



**ALTUS .**  
**Altus Holdings Limited**

*incorporated in the Cayman Islands with limited liability*  
*Stock Code : 8149*

**FY2023**  
**ENVIRONMENTAL, SOCIAL AND  
GOVERNANCE REPORT**



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## ABOUT THE ESG REPORT

Altus Holdings Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**” and “**we**”) are pleased to present the Environmental, Social, and Governance (“**ESG**”) Report (the “**ESG Report**”) for the financial year ended 31 March 2023 (“**FY2023**”). The ESG Report mainly summarises the Group’s environmental, social, and governance performance and describes the Group’s continual efforts in the area of sustainable development for FY2023.

## ABOUT THE GROUP

The Group focuses on corporate finance and other consultancy services and proprietary investments. In respect of corporate finance and other consultancy services, the Group primarily offers sponsorship, financial advisory, compliance advisory services, equity capital market consulting, special situations consulting, and investment consulting services to its clients. For proprietary investments, the Group invests in real estate in Japan and Hong Kong and derives rental income therefrom, as well as in securities to derive dividend income therefrom and aims for capital gain.

The Group has put in place compliance and risk management policies and procedures for compliance with all significant legal and regulatory requirements. It has also been committed to building an environmentally friendly corporation by paying close attention to reducing the consumption of energy and natural resources. Meanwhile, the Group strives to establish a capable and an all-rounded team through regular training programs and cultivate camaraderie among its advisory team members. Apart from bringing economic benefits to society, the Group also highlights the beneficial social impacts brought by its “impact investing” in offering accommodation to the aged and the less fortunate in Japan through organisations that provide care and services for them.

## SCOPE OF THE ESG REPORT

For reporting purposes and the disclosure of key performance indicators (“**KPIs**”), the ESG Report focuses mainly on the Group’s business operations in the Hong Kong head office, as well as its performance in relation to the environmental and social aspects of its businesses in FY2023. The abovementioned reporting scope has been carefully determined based on the entities of the Group’s operation that have significant environmental and social impacts.

## ABOUT THE ESG REPORT

### REPORTING GUIDELINES

The ESG Report has been prepared in accordance with the “Environmental, Social, and Governance Reporting 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”).

#### Materiality

The content of the ESG Report is determined based on the stakeholder engagement and materiality assessment. The Group has identified ESG-related issues, gathered and reviewed opinions from internal management and various stakeholders, assessed the relevance and materiality of the issues, and prepared and validated information on the ESG Report. The ESG Report provides comprehensive coverage of the key ESG issues of concern to the Group’s stakeholders.

#### Quantitative

The Group has disclosed the quantitative environmental and social KPI in the ESG Report. The criteria, methods, references, and conversion factors used to calculate the KPIs are stated wherever possible in order to provide stakeholders with a comprehensive understanding of the Group’s ESG performance.

#### Consistency

To facilitate the comparison of ESG performance between years, the Group uses consistent reporting and calculation methods as far as reasonable and details the significant changes in methodologies in the relevant sections.

### INFORMATION AND FEEDBACK

For detailed information about the Group, please refer to our Company’s website ([www.altus.com.hk](http://www.altus.com.hk)). Your opinions are highly valued. Should you have any advice or suggestions, please feel free to contact us at:

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## ENVIRONMENTAL, SOCIAL, AND GOVERNANCE

The Group believes that a good ESG governance is the key to corporate sustainable development, thereby leading to its long-term success. The Board of Directors (the “**Board**”) takes full responsibility for the supervision of the Group’s ESG governance and risk management, including overseeing the assessment of its environmental and social impacts, identifying and managing the ESG-related risk of the Group through evaluating and determining ESG-related risks, and aligning with the expectation and requirement of the investors and regulators. The Board will enhance the Group’s risk assessment and management system to short and long-term ESG risks. To effectively put its sustainable development strategies into practice, a task team which comprises senior management staff of the Group is responsible for the execution of ESG policies and measures. The task team will report to the Board and assist the Board to oversee the Group’s execution of ESG-related matters. Through the adoption of a top-down management approach, the Group ensures ESG considerations are taken into account in the business decision-making process. The Board also monitors the cooperation between each business division to ensure that they all adhere to the relevant ESG vision, approaches, strategies, or initiatives.

The Board monitors the risk evaluation on sustainability and ESG-related issues, they also oversee the execution and effectiveness of anticipatory and mitigation plans regarding the identified ESG risks and they urge each related department to seek improvements in the ESG strategy to reduce the negative impact on the business.

To evaluate and prioritise material ESG issues, the Group has engaged a third-party ESG consulting firm in FY2023 to help identify material ESG issues and advise on its ESG performance. The consulting firm assisted in gathering and analysing the opinions of the Group’s stakeholders on ESG issues and conducted a materiality assessment. The Board reviews the results of the assessment and identifies material ESG issues of the Group. In addition, the Board will meet every quarter to review the financial results, while ESG issues and matters will also be discussed thereby.

The Board will continue to oversee ESG-related work and keep abreast of the latest ESG disclosure requirements of the Stock Exchange to lead the Group’s ESG progress effectively. The Board also ensures that all departments work closely together to achieve operational compliance and social responsibility. ESG risks are also included in the quarterly performance risk management assessment. During FY2023, executive directors from the Board have conducted and participated in ESG training in terms of reporting and broader ESG perspective, which provide a foundation and prospective view on assessing and overseeing ESG matters. In addition, the Group has formulated environmental targets during FY2023, which are detailed in the section “Environmental Targets and Progress” in the ESG Report. The Board will conduct regular reviews based on the achievement of the targets to continuously improve the Group’s environmental performance.

# ENVIRONMENTAL, SOCIAL, AND GOVERNANCE

## COMMUNICATION WITH STAKEHOLDERS

Our management and employees were actively involved in assisting us in understanding and analysing our sustainability performance. The data collected not only reflects the performance of the Group's sustainable initiatives in FY2023 but also sets the direction for improving the Group's sustainability approach.

The Group is fully aware of the importance of stakeholders' opinions of its continual success. Therefore, it strives to effectively communicate with its stakeholders through various channels to build a trustful and supportive relationship with them, so as to understand and respond to their expectations and needs.

Stakeholders	Expectations and Needs	Means of Communication and Response
<b>Government and Regulators</b>	<ul style="list-style-type: none"> <li>Compliance with government policies, laws, and regulations</li> <li>Supporting local economic growth</li> <li>Driving local employment</li> <li>Paying tax in full and on time</li> </ul>	<ul style="list-style-type: none"> <li>Timely information reporting</li> <li>Regular meetings with regulators</li> <li>Quarterly, interim and annual reports</li> <li>Examination and inspection</li> </ul>
<b>Shareholders</b>	<ul style="list-style-type: none"> <li>Returns</li> <li>Compliant operation</li> <li>Raise company value</li> <li>Transparent information and effective communication</li> </ul>	<ul style="list-style-type: none"> <li>Announcements</li> <li>Email</li> <li>Company website with the latest information on the Group</li> <li>Quarterly, interim and annual reports</li> <li>Responding to questions from investors in general meetings</li> <li>Regular marketing meetings with potential investors, analysts, and stockbrokers</li> <li>Issuance of voluntary announcements</li> </ul>
<b>Partners</b>	<ul style="list-style-type: none"> <li>Operational integrity</li> <li>Equal rivalry</li> <li>Mutual benefits and win-win results</li> </ul>	<ul style="list-style-type: none"> <li>Regular meetings with valuers, bankers, accountants, and lawyers</li> <li>Business communications and calls</li> <li>Engagement and cooperation</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>Outstanding services</li> <li>Performance of contracts</li> </ul>	<ul style="list-style-type: none"> <li>Direct dialogue with the Board and/or senior management</li> <li>Meetings with customer</li> <li>Close communication with customers and responding to feedback</li> <li>Direct communication with the Board/ CEO</li> </ul>

## ENVIRONMENTAL, SOCIAL, AND GOVERNANCE

Stakeholders	Expectations and Needs	Means of Communication and Response
<b>Environment</b>	<ul style="list-style-type: none"> <li>Support environmental protection</li> </ul>	<ul style="list-style-type: none"> <li>Implementation of environmental protection measures such as using less paper and recycling waste paper</li> </ul>
<b>Industry</b>	<ul style="list-style-type: none"> <li>Establishment of industry standards</li> <li>Enhancement of industry development</li> <li>Compliance with industry standards</li> </ul>	<ul style="list-style-type: none"> <li>Participation in industry forums</li> <li>Promote the formation of the “Association of HK Capital Market Practitioners”</li> <li>Participation in consultations launched by the Securities and Futures Commission and the Stock Exchange</li> <li>Comply with the rules and regulations of the Securities and Futures Commission</li> <li>Comply with relevant listing rules of the Stock Exchange</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>Protection of rights</li> <li>Occupational health</li> <li>Remunerations and benefits</li> <li>Career development</li> <li>Humanity cares</li> </ul>	<ul style="list-style-type: none"> <li>Employees communication meetings</li> <li>Regular employee performance assessments</li> <li>Compare with the market trend</li> <li>Informal chat with individual staff from time to time</li> <li>Training and workshops</li> <li>Regular employee team-building activities</li> </ul>
<b>Community and the Public</b>	<ul style="list-style-type: none"> <li>Enhancement of community environment</li> <li>Transparent information</li> </ul>	<ul style="list-style-type: none"> <li>Continuous enhancement of the company website</li> <li>Quarterly, interim and annual reports</li> <li>Regular meetings with valuers, bankers, accountants, and lawyers</li> </ul>

The Group will continue to enhance stakeholders’ participation and engagement to collect their constructive feedback and valuable opinions.

# ENVIRONMENTAL, SOCIAL, AND GOVERNANCE

## MATERIALITY ASSESSMENT

For the development of a clear and effective ESG management approach, the Group has conducted a materiality assessment to identify ESG issues that are material to the Group’s business and stakeholders. The materiality assessment was based on stakeholder surveys, materiality maps provided by well-known external institutions<sup>1</sup>, and opinions from third-party ESG consultants. The material ESG issues identified were as follows:

Aspects	Material Issues
Environmental	<ul style="list-style-type: none"><li>Greenhouse gas (“GHG”) emissions</li></ul>
Employment and Labour Practices	<ul style="list-style-type: none"><li>Employment compliance</li><li>Training and education</li><li>Diversity and equal opportunity</li></ul>
Operating Practices	<ul style="list-style-type: none"><li>Operational compliance</li><li>Service quality management</li><li>Business ethics</li><li>Anti-corruption</li></ul>

<sup>1</sup> The materiality maps referenced in the materiality assessment have included the ESG Industry Materiality Map and the SASB Materiality Map produced respectively by Morgan Stanley Capital International (MSCI) and the Sustainability Accounting Standards Board (SASB).



## WE PROTECT OUR ENVIRONMENT

The Group spares no effort in environmental protection and attaches great importance to implementing different policies that regulate emissions, resource conservation, and waste management. The Group does not engage in business activity that would cause a notable impact on environmental and natural resources.

### ENVIRONMENTAL TARGETS AND PROGRESS

As the Group has set environmental targets in different aspects, to achieve the targets, reduce the environmental impact, and improve resource efficiency, the Group is committed to continuously monitoring the progress in achieving the targets and will continue to review and improve its environmental policies and measures.

Aspects	Environmental Targets	Progress in FY2023 compared to FY2022	Section with Corresponding Measures
<b>GHG Emissions</b>	<ul style="list-style-type: none"> <li>Reducing the intensity of GHG emissions</li> <li>Supporting Hong Kong's goal of achieving carbon neutrality by 2050</li> </ul>	Intensity of GHG emissions was increased by 34% due to resumption of business travel after COVID-19 travel restrictions are lifted (There was no business travel in FY2022 due to restrictive COVID-19 travel measures imposed by various countries/regions)	We Protect Our Environment – Emissions
<b>Waste Reduction</b>	<ul style="list-style-type: none"> <li>Optimising resource efficiency where feasible and avoiding waste</li> <li>Recycling renewable resources where feasible</li> <li>Ensuring that all waste is disposed of in a safe and legal manner</li> </ul>	Total non-hazardous waste was reduced by 4%	We Protect Our Environment – Waste Management
<b>Energy Use Efficiency</b>	<ul style="list-style-type: none"> <li>Minimising the impact on the environment and natural resources</li> <li>Keeping abreast of the latest developments in Hong Kong's energy policy</li> <li>Continuing to promote energy conservation</li> <li>Promoting the use of energy-efficient appliances</li> </ul>	Total energy consumption was reduced by 4%	We Protect Our Environment – Resources Conservation

## WE PROTECT OUR ENVIRONMENT

Aspects	Environmental Targets	Progress in FY2023 compared to FY2022	Section with Corresponding Measures
<b>Water Efficiency</b>	<ul style="list-style-type: none"> <li>Supporting the Water Suppliers Department's "Let's Save 10L Water 2.0" Campaign</li> <li>Keeping abreast of the latest development in Hong Kong's water resources policy</li> <li>Continuing to promote water conservation</li> <li>Promoting the use of water-efficient plumbing fixtures and appliances</li> </ul>	Total water consumption was reduced by 64% due to the adoption of work from home arrangement as a COVID-19 preventative measure and a decrease in employee number	We Protect Our Environment – Resources Conservation

### EMISSIONS

Being an environmentally friendly corporation, the Group makes conscious efforts to reduce GHG emissions. The Group acts in strict compliance with laws and regulations relating to emission control, including but not limited to the Air Pollution Control Ordinance. As an entity focusing on providing corporate finance and other consultancy services in Hong Kong, we operate our business mainly in office premises. The Group's GHG emissions were mainly contributed by electricity, water, paper consumption at its office premises, and business travel by employees. During FY2023, owing to the Covid-19 restrictions, the Group had only 3 business air travel while video conferencing was principally used to avoid air travel.

The increasing economic, environmental, and social incentives drive us to develop sustainability in the corporate finance industry. We believe implementing sustainable solutions, such as encouraging energy conservation by using energy-efficient utilities and traveling in groups, will help reduce overall energy consumption and reduce carbon footprints. Measures taken to reduce GHG emissions will be further described under sections "Resources Conservation" and "Green Operation" in the ESG Report.

# WE PROTECT OUR ENVIRONMENT

## RESOURCES CONSERVATION

While enhancing operational efficiency, the Group is committed to protecting the environment, reducing energy and water consumption, as well as the utilisation of office equipment.

Although the Group does not operate a water-intensive business, it still actively integrates the concept of water conservation into its daily operation. The major wastewater generated by the Group is domestic sewage, which is discharged into and further treated by municipal drainage system. The Group strictly abides by the laws and regulations regarding energy conservation and water management, such as the Water Pollution Control Ordinance. During FY2023, the Group did not encounter any issues in sourcing water.

The initiatives we have taken to reduce energy and water consumption in our office premises are set out as follows:

### Energy Conservation

- Maximise the use of natural light as far as practicable
- Divide the office into different light zones with independent lighting switches
- Adopt energy efficient lighting and air conditioners
- Clean light fixtures and filters of the air conditioning system regularly
- Switch off lights, air conditioners and electronic equipment when not in use
- Install motion sensors in areas which are not frequently used
- De-lamping for areas with higher-than-required lighting level

### Water Conservation

- Install automatic faucets
- Fix dripping taps immediately
- Check water meter readings and hidden water pipes periodically to prevent water leakage
- Put up water-saving signs in the pantry and lavatories
- Remind the staff to turn off the faucets tightly

## WE PROTECT OUR ENVIRONMENT

### WASTE MANAGEMENT

The Group strictly complies with the laws and regulations relating to waste disposal, such as the Waste Disposal Ordinance and Product Eco-responsibility Ordinance of Hong Kong. As the Group's principal business operations are mainly based in its office premises, generation of solid waste such as paper and general waste is inevitable. Non-hazardous waste produced by the Group mainly includes general waste, which is sent to landfills.

We have adopted the "3Rs" principle – "Reduce, Reuse, and Recycle" as our waste management strategy. Employees' participation is crucial for putting the Group's internal environmental policy into practice. Therefore, we encourage our employees to use smaller font size and line spacing, adopt double-sided printing and use electronic communication as far as possible to reduce paper consumption. The Group promotes the effective use of resources by encouraging its employees to reuse envelopes, folders, file cards, and other stationeries, to reduce the use of disposable and non-recyclable products, and to evaluate the usage of material to avoid overstocking. The Group also collects paper documents for recycling. Furthermore, an office automation system is implemented to substitute the traditional paper-based office administration system to further reduce paper waste. We also carry out monthly paper volume surveys to monitor paper consumption and make appropriate improvements.

During FY2023, the Group did not generate any hazardous waste during its business operation. If hazardous waste is generated during its operation, responsible personnel will be arranged to collect the hazardous waste, which will be handled by qualified units afterwards.



## WE PROTECT OUR ENVIRONMENT

### GREEN OPERATION

As a corporate citizen, the Group continues to work on reducing its carbon footprints in its effort to combat climate change. Employees are encouraged to adopt the following measures to reduce indirect carbon emissions:

- Encourage paper recycling and duplex printing;
- Set computers and printers to default duplex and economical modes, timers can be used for printers during non-operating hours;
- Conduct monthly electricity audits to monitor power consumption and make appropriate improvements when necessary;
- Disseminate information by electronic means wherever possible;
- Use video conferencing to avoid unnecessary overseas business travel and choose direct flights for unavoidable business trips;
- Organise the Group's activities at locations that are easily accessible by public transportation;
- Use electronic greeting cards during the holiday season;
- Encourage employees to use staircases instead of escalators; and
- Plant green plants in the office area

In FY2023, with the Group encouraging the recycling of paper in daily printing operations, the usage of A4 paper has been greatly reduced from 70,000 in FY2022 to 42,500 in FY2023, representing a 40% decrease in paper usage, further contributing to the reduction of the Group's carbon footprint.

## WE PROTECT OUR ENVIRONMENT

### RESPONSE TO CLIMATE CHANGE

Climate change is one of the major global issues in recent years. The increased severity and frequency of extreme weather events caused by climate change have posed negative impacts on the Group's economic activities and business operations. These extreme weather events could disrupt operations by damaging the power grid and infrastructures hampering and jeopardising the employees of their movement and work. The Group may face increased operating costs and capital costs and have to rebalance its portfolio to adapt to the changes. The Group is concerned about climate change and has taken different measures to actively assess and mitigate the risks. The Group has identified different potential physical risks that may pose threats to the business and its financial performance, including the increase in severity and frequency of extreme weather events such as extreme heat or cold and typhoons, changes in precipitation patterns, and the rise in sea levels. In addition, the Group may face various transitional risks, such as the shift in consumer preferences, and changes in stakeholders' expectations and perceptions of the Group due to an increased concern on climate-related issues. The Group is also expecting a potential increase in GHG emission pricing due to government policies or practical actions such as the introduction of the carbon tax and reducing the carbon emission limit under the emission trading system.

The Group reviews the updates of policies and regulations in its operating regions to identify potential climate-related risks. The Group also engages with its stakeholders to understand emerging climate-related risks. To protect the safety of its employees, the Group has established an internal guideline on working arrangements when weather warning signals including the Black Rainstorm Signal and Typhoon Signal No.8 are hoisted. The Group would stay alert to any announcements made by the local government on the weather condition and prepare for emergency actions. The Group will continuously review and enhance its guidelines on working arrangements under extreme weather events.

## WE VALUE OUR EMPLOYEES

The Group believes that its competitive strengths come from its experienced and capable employees. The Group places great importance on the rights and interests of employees and abides by relevant laws and regulations. The Group invests in its employees by offering them career opportunities and appropriate training programmes.

### RECRUITMENT

We are committed to providing a workplace free of discrimination and harassment, and employees are expected to be treated with respect and dignity. The Group acts in strict compliance with the relevant labour laws and regulations, including but not limited to the Immigration Ordinance, Section IVB of the Employee Compensation Ordinance, Employment Ordinance, Employment of Children Regulations, and Employment of Young Persons (Industry) Regulations of Hong Kong. As an equal-opportunity employer, the Group strives to eliminate discrimination within the workplace. Vacancies are opened to applicants who meet relevant requirements. All candidates receive fair treatment and are assessed qualitatively during the interview process, irrespective of their gender, sexual orientation, marital status, and race.

We carry out identification checks during our recruitment process to verify the identity and age of the applicants, so as to avoid child or illegal labour. Given the time sensitivity in our line of work, occasional overtime work is inevitable. Under such circumstances, overtime work shall be consensual and compensated by discretionary bonuses in line with the market practice. Meal and travelling expenses appropriately incurred are reimbursed. Prior to the commencement of employment, employees are required to enter into an employment contract with job descriptions, duties and responsibilities clearly stipulated to prevent any form of forced labour. If child labour or forced labour is discovered, the Group will immediately stop his or her duties and investigate the incident.

The Group also provides new employees with orientation training, which allows them to familiarise themselves with information such as housekeeping rules, work etiquette and leave application procedures to help newcomers adapt to the new working environment more easily. We also provide newcomers with our operations and compliance manuals to help them understand the modus operandi procedures and policies of the Group.

During FY2023, no violation of laws and regulations relating to employment and labour practice, avoiding child labour and forced labour had been identified by the Group.

### EMPLOYEE BENEFITS

We care about the well-being and interests of our employees. The Group abides by the Employment Ordinance of Hong Kong and other relevant labour laws and regulations regarding working hours, medical leave, and annual leave. Our competitive and merit-based remuneration package, which is subject to annual review, ensures the retention and attraction of high-caliber employees. Apart from monthly fixed salary, we offer discretionary bonuses and share options and share award based on employees' performance and the Group's financial performance.

The success of the Group relies on continual support from its employees, and the Group listens and responds to their needs and suggestions. On top of statutory holidays provided in accordance with relevant regulations, employees are entitled to different types of leaves, including annual leave, medical leave, study and examination leave, and maternity and paternity leave. Long service award is also offered as an appreciation for the contribution and dedication of long-serving employees. The Group values communication with staff and therefore does this through newsletters, surveys, and staff forums.

## WE VALUE OUR EMPLOYEES

We implement a self-reflective employee termination policy. Upon receiving a letter of resignation, an exit interview would be arranged and conducted by the management or the human resources team (as appropriate) on or before the last working day of the departing employee to understand the employees' reasons of leaving. Improvement may be made based on constructive feedback. The salary of the final working month will be calculated up to the last working day of the departing employee.

### OCCUPATIONAL HEALTH AND SAFETY

The Group attaches great importance to the work safety of its employees. We strictly abide by the laws and regulations regarding occupational health and safety, including but not limited to the Occupational Safety and Health Ordinance of Hong Kong. The management is responsible for providing and maintaining safe systems of work in a safe working environment. We seek to create a pleasant and comfortable workplace for our employees by carrying out various measures, including an easy access to office supplies, regular maintenance or replacement of office equipment, and the provision of adjustable and ergonomically designed working chairs, and sufficient storage space in a more spacious desk area. Internal policies are also put in place to emphasise the importance of occupational safety and health and ensure that the work environment is in line with relevant laws. Every member of the team sets safety goals and is held accountable. Also, all employees are covered by medical insurance arranged by the Group.

During FY2023, no violation of laws and regulations relating to occupational health and safety had been identified by the Group. The Group also has no reported injuries and no lost days due to work injury. There was no work-related fatality in the past three years.

#### Response to Outbreak of COVID-19

The COVID-19 pandemic was also a major health concern in FY2023. To protect our employees from infection, we have adopted flexible working arrangements (including work-from-home arrangements, flexible arrival and departure times for employees working in the office), identified and arranged deep cleansing services in the office (whenever necessary), required employees to wear a mask in the office and encouraged the use of video conference to substitute physical meetings such as morning briefings.

After the relaxation of the Government's COVID-19 restrictions and mandates, the Group's management has relaxed the work arrangement accordingly since then, with employees resuming their normal arrival and departure time at the office on 1 February 2023. COVID-19 is now regarded more similar to an influenza, with staff who contracted COVID-19 now only required to stay home until a negative Rapid Antigen Test ("RAT") test result is obtained, and employees with close contact to the affected staff are allowed to continue to work normally as long as they feel physically suitable to work. Work space deep cleansing is now only performed on the affected staff's work space when the regular cleansing protocol is deemed inadequate.



## WE VALUE OUR EMPLOYEES

### EMPLOYEE DEVELOPMENT

Our employees are our most valuable assets and we are mindful of their career development. We are committed to offering the opportunity of merit-based promotion and a stable working environment to our employees in their career pursuits. Our promotion is conducted on a fair and open basis, regardless of age, physical or mental health status, marital status, race, skin colour, nationality, religion, etc. We adopt a zero-tolerance approach regarding any form of discrimination. When conducting promotion evaluations of employees, thorough consideration is given to each employee's personal quality, teamwork skills, work performance, self-development, client-facing ability, work management, technical knowledge, and professional judgment. The assessment results would act as the basis of employees' salary adjustment. Competent employees will be considered for promotion in recognition of their efforts and contributions.

We believe that a two-way communication is essential for strengthening bonding among employees, which will in turn improve employee retention. Morning briefings are held at the beginning of each working day to ensure effective work allocation amongst advisory team employees. In order to closely monitor employees' performance whilst maximising their job satisfaction, the Group conducts annual performance appraisals and informal interim meetings throughout the year to provide an opportunity for employees to communicate with the management. In order to evaluate the performance of employees in the annual appraisals, the management will conduct a two-fold assessment, in which the management will conduct face-to-face meetings with relevant individuals and subsequently consult his/her supervisors and peer for their comments on the employee's general performance.

Employees are also encouraged to provide their opinions on the management and suggestions for their own career development. Therefore, while the Group evaluates employees' performance, it caters also to employees' career development needs.

### EMPLOYEE TRAINING

Employees are the foundation of our success. We provide career advancement opportunities to employees with the aim to help them realise their full potential. To establish and manage a professional team with strong technical expertise as well as acute business acumen, much effort has been made in offering comprehensive trainings on all fronts. New employees are provided with orientation trainings with a focus on work etiquette and business ethics. Operation and compliance manuals are provided to new employees as a reference to the Group's policies.

In order to ensure that our service is comparable with industry standards, compulsory Continuous Professional Training for licensed representatives as required under the Securities and Futures Ordinance of Hong Kong is organised regularly for our employees, which includes regulatory updates, compliance advisory, international and local market situation, and emerging trends, case studies on different business issues and sessions conducted by industry experts. In addition to professional knowledge, training on communication and management skills are provided as appropriate. Furthermore, all corporate finance members receive on-the-job training through the direct supervision of either Responsible Officers or senior team members. With compulsory on-the-job training, the Group ensures its employees' ability in providing high-quality services to clients. The Group offers employees a tuition reimbursement, an education allowance and study and examination leave as an incentive for our employees to strengthen their abilities through continuous learning and professional qualifications. The Group encourages employees to attend talks and seminars held by external organisations to develop more skills and expand their knowledge in discharging their duties.

## **WE RESPECT OUR CLIENTS AND COOPERATIVE PARTNERS**

As the Group is principally engaged in proprietary investments and the provision of corporate finance and other consultancy services, its success depends highly on market reputation and clients' satisfaction. We aim to provide our clients with quality services and adhere to a high standard of business ethics. The Group ensures its service quality on financial advisory and sponsorship by providing regular training to employees. For further details of training on service quality, please refer to the section "Employee Training". Due to its business nature, the Group is not involved in any product recalls.

### **CLIENT PROTECTION PRINCIPLE**

The Group places great emphasis on protecting clients' privacy and ensuring confidentiality. We strictly abide by the laws and regulations regarding privacy, including but not limited to the Personal Data (Privacy) Ordinance of Hong Kong. In addition, rigorous policies and procedures are implemented to protect confidentiality and privacy during the process of collecting, processing, and using clients' data. Both the Group and its business partners are required to comply with the terms of confidentiality stated in the contracts. Access to confidential information or documents is restricted and granted only on a need-to-know basis. To ensure all employees are familiar with the Group's policy towards confidential information, such content is stipulated in the contract of employment of all employees. Employees are not allowed to disclose any confidential information of the Group without authorisation during and after their employment. Apart from firewall installation, anti-virus protection is enabled on all servers and computers of the Group to ensure adequate network security. Virus signatures, malicious code definitions as well as their detection and repair engines are updated regularly and whenever necessary. Employees are forbidden to store media and files from unknown sources onto the Group's main server unless the media and files have been scanned and had the computer viruses and malicious codes removed. We also regularly assess the risks and evaluate the need for protective measures against cyber-attacks to protect clients' information.

### **COMPLAINT HANDLING**

Clients' opinions are vital for optimising the Group's business strategies. We are committed to improving the quality of our services to clients and enhancing client satisfaction. We have established policies and procedures for the handling of client complaints. Complaints relating to regulated activities under the Securities and Futures Ordinance of Hong Kong are handled by a director or responsible officer who is not directly involved in the matter. We investigate and respond promptly to all client complaints. During FY2023, the Group had not received any complaints.

### **PROTECTION OF INTELLECTUAL PROPERTY**

The Group respects and protects intellectual property. We strictly abide by the laws and regulations regarding intellectual property, including but not limited to the Copyright Ordinance. A software licensing policy is implemented to ensure that all software used by the Group complies with the licensing agreement. Before the installation of any software, a request has to be made to the Group to prevent the infringement of intellectual property.

### **PRINCIPLE OF MARKETING VERACITY**

All public sales and marketing information are checked to make sure they comply with the law and are not in any way misleading, product descriptions are also checked to ensure that the information is clear and true.

## WE RESPECT OUR CLIENTS AND COOPERATIVE PARTNERS

### ANTI-CORRUPTION

With our uncompromising commitment to integrity and justice, we strictly abide by relevant laws and regulations on anti-corruption, including but not limited to the Prevention of Bribery Ordinance, Anti-Money Laundering and Counter-Terrorist Financing Ordinance, the Securities and Futures Commission Guideline on Anti-Money Laundering and Counter-Financing of Terrorism, the Companies Registry Guidelines on Additional Licensing Conditions of Money Lenders License and other relevant laws and regulations of Hong Kong regarding anti-corruption, bribery, extortion, fraudulent behaviour, and money laundering. Anti-money laundering policy is implemented to detect and prevent money laundering and terrorist financing. Employees are required to fully understand the background of potential clients through documentation and communication in accordance with the relevant procedures set out in our operation and compliance manuals before formal engagements by clients. In addition, all execution team members are required to provide written confirmation about their independence. To protect our business from unintentional money laundering activities, cash transaction with clients is strictly prohibited. All payments from clients should be made through bank transfer or cheque. Employees are to take all reasonable efforts to avoid situations giving rise to any conflicts of interest and are prohibited from receiving anything of significant value from any parties related to the Group's businesses. During FY2023, 5 directors and 5 employees participated in an anti-corruption training regarding the updates on laws and regulations on anti-money laundering.

The Group is committed to the highest possible standards of openness, probity, and accountability, and has established a whistle-blowing policy. Our employees, clients, suppliers, and other stakeholders are encouraged to voice their concerns on any suspected misconduct or malpractice. The Group will investigate the reported misconduct or malpractice and take corresponding remedial measures against the irregularities. Whistleblowers are assured of protection against unfair dismissals, victimisations, or unwarranted disciplinary actions. Employees breaching the Group's anti-corruption policy will face disciplinary actions, which could result in dismissal for gross misconduct. In addition, we regularly review the anti-bribery information provided by the Securities and Futures Commission and therefore have a clear understanding of the anti-corruption requirements in relation to our business.

During FY2023, no violation of laws and regulations relating to anti-corruption had been identified by the Group.

### SUPPLY CHAIN MANAGEMENT

Due to the nature of the Group's corporate finance and other consultancy services business, we have no significant suppliers, the Group requires merely utilities and general daily supplies such as electricity, water, stationery, and groceries for its administrative operations. Hence, no significant environmental and social risks in the supply chain were identified by the Group. During the supplier selection phase, the Group only engages with suppliers that we consider as satisfactory. We monitor our suppliers by regularly reviewing the performance of the service suppliers we have engaged. Should the conduct of a supplier fall short of our expectations, we will terminate our use of their services. Moreover, to integrate the concept of sustainability into the procurement of office utilities and supplies, priority is given to environmentally friendly products and refillable products, such as refillable ballpoint pens, mechanical pencils, and recyclable paper. By regularly checking the product expiration dates on the products used in the Group, we encourage our staff to prevent needless waste by prioritising the usage of products that are nearer to its expiration dates. The Group often makes bulk purchases online to minimise carbon footprints. During FY2023, all four suppliers for office utilities (stationery, copier, and distilled water) are located in Hong Kong, which is in line with its principle of high proximity during procurement.

## WE ASSIST IN CREATING VALUE FOR THE COMMUNITY

Under its corporate finance and other consultancy services segment, the Group renders its services with a vision to create a long-term value for its investors and stakeholders. In this respect, the Group aims to contribute to the growth and development of Hong Kong as one of Asia's leading financial hubs by undertaking its business with integrity, in a responsible manner and serving as the quintessential training ground for young aspiring corporate financiers seeking to further their careers and in turn, sustain our, as well as, the market's long-term growth.

Concurrently, the Group seeks investment opportunities in properties and securities that bring reliable returns as well as positive social impacts. To this end, the Group, through "impact investing" by leasing part of its property portfolio in Japan in supporting "kaigo" or nursing care and support services, will continue bringing measurable beneficial social impacts alongside satisfactory financial returns. Also, the Group has focused on community activities and encourages its employees to participate in volunteer work and charitable events. The Group strives to maintain close relationships with society amid its business development.



## KEY PERFORMANCE INDICATORS

Environmental Indicators	FY2023	FY2022
<b>Emissions</b>		
Total GHG Emissions <sup>1</sup> (tonnes CO <sub>2</sub> equivalent)	63	63
Scope 1 – Direct GHG Emission (tonnes CO <sub>2</sub> equivalent)	0	0
Scope 2 – Indirect Energy Emission <sup>2</sup> (tonnes CO <sub>2</sub> equivalent)	59	61
Scope 3 – Other Indirect Emission <sup>3</sup> (tonnes CO <sub>2</sub> equivalent)	4	2
GHG Emission Intensity (tonnes CO <sub>2</sub> equivalent/employee)	4.22	3.15
Total Non-hazardous Waste <sup>4</sup> (kg)	7,462	8,294
Non-hazardous Waste Intensity (kg/employee)	497.45	414.68
Total Hazardous Waste <sup>5</sup> (kg)	0	0
Hazardous Waste Intensity (kg/employee)	0.00	0.00
<b>Use of Resources<sup>6</sup></b>		
Total Energy Consumption <sup>7</sup> (MWh)	83	86
Energy Consumption Intensity (MWh/employee)	5.54	4.31
Total Water Consumption <sup>8</sup> (m <sup>3</sup> )	134	372
Water Consumption Intensity (m <sup>3</sup> /employee)	8.94	18.60

1 GHG emissions are calculated in accordance with Appendix II “Reporting Guidance on Environmental KPIs” published by the Stock Exchange and the “Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purpose) in Hong Kong” published by the Environmental Protection Department and the Electrical and Mechanical Services Department. The Group does not produce any pollutants in the Year.

2 The emission factor used are from Hongkong Electric Company Sustainability Report 2021 Key Statistics and Targets.

3 The emission factors used are from the 2020/2021 Annual Report published by the Water Suppliers Department, and the 2020/2021 Sustainability Report published by the Drainage Services Department.

4 Non-hazardous waste is estimated based on the Group’s daily office operation situation. The conversion factors used are from Monitoring of Solid Waste in Hong Kong (2020 statistics) provided by the HK EPD and the solid waste conversion factor provided by the USEPA.

5 No hazardous waste was generated during FY2023.

6 Due to the Group’s business nature, it does not involve in any product packaging.

7 Purchased electricity is calculated based on the actual amount consumed.

8 Water consumption is calculated based on the actual amount consumed.

## KEY PERFORMANCE INDICATORS

<b>Social Indicators</b>	<b>FY2023</b>	<b>FY2022</b>
<b>Number of Employees</b>		
Total	15	20
By gender		
Male	9	12
Female	6	8
By employment type		
Full-time	15	20
By age group		
Aged below 30	2	4
Aged 30 to 50	7	10
Aged above 50	6	6
By geographical region		
Hong Kong	15	20
<b>Employee Turnover Rate<sup>1</sup></b>		
Total	53%	25%
By gender		
Male	56%	25%
Female	50%	25%
By age group		
Aged below 30	200%	75%
Aged 30 to 50	57%	20%
Aged above 50	0%	0%
By geographical region		
Hong Kong	53%	25%

## KEY PERFORMANCE INDICATORS

Social Indicators	FY2023	FY2022
<b>Average Hours of Training per Employee and Percentage of Employees Who Received Training<sup>2,3</sup></b>		
Total	11(67%)	22(85%)
By gender		
Male	12(78%)	24(83%)
Female	8(50%)	18(88%)
By employee category		
Senior management	18(100%)	30(100%)
Middle management	11(67%)	23(86%)
General staff	1(25%)	9(67%)

- 1 The employee turnover rate is calculated in accordance with Appendix III “Reporting Guidance on Social KPIs” published by the Stock Exchange.
- 2 The percentage of employees who received training is calculated in accordance with Appendix III “Reporting Guidance on Social KPIs” published by the Stock Exchange.
- 3 Due to the nature of the Group’s business, continued professional training is mandatory for the licensed staff. Based on the total number of licensed staff received training and the total number of licensed staff, the average hours of training per licensed staff and percentage of licensed staff who received training for FY2022 was 33 (100%) and for FY2023 was 15 (100%) respectively.

## APPENDIX: CONTENT INDEX OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE

ESG Indicators	Summary	Section/Explanation	Page
<b>Environment</b>			
<b>A1 Emissions</b>			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer  relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	We Protect Our Environment – Emissions, Resources Conservation, Waste Management, Green Operation	9-12
KPI A1.1	The types of emissions and respective emissions data.	We Protect Our Environment – Emissions Key Performance Indicators	9, 20-21
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions and, where appropriate, intensity.	Key Performance Indicators	20-21
KPI A1.3	Total hazardous waste produced and, where appropriate, intensity.	Key Performance Indicators	20-21
KPI A1.4	Total non-hazardous waste produced and, where appropriate, intensity.	Key Performance Indicators	20-21
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	We Protect Our Environment – Environmental Targets and Progress, Resources Conservation, Green Operation	8-12
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.	We Protect Our Environment – Environmental Targets and Progress, Waste Management	8-11



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ESG Indicators	Summary	Section/Explanation	Page
<b>A2 Use of Resources</b>			
General Disclosure	Policies on the efficient use of resources, including energy, water, and other raw materials.	We Protect Our Environment – Resources Conservation, Green Operation	10-12
KPI A2.1	Direct and/or indirect energy consumption by type in total and intensity.	Key Performance Indicators	20-21
KPI A2.2	Water consumption in total and intensity.	Key Performance Indicators	20-21
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	We Protect Our Environment – Environmental Targets and Progress, Resources Conservation, Green Operation	8-12
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 are taken to achieve them.	We Protect Our Environment – Environmental Targets and Progress, Resources Conservation	8-10
KPI A2.5	Total packaging material used for finished products and, if applicable, with reference to per unit produced.	Key Performance Indicators	20-21
<b>A3 The Environment and Natural Resources</b>			
General Disclosure	Policies on minimising the issuer’s significant impact on the environment and natural resources.	We Protect Our Environment – Resources Conservation, Response to Climate Change	10-13
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	We Protect Our Environment – Resources Conservation	10

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ESG Indicators	Summary	Section/Explanation	Page
<b>A4 Climate Change</b>			
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact the issuer.	We Protect Our Environment – Response to Climate Change	13
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.	We Protect Our Environment – Response to Climate Change	13
<b>Social</b>			
<b>Employment and Labour Practices</b>			
<b>B1 Employment</b>			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer  relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	We Value Our Employees – Recruitment, Employee Benefits, Employee Development	14-16
KPI B1.1	Total workforce by gender, employment type, age group, and geographical region.	Key Performance Indicators	20-21
KPI B1.2	Employee turnover rate by gender, age group, and geographical region.	Key Performance Indicators	20-21

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ESG Indicators	Summary	Section/Explanation	Page
<b>B2 Health and Safety</b>			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	We Value Our Employees – Occupational Health and Safety	15
KPI B2.1	Number and rate of work-related fatalities that occurred in each of the past three years including the reporting year.	We Value Our Employees – Occupational Health and Safety	15
KPI B2.2	Lost days due to work injury.	We Value Our Employees – Occupational Health and Safety	15
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	We Value Our Employees – Occupational Health and Safety	15
<b>B3 Development and Training</b>			
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	We Value Our Employees – Employee Training	16
KPI B3.1	The percentage of employees trained by gender and employee category.	Key Performance Indicators	20-21
KPI B3.2	The average training hours completed per employee by gender and employee category.	Key Performance Indicators	20-21

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ESG Indicators	Summary	Section/Explanation	Page
<b>B4 Labour Standards</b>			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	We Value Our Employees – Recruitment	14
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	We Value Our Employees – Recruitment	14
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	We Value Our Employees – Recruitment	14
<b>Operating Practices</b>			
<b>B5 Supply Chain Management</b>			
General Disclosure	Policies on managing environmental and social risks of the supply chain.	We Respect Our Clients and Cooperative Partners – Supply Chain Management	18
KPI B5.1	Number of suppliers by geographical region.	We Respect Our Clients and Cooperative Partners – Supply Chain Management	18
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	We Respect Our Clients and Cooperative Partners – Supply Chain Management	18
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	We Respect Our Clients and Cooperative Partners – Supply Chain Management	18

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ESG Indicators	Summary	Section/Explanation	Page
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	We Respect Our Clients and Cooperative Partners – Supply Chain Management	18
<b>B6 Product Responsibility</b>			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer  relating to health and safety, advertising, labeling, and privacy matters relating to products and services provided and methods of redress.	We Respect Our Clients and Cooperative Partners – Complaint Handling	17
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	We Respect Our Clients and Cooperative Partners	17-18
KPI B6.2	Number of products and service-related complaints received and how they are dealt with.	We Respect Our Clients and Cooperative Partners – Complaint Handling	17
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	We Respect Our Clients and Cooperative Partners – Protection of Intellectual Property	17
KPI B6.4	Description of quality assurance process and recall procedures.	We Respect Our Clients and Cooperative Partners	17-18
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	We Respect Our Clients and Cooperative Partners – Client Protection Principle	17



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ESG Indicators	Summary	Section/Explanation	Page
<b>B7 Anti-corruption</b>			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to the prevention of bribery, extortion, fraud, and money laundering.	We Respect Our Clients and Cooperative Partners – Anti-corruption	18
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.	We Respect Our Clients and Cooperative Partners – Anti-corruption	18
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	We Respect Our Clients and Cooperative Partners – Anti-corruption	18
KPI B7.3	Description of anti-corruption training provided to directors and staff.	We Respect Our Clients and Cooperative Partners – Anti-corruption	18
<b>Community</b>			
<b>B8 Community Investment</b>			
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	We Assist in Value for the Community	19
KPI B8.1	Focus areas of contribution.	We Assist in Value for the Community	19
KPI B8.2	Resources contributed to the focus area.	The Group's community investment did not involve resource contribution.	–