



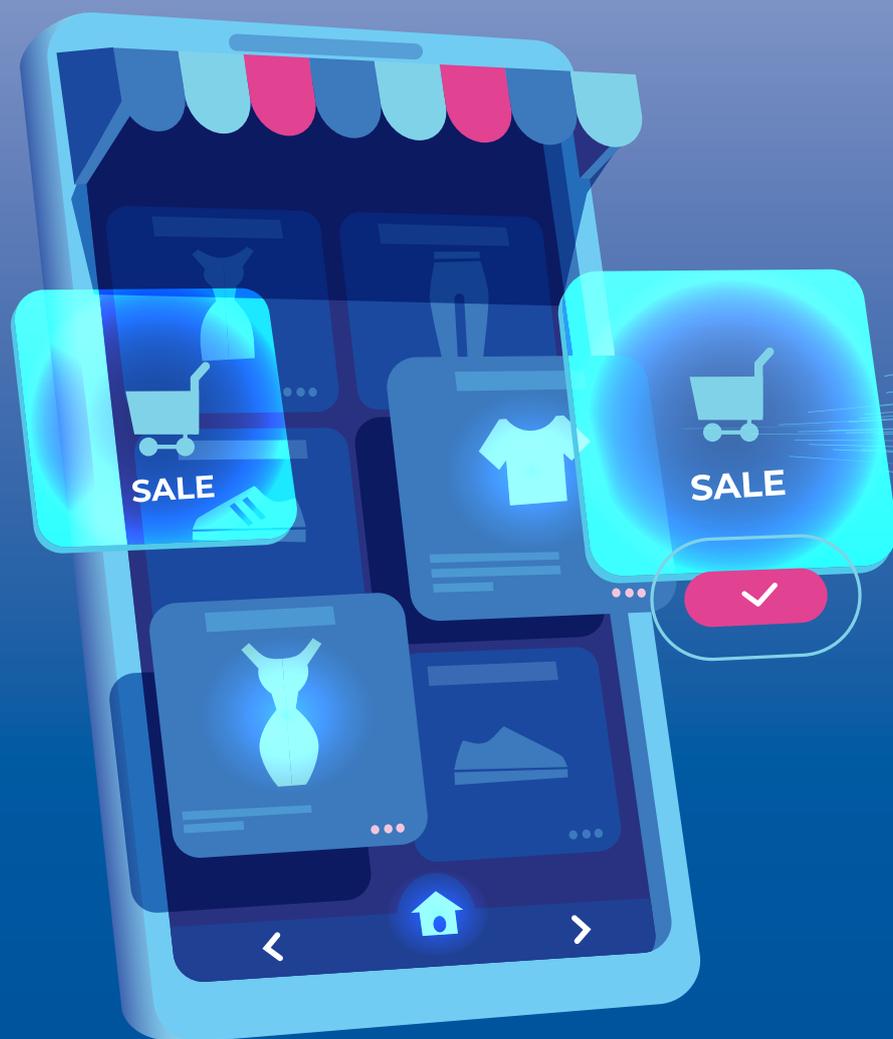
ORIENTAL PAYMENT GROUP

Oriental Payment Group Holdings Limited

東方支付集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 8613



2022

ENVIRONMENTAL, SOCIAL AND
GOVERNANCE REPORT

Environmental, Social and Governance Report

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Environmental, Social and Governance Report

BOARD STATEMENT

Dear Stakeholders,

On behalf of the board (the “**Board**”) of directors (the “**Directors**”) of Oriental Payment Group Holdings Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**” or “**we**” or “**us**”), I hereby present to you the annual results of the Group’s policies, measures and performance on the key Environmental, Social and Governance (“**ESG**”) issues for the year ended 31 March 2022.

The Group adheres great importance to ESG concerns as we understand that all of us and our next generation could be affected by ESG issues. Therefore, as an influential listing company, the Board has responsibility for evaluating and identifying the Group’s ESG-related risks and ensuring that appropriate and effective ESG risk management and internal control systems are in place. It makes sense, therefore, that a strong ESG motion can create value for the Group’s development. We put the sustainable development of our business as the top priority of our long-term development goals and incorporate climate-related issues and ESG elements into our long-term business strategic plan. We have set clear short-term and long-term sustainable development targets to achieve ongoing emissions and resources consumption reduction progress according to the Group’s performance after implementing the reduction initiatives and measures.

The Board will also monitor and review the effectiveness of management approach on a regular basis, including reviewing the Group’s ESG performance and adjusting corresponding action plans. Effective implementation of ESG policies relies on the collaboration of different departments. In order to endeavour to achieve the objective of sustainability development, the Group has established an inter-departmental ESG Working Group to coordinate different departments and enhance their mutual co-operation, for ensuring consistent work performance which could be aligned with the stakeholders’ expectations.

Looking ahead, the Board will continue to review and monitor the ESG performance of the Group and provide material, reliable, consistent and comparable ESG information to its stakeholders for making contributions to create a better environment.

Yours faithfully,
For and on behalf of the Board
Dr. Ng Kit Chong
Chairman and Executive Director
Hong Kong, 24 August 2022

Environmental, Social and Governance Report

ABOUT THE REPORT

The Group is pleased to present the Environmental, Social and Governance Report (the “**Report**”) for the year ended 31 March 2022 to summarise the Group’s policies, measures and performance on the key ESG issues.

Reporting Period

This Report illustrates the Group’s policies and performance regarding the environmental and social aspects from 1 April 2021 to 31 March 2022 (the “**Reporting Period**” or “**2021/2022**”).

Reporting Scope and Boundary

The Group is principally engaged in merchant acquiring business in providing a suite of comprehensive payment processing services. The Report discloses ESG related policies and initiatives for the core and material business in Hong Kong, the People’s Republic of China (the “**PRC**”) and Thailand, which accounted for 100% of the Group’s total revenue during the Reporting Period.

Reporting Basis and Principle

The Report is prepared in accordance with the Environmental, Social and Governance Reporting Guide (the “**ESG Guide**”) as set out in Appendix 20 to the Rules Governing the Listing of Securities on GEM of the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and based on the four reporting principles – materiality, quantitative, balance and consistency:

- “Materiality” Principle:
The Group determines material ESG issues by stakeholder engagement and materiality assessment. Details are explained in the section headed “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:
The Report identifies the achievements and challenges faced by the Group.
- “Consistency” Principle:
The Report uses consistent methodologies for meaningful comparisons throughout the years unless improvements in methodology are identified.

The Group has complied with all “comply or explain” provisions set out in the ESG Guide.

The information contained herein is sourced from official 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 in the last section hereof for quick reference. The Report is prepared and published in both English and Chinese. In the event of contradiction or inconsistency, the English version shall prevail.

Environmental, Social and Governance Report

Review and Approval

The Report was reviewed and approved by the Board of Directors on 24 August 2022.

Feedbacks

The Group respects your view on the Report. Should you have any opinions or suggestions, you are welcome to send to us an email via enquiry@ocg.com.hk.

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ESG GOVERNANCE

The Group is committed to integrating ESG factors into its operations, creating sustainable value for stakeholders and fulfilling its responsibilities as a corporate citizen. The Group has established an ESG Working Group (the “**Working Group**”), which aims to manage and monitor the Group’s sustainability performance for the long-term strategy development and economic growth of the Group. The Working Group is composed of core members from different departments of the Group. During the Reporting Period, we continued to maintain a high standard in governance. We strictly operated in accordance with laws and regulations, improved the governance structure in accordance with the current company status, and clarified the scope of duties and working procedures. The Working Group is also responsible for communicating with external consultants and collecting ESG data, as well as reporting to the management on the implementation of ESG measures and performance of the business units regularly. The Working Group directly reports to the Board.

Under a systematic ESG management approach, the Board takes the lead on and has the oversight of the execution of ESG policies within the Group and assumes the ultimate responsibility of the ESG Report. With a clear message instructing the building of corporate sustainability goals and metrics, the management of the Group oversees and supervises the implementation of relevant policies and reports the progress of targets and the effectiveness of the execution to the Board. The Board identifies and evaluates the business risks and opportunities together with the market changes based on the feedback and makes informed decisions accordingly.

Environmental, Social and Governance Report

STAKEHOLDER ENGAGEMENT

The Group emphasises the participation of its stakeholders, including shareholders of the Group, employees, customers, suppliers, etc. All of them have a substantial impact on the success of its business or activities.

The Group believes that stakeholder engagement has a significant level of influence in developing sustainable development strategies and fulfilling social responsibilities which is the basis for the Group's strategy formulation and decision-making. The Group communicates with its stakeholders through various channels, shown as below.

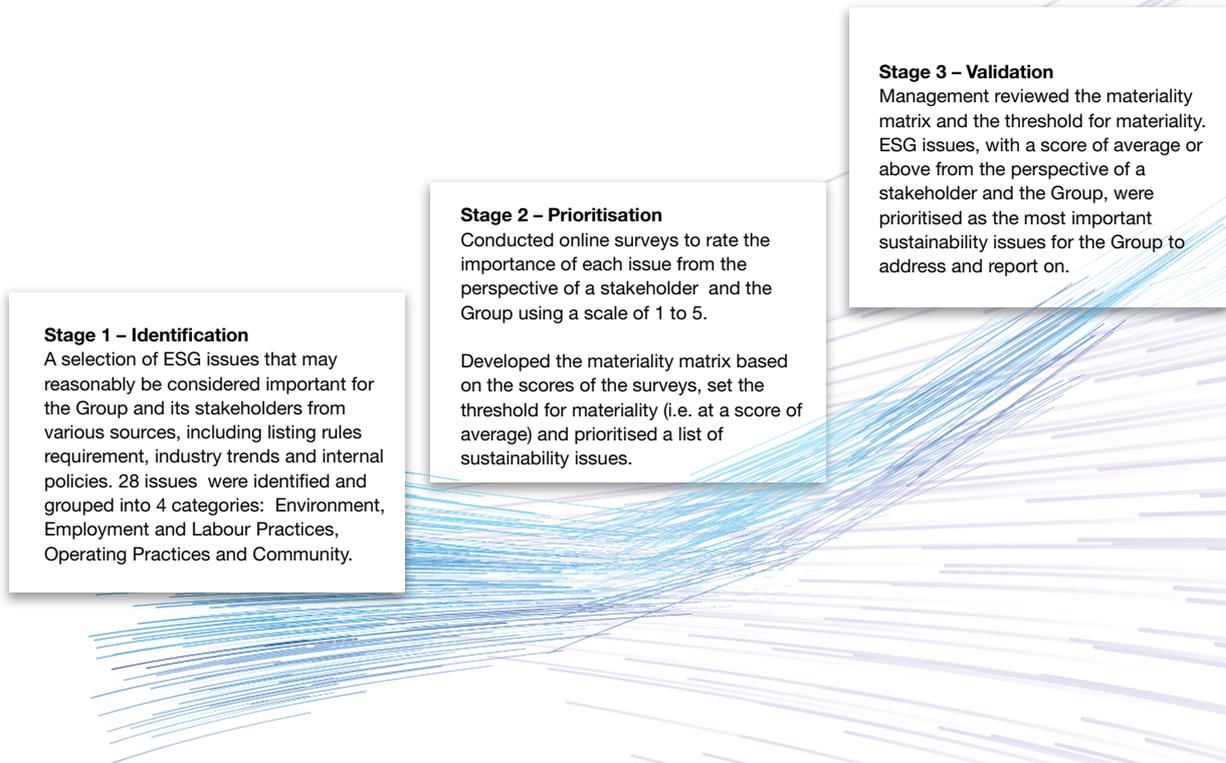
Stakeholders	Communication Channel
Government and regulatory agencies	<ul style="list-style-type: none">• Annual reports, interim reports, ESG reports and other public information
Shareholders and investors	<ul style="list-style-type: none">• Annual general meetings and other general meetings of shareholders• Company website• Press releases or announcements• Annual reports, interim reports, ESG reports and other public information
Employees	<ul style="list-style-type: none">• Regular meetings• Performance appraisals• Suggestion boxes and internal seminars
Customers	<ul style="list-style-type: none">• Company website• Emails• Customer service hotline
Suppliers	<ul style="list-style-type: none">• Regular meetings• Performance evaluation mechanisms• Business contacts
Community	<ul style="list-style-type: none">• Community activities• Company website

Environmental, Social and Governance Report

MATERIALITY ASSESSMENT

In preparing the ESG report, the Group directly engaged with the following stakeholders as part of the materiality assessment process to identify and prioritise the issues to include in the ESG Report which the Board believes would have significant impact on the Group's business and its stakeholders.

Materiality Process

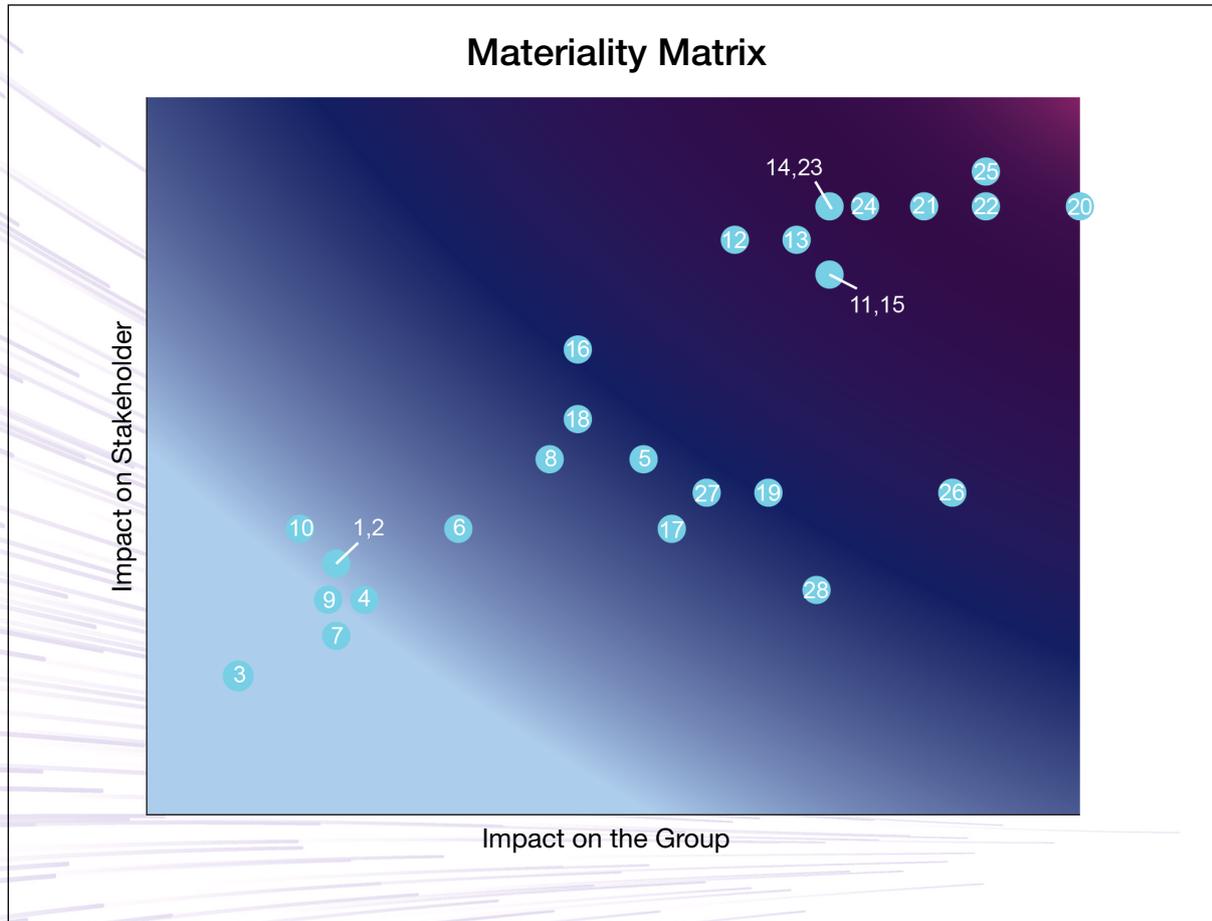


Materiality Matrix

Based on the materiality matrix, we believe the most pertinent ESG issues include the following:



Environmental, Social and Governance Report



- | | | |
|--|--|---|
| 1 Air Emissions | 10 Climate Change | 19 Compliance with Regulations on Marketing, Products and Service |
| 2 Greenhouse Gas Emissions | 11 Employment Practices | 20 Customers' Privacy and Confidentiality |
| 3 Effluent Management | 12 Diversity and Equal Opportunities | 21 Customer Satisfaction |
| 4 Waste Management | 13 Anti-discrimination | 22 Intellectual Property |
| 5 Energy Efficiency | 14 Staff Occupational Health and Safety | 23 Safety of Services and Products |
| 6 Water Efficiency | 15 Staff Development and Training | 24 Quality of Services and Products |
| 7 Use of Raw Materials and Packaging Materials | 16 Prohibition of Child Labour and Forced Labour | 25 Business Ethics |
| 8 Environmental Regulations Compliance | 17 Responsible Supply Chain Management | 26 Anti-corruption training for management and employees |
| 9 Land Use, Pollution and Restoration | 18 Environmental Friendliness on products or service purchased | 27 Contributions to the society |
| | | 28 Communication and connection with local community |

Environmental, Social and Governance Report

OUR ENVIRONMENT

Overview

Regarding to the Group's nature of business, its operations do not involve significant emissions of air pollutants and greenhouse gases, or significant disposal of wastes, or use of resources. In our ordinary course of business, the Group does not pose material adverse impact to the environment. Nevertheless, the Group believes that, as a responsible corporate, we should incorporate the idea of sustainable development into our daily management, and are committed to improving the efficiency of resources utilisation and enhancing our environmental performance.

The Group is committed to minimalising the environmental impacts of the Group's business operations by strengthening external and internal communication and implementing environmental measures to reduce our footprint from energy consumption and waste generation. We promote the concept of green and sustainable working environment, address waste management, and adhere to the four "Rs" principle of environmental protection (Reduce, Reuse, Recycle, Replace). Looking ahead, we will constantly review our internal operational practices to ensure that they are in line with the concept of sustainable corporate development.

In addition, the Group advocates energy saving and carbon reduction, and is committed to achieving sustainable operations. To this end, we have set clear emission reduction targets, compared with the 2020 baseline, and strive to achieve the following targets by 2026:

- In view of the Group's business nature, we do not generate significant amount of air pollutants. Therefore, the Group is unable to collect relevant data for establishment of air emission reduction target;
- Water consumption of office is not available as the related fee is included in the rental fee, the Group is unable to obtain relevant data from the owner of the office premise for the establishment of water consumption reduction target;
- Reduce energy consumption by 3% in terms of intensity (kWh per employee); and
- Reduce waste disposal by 3% in terms of intensity (tonnes per employee).

All targets set on environmental KPIs will be reviewed and updated in due time by the ESG Working Group and the Board.

Environmental Compliance

During the Reporting Period, the Group strictly abides by all applicable laws and regulations, as set out in the countries and regions where the Group operates, including but not limited to the Waste Disposal Ordinance (Cap. 354) of Hong Kong, the Environmental Protection Law of the PRC (《中華人民共和國環境保護法》), and Enhancement and Conservation of National Environmental Quality Act, B.E. 2535 of Thailand. During the Reporting Period, to the best of our Directors' knowledge, the Group was not aware of any significant non-compliance incidents regarding to environmental issues.

Environmental, Social and Governance Report

Air Emissions

The Group is principally engaged in merchant acquiring business, and the day-to-day operations are predominantly office-based. In addition, the Group does not own any vehicles or engage in any activities that generate significant air pollutants. Therefore, the Group's operations have no material impact on the environment in relation to air emissions.

Greenhouse Gas (GHG) Emissions

The Group's GHG emission is primarily related to the indirect emission (Scope 2) from electricity consumption at our offices, which accounted for approximately 92% of total GHG emissions. Meanwhile, other indirect emission (Scope 3) mainly refers to paper waste disposed at landfills. In response to the community's increasing concern on GHG emissions, climate changes, and other related issues, management places a strong emphasis on strict adherence to environmental protection and sustainability measures. Initiatives to reduce energy consumption and resource conservation will be detailed in the section headed "Energy Efficiency". We will continue to review relevant practices on a timely manner to ensure that our business continues to scale and grow with minimal impact to the environment. The below table sets forth the Group's GHG emissions¹ during the Reporting Period:

	Unit	2021/2022	2020/2021
Scope 1 ²	tonnes CO ₂ -equivalent	–	–
Scope 2 ³	tonnes CO ₂ -equivalent	22.75	19.93 ⁴
Scope 3 ⁵	tonnes CO ₂ -equivalent	1.86	2.34
Total	tonnes CO₂-equivalent	24.61	22.27⁴
Intensity	tonnes CO ₂ -equivalent per employee ⁶	0.77	0.70 ⁴

The total GHG emissions and its intensity represent an increase of approximately 14.15% and 10% respectively, as compared to last year, as we rent an additional office in Hong Kong and Thailand operation has resumed from work from home arrangement.

¹ The calculation of greenhouse gas emissions is made reference to the "How to prepare an ESG Report? Appendix 2: Reporting Guidance on Environmental KPIs" issued by the Stock Exchange and "List of Grid Emission Factors version 10.12" issued by the Institute for Global Environmental Strategies.

² Scope 1: Direct emission from the business operations owned or controlled by the Group, such as emissions from diesel and petroleum burnt on site.

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

⁴ The figures are restated.

⁵ 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 commercial business travel, processing fresh water and sewage by third party and paper wastes disposed at landfills.

⁶ The Group's total number of employees in Hong Kong, the PRC and Thailand as at the end of the Reporting Period 2020/2021 and 2021/2022 were 29 and 32 respectively.

Environmental, Social and Governance Report

Waste Management

Our inherent business nature does not generate hazardous waste. The generation of non-hazardous waste results principally from the paper consumption for administrative work. In order to effectively reduce paper consumption, we have closely monitored the office paper recycled and reused, and encourages our employees to initiate waste reduction practices, including but not limited to double-sided printing, reusing paper printed on one side, and minimising printing by using electronic file transferring. The Group has also setup a recycle corner in the office for used batteries, waste electronic equipment and printer cartridges. The details on the amount of waste generated and their treatments during the Reporting Period are as follows:

Wastes	Handling Method	Unit	2021/2022	2020/2021 ⁴
Non-hazardous wastes	Landfill	tonnes	0.39	0.90
	Recycled	tonnes	0.04	–
Total		tonnes	0.43	0.90
Intensity		tonnes per employee ⁵	0.013	0.031

The total waste generated and its intensity decreased 12.2% and 23.5% respectively, compared with last year, which proven the effectiveness of our waste management initiatives. Looking ahead, we will continue to improve our internal data collection mechanism for a more comprehensive disclosure in the coming years.

Use of Resources

The Group is committed to improving on energy efficiency, conserving resources for our operations and raising the awareness of our employees. Energy consumption is mainly derived from electricity consumption at our offices as we do not consume fossil fuel in our operations. Water is managed centrally by the office property management company. Therefore, we do not have any issue in sourcing water and the corresponding water consumption data is not available as the related fee is included in the rental fee, we are unable to obtain relevant data from the owner of the office premise. Also, as our operations are majorly conducted at offices, the Group considers that our water consumption is minimal.

Energy Efficiency

The energy consumption was mainly incurred by purchased electricity consumption for our offices. Both the total energy consumption of electricity and the intensity of energy consumption increased by 10.6% and 0.27% during the Reporting Period, as compared to last year. The total electricity consumption increased as we rent an additional office in Hong Kong and Thailand operation has resumed from work from home arrangement during the Reporting Period.

The Group encourages its staff to support environmental protection and reduce energy and material consumption in daily office environment. We have implemented energy-saving measures and initiatives, including but not limited to maintaining the air conditioning temperature at 25 degrees Celsius, and turning off electronic devices that are not in use.

⁴ The figures are restated

Environmental, Social and Governance Report

The Group's energy utilisation data during the Reporting Period is as follows:

	Unit	2021/2022	2020/2021
Direct energy consumption	kWh	–	–
Indirect energy consumption			
Purchased electricity	kWh	35,741	32,304
Total energy consumption	kWh	35,741	32,304
Intensity	kWh per employee ⁵	1,117	1,114

Paper and Packaging Materials

Packaging materials do not constitute a major issue to the Group given its business nature. The Group mainly adopts paper for administrative work and general use. During the Reporting Period, paper consumed by the Group is as follows:

	Unit	2021/2022	2020/2021
Paper consumption	tonnes	0.43	0.49

The Environment and Natural Resources

The Group is committed to, on an ongoing pace, minimising its impacts on the environment and natural resources. The Group promotes sustainable use and management of resources and promotes adaptation to climate change. As mentioned in the sections headed "Waste Management" and "Energy Efficiency", we have adopted a range of measures for having a green office and encouraged our employees to understand more about the Group's policies in order to enhance our environmental performances and build up the employees' knowledge on the environmental awareness.

As there are also indirect environmental impacts arising from our business operations to influence environmental performance within the value chain and our investments, we will continue to make effort on mitigating such impacts and ultimately contributing towards the goal of creating a low carbon and environmentally conscious economy. The Group will strive to raise awareness of environmental issues and promote eco-friendly practices among communities operated by partnering with industry groups and environmental organisations. Efforts extend to the facilitation and contribution towards policy discourse to further environmental stewardship.

Environmental, Social and Governance Report

Climate Change

Climate change is one of the biggest global challenges faced by the society nowadays, and we are committed to act now to be prepared for the impacts caused by climate change on our communities and industry. In recent years, extreme weather, such as strong winds and heavy rainfall, as well as tides and floods, have become the focus of news. Logistics and supply chains are particularly vulnerable. Heavy rainfall, rising tides, and floods can cause serious damage to assets such as buildings, warehouses, and goods in storage, resulting in financial losses.

In response to the Paris Agreement, the Hong Kong Special Administrative Region (“HKSAR”) Government issued the “Hong Kong’s Climate Action Plan”, and formulated various plans and actions, setting out the vision of “Zero-carbon Emissions, Liveable City, Sustainable Development”. The HKSAR Government has determined to set medium-term goal as halving Hong Kong’s total carbon emissions from 2005 levels before 2035, committed to achieve carbon neutrality by 2050. In the context of the global transition to a low-carbon economy, the Group has also identified potential risks associated with regulatory, technological, market and reputational aspects specific to the location in which we operate. We will integrate these identified risks into our business strategy, integrate assessment and its results into the business risk management framework, and continuously and regularly update and identify, assess and manage various risks.

The Group essentially plans to respond to local governments initiatives and follow local governments’ emission reduction requirements. We aim to reduce emissions by around 3% by 2026, compared with the 2020 baseline, and ensure the Group’s greenhouse gas emissions will comply with the local requirements on or before 2030. We are committed to continuously improving our energy efficiency, applying professional knowledge to improve on-site efficiency and maintain efficient management support, in order to safeguard the Group’s reputation.

The coronavirus disease 2019 (and other related or mutated form) (“COVID-19”) pandemic has presented many new challenges during the Reporting Period, but it has not changed our commitment to climate action. The pace of change has expedited around the world, underscoring the importance for us to accelerate its transition to a low-carbon economy.

Action on climate change

Action on climate change is embedded in the Group’s business strategy and reflected in the governance and management processes of the Company.

Core element	The Group’s response
Governance	<ul style="list-style-type: none">• Setup ESG Working Group and carry out regular meeting• Integrate ESG topics (including climate-related issues) in corporate decision making
Strategy	<ul style="list-style-type: none">• Assess climate change impact that could result in financial and operation risks• Identify risk and opportunities in low-carbon transition
Risk Management	<ul style="list-style-type: none">• ESG Working Group leading the Group to discuss and review ESG risks• Prepare for the transition to a low-carbon economy• Prepare and setup measures to physical climate risks
Metrics and Targets	<ul style="list-style-type: none">• Establish GHG reduction targets so as to achieve net zero emissions

Environmental, Social and Governance Report

The Group has identified a series of climate-related risk and opportunities relevant to our assets and services which are significant to us. These transition and physical risks are discussed in the sections below.

	Risks	Opportunities
Short term (0 – 1 year)	<ul style="list-style-type: none"> Physical risks from extreme weather events Securing the skills and capability required to implement climate strategy 	<ul style="list-style-type: none"> New services to help communities decarbonise Technologies to enhance the performance of operations and energy efficiency
Medium term (5 years)	<ul style="list-style-type: none"> Transition risks – Implementation of low-carbon policies for the operation Transition risks – Supply and demand for certain commodities, products and services may change as climate related risks and opportunities are increasingly taken into account 	<ul style="list-style-type: none"> Transitioning to low carbon economy market to meet government decarbonisation targets
Medium to long term (5+ years)	<ul style="list-style-type: none"> Transition risks – Potential new regulations and policies Transition risks – Development and use of emerging technologies may increase the operational costs, and reduce the Groups’ competitiveness Transition risks – the Group’s reputation may be impacted due to changing customer or community perceptions of said the Group’s contribution to or detraction from the transition to a lower-carbon economy 	<ul style="list-style-type: none"> Transitioning to low carbon economy market to meet government decarbonisation targets To work as a pioneer in the industry and build up the relevant reputations

Environmental, Social and Governance Report

Physical climate risks have the potential to damage the integrity of the Group's assets or interrupt our business and customers directly. The Group has already setup a range of measures in place to enhance the reliance of its operations, including contingency plan for extreme weather or emergency.

Transition risks have the potential to increase the operational cost and legal risks due to change of policy, technology development, digitalisation, relevant risks affected to supply and demand, and reputation due to public perceptions. The Group has already identified the relevant risks and keep monitoring the market and policy updates. The Group has also planned to invest according to the market needs and take this as an opportunity for long term development.

Our Path to 2050

The Group is prepared to address the threats climate change poses both to its business and to the communities that it serves. The Group is determined to deliver and provide safe, reliable, and affordable services for its customers and the Group is fully aware of the importance of the environmental responsibility. The Group will consider raising the targets, wherever possible, to strengthen the environmental protection measures in future.

Environmental, Social and Governance Report

OUR PEOPLE

Employment Management

Policies

The Group regards its employees as its most valuable asset and the cornerstone of its development. We are committed to providing a better working environment and attractive career path for all employees. The quality of our staff is a determining factor for our success, and this holds for both technical and support staff of all levels. Our employee handbook sets out the details on compensation and remuneration, dismissal, recruitment, promotion, working hours, rest periods, diversity, equal opportunities and anti-discrimination, and other benefits and welfare. The Group is dedicated to establishing and promoting a fair, harmonious and respectful workplace.

Compliance Information

The Group has complied with applicable employment laws and regulations, including but not limited to the Employment Ordinance (Cap. 57), the Employees' Compensation Ordinance (Cap. 282), the Mandatory Provident Fund Schemes Ordinance (Cap. 485), the Minimum Wage Ordinance (Cap. 608), the Occupational Safety and Health Ordinance (Cap. 509), the Sex Discrimination Ordinance (Cap. 480), the Disability Discrimination Ordinance (Cap. 487), the Family Status Discrimination Ordinance (Cap. 527), the Race Discrimination Ordinance (Cap. 602) and the Employment of Children Regulations (Cap. 57B) in Hong Kong, the Labour Law of the PRC (《中華人民共和國勞動法》), the Contract Law of the PRC (《中華人民共和國勞動合同法》), Provisions on the Prohibition of Using Child Labour (《禁止使用童工規定》), Thailand's Labour Protection Act, Labour Relations Act, Social Security Act, Workmen's Compensation Act, Occupational Safety, Health and Environment Act, and Anti-human Trafficking Act. During the Reporting Period, the Group was not aware of any significant non-compliance issues in this regard.

Recruitment, Promotion and Dismissal

Recruitment will take place in the event of staff replacements or requests by departments. We recruit our employees based on a number of factors, such as work experience, academic level, skillset, and ethical standard. As for promotion, annual performance appraisals will evaluate employees based on their performance, and those who perform well will be rewarded or promoted accordingly. The dismissal procedure strictly follows the related laws and regulations of the local governments. Either the Group or an employee giving the appropriate period of notice in writing or payment in lieu can bring about the termination of employment. The Group reserves the right to dismiss any employee for serious misconducts, including but not limited to any forms of harassment, fraud and other criminal acts. At the time of termination, employee may be requested to participate in an exit interview for collection of feedback on operational norms and practices for future development of the business. This will be kept confidential if required.

Environmental, Social and Governance Report

Equal Opportunities, Diversity and Anti-Discrimination

The Group is committed to building a diversified and inclusive working environment to ensure no employees will be discriminated against or deprived of opportunities due to gender, ethnic background, religious belief, race, sexual orientation, age, disability, marital status or family status in respect of recruitment and promotion. With required professional qualifications and experience, every individual has equal employment opportunities regardless of the aforementioned factors. The Group has zero tolerance for any form of discrimination or harassment, including but not limited to employees who commit physical assault, threatening behaviour, unwelcome photo-taking and harassment in the workplace. During the Reporting Period, to the best of Director's knowledge, the Group was not aware of any discrimination or harassment case.

Working Hours and Rest Periods

The Group adopts five-day working and the normal working hours for full-time employees are from 9:00 a.m. to 6:00 p.m. from Monday to Friday, with an hour break for lunch, which mean employees should not work over 40 hours per week under normal circumstances.

The resting time of the employees is well-respected and the employees are entitled to paid holidays under their respective employment contracts such as annual leave, sick leave, business leave, maternity leave, examination leave, and bereavement leave. Monkhood leave and military service leave are also available for employees in Thailand.

Work has always been a big part of our normal day, while we also believe that in the fundamental importance of balancing work and life. Nonetheless, due to the intense COVID-19 pandemic condition, we are unable to organise social events and activities for our employees. Depending on the circumstances of the COVID-19 pandemic, the Group will organise limited employee activities, as long as the health and safety of our employees could be ensured.

Remuneration and Compensation

In order to attract and retain talents, the Group offers a competitive remuneration package with a variety of benefits, such as medical insurance, life insurance, annual bonus, travel allowance and night shift allowance. In addition, Mandatory Provident Fund (MPF) Scheme are provided to employees in Hong Kong and Social Security and Housing Provident Fund for those in the PRC. The Group has also implemented a salary management policy, so as to motivate and encourage employees by rewarding individual accomplishments. A series of factors are considered when deciding remuneration adjustment, including but not limited to job knowledge, quality of work, problem-solving and decision-making ability and work planning and organising ability.

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Employment Profile

Workforce	2021/2022	2020/2021
As at 31 March		
By Gender		
– Male	18 (56%)	18 (62%)
– Female	14 (44%)	11 (38%)
By Employment Type		
– Full-time	32 (100%)	29 (100%)
– Part-time	0 (0%)	0 (0%)
By Age Group		
– Below 30	2 (6%)	N/A ⁷
– 30-50	25 (78%)	N/A ⁷
– Over 50	5 (16%)	N/A ⁷
By Geographical Region		
– Hong Kong	15 (47%)	11 (38%)
– PRC	2 (6%)	3 (10%)
– Thailand	15 (47%)	15 (52%)
Overall	32	29

Turnover Rate⁸	2021/2022	2020/2021
By Gender		
– Male	5%	N/A ⁷
– Female	0%	N/A ⁷
By Age Group		
– Below 30	0%	N/A ⁷
– 30-50	0%	N/A ⁷
– Over 50	17%	N/A ⁷
By Geographical Region		
– Hong Kong	6%	N/A ⁷
– PRC	0%	N/A ⁷
– Thailand	0%	N/A ⁷
Overall	3%	N/A⁷

⁷ Relevant data is not available in the 2021 ESG report.

⁸ Turnover rate = Total number of employees left during the Reporting Period / Total number of employees left during the Reporting Period + Total number of employees at the end of the Reporting Period. The Group had a total of 1 employee turnover during the Reporting Period.

Environmental, Social and Governance Report

Prohibition of Child and Forced Labour

The Group strives to be a responsible employer and we are committed to implementing good employment practices, and advocates ethics and human rights at the workplace. We only hire legitimate employees and do not hire any persons who do not meet the minimum working age as specified under applicable laws and regulations of the local governments. During the recruitment process, candidates must submit photocopies of identity cards and present originals for verification purposes. If any child or forced labour cases have been discovered, the underaged labours would be ceased from work immediately. The Group would follow the local labour laws and regulations to handle such cases. We would regularly review our employment practices and updates will be made when needed to mitigate the risks of child and forced labour. During the Reporting Period, to the best of Directors' knowledge, the Group was not aware of any significant non-compliance case relating to child labour and forced labour.

Health and Safety

Due to the nature of our businesses, our employees mainly work in the offices and thus we consider that we have a relatively low level of occupational risk in relation to health and safety. Nonetheless, the Group has been attaching great importance to provide a safe and healthy working environment to our employees and minimise potential workplace injuries. Employees are prohibited from gambling, drinking and drugs of all kinds in the office area during working hours. Other health and safety measures include special working arrangements for extreme weather events and serious COVID-19 pandemic situation, guide to work with computers and fire safety at workplace.

The Group is committed to providing all necessary resources for effective implementation and continuous improvement to minimise and eliminate potential accidents at the workplace. The Group's operation is subjected to relevant laws and regulations, including but not limited to The Occupational Safety and Health Ordinance of Hong Kong (Cap. 509), The Labour Law of the PRC (《中華人民共和國勞動法》), the Labour Contract Law of the PRC (《中華人民共和國勞動合同法》), and the Occupational Safety, Health and Environment Act B.E. 2554 of Thailand.

The following table shows the Safety Performance for the year Ended 31 March.

	2021/2022	2020/2021	2019/2020
Number of work-related deaths	0.00%	0.00%	0.00%
Ratio of work-related deaths	0.00%	0.00%	0.00%
Number of work-related injuries	0.00%	0.00%	0.00%
Working days lost due to work-related injuries	0.00%	0.00%	0.00%

The Group will continue to uphold safety awareness, review on our safety measures and provide instructions to our employees to ensure continuous improvements and avoidance of accidents from occurring. Also, to the best of the Directors' knowledge and belief, during the Reporting Period, the Group was generally in compliance with local labour law regarding occupational health and safety.

Environmental, Social and Governance Report

Training and Development

The Group adhere great importance to continuous development of our employees. Employees are encouraged to attend training programs that will equip themselves with the skills and knowledge necessary for their jobs. During the Reporting Period, our Directors and senior management have attended trainings and seminars, to develop and refresh their knowledge and understanding of the Group's operations and businesses, as well as updates related to the latest laws and regulations. Looking ahead, we will actively improve employee training policies and rules, and provide more comprehensive training programs for employees on occupational safety, professional knowledge and environmental awareness.

The following table illustrates the percentage of employees undergone training of the Group and the number of average training hours achieved during the Reporting Period⁹.

Percentage of Employees Undergone Training ¹⁰	2021/2022	2020/2021
By Gender		
– Male	39%	N/A ⁶
– Female	57%	N/A ⁶
By Employment Category		
– Top management	0%	N/A ⁶
– Middle management	0%	N/A ⁶
– General Staff	75%	N/A ⁶
Overall	47%	N/A⁶
Average Training Hours¹¹	2021/2022	2020/2021
By Gender		
– Male	2.44	N/A ⁶
– Female	4.93	N/A ⁶
By Employment Category		
– Top management	0	N/A ⁶
– Middle management	0	N/A ⁶
– General Staff	5.65	N/A ⁶
Overall	3.53	N/A⁶

⁹ The data only included internal trainings for employees arranged by the Group. The number of training hours achieved by the external training sessions were not available.

¹⁰ Percentage of Employees Undergone Training = Total number of employees undergone training / Total number of employees as of the end of the Reporting Period. The total number of employees trained during the Reporting Period was 15.

¹¹ Average Training Hours = Total number of training hours / Total number of employees at the end of the Reporting Period. The total number of training hours during the Reporting Period was 113.

Environmental, Social and Governance Report

OUR SUPPLY CHAIN

Supply Chain Management

The Group is committed to building lasting and constructive relationships with partners in its supply chain. As a payment merchant acquirer, the Group's main procurement is the Point of Sale ("POS") terminals. To ensure the quality of hardware, the Group only works with UnionPay International certified suppliers. During the Reporting Period, all of our suppliers were from Thailand. The Group did not purchase any POS terminals due to the low business volume caused by the COVID-19 pandemic during the Reporting Period.

Environmental and social-related criteria are also taken into consideration when selecting new suppliers and assessing existing suppliers. During our selection process for suppliers, not only do we consider economical and commercial factors in the tendering processes but also conduct a serious assessment of their compliance with all the applicable laws and regulations of the local governments; safeguard workers' health and safety; and mitigate environmental impacts. The Group prioritises to work with suppliers that provide environmentally friendly products and services over other suppliers given that they share the same business nature, or those accredited with relevant qualifications such as ISO 9001 (quality management) and ISO 14001 (environmental management) and ISO 45001 (occupational health and safety).

To ensure a stable, quality assured, cost-efficient and well-managed supply chain, the Group has issued and implemented procurement managements rules and guidelines containing procedures with respect to procurement including quality control, warehousing, and payment. From time to time, we will also conduct assessment of our approved suppliers in order to ensure that they provide quality products and services. We may terminate our cooperation with suppliers who fail to meet our standards. The Group is dedicated to continually monitoring and working closely with its suppliers to ensure that they are managed under the environmentally sustainable and socially responsible practices as stated above. During the Reporting Period, the Group was not aware of any material environmental and social non-compliance of our suppliers.

Environmental, Social and Governance Report

OUR CUSTOMER

Product Responsibility and Service Quality Management

Providing quality products and services to our customers, the merchants, is fundamental to the Group. As an integral part of overseas merchant payment infrastructure, the Group has always strived to improve the speed and operational efficiency of payment links, so as to improve the overall end-user experience. In terms of product risk management, the Group has established a strict Know Your Customer (“KYC”) process, which demands a full set of disclosure of new customers and corresponding assessment and verification before confirmation of onboarding. In addition, all transactions are monitored in real time to identify abnormal activity and trigger exception handling protocol, thereby preventing attempted transaction fraud. In view of our business nature, there is no significant concern towards health and safety of customers. During the Reporting Period, there were no sold or shipped products of the Group that were subject to recalls for safety and health reasons.

Complaint Handling

The Group believes that having adequate communication with its customers and maintaining customer satisfaction is essential. In addition to the day-to-day business dealings, the Group has a customer service hotline and email to ensure that all customers have a timely channel to reach us. All collected information is filed properly and followed up in accordance with the established customer issue handling process until the loop is closed. Despite the impacts of the COVID-19 pandemic, these procedures were followed accordingly in the Reporting Period. During the Reporting Period, the Group did not receive any material product and service-related complaint.

Intellectual Property, Advertising and Labelling

Based on the nature of the Group’s business, we believe that the Group’s assets and services are not affected by intellectual property rights. The Group has two domain names which are material to the business, namely “www.ocg.com.hk” and “www.ocgt.co.th”, for which the Group is the registered proprietor.

The Group strictly abides by the Trade Descriptions Ordinance (Cap. 362) and other relevant laws and regulations, regulating the advertising practices in the operating regions. To the best of our Directors’ knowledge, the Group was not aware of any significant impact relating to intellectual property rights, advertising and labelling on its operations during the Reporting Period. We will closely monitor the business environment to identify any significant risks in this area.

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Data Protection and Privacy

Data security and customer privacy protection is the primary focus of the service to customers. The Group has the code of conduct in place to safeguard the confidentiality of all customers and warrants that the customer's information is properly protected throughout our business operation. The Group also ensures that confidentiality requirements will remain effective to personnel upon the termination of employment. Employees are required to return all company properties back to the human resources department on their last day of employment. We have zero tolerance towards any information leakage or unauthorised use of customer data. Employees are prohibited from disclosing information such as customer information, products, plans, strategies, methods of operation and work systems, and other confidential information to third parties without permissions. Various level of access to the information system are clearly defined based on business needs, and clear guidelines are provided for information collection and entry, data maintenance and use. The Group also acquired certificate of data destruction and recycling for reliable data destruction.

During the Reporting Period, the Group acted in strict accordance with the relevant laws and regulations, including but not limited to the Personal Data (Privacy) Ordinance (Cap. 486), the Provision of Services (Implied Terms) Ordinance (Cap. 457), the Cybersecurity Law of the PRC, and the Personal Data Protection Act, the Computer Crime Act B.E. 2550 and the Electronic Transactions Act B.E. 2544 of Thailand. During the Reporting Period, there was no material non-compliance or violation in data protection and privacy.

Business Ethics

Anti-corruption

The Group recognises the importance of the value of honesty, integrity and fairness of our employees and in our business activities. Our code of conduct and anti-corruption policy have outlined the expected business conduct and professional ethics of employees. They set out our management approaches on anti-frauds and anti-corruption, as well as providing the guidelines on implementation, treatment, and identification of frauds and corruption. The Group strictly prohibits its employees from soliciting, accepting or offering material benefits associated with their positions, such as commissions, gifts and services, under any circumstances. All Directors and management team members are encouraged to complete annual anti-corruption training. The policy has circulated through the Company's communication channels such as email, website and intranet. All employees should conduct themselves in an ethical manner, not seeking personal gains from their position. The policy will be reviewed on an annual basis or whenever significant changes took place.

During the Reporting Period, the Group acted in strict accordance with the laws and regulations relating to bribery, extortion, fraud and money laundering in the regions of operations, including but not limited to the Prevention of Bribery Ordinance (Cap. 201) in Hong Kong, the Anti-Unfair Competition Law of the PRC (《中華人民共和國反不正當競爭法》), the Act Supplementing the Constitution Relating to the Prevention and Suppression of Corruption in Thailand. During the Reporting Period, the Group was not involved in any significant non-compliance cases or concluded legal cases regarding corrupt practices brought against the Group or our employees.

Whistle-blowing procedures

In order to maintain good corporate governance, emphasising accountability and high degree of transparency, the Group sets up a mechanism allowing its employees to report any malpractices existing in the Group under the condition of confidentiality and maps out the investigation procedure. The Group encourages employees to call attention to any alleged misconduct or delinquency occurring in the Group. The Group guarantees that whistle-blower will be protected from unjust disciplinary action or harm as a result of any valid report.

In any instances of misconduct, including breach of confidentiality or any conflicts of interest, acts of bribery and corruption, disciplinary action will be taken against the employees found to be involved, and the severity of punishment will be determined by the Disciplinary Committee. Such punishment may include termination of employment or even extend to further legal action.

Environmental, Social and Governance Report

OUR COMMUNITY

We believe that corporates should utilise their influence in the community to promote harmony and strengthen the community connections. The Group encourages its employees and their family members to participate in volunteering work serving the community, and always looks for partners to organise community events and charity works together.

Due to the COVID-19 pandemic, we have limited our community participations and volunteering events during the Reporting Period. In order to respond and prevent community transmission of the virus, we have required our employees to strictly complied and implemented the hygienic measures. Also, we encourage our employees in participating the COVID-19 Vaccination Programme to mitigate the risk of virus from spreading amongst the community.

Looking ahead, we look forward to engaging in more community events upon the easing of COVID-19 pandemic restrictions.

Environmental, Social and Governance Report

ESG GUIDE INDEX

Subject Areas, Aspects, General Disclosures and Key Performance Indicators (KPIs)

A: Environment

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

Section/Statement

Our Environmental – Overview, Environmental Compliance

KPI A1.1

The types of emissions and respective emissions data

Our Environmental – Air Emissions

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)

Our Environmental – Greenhouse Gas (GHG) Emissions

KPI A1.3

Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)

Our Environmental – Waste Management

KPI A1.4

Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)

Our Environmental – Waste Management

KPI A1.5

Description of emissions target(s) set and steps taken to achieve them

Our Environmental – Overview

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

Our Environmental – Overview, Waste Management

Environmental, Social and Governance Report

Subject Areas, Aspects, General Disclosures and Key Performance Indicators (KPIs)

Aspect A2: Use of Resources

Section/Statement

General Disclosure	Policies on efficient use of resources, including energy, water and other raw materials	Our Environmental – 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)	Our Environmental – Use of Resources – Energy Efficiency
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility)	Our Environmental – Use of Resources
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them	Our Environmental – Overview
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	Our Environmental – 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

Aspect A3: The Environment and Natural Resources

General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources	Our Environmental – 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	Our Environmental – 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	Our Environmental – 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	Our Environmental – Climate Change

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Subject Areas, Aspects, General Disclosures and Key Performance Indicators (KPIs)

B: Social

Section/Statement

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.	Our People – Employment Management – Policies, Compliance Information
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region	Our People – Employment Management – Employment Profile
KPI B1.2	Employee turnover rate by gender, age group and geographical region	Our People – Employment Management – Employment Profile

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	Our People – 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	Our People – Health and Safety
KPI B2.2	Lost days due to work injury	Our People – Health and Safety
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored	Our People – Health and Safety

Environmental, Social and Governance Report

Subject Areas, Aspects, General Disclosures and Key Performance Indicators (KPIs)

Aspect B3: Development and Training

		Section/Statement
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Our People – Training and Development
KPI B3.1	The percentage of employees trained by gender and employee category (e.g.: senior management, middle management)	Our People – Training and Development
KPI B3.2	The average training hours completed per employee by gender and employee category	Our People – Training and Development

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 or forced labour	Our People – Employment Management – Prohibition of Child and Forced Labour
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour	Our People – Employment Management – Prohibition of Child and Forced Labour
KPI B4.2	Description of steps taken to eliminate such practices when discovered	Our People – Employment Management – Prohibition of Child and Forced Labour

Operating Practices

Aspect B5: Supply Chain Management

General Disclosure	Policies on managing environmental and social risks of the supply chain	Our Supply Chain – Supply Chain Management
KPI B5.1	Number of suppliers by geographical region	Our Supply Chain – 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	Our Supply Chain – 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	Our Supply Chain – 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	Our Supply Chain – Supply Chain Management

Environmental, Social and Governance Report

Subject Areas, Aspects, General Disclosures and Key Performance Indicators (KPIs) Aspect B6: Product Responsibility

		Section/Statement
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	Our Customer – Product Responsibility and Service Quality Management
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	Not relevant to the Group's business
KPI B6.2	Number of products and service-related complaints received and how they are dealt with	Our Customer – Complaint Handling
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights	Our Customer – Intellectual Property, Advertising and Labelling
KPI B6.4	Description of quality assurance process and recall procedures	Our Customer – Product Responsibility and Service Quality Management
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	Our Customer – Data Protection and Privacy
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	Business Ethics – 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 concluded legal cases noted during the Reporting Period
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	Business Ethics – Anti-corruption
KPI B7.3	Description of anti-corruption training provided to directors and staff	Business Ethics – Anti-corruption

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Subject Areas, Aspects, General Disclosures and
Key Performance Indicators (KPIs)
Community

Section/Statement

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	Our Community
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)	Our Community
KPI B8.2	Resources contributed (e.g. money or time) to the focus area	Our Community