



**Oi Wah Pawnshop Credit Holdings Limited**

**靚華押業信貸控股有限公司**

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

**(Stock Code: 1319)**

## **Environmental, Social and Governance Report 2020**

## CONTENT

About the Group .....	3
About the ESG Report .....	3
Report Scope and Boundary .....	4
Information and Feedback .....	4
Our Stakeholders .....	5
Environmental .....	6
Overview .....	6
Emissions .....	7
Use of Resources .....	7
Generation of Waste .....	9
Social .....	10
Employment and Labour Practices .....	10
Employment .....	10
Health and Safety .....	12
Development and Training .....	12
Labour Standards .....	13
Operating Practices .....	13
Supply Chain Management .....	13
Product Responsibility .....	13
Anti-corruption .....	15
Community Investment .....	16
HKEX's Guide to the Environmental, Social and Governance Report .....	17

## ABOUT THE GROUP

Oi Wah Pawnshop Credit Holdings Limited (“**Oi Wah**”, the “**Company**”, “**we**” or “**us**”) and its subsidiaries (together with the Company collectively referred to as the “**Group**”) have been providing secured financing, including pawn loan and mortgage loan services, to the public and various corporations in the business sector. Being one of the pawn loan service and property mortgage service providers in Hong Kong, our practice and spirit of “professional, honorable and customer oriented” have contributed to our goodwill and success. As a listed company, it is our corporate duty to promote transparency in relation to our business operations. As such, we would like to present our Environmental, Social and Governance (“**ESG**”) Report for the year ended 29 February 2020 (the “**ESG Report**” or the “**Report**”) which highlights the operational strategies that have been carried out by us during this financial year to achieve sustainability in all aspects.

We consider corporate sustainability as the key to long-term and healthy development of the Group. As a responsible and caring corporation, we value work ethics as much as we cherish the opportunities to engage in sustainable development. For instance, we recognize our obligations to contribute to environmental sustainability, support our employees and strengthen community relations. When considering sustainability, we take into account a number of short-term and long-term factors, including but not limited to, business-related challenges, accountability to stakeholders, global trend of best practices of environmental protection, relevant laws and regulations, and risk management. We believe that the key to success in the overall approach of ESG is to ensure management makes informed decisions through thorough and ongoing review and monitoring of the ESG issues with the participation of all stakeholders. Hence, we have included key performance indicators in our ESG Report this year in order to give our stakeholders and the public a more comprehensive and profound understanding of the effectiveness of the implemented operational strategies in pursuing environmental sustainability.

Nowadays, sustainability is not merely a concept, but an ultimate goal for all mankind. Oi Wah is embracing opportunities and managing risks derived from the economy, environment and society in order to meet overarching targets. We believe that upholding the value of sustainability in our business dealings will better position Oi Wah in allocating resources and benefiting our stakeholders and the community.

## ABOUT THE ESG REPORT

Oi Wah is delighted to present its ESG Report. This Report herein focuses on providing an overview of the environmental and social aspects of the Group, and outlines how we seek to continually improve our operational strategy in regard to our environment and society in order to cope with the global standards of sustainability.

During the process of the preparation of this Report, the Group has conducted thorough review and evaluation of the existing Group’s policies and practices. Unless otherwise stated, this Report covers the Group’s head office and all operating pawnshops.

## Report Scope and Boundary

The Report is prepared in accordance with the selected global, local and industrial standards and best practices, which include, but not limited to, the ESG Reporting Guide (the “**Guide**”) as set out in Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**HKEX**”) (the “**Listing Rules**”) and any applicable accounting and financial reporting standards in Hong Kong.

In order to comply with the disclosure obligations of “comply or explain” provisions, this Report has outlined the overall Group’s performance in environmental protection, human resources, operating practices and community involvement for the financial year running from 1 March 2019 to 29 February 2020 (the “**Reporting Period**”). HKEX’s Guide for the Report is provided on pages 17 to 22 for cross-referencing purpose.

Oi Wah acknowledges the importance of proper disclosure of business activities, believing it as the key to building trust with investors and shareholders. We maintain an open dialogue with our stakeholders to receive their comments and understand their expectation on what ESG issues matter the most. This Report will highlight the following aspects:

- Emissions, Use of Resources and Generation of Waste;
- Employment and Labour Practices;
- Operating Practices; and
- Community Investment.

## Information and Feedback

For details in relation to our financial performance during the Reporting Period, please visit our website: <http://www.pawnshop.com.hk> or the annual report of the Group for the Reporting Period.

Your feedback and comments are our greatest motivation to improve. If you have any queries on this Report or the Group’s sustainability policies, please contact us by email at [info@oiwah.com.hk](mailto:info@oiwah.com.hk).

## OUR STAKEHOLDERS

As stakeholders play a crucial role in sustaining the success of our business, we make use of various communication channels to understand and engage our stakeholders. The probable points of concern of the stakeholders and the way of our communication and responses are listed below.

Stakeholders	Probable Points of Concern	Communication and Responses
HKEX	Complying with the Listing Rules, and making timely and accurate announcements.	Organizing meetings, trainings, workshops and programs, making website updates, and publishing announcements.
Government	Complying with relevant laws and regulations, preventing tax evasion, and social welfare.	Interaction and visits, government inspections, tax returns and other information.
Investors	Corporate governance, business strategies and performance, and investment returns.	Organizing briefing sessions and seminars, interviews, shareholders' meetings, issue of financial reports or operation reports for investors, media and analysts.
Media & Public	Corporate governance, environmental protection, and human rights.	Issue of newsletters on the Company's website.
Customers	Service quality, service delivery schedule, reasonable prices, service value, and personal data protection.	Provision of after-sales services.
Employees	Rights and benefits of employees, compensation, training and development, work hours, and working environment.	Organizing employee activities and training, conducting interviews with employees, issuing internal memos, and creating employee suggestion boxes.
Community	Community environment, employment opportunities, community development, and social welfare.	Developing community activities and employee voluntary activities, providing community welfare subsidies and making donations.

## **ENVIRONMENTAL**

### **Overview**

As a pawn loan and mortgage loan service provider, Oi Wah mainly conducts its business activities at its head office and pawnshops. Owing to our business nature, our operations do not result in any material adverse impact to the environment. In other words, the total emissions of greenhouse gas, resources used and waste generated by us are very limited.

Nevertheless, Oi Wah values environmental sustainability and has been striving to integrate the concept into every part of its daily business operations. Even though the environmental harm caused by us might not be as significant as other industries, the Group still prioritizes environmental protection and aims to mitigate any undesirable impact on the surroundings by adopting world-class environmental protection practices in its business dealings.

Oi Wah constantly reviews its own operational practices to ensure that they are in line with the concept of sustainable corporate development. To achieve the environmental goals, the Group has implemented the following measures:

- Comply with all applicable environmental laws and regulations;
- Identify, assess and mitigate all potential environmental impacts associated with the Group's activities;
- Commit leadership and develop a strong culture of environmental stewardship within the entire workforce; and
- Make resources and systems available, with provision of necessary training to empower our employees to fulfill our environmental responsibilities.

### ***Compliance and Grievance***

During the Reporting Period, we complied with all relevant environmental laws and regulations that have a significant impact on us, including but not limited to, the Waste Disposal Ordinance (Cap.354 of the laws of Hong Kong) and the Air Pollution Control Ordinance (Cap.311 of the laws of Hong Kong). No confirmed non-compliance incidents or grievances were noted by the Group in relation to environmental issues during the Reporting Period.

## **Emissions**

Oi Wah's greenhouse gas ("GHG") emissions mainly consisted of three types of activities, including but not limited to, direct vehicle emissions, direct air-conditioning at its head office and pawnshops, and indirect emissions from employees travelling by air.

### ***Motor vehicles***

We own 4 motor vehicles for transporting our management team members, guests and clients. Furthermore, all of our vehicles are running on unleaded automotive fuel, which is, in comparison to other fuels, cleaner and emitting less pollutants into the air. Moreover, all vehicles are under regular maintenance to enhance fuel consumption efficiency, ensure road safety and keep carbon dioxide emissions at a minimum.

### ***Air-conditioning***

Employees are encouraged to set the air-conditioning at the head office and pawnshops at the most comfortable temperature and switch the air-conditioners off when they are not in use. The Group has also put up notices at prominent locations to raise employees' awareness of energy conservation. Moreover, air-conditioners installed at the head office are centrally controlled by the office building, and are automatically switched off from 8 pm until 8 am of the following day.

### ***Travelling by air***

Due to Oi Wah's business nature and the business operations of the Group are in Hong Kong, the need for our employees to travel by air is rare and insignificant. During the Reporting Period, there was only one business trip.

### **Total emission of GHG generated for the years ended**

	<b>Year ended 29 February 2020 (tonnes)</b>	<b>Year ended 28 February 2019 (tonnes)</b>
<b>Total emission of GHG</b>	103.333	117.607

The decrease in emission of GHG was mainly caused by the drop in electricity used during the year. For more detail, please refer to the below section "Electricity and Energy Usage".

## **Use of Resources**

We always endeavor to promote sustainability and aim to cease resources wastage that provokes detrimental harm to the environment. Various measures have been implemented to attain the goal of using resources efficiently. These measures have been effectively communicated to all levels of staff, ensuring that all employees understand clearly the importance of conserving energy and making full use of the available resources during work.

Due to the business nature of Oi Wah, the consumption of water, electricity and other natural resources is minimal. The measures taken to minimize the usage of resources are stated below:

### ***Water Usage***

Since Oi Wah's business does not involve production, the total water consumption of the Group is low, thus there is no issue in sourcing water. The usage is mainly from the daily use of water by staff members at the head office and pawnshops during office hours. Manual taps are installed at offices to lessen the use of water. Owing to our business nature, the water consumption at our office and pawnshops were minimal and immaterial, hence we did not record the total water consumption and intensity during the Reporting Period. During the Reporting Period, no sewage was recorded and only harmless waste water was discharged to pipes.

### ***Electricity and Energy Usage***

In consideration of the potential environmental threats to the communities, the Group has made steady progress in reducing its carbon footprints across various business units. The following are the measures adopted by the Group to preserve energy and electricity:

- Turn off unused lighting and appliances to reduce energy consumption;
- Turn off air conditioners and lights during non-office hours and/or in idle rooms;
- Employees are required to put computers and other devices into sleeping mode or turn them off when they are not in use (such as during customer visit and lunch time) during business hours;
- Regular maintenance of office equipment such as air conditioners, computers, lights, refrigerators, etc. to ensure they are operating efficiently;
- Printing machine in the office is set at energy-saving mode by default, and the sleeping mode is automatically turned on, if not in use for a certain interval in time so as to reduce unnecessary energy consumption; and
- Used printer cartridges at the head office are sent back to the manufacturers for recycling.

Our electricity consumption for the Reporting Period was 172,198 kWh (2019: 196,922 kWh), electricity consumption per average employee was 3,443.96 kWh (2019: 3,938.44 kWh). It mainly arising from daily consumption at the head office and pawnshops. The electricity consumption has decreased by 12.56% compared with last year. We adopted a new air-conditioning system in one of our pawn shops resulting in a better electricity efficacy. Besides, due to the recent social movement, we have shortened the opening hours of the pawn shop leading to a further reduction in the electricity consumption. We will continue to encourage our employees to reduce energy consumption.



## Generation of Waste

The solid waste generated by Oi Wah is mainly from day-to-day operations, including but not limited to, office-use paper, office waste and plastic bags used in pawnshops for sealing collateral. In order to alleviate the pressure on landfills and promote environmental friendliness within the Group, Oi Wah has implemented various measures to encourage recycling office supplies and other materials, eliminating over-consumption of unnecessary products, and prioritizing waste avoidance, reuse and recycling over disposal.

During the Reporting Period, we complied with all relevant laws and regulations that have a significant impact on us, including but not limited to, the Waste Disposal Ordinance (Cap. 354 of the laws of Hong Kong). No confirmed material non-compliance incidents or grievances were noted by us during the Reporting Period.

As the Group is a financing services provider, the Group did not produce any tangible products that require packaging during the Reporting Period, hence no packaging materials were used in this regard.

The Group did not produce any hazardous waste during the course of its daily operations. The total amount of non-hazardous waste produced by the Group during the current and previous reporting period are stated below:

### Total non-hazardous waste generated for the years ended

	29 February 2020 Data (tonnes)	28 February 2019 Data (tonnes)
<b>Total weight</b>	0.102	0.124

The total amount of non-hazardous waste generated by the Group during the Reporting Period was reduced by approximately 17.74%. During the Reporting Period, there was a decrease in the number of new mortgage loans granted as compared to last year due to the economic distress and social instability, we were more cautious in the approval of new loans.

The following measures were adopted by the Group during the Reporting Period to minimize waste generation:

### *Reduction of printing and paper usage*

We require our staff members to make full use of office paper before disposal. Various measures have been incorporated into our business operations, such as adopting the use of environmental friendly paper and promoting the use of double-sided printing. For any single-sided printing, the relevant paper should be reused under the circumstances that no confidential information was printed on the paper. We will continue to leverage the use of technology for communication with our employees and customers and to move towards paperless operations.

### ***Minimizing the use of plastic bags***

It is our business practice to seal collateral with plastic bags to avoid stealing or using collateral without permission. From the perspective of environmental protection, it is undoubtedly true that the use of plastic bags will cause devastating harm to the environment. However, from a security perspective, in order to make our customers feel confident that their properties are properly kept by us, the use of plastic bags for every pawn loan trade is inevitable. Even though the practice has a justifiable aim, it could not obliterate the harm that it does to the environment. Therefore, employees are always reminded to only use plastic bags when necessary.

## **SOCIAL**

### **Employment and Labour Practices**

As getting the right person for the right job by understanding employees' personality traits and unique talents is the cornerstone to a company's success, we regard our employees as one of the most valuable assets of the Group and we focus on building a safe and pleasant working environment for all employees. As such, we offer attractive remuneration packages as well as provide many internal and external training opportunities to our employees so as to attract, motivate and retain the right people.

We have a comprehensive human resources policy which details all the procedures regarding compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. The relevant policies for employment and labour practices are listed as follows:

### ***Compliance and Grievance***

During the Reporting Period, we complied with all the relevant laws and regulations in relation to employment that have a significant impact on us. No confirmed non-compliance incidents or grievances were noted by the Company during the Reporting Period.

### ***Employment***

We strictly complied with all relevant laws and regulations in relation to employment that have a significant impact on us, including but not limited to, the Employment Ordinance (Cap. 57 of the laws of Hong Kong), the Minimum Wage Ordinance (Cap. 608 of the laws of Hong Kong) and the Employees' Compensation Ordinance (Cap. 282 of the laws of Hong Kong). The Group has a set of human resources policies and procedures that sets out the Group's standard internal procedures relating to recruitment and promotion, working hours, holidays, equal opportunities, compensation and dismissal, diversity of the origins of our employees, anti-discrimination and other human resources treatments and benefits, etc., to provide a standardized and comprehensive guideline on work practice for employees.

As at 29 February 2020, Oi Wah employed 50 (2019: 50) full-time employees who are all Hong Kong citizens. The Group has a diverse workforce in terms of gender, age and skill sets.

### *Attracting and retaining talents*

Oi Wah's remuneration policies are in line with the prevailing market practices. Remunerations are determined on the basis of the competency, qualifications and experience of individual employees. Our management has been constantly reviewing the staff remuneration packages and employees' promotion opportunities. Adjustments will be made, usually annually, to conform to the market standard in order to retain talents and ensure the remuneration packages are competitive as compared to other competitors in the industry. A standard package includes basic salary, the Mandatory Provident Fund and variable incentive-based remunerations which are offered based on each individual employee's performance.

### *Welfare and benefits*

To increase our employees' sense of belonging, we have offered various welfare and benefits to our employees. For instance, employees are entitled to all public holidays as well as paid leave in accordance with the Employment Ordinance and their job level. In addition, we offer medical insurance, over-time allowance and lunch allowance to our employees. At Oi Wah, we encourage our staff to attend external training to enhance their work skills and job satisfaction and any costs incurred are reimbursed by the Group.

The Group also conducts a series of activities every year to promote the Group's corporate culture among our employees. During the Reporting Period, we organized an annual dinner and several gatherings for our employees to mingle and have fun. We also understand and respect our employees' roles and responsibilities to their families, and are committed to supporting them and strive to maintain a family-friendly working environment by implementing various policies. For example, we offer school textbook subsidies to married employees with children to ease their financial burden.

### *Anti-discrimination and integrity*

The Group strives to create a fair and impartial working environment where all employees are treated equally and respectfully. Any kinds of discrimination or harassment based on the employees' gender, age, marital status, race, sexual orientation and religion at our workplace is strongly prohibited.

We always listen and respond to the requests from our employees. It is the goal of the Group to create a friendly and peaceful working environment. We encourage our employees to provide feedback in relation to any employment-related matters, especially when they encounter any unpleasant or undesired treatment from colleagues or the senior management. Employees may report such issues to their department head and lodge a formal complaint. If any unfair treatment or harassment is found and confirmed, the Group will issue a warning in written form to the employee who is responsible for such misconduct and may dismiss him or her depending on the seriousness of the incident.

### ***Health and Safety***

We aim to provide a safe and healthy working environment to our employees, and encourage them to achieve a balance between work and a healthy lifestyle. Oi Wah complies with the relevant laws and regulations in relation to safety, as well as hygiene and health. Apart from employees' compensation insurance, we provide other fringe benefits to our employees, such as medical cover. The Group's business operations do not involve any high-risk work activities that could lead to serious industrial safety events or occupational health problems. Employees mainly work in the office and are less likely to encounter work-related accidents. During the Reporting Period, the Group (i) recorded one case of work-related injury resulting in 47 lost working days (2019: nil) and (ii) recorded no work-related fatalities (2019: nil).

In addition, the Group has implemented the following measures to create and maintain a comfortable, safe and healthy work environment for our employees:

- Keep all emergency exits in the workplace unobstructed;
- Provide sufficient lighting at the workplace;
- Prohibit smoking in the workplace; and
- Conduct regular safety inspections and fire drills.

### ***Development and Training***

We believe that investing in employee training and development will help promote job satisfaction, work motivation and staff loyalty. Every year, the Group selects a number of staff members from different pawnshops and sponsors them to attend a gemology course. Moreover, different types of on-job training were provided to employees to make sure that all staff members are equipped with updated information, sufficient knowledge and appropriate skills to provide quality services to our customers.

The Chief Executive Officer conducts training in respect of mortgage loan procedures and other risk management measures to staff members engaged in the money lending business segment. For pawnshops, the Chief Executive Officer holds meetings with the pawnshop managers to discuss the latest valuation methods in pawn so that the staff members are well-trained with the valuation techniques for different types of collateral.

Moreover, employees are encouraged to attend external training courses and seminars that help them gain knowledge in the fast-changing business world, such as updates on the Listing Rules and corporate governance practices, as well as changes and development of relevant laws and regulations. All fees incurred from the courses or seminars are sponsored by the Group.

### ***Labour Standards***

We are committed to complying with the Employment Ordinance and other relevant laws and regulations in relation to employees' protection and benefits. Every employee is subject to a stringent internal review process that involves a well-established procedure to verify a candidate's personal information, in order to avoid misrepresentation and involvement of any form of child labour. For instance, the staff member responsible for recruitment collects the identity proof from the candidates to ensure that the age of the candidates fulfill the requirements as stipulated by the applicable laws and regulations.

The employment of forced and child labour is strictly prohibited. If our management discovers there is any employment of forced or child labour, we will immediately terminate the employment with the employee concerned. During the Reporting Period, all employees were over the age of 18, and had been properly employed in accordance with the requirements of all applicable laws and regulations. No confirmed non-compliance incidents or grievances were noted by the Company during the Reporting Period.

### **Operating Practices**

#### ***Supply Chain Management***

Since Oi Wah is a service provider for mortgage loans and pawn loans, our business does not involve much of the purchase of physical materials, and thus, we have relatively few suppliers and a less complicated supply chain as compared to other industries. Our suppliers are mostly third-party service providers, such as specialists offering information technology services, advertising services, legal and consulting services, as well as suppliers providing office equipment, printing, and stationery.

We support the purchase of environmental-friendly products to minimize the environmental impact caused by the operation of our business. To ensure the fairness of supplier vetting and selection, we have established a procedure to acquire information for background checking and quotations from more than one supplier for comparisons. Approved suppliers are reviewed annually to ensure the quality of the services and products purchased is up to standard.

#### ***Product Responsibility***

At Oi Wah, our primary focus is to provide high quality services to our customers. We value the importance of confidentiality of our customers by protecting their personal information. We carefully undertake assessments on the source, condition and value of the collateral. For advertising, we strictly comply with all relevant laws and regulations so as to avoid conveying any incorrect messages to the public.

During the Reporting Period, we complied with all relevant laws and regulations, and no complaints were received in relation to our services provided. No non-compliance issues or grievances were noted by the Company.

### *Privacy Matters*

In order to build customer trust and loyalty, we have set out rules to reduce the risk of employees leaking confidential information. For instance, employees are required to sign a non-disclosure agreement, which is attached to their own employment contract, on their first day of work. It clearly states the procedures for employees to handle the data of the customers and the Group. This is to ensure our employees fully understand their responsibilities and duties in order to safeguard the interests of our customers and the Group.

The non-disclosure agreement specifies the content and scope of confidentiality, obligations of the employees, and potential liability for the breach of agreement. Disclosing or copying any of the Group's trade secret without the consent from our management is strictly prohibited. If there is any employee who has been discovered of misappropriating customer's private data, the Group will dismiss the employee concerned and reserve the right to legal proceedings.

Moreover, the Group has employed a third-party information technology service provider to help build a server for securing customer information. Only the authorized employees are able to gain access to and change client information in the server. The server is constantly monitored by the information technology service provider to prevent and detect any unauthorized access.

Since the Group has access to the personal data of its customers, it is important for us to ensure the privacy of customer information. The Group continues to monitor, review and, when necessary, update its privacy principles and policies to ensure they are in compliance with all relevant laws and regulations. During the Reporting Period, the Group complied with all relevant law and regulations in relation to data protection, including but not limited to the Personal Data (Privacy) Ordinance (Cap. 486 of the laws of Hong Kong). No confirmed non-compliance incidents or grievances were noted by the Company during the Reporting Period.

### *Customer Care*

We hope our clients have an enjoyable experience during their visit to Oi Wah and are satisfied with our services. As such, training is provided to our employees to refresh their memory and knowledge on the appropriate procedures when dealing with customer queries, as well as all the requirements and usual practices applicable to mortgage loan and pawn loan services.

For our pawn loan business, we are required to conduct careful inspection and examination in order to accurately assess the value of the collateral received from our clients. The examinations are usually conducted by qualified and experienced professionals to ensure that the collateral is correctly valued according to their categories and conditions. We bear no responsibilities for the goods to be sold, third-party buyers are freely allowed to conduct their own examinations in order to ensure that the quality and the value of the goods that they are purchasing are up to their expectations.

All collateral is securely kept in sealed plastic bags which are specifically designed for keeping the collateral. Customers are required to sign their name on a tape which seals the plastic bag. Since the bag cannot be opened without removing the tape, this arrangement ensures that the collateral is properly kept by us and will not be used by any of our staff members without consent. The collateral that is properly sealed in plastic bags will be handed over to our customers when the collateral is redeemed.

For the mortgage loan services, we provide a one-on-one service to our customers and design a loan repayment schedule which best suits the needs of our customers. Good customer service is essential in maintaining long-term relationships with our customers. The mission of our customer service emphasizes the provision of quality services, effective communication and responsive solution. The interests of our customers are placed at top priority.

### *Advertising*

The Group recognizes the importance of compliance with regulatory requirements. During the Reporting Period, we complied with all relevant laws and regulations that have a significant impact on us, including but not limited to, the Money Lenders Ordinance (Cap. 163 of the laws of Hong Kong), which constitutes a significant influence to the Group's money lending business.

The Group has strictly complied with the advertising requirements. All kinds of advertisement on money lending include a telephone hotline for the public to express their complaints, as well as a risk warning statement that reads "You have to repay your loans, but don't pay any intermediaries". All final drafts of the advertisement must be approved by our management before bulk printing.

During the Reporting Period, no confirmed non-compliance incidents or grievances were noted by the Company.

### *Anti-corruption*

We clearly understand that financial crime may have significant consequences to our customers and us. Moreover, the community and the economies in which we operate can also be greatly impacted. Therefore, we are committed to participating in industry-wide efforts to address the issues of corruption, bribery and money laundering.

We maintain and implement our own anti-money laundering, counter-terrorist financing, anti-bribery, anti-corruption and anti-fraud practices and procedures. We do not support, nor tolerate, any corrupt practices and making or receiving of bribery payments. We have established a clear policy to guide our employees in this regard. In addition, the employment contracts of our employees include the code of conduct for them to follow. In our workplace, in order to maintain a high standard of integrity and impartiality, we encourage our employees to report any suspected corrupt practices. The whistle-blower's identity will always remain anonymous and be protected throughout the investigation. If any employees are found breaching the code of conduct, we will immediately terminate the contract of the employee concerned, and reserve our right to take necessary legal actions. Regular training are provided to all employees to strengthen their awareness of anti-corruption and whistle-blowing matters.

During daily business operations, we perform relevant due diligence on all customers. We verify the customer's identity by reference to documents or information provided by reliable and independent sources. Personal documents, including ID/passport, driving license etc., will be obtained before entering into any business relationships with our customers. All the information and records are well maintained to meet the record-keeping requirements. The Company's anti-money laundering guideline has clear statements to guide the employees to identify suspicious money-laundering behaviour and to ascertain the background of the customers, as well as providing channels for reporting suspicious transactions. Under the current practice, the Company's Compliance Officer is responsible for overseeing all money laundering activities. When it comes to the attention of the employees that a customer may be involved in any money laundering activities, the Company's Money Laundering Reporting Officer would determine whether it should be reported to the Joint Financial Intelligence Unit.

We continuously review and monitor the relevant guidelines or other applicable circulars to ensure effectiveness and compliance with current statutory and regulatory requirements. We monitor our business relationships with our customers by reviewing documents and transactions with our customers from time to time.

During the Reporting Period, we complied with all relevant laws and regulations that have a significant impact on us, including but not limited to, the Prevention of Bribery Ordinance (Cap. 201 of the laws of Hong Kong) and no corruption or bribery incidents were reported within the Group.

### ***Community Investment***

We understand the importance of giving back to the society. Therefore, we encourage our employees to take part in community services to foster a more sustainable and harmonious society.



## HKEX'S GUIDE TO THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

KPI	Environmental, Social and Governance Report	Disclosed in	Remarks
<b>A. Environmental</b>			
Aspect A1: Emissions			
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have 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.		Environmental	
A1.1	The types of emissions and respective emissions data.	Emissions	Gaseous fuel consumption from activities such as transportation is minimal in our business.
A1.2	Greenhouse gas emissions in total and, where appropriate, intensity.	Data on Greenhouse Gas Emissions	
A1.3	Total hazardous waste produced and, where appropriate, intensity.	Generation of Waste	There was no hazardous waste generated from our business operations.
A1.4	Total non-hazardous waste produced and, where appropriate, intensity.	Generation of Waste	
A1.5	Description of measures to mitigate emissions and results achieved.	Emissions	
A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	Generation of Waste	

<b>KPI</b>	<b>Environmental, Social and Governance Report</b>	<b>Disclosed in</b>	<b>Remarks</b>
Aspect A2: Use of Resources			
General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.		Use of Resources	
A2.1	Direct and/or indirect energy consumption by type in total and intensity.	Use of Resources	
A2.2	Water consumption in total and intensity.	Water Usage	Since the water consumption at our head office and pawnshops were minimal and immaterial, we did not record the relevant data during the Reporting Period.
A2.3	Description of energy use efficiency initiatives and results achieved.	Electricity and Energy Usage	
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	Water Usage	
A2.5	Total packaging material used for finished products and, if applicable, with reference to per unit produced.	Not applicable	As we provide financing services, the Group does not produce any tangible products that require packaging.
A3: The Environmental and Natural Resources			
General Disclosure Policies on minimizing the issuer's significant impact on the environment and natural resources.		Environmental	
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environmental	

KPI	Environmental, Social and Governance Report	Disclosed in	Remarks
<b>B. Social</b>			
B1: Employment and Labour Practices			
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.		Employment	
B1.1	Total workforce by gender, employment type, age group and geographical region.	Not disclosed	
B1.2	Employee turnover rate by gender, age group and geographical region.	Not disclosed	
B2: Health and Safety			
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.		Health and Safety	
B2.1	Number and rate of work-related fatalities.	Health and Safety	
B2.2	Lost days due to work injury.	Health and Safety	
B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Health and Safety	

<b>KPI</b>	<b>Environmental, Social and Governance Report</b>	<b>Disclosed in</b>	<b>Remarks</b>
<b>B3: Development and Training</b>			
General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.		Development and Training	
B3.1	The percentage of employees trained by gender and employee category.	Not disclosed	
B3.2	The average training hours completed per employee by gender and employee category.	Not disclosed	
<b>B4: Labour Standards</b>			
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have significant impact on the issuer relating to preventing child and forced labour.		Labour Standards	
B4.1	Description of measures to review employment practices to avoid child and forced labour.	Labour Standards	
B4.2	Description of steps taken to eliminate such practices when discovered.	Labour Standards	

<b>KPI</b>	<b>Environmental, Social and Governance Report</b>	<b>Disclosed in</b>	<b>Remarks</b>
<b>B5: Supply Chain Management</b>			
	General Disclosure Policies on managing environmental and social risks of the supply chain.	Supply Chain Management	As we provide financing services, our business does not involve much of the purchase of physical materials and thus we have relatively few suppliers.
B5.1	Number of suppliers by geographical region.	Not disclosed	
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Supply Chain Management	
<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, labelling and privacy matters relating to products and services provided and methods of redress.	Product Responsibility	
B6.1	Percentage and total products sold or shipped subject to recalls for safety and health reasons.	Not applicable	As we provide financing services, we do not sell physical products.
B6.2	Number of products and service related complaints received and how they are dealt with.	Product Responsibility	
B6.3	Description of practices relating to observing and protecting intellectual property rights.	Not applicable	
B6.4	Description of quality assurance process and recall procedures.	Not applicable	As we provide financing services, we do not sell physical products.
B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Product Responsibility	

<b>KPI</b>	<b>Environmental, Social and Governance Report</b>	<b>Disclosed in</b>	<b>Remarks</b>
<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 bribery, extortion, fraud and money laundering.		Anti-Corruption	
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.	Anti-Corruption	
B7.2	Description of prevention measures and whistle-blowing procedures, how they are implemented and monitored.	Anti-Corruption	
<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.		Community Investment	
B8.1	Focus areas of contribution.	Not disclosed	
B8.2	Resources contributed to the focus area.	Not disclosed	