



FUTURE DATA

FUTURE DATA GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

STOCK CODE: 8229

2022

**ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT**



PREAMBLE

Future Data Group Limited (the “Company”), together with its subsidiaries (collectively referred to as the “Group”), the Group is engaged in provision of (i) integration of systems with network connectivity, cloud computing and security elements; (ii) maintenance services; and (iii) cyber security services in Korea and Hong Kong. This report summarises segments of the Group’s business practices for the Environmental, Social and Governance (“ESG”) report and its relevant implemented policies and strategies in relation to the Group’s operational practices and environmental protection.

REPORTING SCOPE AND STANDARDS

Prepared in accordance with the “Environmental, Social and Governance Reporting Guide” (“ESG Guide”) as set out in Appendix 20 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“SEHK”), this ESG report provides an annual update of the Group’s ESG performance for the period from 1 January 2022 to 31 December 2022 (the “Reporting Period”), which covers our operations in Korea and Hong Kong.

The Group attaches great importance to materiality, quantitative balance and consistency during the preparation of the ESG report. The Group has applied these reporting principles in the ESG Guide as the following:

Materiality: Materiality assessment was conducted to identify material issues during the Reporting Period, thereby adopting the confirmed material issues as the focus for the preparation of the ESG report. The materiality of issues was reviewed and confirmed by the board of directors (the “Board”) and the ESG task force.

Quantitative: The standards and methodologies used in calculation of relevant data in the ESG report, as well as the applicable assumptions were disclosed. The key performance indicators were supplemented by explanatory notes to establish benchmarks where feasible.

Balance: The ESG Report was prepared based on an objective and impartial manner to ensure that the information disclosed faithfully reflects the overall ESG performance of the Group.

Consistency: The statistical methodologies applied to this ESG report were substantially consistent with the previous year, and explanations were provided regarding data with changes in the scope of disclosure and calculation methodologies. If there are any changes that may affect comparison with previous reports, the Group will add comments to the corresponding content of this ESG report.

The information in this report is derived from the Group’s official documents and statistical data, as well as the integration and summary of monitoring, management and operational information provided by subsidiaries of the Group. The Group undertakes that there is no false record and no misleading statement and assumes liabilities to the authenticity, accuracy and completeness of its content. The Board acknowledges the overall responsibility for the Group’s ESG strategies and reporting and for evaluating and determining the Group’s ESG related risks. ESG performance is measured, reviewed and reported to the management regularly for continuous improvement.

ENGAGEMENT WITH STAKEHOLDERS

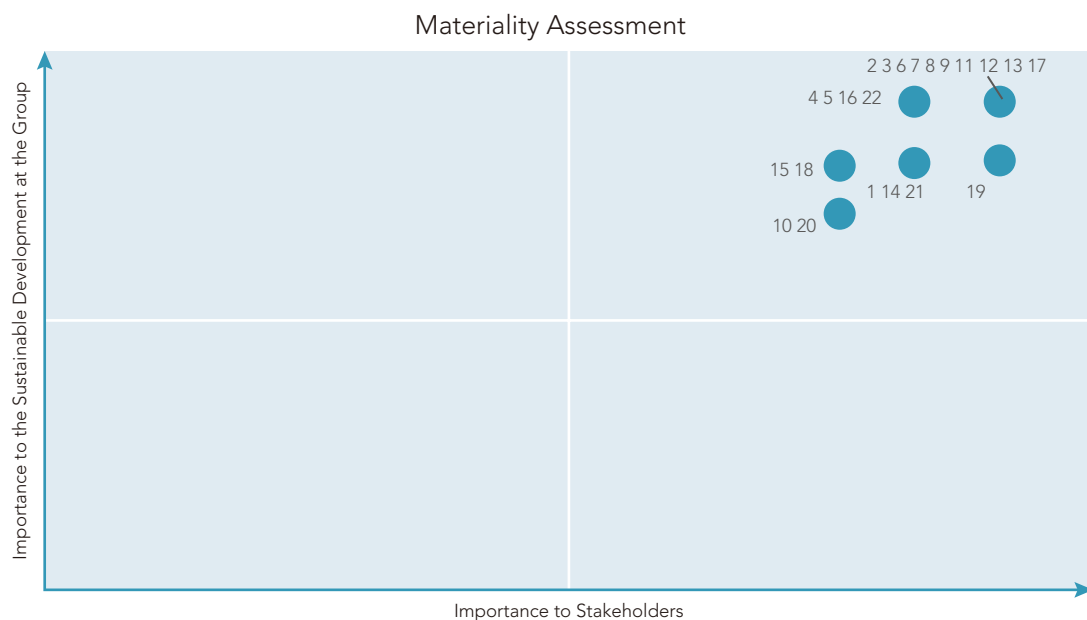
The Group believes that the feedback from the stakeholders not only facilitates a comprehensive and pertinent assessment of its ESG performance, but also helps improve our performance accordingly. The Group strives to maximise the long-term benefits of all our stakeholders by continuously communicating with them and effectively balancing their respective expectations and needs in order to achieve sustainable development of the Company. We develop multiple communication channels that provide opportunities for stakeholders to express their views on the Group's general business conduct and sustainability management. The following table presents the methods of communication between each stakeholder and the Group.

Stakeholder Groups	Specific Stakeholder	Expectations and concerns	Communication Channel
Investors	<ul style="list-style-type: none"> Shareholders Potential investors 	❖ Return on investment	❖ Corporate website
		❖ Corporate governance	❖ Annual and interim financial report
		❖ Information disclosure	❖ Quarterly reports and announcements
		❖ Timely pandemic response	❖ Annual general meetings
			❖ Disclosure of listed information
Employees	<ul style="list-style-type: none"> Senior management Staff Direct workers Potential recruits 	❖ Protection of employees' rights	❖ Direct communication
		❖ Career development channel	❖ Independent focus groups and interviews
		❖ Healthy and safe working environment	❖ Training and seminars
		❖ Pandemic prevention and control	❖ Regular performance assessment
			❖ CSR and volunteering activities
Customers	<ul style="list-style-type: none"> Korean Government agencies Private organisations 	❖ High-quality services	❖ Customers assessment
		❖ Responsible content	❖ Social media
		❖ Satisfaction of customers' diversified needs	
		❖ Customer's right and privacy protection	
Suppliers/Contractors	<ul style="list-style-type: none"> Suppliers Sub-contractors Service providers 	❖ Fair and impartial procurement	❖ Suppliers assessment
		❖ Win-win cooperation	❖ Daily work review
			❖ Site inspection
Community	<ul style="list-style-type: none"> National and local community organisations 	❖ Community engagement	❖ Charitable donations
		❖ Business compliance	❖ Volunteering activities
		❖ Environmental awareness	
Government	<ul style="list-style-type: none"> National and local governments Regulators 	❖ Compliance with laws and regulations	❖ Written correspondence
		❖ Paying taxes	❖ Statutory reports and general disclosures

The Group aims to collaborate with its stakeholders to improve its ESG performance and create greater value for the wider community on a continuous basis.

MATERIALITY ASSESSMENT

In order to gain a better understanding of the expectations, perceptions and concerns of our stakeholders, we have engaged our management team and employees in identifying the Group's material ESG issues. With the identified material ESG aspects, we incorporated their feedback into the process of identifying the material topics, which acts as the foundation of the formulation of long-term ESG strategies as well as a reference to this report. Based on the analysis and summary of the results of the materiality assessment, we have formed the following matrix to illustrate the significance of various issues to our stakeholders and business:



Protecting our planet		Responsible value chain	
1	Air and noise emissions control	12	Corporate governance and compliance
2	Resource management (energy, water and waste)	13	Anti-corruption
3	Project management and components usage	14	Confidentiality and data privacy
4	Site environment impact	15	Product and service quality management
5	Green office	16	Customer safety, engagement and satisfaction
6	Climate change	17	Customers' and users' health and safety
Dedicated workforce		18	Supplier and subcontractor engagement
7	Occupational health and safety	19	Supplier and subcontractors' environmental and social responsibility
8	Employment practices	20	Transparent and fair procurement practices
9	Employee training and development	Corporate citizen	
10	Diversity and equal opportunity	21	Community investment and engagement
11	Protecting human rights (child and forced labour)	22	Site impact on local communities

ENVIRONMENTAL SUSTAINABILITY

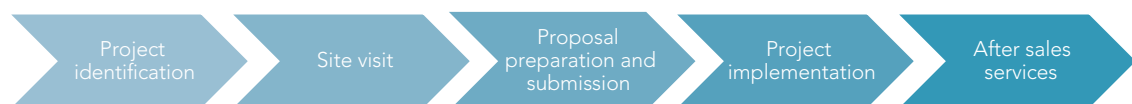
With rising expectations for corporate entities to lead environmental protection efforts, the Group has maintained its stance as an environmentally responsible corporation. Well aware of the importance of sustainable development, the Group pursues waste reduction and energy saving practices in daily operations and aim to maintain an environmental-friendly workplace and curb global climate change.

Despite that the Group is engaged in business without any mass emissions (such hazardous or polluted air emissions, waste and water discharges) or significant impact to the environment, the Group has established procedures to detect any possible pollution incidents which affect the surrounding environment that may occur in the course of its business operations in the future. A task force has been formed that comprises the Board

who are ultimately responsible for leading ESG works by developing strategies and a dedicated team to enforce and supervise the implementation of relevant policies.

EMISSIONS

The Group is engaged in provision of integrated systems, maintenance and cyber security services, where its operations do not have significant impacts on the environment. As such, the Group's main contribution to the carbon footprint comes from indirect greenhouse gas ("GHG") emissions. The source of these emissions is from the consumption of fuel by the vehicles for transportation and the usage of office equipment in the workplace, including but not limited to the lighting systems, air-conditionings and office equipment. The following flow chart below illustrates the typical workflow of our system integration projects which account for more than 70% of our Group's business:



Across our operations, we have carried out a number of green initiatives to reduce emissions and waste, enhance resources efficiency and minimise environmental footprint. For example, our Korean business sourced the required equipment in accordance with project needs. Therefore, only few wastes (emissions from logistics and accessories wastages from equipment installation) were generated from our operations. Since our Hong Kong's operation engaged purely in providing cyber security services, the GHG emissions caused by us were minimal. The Group has neither used any liquified petroleum gas nor other gases and thus does not have relevant GHG emissions to disclose for the Reporting Period.

The Group provides vehicles to facilitate employees' local travelling. In order to reduce

the air emissions caused by business vehicles, we arrange regular inspection to achieve maintenance to ensure vehicle efficiency. Most of the Group's vehicle fleet undergo regular maintenance. Engine efficiency is preserved through proper tuning and maintenance of tyre pressure, which reduces fuel wastage. We also encourage employees to use public transport instead of business vehicles when appropriate. Along with the recovering from the effect of the coronavirus disease 2019 (the "COVID-19"), business travel was resumed during the year. Yet, we have installed video and teleconferencing systems in our offices and encouraged employees to make extensive use of it, in a bid to reduce greenhouse gas emissions caused by business trips and related transportation.

For the Reporting Period, air emissions generated by the Group were as follows:

	Unit	2022	2021
Emissions data from usage of vehicles and gaseous fuel consumption			
Nitrogen Oxide (NO _x)	kg	12.99	14.95
Sulphur Oxide (SO _x)	kg	0.26	0.31
Particulate Matter (PM)	kg	0.96	1.10

For the Reporting Period, GHG emissions generated by the Group were as follows:

		Unit (CO ₂ equivalent)	2022	2021
Direct emission or removals from sources (Scope 1)				
GHG emissions from mobile combustion sources	Carbon Dioxide (CO ₂)	tonne	42.36	50.24
	Methane (CH ₄)	kg	117.90	101.20
	Nitrous oxide (N ₂ O)	tonne	4.79	6.35
Energy indirect emissions (Scope 2)				
Electricity purchased from power companies	Carbon Dioxide (CO ₂)	tonne	154.67	130.32
Other indirect emissions (Scope 3)				
Paper waste disposed at landfills	Carbon Dioxide (CO ₂)	tonne	7.11	8.38
Business air travel by employees	Carbon Dioxide (CO ₂)	tonne	3.42	–

WASTE MANAGEMENT

According to the list of waste considered as being hazardous under the Waste Disposal Ordinance of Hong Kong, we do not involve in production of hazardous waste and the amount of non-hazardous waste is not significant from our business operations during the Reporting Period. Non-hazardous wastes produced by the Group were mainly commercial wastes which included paper and equipment package. For example, spent toner cartridges are collected by vendors for recycling; and recycled bins are set up in offices for recycling of bottle, papers and cans. The Group promotes waste reduction at source and continues to encourage our employees to fully utilise all materials to avoid producing unnecessary waste and to reduce paper usage by electronic means. Reminders of reducing wastes are also posted in offices to remind employees to go green in daily operations.

USE OF RESOURCES

Resources used by the Group are principally attributed to electricity and paper. We place great emphasis on resources conservation and adopting energy-saving measures to prevent unnecessary waste of resources and minimise the impacts on the environment.

Examples of initiatives that have been implemented in our offices to promote resources conservation as follows:

- Set and maintain average room temperatures at 25 degrees Celsius;
- Switch off office equipment (e.g. printers, computers and monitors) before leaving the workplace;
- Energy-friendly electrical appliances and devices such as LED lighting, computers and projectors, have been installed;

- Regular check and maintenance and ensure efficiency of equipment and appliances; and
- By default, all office printers are set to print double-sided to reduce paper use, in black-and-white to conserve printing inks and scan documents as electronic files instead of printing. Recycled papers are placed beside the printers to encourage employee to re-use.

For the Reporting Period, the resources consumption by the Group were as follows:

	Unit	2022	2021
Electricity consumption	kWh	274,044	272,781
Electricity consumption intensity	kWh/employee	1,079	1,229
Paper consumption	kg	1,480	1,746
Paper consumption intensity	kg/employee	6	8

The Group's freshwater is supplied and managed by the landlord of our office. Therefore, we do not encounter any significant issue in sourcing water that is fit for purpose and there is no related consumption data available. Owing to the nature of our business operations, other than the consumption of drinking water, our operations do not require the use of water or raw materials. There is also an absence of packing materials involved in our operations. As such, the Group has not placed emphasis on the development of policies in these areas.

ENVIRONMENT AND NATURAL RESOURCES

As the Group's principal activities operations concentrate in offices, which have minimal impact on the environment and natural resources. However, we are aware of urgency of climate change and other environmental challenges. To this end, we continuously work to improve our GHG emissions management, and refer to international and national policies and documents such as the "Paris Agreement" by paying attention to the environmental measures in our operations, and actively

incorporate green elements into relevant management.

Climate change mitigation is no longer only a subject of international-level agenda, but highly relevant to all members of society. With the continuation of our environmental protection measures, in view of the current business environment nature and period of construction project, the Group has set clear emission reduction targets to be achieved by the year 2026 by comparing with the 2021 baseline year:

- Reduce greenhouse gases emissions by 5–10%;
- Reduce waste disposal by 5%; and
- Reduce electricity and paper consumption by 5%.

Through emissions and waste reduction as well as energy conservation, we strive to minimise environmental footprint and achieve the above targets in the coming years.

In order to seek long-term environmental sustainability, the Group is increasingly prudent in controlling the consumption of resources as well as its emissions, and has strictly adhered to the applicable environmental laws and regulations during its daily operations. In managing our emissions, the Group has complied with the Air Pollution Control Ordinance (Chapter 311), Environment Impact Assessment Ordinance (Chapter 499), Laws of Hong Kong, the Natural Environment Conversation Act of Korea, and other regulations promulgated by governments and currently applicable to the Group. For

the sake of compliance with relevant laws and regulations, we regularly assess the environmental risks of our operations and adopt preventive measures as necessary to reduce the risks.

For the Reporting Period, the Group was not aware of any cases of non-compliance with laws and regulations that have a significant impact on the Group in relation to air and GHG emissions, noise control, discharges into water and land, and generation of hazardous and non-hazardous waste.

Climate Change

Focus Area	Our Approach
Governance	<p>Board oversight: The Board meets at least twice a year to oversee climate-related strategies, policies, actions and disclosure.</p> <p>Management's role: The Management supports climate action planning and internal policy setting, as well as coordinating responses to climate-related risks.</p>
Strategy	<p>Policies and guidelines: The Management meets regularly and discusses any potential climate change risk to our business. Management will deploy adequate resources and take precautionary measures to prevent such risks. Corresponding actions will then be implemented and reviewed from time to time to assess their effectiveness.</p> <p>Physical risks: We assess our system integration projects and cyber security services for impacts related to weather-related events such as storms and floods. The Group pays attention to the climate change of relevant countries of the business and assist with implementing fast-response measures. In addition, we continue to strengthen emergency preparedness and various good practices to sufficiently secure materials and temporary structures to prevent losses and incidents.</p> <p>Transition risks: Impacts related to market risk are assessed in our system components. We keep abreast of and take the latest environmentally-friendly IT components and equipment into consideration. Our management monitors the environmental performance of suppliers by regularly reviewing their published environmental report.</p>
Risk Management	Climate-related risks are incorporated into the Group's risk management framework and ESG materiality assessment by different stakeholders. The Group will monitor and follow up on both transition and physical climate-related risks and set up the policy to mitigate relevant risks and respond to management.
Metrics and Targets	Departmental contributions towards reduction targets are linked to yearly performance evaluations and employee remuneration.

EMPLOYMENT AND LABOUR PRACTICES

The Group understands that employees are one of the most important success factors and our key assets to hold a leading and reputable position in the industry. Our success hinges on our employees' provision of consistent, quality and reliable services, and this holds true for both technical and support staff of all levels. As such, we are committed to treating our employees with fairness and respect. We hire based on ability and merit, reward and promote based on performance. The Group has established a series of internal policies related to employment with reference to anti-discrimination ordinances and the guidance under Employment Ordinance (Chapter 57), Laws of Hong Kong, and the Labour Standards Act of Korea, as well as industry features and practices to ensure that our employees are treated fairly, and their employment, remuneration and promotion are not affected by their social identities such as age, gender, marital status, family status, sexual orientation, race, nationality or religion.

The Group strives to create a fair, comfortable and diverse workplace for its employees. We provide employees with competitive employee benefits and an inclusive working environment to encourage employees to achieve their full potential. A comprehensive human resources management policy was formulated to support

human resources function, which covers guidelines on recruitment and promotion, compensation and dismissal, working hours, rest periods, appraisal, training and other benefits. We offer competitive remuneration, promotional opportunity, compensation and benefit packages to attract and retain talents. With respect to salary adjustment and promotion, an annual review system has been adopted to assess the performance of our staff and form the basis of management decisions. Employees are also entitled to discretionary bonus and share option scheme to recognise their contributions to the Group by reference to the Group's and individual performance. By creating healthy and pleasant working environment, we are to build cohesion among employees and enhance sense of belongings by creating a friendly and harmonious working environment.

As an open technology enterprise, we attach great importance to two-way communication with employees. All employees are also welcomed to make comments and suggestions through various communication channels such as letters, emails, or by communicating with their direct supervisors, department heads, or our human resources function. We make sure to keep the detail of such communications and the identity of the employee confidential, and to address any grievances of the employee as appropriate as we can.

Staff Composition

As at 31 December 2022, we employed a total of 230 (31 December 2021: 222) full-time employees and 24 part time employees. All of them are located in Hong Kong and Korea.

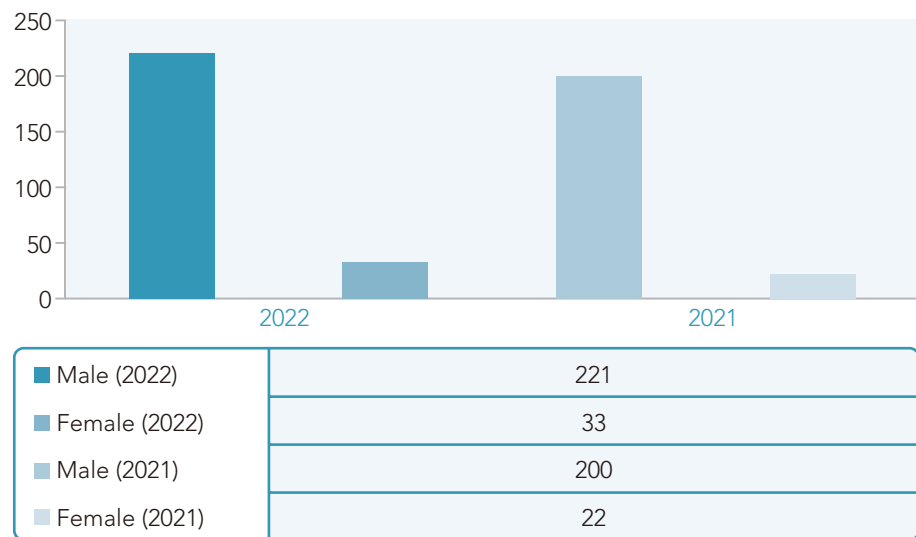


Chart 1: Employees by Gender

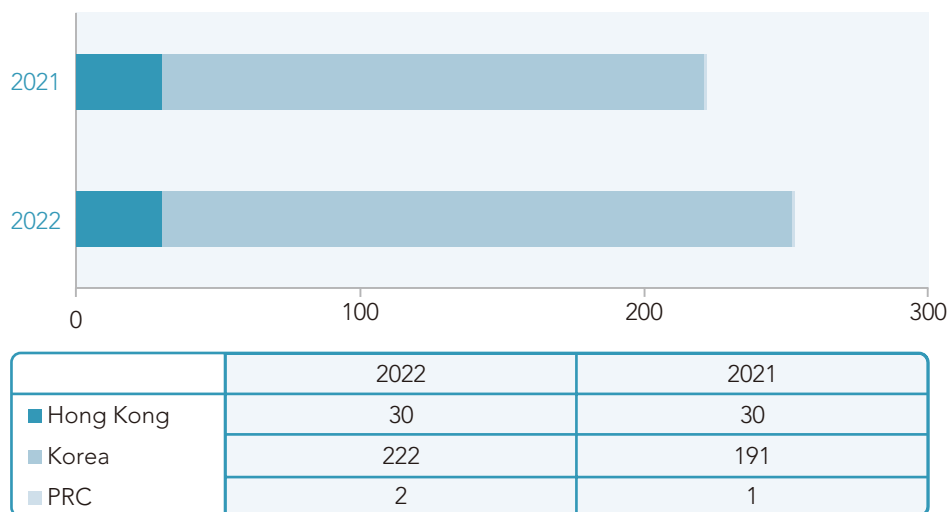


Chart 2: Employees by Region

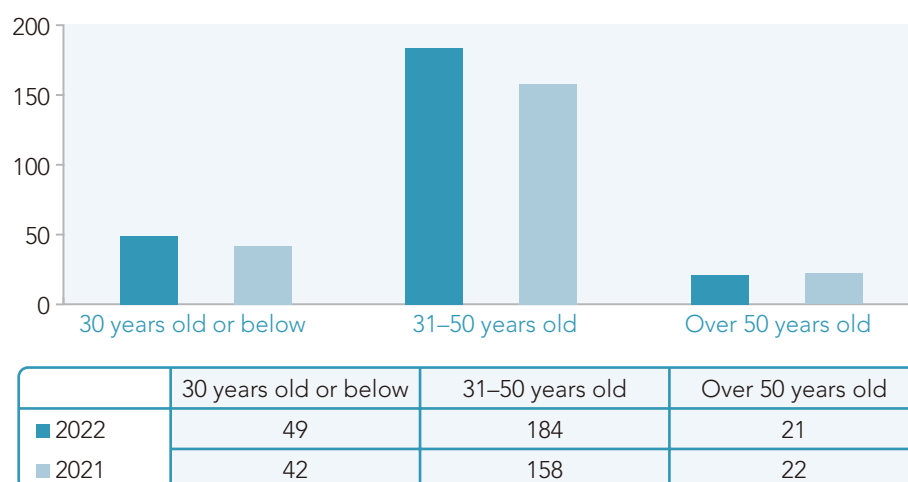


Chart 3: Employees by Age Group

Staff Turnover

For the Reporting Period, the Group has an employee turnover rate of approximately 25%.

	Employee Turnover in 2022		Employee Turnover in 2021	
	No. of People	Turnover Rate	No. of People	Turnover Rate
By Gender				
Male	58	26%	7	4%
Female	6	18%	43	195%
By Age Group				
30 years old or below	14	29%	12	29%
31-50 years old	46	25%	38	24%
Over 50 years old	4	19%	0	0%
By Geographical Region				
Hong Kong	1	3%	7	23%
Korea	63	33%	43	23%

For the Reporting Period, the Group was not aware of any cases of non-compliance with laws and regulations concerning compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunities, diversity, anti-discrimination, and other benefits and welfare.

Health and Safety

Occupational health and safety (“OHS”) is a crucial component of the Group’s safety framework, and reducing health and safety risks in the workplace is an important and constant objective. We continued to reinforce our leadership, management system and safety training programs during the year, so as to strengthen our safety culture and enhance our overall OHS performance. Applicable laws and regulations such as the Occupational Safety and Health Ordinance (Chapter 509), Employees’ Compensation Ordinance (Chapter 282), Laws of Hong Kong, and Occupational Safety and Health Act of Korea, are fully complied by the Group.

During the year, the Group also introduced a new health working life campaign “Sweat+” to all the employees in the Hong Kong office. The campaign encourages all staff pursuing a health working lifestyle by sweating from exercises to earn some petty cash bonus as an incentive.

The Group is of the view that safety management is vital in our operations, as high risk activities such as carrying out installation works which exposes our staff to electrical hazards, at heights or in confined space, may be involved in some of our system integration projects. In addition to the management’s supervision of the working environment, employees must also abide by labour discipline, earnestly fulfil rules and regulations, learn necessary first-aid knowledge, and receive necessary education and training at work. We also conduct safety training for new employees, including companies’ safety policies and emergency measures to

ensure they are competent to discharge their OHS responsibilities and obligations and respond to emergencies, so that employees awareness of workplace hazards is heightened. In the common areas of offices, the Group’s administration department regularly circulates and places posters regarding latest information relating to OHS practices.

The Group makes use of regular safety training and inspections to ensure employees are aware of the importance of complying with safety requirements. Induction training or briefing on relevant health and safety policies with regard to their particular position is provided to workers prior to the commencement of high-risk activities and throughout the project to minimise the likelihood of accidents or workplace injuries.

To cope with the epidemic of COVID-19, both Korean and Hong Kong governments imposed various containment measures. In accordance with the public health and safety policies set out by the HKSAR and the Korean government, the Group has introduced a series of measures to assist the prevention of the spread of the virus in societies. For example, allowing employees to work from home and flexible working hours, and providing supplies of epidemic-prevention material such as face masks, disinfectants and disposable gloves. The Group also proactively implements additional disinfection steps to maintain a safe and hygienic environment.

For the Reporting Period, the Group did not record any lost days and cases of work-related injuries nor fatalities.

Development and Training

We encourage learning and recognises that values and fairness, as well as opportunities for continuous professional and personal development, are important drivers for high achievers. As such, the Group invests heavily not only in comprehensive technical training and development programs, but also in management, planning and leadership programs, to address employees' professional and personal development needs and to maintain its competitive edge.

The Group dedicates significant resources to attract and retain talented employees, and to ensure that staff grow in competence and skill sets alongside the business. The Group formulates and structures training courses by analysing the needs of different departments. During the Reporting Period, a series of job capacity courses covering the areas on domestic legislation, international organisation for standardisation ("ISO") standards, cyber security techniques and anti-discrimination have been provided to our employees with the aim of sustaining a competent, professional and ethical workforce.

For the Reporting Period, the breakdown of the training data for the Group was as follows:

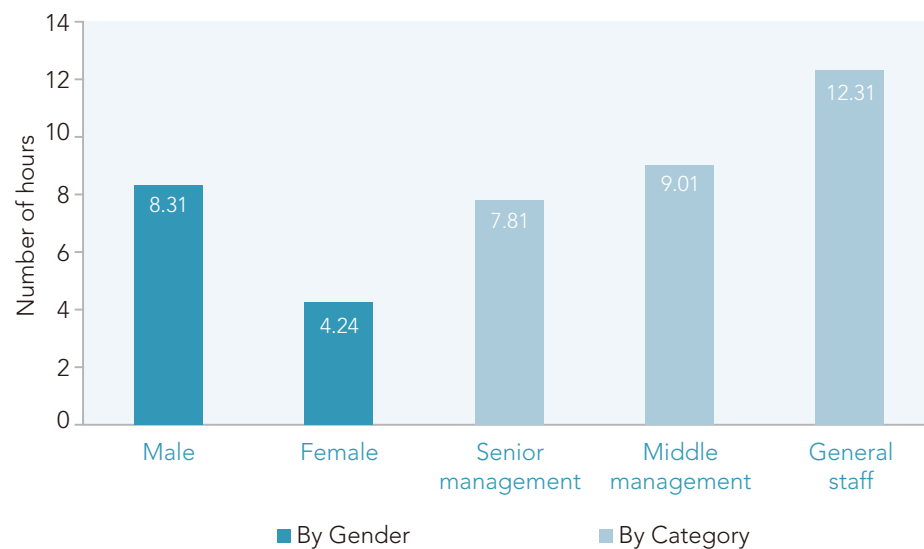


Chart 4: Average training hours completed in 2022

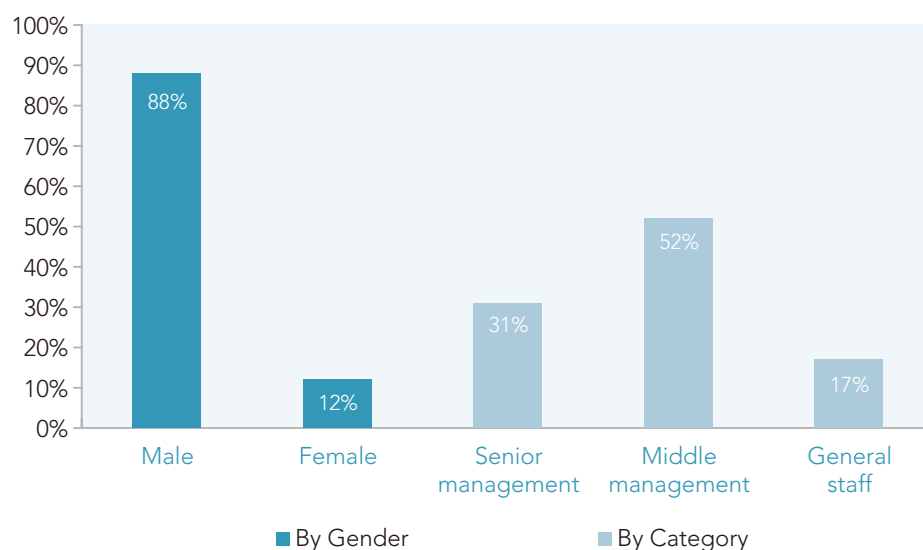


Chart 5: Percentage of employees being trained in 2022

To further enhance their professional skills so as to meet the Group's development goals, the Group highly encourages its employees to continuous learning and attend external work-related seminars. Employees who have taken professional examinations and obtained vocational qualification certificates will be eligible to apply training sponsorship by the Group.

Labour Standards

We strictly prohibit the employment of child and forced labour in our workplace by adhering to the Employment Ordinance (Chapter 57), Laws of Hong Kong, and the Labour Standards Act of Korea, and other applicable labour laws and regulations in Hong Kong and Korea. To combat illegal employment on child and forced labour, the human resources department of the Group requires all job applicants to provide valid identity documents to ensure that they can be lawfully employed prior to the confirmation of employment. Important details such as job duties, locations and working

hours of the staff are also set out clearly in the employment contract to protect their rights and interests and forced labour is strictly prohibited. Once there is any case to be found against the labour standards, the employment will be terminated immediately, while the responsible personnel will be disciplined accordingly.

For the Reporting Period, the Group was not aware of any cases of non-compliance with laws and regulations that have a significant impact on the Group in relation to preventing child and forced labour.

SUPPLY CHAIN MANAGEMENT

Engaging in the information technology sector, supply chain management forms an essential part in the Group. We implement an efficient supply chain management system that strengthens the role of different parties between suppliers, retailers and sub-contractors to ensure high quality of services and products are delivered to our customers.

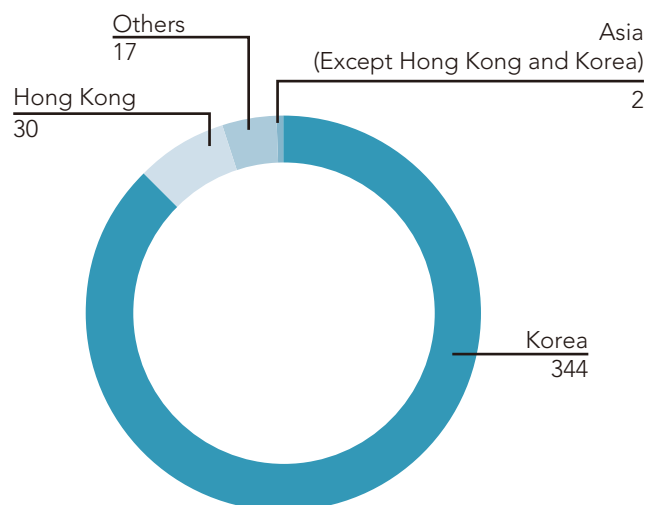
The Group stringently manage suppliers to avoid any inferior computer components acquired and adopt strict quality control over the ancillary installation and construction process. Thus, the suppliers we engaged are mainly reputable computer equipment manufacturers and software developers to ensure the system we provided to customers is reliable, efficient and secure.

During the selection of suppliers, the Group's policy ensures the selection factors are fair and serves the best interest of the Group. Specifically, we maintain approved lists of suppliers, and procurement of goods or services is only made from these suppliers. The Group's suppliers are selected based on the following factors: environmental compliance of products supplied; quality of products; reputation in the industry; and any background issues concerning potential conflict of interest in supplying goods to the Group. It is the Group's policy to exclude all illegal and non-ethical entities to become its business partners.

In respect of sub-contractors selection, we select them on a project-by-project basis, mainly based on our assessment of their awareness of end-user equipment, financial stability, technical abilities and reputation. To maintain the best quality of our service, we send our own personnel to the work site to closely supervise the works performed by sub-contractors and also to review their works on an on-going basis. Furthermore, our quality management system which governs the daily operations for quality control and improvement meets the requirement of ISO9001:2015. Our internal policies and thus the procurement process are governed by this standard.

The Group communicates with suppliers and sub-contractors regularly to maintain a close relationship with them and review and monitor the performance of the suppliers and provide feedback to them from time to time. In the long run, the Group shall encourage communication and exchange of experiences among its partners to achieve sustainable development and provide the public with high-quality products and services, so as to facilitate the sustainable growth of the whole industry.

For the Reporting Period, the number of suppliers by geographical region of the Group was as follows:



PRODUCT RESPONSIBILITY

Our tenet is to provide our customers with quick and efficient service, with an emphasis on safety and convenience as well, which fully illustrates our total commitment to superior service and outstanding quality of work.

For our cyber security business, we are the first cyber security services provider with CREST Accredited & PCI QSA Qualified professionals in Hong Kong. We help protect digital businesses against cyber-attacks, business disruption and customer mistrust.

For our system integration business, we have established and implemented a quality management system ("QMS") in our operations, has been assessed and found to be in accordance with the requirements of the internationally recognised technical specification of ISO9001:2015, certified by the Korea Productivity Centre Quality Assurance. This system helps us to comply with relevant laws, regulations and contract obligations

that are applicable to our products and services; control quality issues systematically to enhance our customers' satisfaction; as well as standardise the work process and standards in our operations. We also pay extra attention to quality control, on-going tests will be conducted throughout the project to minimise network deficiency. In particular, two of our internet protocol storage products (i.e. electromagnetic compatibility directive and low-voltage directive) we used in projects are awarded with the CE marking, which conforms with European health, safety and environmental protection standards. Moreover, subsequent quality warranty period would generally be offered our customers. In the event of system failure within the warranty period, the Group shall provide technical support and maintenance services to ensure the systems to be operated in proper condition.

For the Reporting Period, we received no complaints or claims from our customers arising from the quality issues of the work performed either by us or our sub-contractors, which in the view of Directors, is attributable to the effective quality control measures.

As a technology service provider, all confidential data related to the Group's businesses, financial and customer information are securely protected and only use for internal purpose. In accordance with the Personal Data (Privacy) Ordinance (Chapter 486), Laws of Hong Kong, and the Personal Information Protection Act of Korea, all of our employees are obligated to retain in high confidential any information obtained in connection with their employment. We strictly protect the customers' data and information by taking various protection measures, such as implementation of network and application firewall, regular security updates and proper encryption of data transmission, access right control and adequate hosting and server security. To further safeguard customers' information, the Group may destroy all confidential information after the holding period is elapsed.

Nowadays, intellectual property ("IP") is recognised as a key element in business development, and protecting IP rights is one of top priorities. To enhance awareness of IP protection within the Group and to proactively protect our IP from infringement, the Group adds protective clauses to the contracts entered into with customers and suppliers to safeguard intellectual property rights. The Group also reviews every operational contract to ensure that the contract safeguards the intellectual property rights of the parties. We also request our suppliers and sub-contractors to comply with relevant laws and regulations.

With respect to fair advertising, the Group requires the employees of the sales department to provide customers with accurate and true information on the Group's products and services. Hotline and e-mail are also available for customers' enquiries on service details in order to provide better before and after-sale services.

For the Reporting Period, the Group was not aware of any cases of non-compliance with laws and regulations that have a significant impact on the Group in relation to health and safety, advertising, labelling, and privacy matters related to products and services provided.

ANTI-CORRUPTION

The Group maintains a high standard of business integrity throughout its operations and bribery and corrupt practices are strictly intolerable. We strictly comply with the relevant laws and regulations in relation to bribery, extortion, fraud and money laundering, including but not limited to the Prevention of Bribery Ordinance (Chapter 201), the Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Chapter 615), Laws of Hong Kong, and the Criminal Act of Korea.

We believe that honesty, integrity and fairness are important values, and are crucial to our long-term development and success. Thus, the Code of Ethics has been established to clearly inform our employees of the Group's strict standards regarding anti-corruption, anti-bribery, conflicts of interest, gift, procurement policies. Acceptance of kickbacks, commissions or any form of benefit is strictly prohibited during any procurement exercise, contract negotiation or other business dealings. It conveys our expected standards of conduct and practices to all staff members, who are required to adhere to the highest standards of business and professional ethics so that we can earn the trust of our business partners and customers. Regular training sessions will also be arranged to executives and employees for enhancing ethical awareness in conducting business activities.

To facilitate the identification of suspected cases of any malpractice, misconduct or illegal actions, the Group has developed a whistle-blowing policy which provide channels for employees to report any suspicious fraudulent activities. Detailed investigation on the reported event shall be conducted and would be followed by disciplinary actions including termination of employment and reporting of the matters to the relevant authorities to be taken according to the result. All the information collected will be kept confidential and the Group intends to protect the whistle-blower from potential retaliation.

For the Reporting Period, the Group was not aware of any cases of non-compliance with laws and regulations that have a significant impact on the Group in relation to bribery, extortion, fraud, and money laundering.

GIVING BACK TO THE COMMUNITY

Apart from our pursuit of business development, the Group spared no efforts in making commitment to the local community and our industry.

During the year, we have donated KRW1,000,000 to the Community Chest of Korea in support of the underprivileged to promote philanthropy, show measurable outcomes, and lead innovations to grow with various partners, and thus make differences in the community.

As an enterprise with strong social conscience, we will continue to step up our philanthropic effort and drive employee involvement in serving the community and constructing an innovative society. While developing its business, we also support community engagement and encourage employees to actively participate in work-life balance activities and community services to further the benefits of local communities and render assistance to the people in need.