of employees) \* 100%

## Operating Practices

### Supply Chain Management

The Group's major suppliers are generally telecommunication service providers as well as hardware and/or software vendors providing us with their data services, bandwidth, internet lines, leased lines, routers and servers. To enhance our operational efficiency, we outsource the development of part of the modules of our financial software which does not relate to the core components of our financial software, testing and day-to-day customer support work to the technical service providers.

The Group has a *Procurement Policy* in place to identify alternative suppliers. The Group manages the environmental and social risks through applying the four principles in the procurement practices: fair competition, prevention of conflict of interest, cost-effectiveness and transparency. As stipulated in the Group's *Responsible Product and Supply Chain Policy*, the sustainability performance of the suppliers would be one of the selection considerations if applicable in the future.

The Group would evaluate suppliers based on their price, quality of the services and track records of the tenderers. The successful tenderer will enter into an agreement with us to formalise the terms and conditions of the service. If none of the tenders fulfils the required specifications and conditions in the tender invitation, the tendering exercise would be cancelled. The original specifications and conditions would be amended as necessary for re-tendering.

Apart from the tendering process, we manage the supply chain risk through quality controls of suppliers. For each leased line installation, our engineers will work with our suppliers to check if the connectivity is compatible. Suppliers will designate support engineers to us, and we can contact them in case of any technical problems concerning network connectivity. The suppliers will also monitor our leased line setup. For each hardware delivered to us from our suppliers, our engineers will verify that the parts in the hardware are the same as what we have ordered.

Having regard to the business nature and the materiality assessment of the Group, the major suppliers are not considered to impose significant environmental and social risks to the Group's business operations.

During the Reporting Period, there were 10 suppliers and the majority of them were located in Hong Kong.

**Table 8 Number of suppliers by geographical regions**

	2021	2020
Hong Kong	8	8
Mainland China	1	1
The United States of America	1	1
	10	10

### Product Responsibility

Products and services delivered by the Group to the customers can be broadly categorised into the following types: (i) computer products; (ii) contracted trading solutions and (iii) development of trading systems for brokerage.

The Group's *Responsible Product and Supply Chain Policy* provides guidance to our employees on continually improving the quality of our services and products and privacy protection. We value our customers and are committed to strengthening our ties with them over time by continuously improving the quality of our products and customer experience. Having regard to the business nature and the materiality assessment, product health and safety is neither a material nor relevant issue.

The Group strictly abides by the relevant laws and regulations in Hong Kong, including the Copyright Ordinance, the Supply of Services (Implied Terms) Ordinance and Personal Data (Privacy) Ordinance. During the Reporting Period, the Group did not have any significant non-compliance issues in this regard.

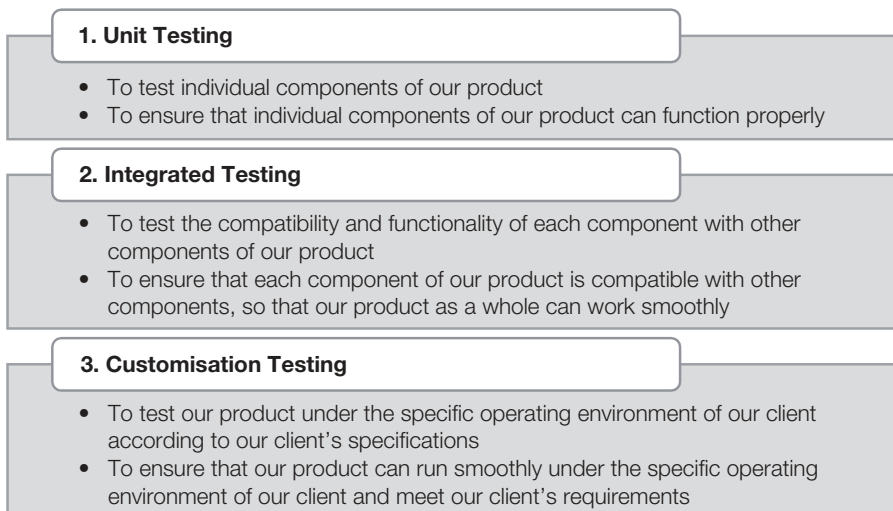
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### **Quality Management**

The Group believes that the quality of our solution services is one of the principal factors that contribute to our success. Therefore, we endeavour to tackle any issues that may tamper with the functionality of our software solutions, and we strive to ensure that our solution services will fulfil all requirements of our clients by implementing quality control measures over our suppliers and our services. For the quality control over our suppliers, please refer to the section “Supply Chain Management”.

The Group has implemented a set of internal quality control measures over our services. The quality control work undertaken by the technical service providers are mainly related to the provision of supporting services including routine checking on our systems provided to clients. Our project team also reviews the problems or errors reported by clients and solves the problems or rectifies the errors with the supporting service provided by the technical service providers.

For each project, upon our request and guidance, the technical service providers will execute the test plan designed by us according to the specifications of our clients. To ensure that our services are in good quality and fit for use, a three-stage test is adopted to scan and test the hardware, software and system security. The three-stage test is described as follows:



Our project officer checks and analyses the performance of our solutions against a set of conditions and parameters implemented by us based on the test report prepared by the technical service providers containing the data collected from the three-stage test described above. Once our project officer is satisfied with the test result, we will install the software and deliver the hardware to our clients. Our clients will then perform a series of user acceptance tests under our guidance and monitoring and we will solve problems or rectify the errors identified during the test period.

### **After-sales Service**

The Group is committed to providing quality after-sales services to our clients. For instance, we are responsive to the challenges faced by our clients. Further, we also provide telephone and on-site support and maintenance services for corrections of defects and problems. We also provide daily health check to ensure the software systems are in order.

Any serious complaints that we received will be handled by Customer Support Manager or Account Manager, before being escalated to our Chief Executive Officer for investigation. Upon full investigation, an incident report will be generated together with a plan of action containing rectification steps to prevent future occurrence. To ensure that we continue to deal with complaints effectively and our customer complaints policy is kept abreast of new or update on relevant laws and regulations, we will consult with legal advisors if necessary. During the Reporting Period, the Group was not aware of any material complaints in this regard.

### **Intellectual Property Protection**

The Group regards our copyrights, trademarks and other intellectual property as critical to our success. We rely primarily on a combination of copyright, trademark and other intellectual property-related laws in Hong Kong, as well as confidentiality procedures and contractual restrictions to establish and protect our intellectual property rights.

Under the Copyright Ordinance, there are certain provisions to protect copyrighted work of computer programmes. However, there is no formal procedure to register the copyright of our software in Hong Kong. Should there be any relevant formal procedures in the future, we may consider registering the copyright of our software in Hong Kong.

### **Advertising/labelling**

The Group's business does not involve product packaging and labelling activities. Therefore, labelling issue is not relevant to the operations of the Group. The Group does not involve significant advertising activities. The Group promotes products and services to potential clients of the industry in conferences, seminars and exhibitions. Referral of new clients by existing clients as a result of the departure of employees of existing clients and business expansion by existing clients or setting up of new Exchange Participants<sup>11</sup> (EPs) by owners of existing clients is the major channel in expanding our client base.

### **Customer Data Protection and Privacy**

The Group is committed to ensuring the privacy of our customers and the Group adheres to the Personal Data (Privacy) Ordinance of Hong Kong. All personal information collected in whichever formats or platforms will only be used for the purposes for which the information has been collected which have been made known to the customers. Our Employee Handbook sets out employee's conduct in information protection. Some of the precautionary measures are adopted as follows:

- Files should be returned to the filing areas when they are not in use.
- Confidential documents that are no longer required must be shredded and must not be discarded in wastepaper baskets.
- Firewall and anti-virus solution are installed to protect the internal network and prevent the computers from virus infection.

### **Anti-corruption**

Honesty and integrity are the core values embraced by all employees of the Group. We have *Anti-Money Laundering Policy* and *Anti-Fraud Policy* in place to maintain a high standard of corporate governance practices.

The *Entertainment and Business Gift Policy* in the *Employee Handbook* sets out employee's conducts in dealing with issues related to the acceptance of gifts and conflicts of interest. All received gifts should be reported to the respective department head and management. For a gift with a value over a certain amount, an endorsement from the management team is required. The Human Resources Department maintains all records, receipts, account information and other documents that the employee submitted.

To encourage all its employees to adopt good and proper business ethics and to report promptly any malpractices, the Group has also established a Whistle Blowing Policy. The whistleblower can convey his concerns on malpractice by sending or e-mailing written reports to the Board of Directors or the Audit Committee. All information is kept anonymously and confidentially. The reports of malpractices are handled and investigated by the designated department, which reports directly to the Board.

The Group strictly abides by the laws and regulations relating to bribery, extortion, fraud and money laundering in Hong Kong, including the Prevention of Bribery Ordinance. During the Reporting Period, the Group was not aware of any material non-compliance with applicable standards, rules and regulations relating to bribery, extortion, fraud and money laundering and there were no complaints or legal actions relating to corruption concerning the Group or any of its staff.

### **Community**

#### **Community Investment**

The Group is committed to maintaining the sustainability of its business and communities. Our Community Investment Policy establishes a framework and guidelines for community investment, sponsorship and donations, and is expected to contribute towards community wellness. We support social welfare organisations that sharing same goals as us through donations. Donations made by the Group during the year amounted to HK\$200,000 to a service project named “獅子與您『飯飯掂』”, which aims to help the low-income families, single-parent families, singleton elderlies, and South Asian families.

We aim to develop long-term relations with our stakeholders based on mutual trust, respect and integrity. We also seek to make contributions to programs with positive impact on community development. We encourage our employees to volunteer and work through collaboration with strategic giving as well as capacity-building initiatives to try and create a positive impact on the community.

<sup>11</sup> An Exchange Participant is a corporation who may trade on or through the Exchange and is licensed under the Securities and Futures Ordinance to carry on securities/futures/options dealing activity.

# 2021 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## ESG REPORTING GUIDE CONTENT INDEX

Subject Areas, Aspects, General Disclosures and KPIs (Note 1)		Reference/ Response
<b>Subject Area A. Environmental</b>		
<b>Aspect A1 Emissions</b>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste	Emissions
KPI A1.1	The types of emissions and respective emissions data	Emissions
KPI A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Emissions
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Emissions
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Emissions
KPI A1.5	Description of emission target(s) set and steps taken to achieve them	Emissions
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved	Emissions
<b>Aspect A2 Use of Resources</b>		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials	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)	Use of Resources
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility)	Use of Resources
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them	Emissions/Use of Resources
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved	Use of Resources
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced	Not relevant to the Group's business
<b>Aspect A3 The Environment and Natural Resources</b>		
General Disclosure	Policies on minimising the issuers' significant impact on the environment and natural resources	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	The Environment and Natural Resources
<b>Aspect A4 Climate change</b>		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer	Climate change
KPI A4.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	Climate change

Subject Areas, Aspects, General Disclosures and KPIs (Note 1)	Reference/ Response	
<b>Subject Area B. Social</b>		
<b>Employment and Labour Practice</b>		
<b>Aspect B1 Employment</b>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, antidiscrimination, and other benefits and welfare	Employment
KPI B1.1	Total workforce by gender, employment type, age group and geographical region	Employment
KPI B1.2	Employee turnover rate by gender, age group and geographical region	Employment
<b>Aspect B2 Health and Safety</b>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards	Health and Safety
KPI B2.1	Number and rate of work-related fatalities	Health and Safety
KPI B2.2	Lost days due to work injury	Health and Safety
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	
<b>Aspect B3 Development and Training</b>		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities	Development and Training
KPI B3.1	The percentage of employees trained by gender and employee category	Development and Training
KPI B3.2	The average training hours completed per employee by gender and employee category	Development and Training
<b>Aspect B4 Labour standards</b>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child or forced labour	Labour Standards
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour	Labour Standards
KPI B4.2	Description of steps taken to eliminate such practices when discovered	Labour Standards

## 2021 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

<b>Subject Areas, Aspects, General Disclosures and KPIs (Note 1)</b>		<b>Reference/ Response</b>
<b>Aspect B5 Supply Chain Management</b>		
General Disclosure	Policies on managing environmental and social risks of supply chain	Supply Chain Management
KPI B5.1	Number of suppliers by geographical region	Supply Chain Management
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	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	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.	Supply Chain Management
<b>Aspect B6 Product Responsibility</b>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress	Product Responsibility
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	Not applicable. The Group primarily engaged in provision of financial software solution services. The activity does not pose any threats to the safety or health of our customers.
KPI B6.2	Number of products and service-related complaints received and how they are dealt with	Product Responsibility
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights	Product Responsibility
KPI B6.4	Description of quality assurance process and recall procedures	Product Responsibility
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	Product Responsibility
<b>Aspect B7 Anti-corruption</b>		
General Disclosure	Information on (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering	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	No cases
KPI B7.2	Description of preventive measures and whistleblowing procedures, how they are implemented and monitored	Anti-corruption
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Anti-corruption



## 2021 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

<b>Subject Areas, Aspects, General Disclosures and KPIs (Note 1)</b>		<b>Reference/ Response</b>
<b>Aspect B8 Community Investment</b>		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests	Community Investment
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)	Community Investment
KPI B8.2	Resources contributed (e.g. money or time) to the focus area	Community Investment

Note 1: All general disclosure made under each aspect and KPIs in the "Environmental" subject area are report on the "comply or explain" provisions while others are recommended disclosure set out in the ESG Guide.