



德林控股
DL HOLDINGS

DL HOLDINGS GROUP LIMITED
德林控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1709



Environmental, Social and Governance Report

2021/2022

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

APPROACH TO ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) AND REPORTING

DL Holdings Group Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) are pleased to present this ESG report (the “**ESG Report**”), which summarises the ESG policies, initiatives, and performance of the Group in accordance with the requirement of the Appendix 27 Environmental, Social and Governance Reporting Guide (the “**ESG Guide**”) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

GOVERNANCE STRUCTURE

The board of directors of the Company (the “**Board**”) is responsible for evaluating and identifying ESG-related risks and ensuring the appropriateness and effectiveness of the Company’s ESG risk management policies and internal control system for ESG issues are in place. The management of the Group verified that the policies and systems in place were effective for the year ended 31 March 2022, and the Board confirmed the information disclosed in the ESG Report complies with the ESG Guide.

The Group has a clear business development strategy. The value of the Group is derived from better utilisation of resources and strong relationships with stakeholders. The Group recognises the importance of operating business in a responsible manner to achieve sustainable development. Sustainable development is critical to the ability to obtain affordable funding and enhance long-term competitiveness. The Group is committed to operating responsibly by incorporating environmental and social factors into management considerations as long term vision and strategy. The Group has established and implemented a set of policies to monitor and manage risks related to the environment, employment, product and service quality control and governance. Details of the management approaches to sustainable development of different areas are illustrated in the ESG Report.

ESG MANAGEMENT APPROACH AND STRATEGY

The Group is committed to achieving high standards of environmental, social and governance performance and meeting all applicable legal requirements in the markets where it operates. It considers this to be an important foundation for the Group to engage its stakeholders and grow its business in a responsible and sustainable manner. In addition, the Group attaches great importance to employee development and environmental protection.

The Group’s ESG approach is to ensure that the Group continues to create long term value for its stakeholders by retaining the economic and social advantages of its operations. It also takes the necessary steps to protect and support the communities.

The Group strives to address the potential risk and opportunities brought by sustainability issues by encouraging cross-departmental collaborations. The approach to tackle problems from multiple points of view is expected to provide more comprehensive solutions to problems that the society is facing today.

The Group understands that environmental conservation and community engagement is more than a moral imperative, it also makes good business sense. By upholding its commitment to corporate social responsibility, the Group strives to forge itself into an environmentally friendly enterprise that cares about its employees’ development and protects their rights and interests.

To provide additional oversight and direction, the Board was also involved with setting ESG-related targets, and were tasked to review progress made against them annually by comparing the ESG related data against the those data in the previous reporting period and by comparing against the ESG-related targets. The Board will also adjust the ESG-related targets after considering the relevance of such ESG issues with the business of the Group.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

REPORTING PRINCIPLES

The ESG Report is governed by mandatory disclosure requirements and “Comply or Explain” provisions. To present a fuller picture of our ESG performance and practices, the ESG Report was prepared by four core principles:

- **Materiality:** The ESG Report shall disclose any quantitative or qualitative ESG data that are sufficiently important to the stakeholders of the Group.
- **Quantitative:** The environmental, social and governance objectives identified by the Group should be measurable to facilitate comparison with previous years, competitors and industry standards. Information on the standards, methodologies, assumptions, and calculations tools used are further disclosed in the discussion of the various ESG issues where applicable.
- **Balance:** The ESG report should provide an unbiased picture of the issuer’s performance. The report should avoid selections, omissions, or presentation formats that may inappropriately influence a decision or judgment by the report reader.
- **Consistency:** The assumptions and calculation methods used for any KPI should be consistent with previous years to ensure that the relevant data can be compared effectively. To ensure consistent comparisons of ESG data, any changes to the relevant assumptions or calculation methods should be clearly disclosed to inform stakeholders.

SCOPE OF REPORT

Unless stated otherwise, the ESG Report mainly includes the Group’s core business in sales of apparel products with the provision of supply chain total solutions to customers (the “**Apparel Business**”) as well as its provision of financial services of licensed business including financial advisory services; securities research services, securities trading and brokerage services; margin financing services; referral services; and investment management and advisory services, provision of money lending services, as well as provision of enterprise solutions services (the “**Financial Services Businesses**”).

The information stated in this report spans from 1 April 2021 to 31 March 2022 (the “**Reporting Period**”) and includes all subsidiaries of the Group during the Reporting Period. The information in this ESG Report was gathered and organised through various channels, including but not limited to the internal control policies of the Group, the factual evidence of the implementation of ESG, the key performance indicators (“**KPIs**”) listed according to the ESG Guide, and the annual performance quantitative data of the Group in business operation and ESG management.

The ESG Report of the Group covers the subject areas of environmental and social, which will be discussed by reference to different aspects with the relevant policies and laws as addressed by the ESG Guide. Information relating to the Group’s corporate governance practices can be found in the Corporate Governance Report on pages 20 to 28 of the annual report of the Company for the Reporting Period. The Group will continue to assess the major ESG aspects and determine the areas to be reported in the future ESG reports.

REPORTING FRAMEWORK

The ESG Report shall be published both in Chinese and English on the website of the Stock Exchange. Should there be any discrepancy between the Chinese and the English versions, the English version shall prevail.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

STAKEHOLDERS ENGAGEMENT

In order to define the Group's current and future sustainable development strategies, it is necessary to ensure the understanding of the Group's stakeholders' perspectives and their expectations on the development and success of the Group, and this will help the Group to assess the potential impacts of the Group's future business activities on environment and social aspects.

Stakeholders and their feedback regarding the Group's business and ESG aspects are highly valued by the Group. To understand and address their main concerns, the Group has maintained close communication with its key stakeholders, including but not limited to employees, customers and suppliers, through different platforms such as meetings and surveys.

The Group also continues to enhance its performance, deliver products and services that address stakeholders' needs and creates greater value for the community on an ongoing basis.

The Group will continue to maintain effective communication with the major stakeholders in various ways in order to deal with their concerns and feedback in a timely manner. It is believed that it is necessary to consider the needs of all stakeholders, which is essential to maintaining a long-term friendly relationship with shareholders and investors, employees, customers and public bodies. The areas of concern considered by the stakeholders are listed below:

Major Stakeholder Engaged	Major Communication Channels	Major Concerns
Shareholders and investors	<ul style="list-style-type: none">• Press Release, Corporate Announcements and Circulars• Annual and Interim Reports• General Meetings	<ul style="list-style-type: none">• Business Development Plan• Financial and Business Stability• Information Disclosure and Transparency• Profitability
Employees	<ul style="list-style-type: none">• Trainings and Team Building Activities• Business Meetings and Briefings• Performance Appraisals	<ul style="list-style-type: none">• Career Development and Training Opportunities• Compensation and Benefits• Safe and Health Work Environment• Personal Data Protection and Security
Public Community	<ul style="list-style-type: none">• Charitable and Volunteering Activities• Community Interactions• Marketing	<ul style="list-style-type: none">• Corporate Social Responsibilities• Community Investment and Charitable Activities
Government and Supervisory Institutions	<ul style="list-style-type: none">• Compliance Report• Major Meeting and Policy Consultation• Information Disclosures• Examinations and Inspections	<ul style="list-style-type: none">• Compliance Operation• Corporate Governance• Environmental Protection
Customers	<ul style="list-style-type: none">• Business Communication• Customer Feedback	<ul style="list-style-type: none">• Information Security• Product and Services Quality

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MATERIALITY ASSESSMENT

During the Reporting Period, the Group implemented a system of annual review to identify the main concerns and major interests of stakeholders on ESG issues through the conducting of substantive assessment survey. Both internal and external stakeholders (including senior management, employees, customers and suppliers) had participated in the Group's materiality assessment which were conducted for the purpose of this ESG Report. Selected stakeholders were invited to participate in an electronic survey to comment on the ESG question list. The purpose of the survey is to determine stakeholders' perceptions of the Group's ESG initiatives and to make a substantive assessment of the Group. The management and employees of the Group has identified key ESG issues and assessed the importance of these issues to its business and stakeholders. The Group has evaluated the materiality in ESG aspects through the following steps:

Identification – Industry Benchmarking

- 28 ESG issues were identified through the review of the relevant ESG reports of the local and international industry peers;
- The materiality of each ESG area was determined based on the importance of each ESG area to the Group through internal discussion of the management and the recommendations from the ESG Guide.

Prioritisation

- Invite stakeholders from inside and outside the Group to participate in anonymous online questionnaire and collect the achievements of 28 important issues, as well as their opinions and expectations of ESG governance.

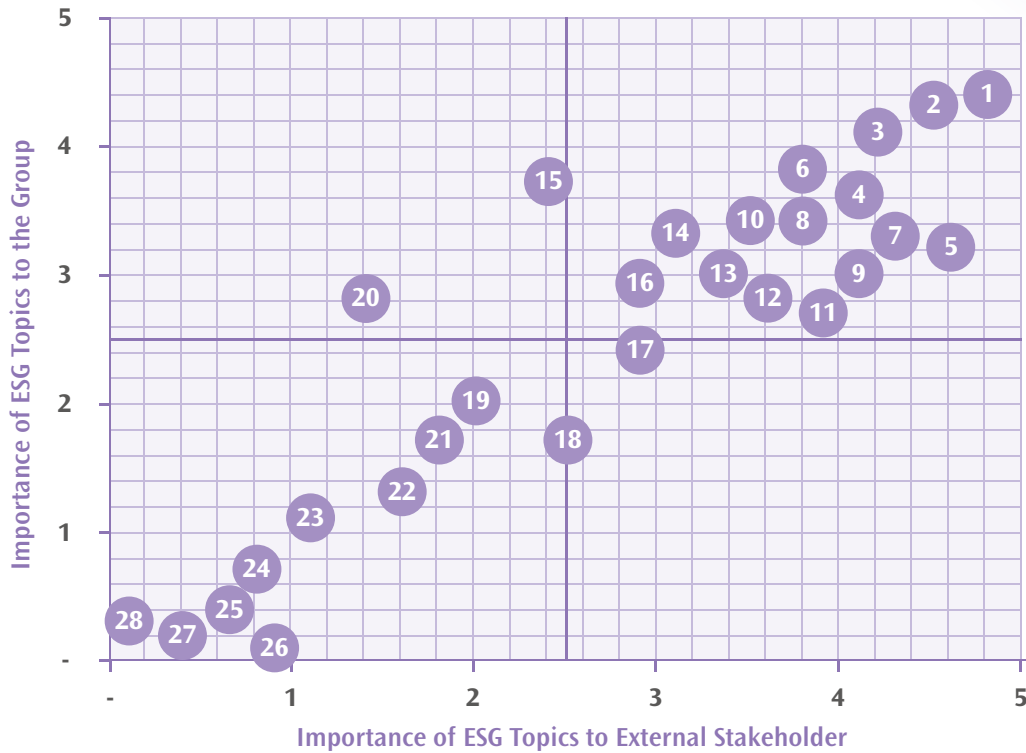
Validation

- According to the results of the questionnaire, ESG issues will be categorised based on “importance to external stakeholders” and “importance to the Group”, which are then combined and arranged as x-axis and y-axis, and the important matters matrix (refer to the section below) of ESG is compiled.

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The result of the materiality assessment is shown below:

Materiality Assessment Matrix



Item	ESG Topic	Item	ESG Topic
1.	Customer satisfaction	13.	Selection and monitoring of suppliers
2.	Customer information and privacy	14.	Diversity and equal opportunity of employees
3.	Number of concluded legal cases regarding corrupt practices, e.g. bribery, extortion, fraud and money laundering	15.	Product health and safety
4.	Anti-corruption policies and whistle-blowing procedure	16.	Employee development and training
5.	Occupational health and safety	17.	Cultivation of local employment
6.	Preventing child and forced labour	18.	Mitigation measures to protect environment and natural resources
7.	Anti-corruption training provided to directors and staff	19.	Marketing communications (e.g. advertisement)
8.	Observing and protecting intellectual property rights	20.	Product and service labelling
9.	Environmentally preferable products and services	21.	Use of materials (e.g. paper, packaging, raw materials)
10.	Employee remuneration, benefits and rights (e.g. working hours, rest periods, working conditions)	22.	Energy use (e.g. electricity, gas, fuel)
11.	Community support (e.g. donation, volunteering)	23.	Water use
12.	Environmental risks (e.g. pollution) and social risks (e.g. monopoly) of the suppliers	24.	Climate change
		25.	Hazardous waste production
		26.	Greenhouse gas emissions
		27.	Non-hazardous waste production
		28.	Air emissions

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During the Reporting Period, the Group, through various communication channels, understands that the major ESG concerns for major stakeholders include customer satisfaction, information and privacy, corruption free operations, environmentally preferable products and services, community support and these constitute the major ESG management priorities and objectives of the Group. After taking into account the results of the materiality assessment and the priorities and objectives of the Group, the ESG strategies of the Group were to incorporate ESG philosophy into its corporate governance and increase community involvement.

Stakeholders' Feedback

The Group welcomes stakeholders' feedback on its ESG approach and performance. You are welcomed to provide your suggestions or share your views with the Group through any channel below to help the Group improve its ESG performance:

Email: info@dl-holdings.com
Website: <https://www.dl-holdings.com/>
Address: 29/F Vertical Square, 28 Heung Yip Road, Wong Chuk Hang, Hong Kong
Phone: +852 3188 5552

The following sections provide more information about the Group's practices in the areas of the environment, employees' engagement and development, good operating practices and the Group's contribution to the community.

A. ENVIRONMENTAL

The Group has established a set of environmental protection management policies, mechanisms and measures to ensure the sustainable development and operation of the Group in order to pursue the sustainable development of the environment and the community. The Group is becoming more and more cautious in controlling its emissions and resources consumption and the Group has, and continues to, strictly abide by the relevant environmental laws and regulations of different countries where it has daily operations.

In order to mitigate the environmental impact derived from the Group's business activities, the Group has adopted and implemented the above-mentioned environmentally friendly policies and these policies mainly apply to all subsidiaries of the Group. These policies adopt the waste management principle of "Reduce, Reuse, Recycle and Replace" as well as the principle of emission reduction. The purpose is to minimise the adverse impact of business activities on the environment and ensure that waste and exhaust emissions have been properly disposed of. The Group uses its best endeavours to establish and implement environmental protection policies and improve its environmental performance by reducing energy consumption and the use of other resources. The Group is committed to purchasing environmental protection equipment, energy-saving equipment, etc., and adopts practical measures and policies to protect the environment. In the office, the Group implements green office, promotes internal paperless communication, encourages the use of renewable paper, and advocates staff to save water and electricity.

As the Group is principally engaged in the provision of the Apparel Business and the Financial Services Businesses during the Reporting Period, the Group is not aware of any relevant laws and regulations relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste which has a significant impact on the Group.

During the Reporting Period, the Group found no violations of Hong Kong or PRC's environmental laws and regulations, and it has strictly complied with relevant laws and regulations on air and greenhouse gas emissions, discharges into water and land and generation of hazardous and non-hazardous waste. The Group aims to minimise the negative impact on the environment, encourages low-carbon travel, and is committed to contributing to environmental protection.

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A.1. Emissions

Due to the nature of the Group's business, the Group is not involved in any combustion, industrial production or any factory facilities, which will directly pollute the atmosphere. Therefore, the Group's business activities have no substantial impact on the air in the environment. In view of the daily business activities of the Group, air emissions mainly come from the daily use of business vehicles' fuel combustion and electricity consumption. During the Reporting Period, the air emissions of sulphur oxides ("SO_x"), nitrogen oxides ("NO_x") and particulate matter ("PM") were 0.04 kg, 2.95 kg and 0.22 kg respectively, and the data values are insignificant to cause great pollution to the environment since the provision of the Apparel Business and the Financial Services Businesses have minimal direct impact to the environment.

Overall, the Group generates relatively low energy consumption and raw materials usage. The Group did not generate any hazardous waste during the Reporting Period (2021: none). As such, the Group's main carbon footprint comes from indirect greenhouse gas ("GHG") emissions of electricity consumption, primarily due to the use of office equipment in the workplace, including but not limited to the lighting systems, air-conditionings and office machineries. In addition, the Group also actively encourages employees to use green travel by taking public transportation or carpooling when going out, so as to reduce the emission of pollutants caused by office travel.

The Group emits minimal amount of GHG in its operation, mainly arising from the consumption of petrol in business vehicles, electricity consumption of the office, and occasional business air travel. For the year ended 31 March 2022, the Group's total GHG emissions amounted to approximately 114 tonnes (2021: 106 tonnes) carbon dioxide equivalent ("tCO₂e") and the GHG emissions intensity was approximately 1.7 tCO₂e per employee (2021: 1.74 tCO₂e per employee). The slight increase of GHG emissions is mainly due to the increase in business air travel.

The detailed summary of the GHG emissions is shown in the table below:

GHG Performance Summary ^(Note 1)	Unit	For the year ended 31 March 2022	For the year ended 31 March 2021
Direct GHG emissions (Scope 1) – petrol consumption	tCO ₂ e	7	14
Energy indirect GHG emissions (Scope 2) – electricity consumption	tCO ₂ e	89	89
Other indirect emissions (Scope 3) – Business air travel	tCO ₂ e	18	3
Total GHG emissions (Scope 1, Scope 2 and Scope 3)	tCO₂e	114	106
Intensity of GHG emissions ^(Note 2)			
Total GHG emissions (Scope 1, Scope 2 and Scope 3) per employee	tCO ₂ e	1.7	1.74

Notes:

- GHG emission data is presented in terms of tCO₂e and are based on, but not limited to, "The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standards" issued by the World Resources Institute and the World Business Council for Sustainable Development; "How to prepare an ESG Report – Appendix II: Reporting Guidance on Environmental KPIs" issued by the Stock Exchange; and "Global Warming Potential Values" from the Intergovernmental Panel on Climate Change Fifth Assessment Report, the "Sustainability Report 2021" published by the CLP Group and the "Sustainability Report 2021" published by the HK Electric Investments.
- The intensity data in the ESG Report was calculated based on the total number of full-time employees employed by the Group as at 31 March 2022 and 2021, which was a total of 67 and 61 employees respectively.

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Since electricity consumption is the main source of the Group's GHG emissions, the Group has adopted green measures in the office to enhance its operational efficiency and to reduce the GHG emissions by keeping energy consumption to minimal. The Group has set the emission target of the Group to be in line with Hong Kong's Climate Action Plan 2050 as published by the Environment Bureau (the "**Hong Kong climate Action Plan 2050**") with the major decarbonisation strategies of net-zero electricity generation, and energy saving. In order to achieve such emission target, the Group would continue to adopt the green measures in the office and these measures are stated at the "Achieving High Energy Efficiency" section of aspect A.2 in this ESG Report in detail. To summarise, the GHG emissions of the Group for the year ended 31 March 2022 increased by approximately 7.5% while its intensity (calculated based on total GHG emissions per employee) decreased by approximately 2.3% compared to such for the year ended 31 March 2021. The slight increase in GHG emissions is mainly due to the increase in business air travel.

Since the Group has no industrial production or any factory facilities, the Group did not produce significant direct air emissions. There is some emission from air traveling which has been included in the calculation, which has increased the emission level of the Group.

Discharges into Water

For the year ended 31 March 2022, the amount of water consumed by the Group in conducting its business activities is relatively insignificant, and therefore it did not generate material discharge into water. The wastewater discharged by the Group is appropriately treated and discharged into the sewage system maintained by the Drainage Services Department.

The amount of water consumption of the Group represents the wastewater discharge volume. The details of water consumption will be presented in the "Water Consumption and Use of Packaging Materials" section in aspect A.2.

Waste Management and Minimisation

Hazardous Wastes Handling Method

Although the Group did not generate any hazardous waste for the years ended 31 March 2022 and 2021, the Group has established guidelines of governing the management and disposal of hazardous waste which set out that in case there are any hazardous waste produced, the Group must engage a qualified chemical waste collector to handle such waste in compliance with the relevant environmental laws and regulations.

Non-hazardous Wastes Handling Method

The Group's environmental policies (the "**Environmental Policies**") emphasise on carbon and waste reduction based on the principle of "Reduce, Reuse, Recycle and Replace" to minimise consumption and wastage of environmental resources.

With the purpose to minimise the impact on the environment, the Group has implemented appropriate measures to handle non-hazardous waste generated from its business operations and launched different waste reduction initiatives.

For the year ended 31 March 2022 and 31 March 2021, the volume of non-hazardous wastes generated by the Group is shown as below:

Non-hazardous waste category	Unit	For the year ended 31 March 2022	For the year ended 31 March 2021
Paper ^(Note 3)	Tonnes	0.74	1.03
Intensity – Paper used per employee	Tonnes per employee	0.01	0.02
Toner cartridge	Pieces	8	9
Intensity – Toner cartridge usage per employee	Pieces per employee	0.12	0.15

Note:

- Paper consumption in 2022 and 2021 were equivalent to approximately 61 boxes and 82 boxes of paper respectively.

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The Group regularly monitors the volume of paper and toner cartridges consumed and has implemented a number of waste reduction measures. The Group also maintains high standard in reduction of waste and has educated its employees about the importance of sustainable development. During the Reporting Period, the Group contracted out waste paper and toner cartridges to qualified third parties for recycling.

To protect forest and reduce desertification, the Group would start with saving paper. The Group is committed to adopting the paperless office mode to reduce consumption of paper, and advocates the staff to save paper and understand the importance of sustainable development. The reduction target would be achieving the Hong Kong Climate Action Plan 2050 with the major decarbonisation strategies namely green buildings, and waste reduction.

In order to achieve the reduction targets, the staff in the workplace are responsible for the waste management in the Group's office, with reference to the established Environmental Policies, including but not limited to the following:

- utilisation of "paperless communication" where applicable such as e-leave system for employees, and e-brochures for distributing to customers;
- promoting the use of recycled paper and toner or other eco-friendly materials;
- using high performance all-in-one "multi-function printers" that incorporate printer, scanner and copier functions into a single device. This can be shared among different departments in order to reduce the total number of different kinds of devices so as to minimise power consumption and carbon footprint as well as follow-up maintenance;
- redeploying office furniture where possible to reduce the amount of waste going to landfill; and
- placing appropriate signage on walls and bins, stating what type of waste or recyclable waste should be placed in the bin.

Through the implemented measures, the staff are well-educated and are aware of their responsibilities in the workplace's waste management and a sense of minimising resource wastage has been fostered. Furthermore, the Group's paper consumption decreased by approximately 28.2% during the Reporting Period as compared to the same period for the year ended 31 March 2021 and its intensity has also been decreased compared to such in the year ended 31 March 2021.

In addition to different means of reducing different consumption, the Group's business travels also contributed to certain carbon footprint. The Group has encouraged its employees to actively use video conference and call system platforms and email discussions to replace unnecessary business travels to reduce emissions. The Group will continue to take steps in further reducing the use of fuels and air emissions by using more public transport and reduce the frequency of air travel.

A.2. Use of Resources

The Group continues its initiatives to endorse resource efficiency and eco-friendly measures in the Group's operations, and is committed to optimising the allocation of resources in all of its business operations.

The Group has laid out relevant policies and procedures in governing the use of resources, with reference to the objectives of attaining high energy efficiency and reducing unnecessary use of materials.

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Achieving High Energy Efficiency

Energy policies, which are one of the Group's fundamental policies, have been developed to optimise energy conservation. All employees must enforce the adopted measures, including the purchase of energy-efficient products and services, and assume responsibility for the Group's overall energy efficiency. By setting up an energy management system, the Group develops and regularly updates its energy targets to continuously enhance the Group's energy performance. Unusually high consumption of electricity will be investigated to find out the root cause and preventive measures will be taken.

Saving resources is the common responsibility of the whole society, the Group is also committed to participating in water and electricity conservation and thereby contributing to the society.

The Group actively seeks ways to improve its operational efficiency while reducing resource usage. This will help protect the earth and achieve environmental sustainability. The resources used by the Group mainly come from water and electricity consumption in the office. The Group has adopted a green office approach to minimise the consumption of natural resources and the impact on the environment. In addition to controlling energy consumption, the Group is committed to enhancing the awareness of water conservation among employees and other stakeholders.

For the year ended 31 March 2022, the Group's consumption volume is shown as below:

Contents	Unit	For the year ended 31 March 2022	For the year ended 31 March 2021
Petrol	kWh	25,507	23,783
Intensity – Petrol consumption per employee	kWh per employee	380.7	389.89
Electricity	kWh	172,922	155,888
Intensity – Electricity consumption per employee	kWh per employee	2,580.93	2,555.54
Water	m ³	85	69
Intensity – Water consumption per employee	m ³ per employee	1.27	1.13

Petrol and Electricity

The Group's petrol consumption is solely used for business vehicles, which has been discussed above in "A1. Emission". The petrol energy consumption was 25,507 kWh in the Reporting Period, which represents an increase of approximately 7.2% compared to such for the year ended 31 March 2021. The Group will strengthen the control of petrol use in the near future.

The electricity consumption of the Group for the year ended 31 March 2022 increased by approximately 10.9%, while the intensity (calculated based on electricity consumption per employee) increased by approximately 0.1% compared to such for the year ended 31 March 2021. The increase of electricity consumption is mainly due to the reduced work from home time during the Reporting Period. Furthermore, the staff's sense of environmental protection and emission mitigation has been continuously fostered and there is increased awareness of their responsibilities in achieving energy conservation in the workplace.

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The Group has set the long term energy target to achieve the Hong Kong Climate Action Plan 2050 with the major decarbonisation strategy of energy saving. In order to achieve higher energy efficiency and to achieve the energy efficiency target the Group has adopted measures during the Reporting Period, some of which are listed out as follows:

- Promote the concept of electricity conservation. The Group consciously develops good habits of power consumption among its employees and timely discourages the behavior of wasting electricity;
- Using energy efficient LED lighting to replace energy-inefficient light bulbs by phases;
- Adopting higher energy-efficient office equipment in the workplace;
- Encouraging staff to utilise teleconferences and video conferences in reducing air and carbon emissions related to transportation needed for meetings;
- Electrical appliances including computers, printers, copiers, water dispensers and other equipment are turned off when not in use to avoid unnecessary power consumption;
- Maintaining the room temperature at 25.5°C;
- Installing timing devices in certain equipment for automatic shutdown during non-office hours to avoid unnecessary energy consumption;
- Monitoring the energy usage on a monthly basis, along with investigating any significant variance in usage;
- Arranging regular examination of the business vehicles on petrol consumption;
- Performing vehicle and equipment maintenance on a regular basis to prevent inefficient fuel consumption or abnormal operations; and
- Encouraging staff to participate in campaigns or activities relating to the promotion of green environment.

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Water Consumption and Use of Packaging Materials

In addition to managing energy consumption, the Group has a commitment in promoting water conservation awareness amongst its staff and other stakeholders. The water consumption of the Group comprises mainly of office water consumption for basic cleaning and sanitation, and the Group did not have any water supply shortage. The Group has set the water efficiency target to be achieving the Hong Kong Climate Action Plan 2050 with the major decarbonisation strategies of green buildings and waste reduction and in order to achieve such target, the Group has been strengthening its promotion on water-saving, by posting water saving slogans and educating employees to use water in a reasonable manner.

During the Reporting Period, the Group consumed 85 m³ (2021: 69 m³) of water resources and the water consumption per employee was approximately 1.27 m³ (2021: 1.13 m³). The water consumption of the Group has seen an increase of approximately 23.2% and its intensity (calculated by water consumption per employee) increased by approximately 12.4% for the year ended 31 March 2022 compared to such in the year ended 31 March 2021. Due to the nature of its business, the issue of sourcing water that is fit for purpose is not relevant to the Group. Also, the Group did not have physical products for sale and therefore the use of packaging materials was measured to be zero for the year ended 31 March 2022.

Energy Use Efficiency Initiatives

The above measures were implemented during the Reporting Period to achieve higher energy efficiency, improve energy efficiency and reduce energy consumption by preserving natural resources and reducing greenhouse gas emissions.

A.3. Environmental protection and natural resources

Managing Other Environmental Impact

The Group aspires to be a leader in environmental protection among companies in the same sector, with a particular focus on the impact of its operations on the environment and natural resources. With the goal of minimising its negative impact on the environment and natural resources, the Group has integrated the concept of environmental protection into its internal management and daily operations by establishing relevant policies and procedures. Non-hazardous waste in the form of paper and toner cartridges are the Group's main environmental impact, and the Group's measures to reduce it are detailed in the "Non-hazardous Wastes Handling Method" section of aspect A1.

Due to the nature of the Group's business, no significant environmental issue was noted in the business activities during the year ended 31 March 2022. However, the Group is well aware that its daily operational activity still generates emissions and consumes resources. The Group is working on various sustainable development activities to ensure the resources are used efficiently in the ordinary course of business.

There will be increasing concerns from local government and international community over carbon emissions, the Group will act in accordance with the ESG provisions as set out by the Stock Exchange. The Group will continue to report environmental KPIs and information as well as social information in accordance with the provisions.

The Group is not aware of any material non-compliance relating to the use of resources and the Group had in all material aspects complied with all relevant environment rules and regulations in Hong Kong during the year ended 31 March 2022.

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A.4. Climate Change

Climate change and global warming, which are driven by GHG emissions, are becoming major environmental issues in the world. The Group is not involved in large-scale manufacturing industry and is relatively less affected by the climate. However, we should not underestimate the risks brought about by climate change, such as operational risks, profit risks, and so on.

In order to reduce those risks stemming from extreme weather and natural disasters, the Group has put in place emergency response procedures and safeguards to minimise loss of office equipment and facilities, business impact, and harm to employee safety. The relevant procedures and measures are as follows:

- The Group regularly publicises the information on natural disaster prevention and raises the awareness of safety protection among the Group's employees.
- The Group has strengthened its attention to climate change through early identification of hidden dangers, the taking of practical preventive and control measures, and strive to reduce the losses caused by natural disasters.
- The Group regularly makes complete backups and off-site backups of the data in its office systems to provide support for resuming important business operations.

B. SOCIAL COMMITMENT

B.1. Employment

Human resources are not only the most important asset of the Group but also the cornerstone of the Group's development. The Group has set up relevant policies to maintain a happy and productive working environment for employees. The policies covered areas such as recruitment, compensation, promotion, working hours and rest periods, diversity and equal opportunity. As at 31 March 2022, the Group has 67 full-time employees with an overall gender ratio between male and female at approximately 57% and 43%. The following tables set forth the details of the Group total workforce and employee turnover rate by gender, employment type, age group and geographical region:

Number of Employee of the Group	As at 31 March 2022
By Gender	
Male	38
Female	29
By Age	
Below 30	9
30–50	39
Above 50	19
By Geographical Location	
Hong Kong	62
PRC	3
Singapore	2

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Employee Turnover Rate	As at 31 March 2022
Overall Turnover Rate (%)	36
By Gender (%)	
Male	46
Female	54
By Age (%)	
Below 30	21
30–50	58
Above 50	21
By Geographical Location (%)	
Hong Kong	93
PRC	4
Singapore	3

The Group has not identified any material non-compliance with relevant laws and regulations that have a significant impact on the Group for the year ended 31 March 2022 relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits including Employment Ordinance (Cap 57 of the Laws of Hong Kong), Mandatory Provident Fund Schemes Ordinance (Cap 485 of the Laws of Hong Kong), Minimum Wage Ordinance (Cap 608 of the Laws of Hong Kong), Sex Discrimination Ordinance (Cap 480 of the Laws of Hong Kong), Disability Discrimination Ordinance (Cap 487 of the Laws of Hong Kong), Family Status Discrimination Ordinance (Cap 527 of the Laws of Hong Kong) and Race Discrimination Ordinance (Cap 602 of the Laws of Hong Kong). With the aim of ensuring fair and equal protection for all employees, the Group has zero tolerance on sexual harassment or abuse in the workplace.

The Group is committed to providing a discrimination-free working environment to employees. Such principle covers all aspects of human resources including recruitment, transfer, promotion, training, salary and welfare. As an equal opportunity employer, the Group is dedicated to maintaining a workplace that is free from discrimination against any individual on the basis of ethnic group, gender, age, religion, nationality, disability and sexual orientation. The Group adopts transparent and fair selection processes and selects the best candidates based on their performance, experience and skills. The Group conducts regular review for the employee promotions. The Group has also established objective performance indicators for annual performance evaluation.

The Group aims to offer competitive salary and other benefits in order to retain and motivate talents. Remuneration is determined with reference to the prevailing market condition as well as the competency, qualifications and experience of individual employee. Remuneration packages include holidays, annual leaves, medical scheme, group insurance, mandatory provident fund, flexible leave arrangement, year-end double pay and discretionary bonus. Employees' wages and related benefits satisfy the Hong Kong government's minimum requirements.

There were no non-compliance cases noted in relation to employment laws and regulations during the Reporting Period.

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B.2. Health and Safety

The Group is dedicated to ensuring that all its employees work in a safe and healthy environment. To maintain a safe working environment, the Group has established policies on accident prevention and remediation, as well as detection of potential health and safety hazards in the workplace. As a responsible employer, the Group is committed to reducing accidents, illness, and risks in the workplace, as well as promoting the health of its employees, so as to reduce the absence rate and employee turnover rate. The Group focuses on major areas to minimise occupational hazards and health and safety risks:

- Smoking is strictly prohibited in the office area.
- Employees should carefully check the electric switches, door and window locks, etc. before going off duty to eliminate the hidden dangers.
- No one is allowed to repair electrical appliances or other office equipment without proper training.
- Employees who continue to act in an unsafe manner will face disciplinary action.
- Employees must strive to improve the sanitary environment in the workplace and comply with health-care and sanitation measures.

The Group considers the maintaining of a healthy and safe working environment to be of utmost importance. The Group strictly complies with the occupational health and safety guidelines recommended by the Labour Department and the Occupational Safety and Health Council.

The human resources and administration department of the Group (“**HRA**”) is responsible for occupational health and safety related matters and takes a series of measures to ensure the health and safety of employees, including but not limited to:

- monitoring and reviewing the health and safety policies regularly;
- conducting regular inspections in the office;
- preparing first aid kit in a conspicuous place and check it periodically;
- organising fire drills every year;
- formulating guidelines for work arrangements in typhoon and rainstorm days;
- providing comprehensive health care coverage for employees;
- temperature checking for employees and visitors before entering into office;
- allowing for flexible working hours to avoid commuting crowds; and
- encourage telephone conferences instead of face to face meetings.

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Furthermore, first-aid boxes are located in easily accessible areas throughout the office. The HRA is in charge of making sure the supplies in the first aid boxes are up to date and in working order. A fire evacuation drill is held at least once a year to improve employees' ability to deal with potential fire hazards. The Group has also established a clear work schedule for typhoon and rainstorm warnings.

Employees are also covered by a comprehensive health-care plan provided by the Group. Employees are given health and safety guidelines in order to raise awareness of occupational health and safety issues.

The Group has not identified any material non-compliance with laws and regulations relating to providing a safe working environment and protecting employees from occupational hazards that would have a significant impact on the Group for the year ended 31 March 2022. The relevant laws and regulations include, but are not limited to, the Occupational Safety and Health Ordinance (Cap 509 of the Laws of Hong Kong).

Following the outbreak of the coronavirus ("COVID-19") in early 2020, a series of precautionary and control measures were implemented across the country and the region, and are still being implemented. The Group will keep a close eye on the COVID-19 outbreak progress and assess its potential impact on the Group's employees' health and safety. Aside from improving sanitation in its operations to ensure a healthy and safe working environment, precautionary measures such as temperature screening before entering the workplace and having enough disinfection supplies in the offices, such as face masks and hand sanitisers, are implemented.

During the Reporting Period, the Group did not violate any health and safety laws and regulations. The number of reportable injuries and number of lost working days due to injury are as follows:

Contents	Unit	For the year ended 31 March 2022
Reportable injuries	Cases	0
Lost days due to work injury	Days	0

The Group did not record any work-related fatalities in each of the past three years ended 31 March 2022.

B.3. Development and Training

The Group aims to create an environment of continuous improvement in which the Group's employees are encouraged to pursue excellence at work and career development. With the Group's policies and initiatives, the Group supports its staff to develop and enhance their knowledge, skills and work capability. The Group offers induction trainings as well as on-the-job education and trainings for its employees. The contents of training are regularly updated to ensure that the contents keep up with the changing trends of laws, regulations, markets and products.

Apart from the above, the Group also encourages employees at all levels to seek relevant educational or training opportunities that achieve personal growth and professional development. Moreover, the Group sends employees to the China Import and Export Fair (Canton Fair) to broaden their horizons about the current market development.

In order to motivate its employees, the Group stipulates that internal promotion will be considered first before employing any external personnel. The selection criteria are based on candidates' performance rather than seniority.

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During the reporting period, a total of 564 hours of training were completed by 47 employees. The percentage of employees trained and the average training hours completed per employee by gender and employment category are as follows:

Number of Employee of the Group	For the year ended 31 March 2022	
	Percentage of employee trained (%)	Average training hours completed
Total Work force	70	12
By Gender		
Male	66	12
Female	34	12
By Employment Category		
Senior management	32	12
Middle management	21	12
Frontline and other employees	47	12

B.4. Labour Standards

As defined by laws and regulations, child and forced labour are strictly prohibited during the recruitment process. The Group strictly adheres to local laws and conducts recruitment in accordance with the Hong Kong Employment Ordinance (Cap 57 of the Laws of Hong Kong), Mandatory Provident Fund Schemes Ordinance (Cap 485 of the Laws of Hong Kong) and Minimum Wage Ordinance (Cap 608 of the Laws of Hong Kong). Personal information is collected throughout the process to aid in the selection of suitable candidates and to verify the personal information of those candidates. The HRA also ensures that all identification documents are thoroughly examined. All work should be done voluntarily and not under threat of punishment or coercion. Labour contract must be signed by both employees and the Group to guarantee no forced labour are employed. The Group monitors the recruitment process frequently to prevent the occurrence of illegal conduct. If there is any violation of the abovementioned laws, it will be dealt with according to the circumstances as outlined in the Group's "Staff Handbook", which was adopted on 11 May 2015 and was last reviewed on 23 June 2022.

Furthermore, the Group does not allow any suppliers to hire employees who are younger than the relevant country's minimum employment age or the maximum compulsory education age, whichever is higher.

The Group has not identified any material non-compliance with the relevant laws and regulations that have a significant impact on the Group relating to preventing child or forced labour for the year ended 31 March 2022.

B.5. Supply Chain Management

The Group's major suppliers, which include apparel product suppliers, have maintained long-term and stable relationships with the Group. The risk level of existing suppliers are carefully assessed on a regular basis and are continuously monitored. Prior to formal engagement, the Group will perform background checks on the potential suppliers through conducting interviews in which the environmental and social risk levels of these potential candidates will be assessed. Areas of assessment includes, without limitation, the inspection of corporate documents such as business licenses to ascertain the legitimacy of the suppliers and their respective social risk level. If no material risk is identified during such process, the Group will then proceed to formal engagement.

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Given society's growing concern about the environment, the Group recognised the importance of managing environmental and social risks in its supply chain. The Group follows the "Green Procurement" principle. In most cases, the factories of the Group's apparel product suppliers must comply with the environmental requirements of the Group's international clients, which require strict compliance with environmental standards such as the "Business Social Compliance Initiative" published by the AMFORI in reducing air, noise, and solid waste pollution, as well as energy and water consumption. In terms of environmental and social standards, the Group will continue to monitor its supply chain.

The Group abides by the principle of transparency in supply chain management and realises the values of integrity, honesty and fairness. The Group establishes procurement procedures and a supplier code of conduct (the "**Supplier Code of Conduct**") on 11 May 2015, which was last reviewed on 23 June 2022, to provide direction and guidance for the supplier selection and assessment process to ensure that business partners are sound in the legal, financial and technical aspects. In addition, the Group conducts annual review of suppliers' performance and obtains approval from the corresponding management.

Furthermore, the Group has implemented the "Reuse, Reduce, and Recycle" (the "**3R Principle**") throughout its apparel product supply chain for all its apparel products suppliers to demonstrate its commitment to a cleaner environment and to be a good corporate citizen. The Group's Supplier Code of Conduct is based on the 3R Principle and requires its apparel suppliers, when applicable:

- to utilise energy efficient processing equipment;
- to use non-toxic chemicals in their production processes;
- to adopt clean production in their production plants; and
- to eliminate unnecessary packaging.

Furthermore, the Group's Supplier Code of Conduct requires its suppliers to follow applicable local labour laws and regulations on minimum wage, child labour, forced labour, and discrimination.

The Group's other suppliers include professional services providers, and the Group has established rules in the Supplier Code of Conduct to ensure its suppliers' ethical standards. All of its suppliers must follow strict ethical guidelines and must not engage in any form of corruption, extortion, bribery, fraud, false declarations, counterfeiting, or insider trading. Suppliers must also be open about their policies, processes, and standards that govern their operations and are related to their adherence to the Supplier Code of Conduct.

The number of suppliers by geographical region are listed as below:

Region	For the year ended 31 March 2022
Hong Kong	0
PRC	26

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B.6. Product Responsibility

Quality Control

Product quality is one of the key elements in maintaining the competitiveness of an enterprise. Only by upholding consistent standards through quality control can the Group obtain the loyalty and increase satisfaction of its customers, thus expanding the economic and social benefits of the Group. The Group's quality control measures are mainly reflected in the Apparel Business and the Financial Services Businesses. The quality control of the Group in respect of the Apparel Business is mainly conducted by its staff in the merchandising department during the production stage. The quality control in respect of the provision of the Financial Services Businesses is mainly conducted by the employees of the compliance function.

Customer satisfaction is critical to the Group's long-term success. The Group is convinced that the success of its clients is the success of the Group, and it has emphasised the customer-centric business philosophy in all of its operations. As a result, it strives to optimise and improve the quality of its products and services in response to customer requests.

During the Reporting Period, the Group has not identified any material non-compliance with laws and regulations that have a significant impact on the Group in the areas of health and safety, advertising, labelling, or privacy. The Supply of Services (Implied Terms) Ordinance (Cap 457 of the Laws of Hong Kong) and the Personal Data (Privacy) Ordinance (Cap 486 of the Laws of Hong Kong) are two of the relevant laws and regulations.

Quality Control of Fabric

The Group's third-party manufacturers usually source the materials needed for apparel production. The Group will specify, among other things, the quality of fabrics and other materials that are required when providing technical packages to its third party manufacturers. Third-party manufacturers are responsible for obtaining adequate quantities and quality materials from their own sources or from those provided by the Group. The Group inspects all materials used in the production of salesman samples, pre-production samples, and final products to ensure that they meet customer specifications. Materials that do not meet the specifications of the customer are not approved for pre-production or bulk production.

Quality Control of Apparel Services

The Group implements strict quality assurance and monitoring measures for manufacturers and suppliers. Manufacturers and suppliers need to be screened and selected, for example, based on apparel experience, reputation, technical capacity, financial strength, production capacity, effectiveness of quality control and ethical practice, to ensure that production and quality comply with local regulations and international guidelines.

Materials to be used in the production for apparels are usually sourced by the Group's third party manufacturers. Our longstanding relationships with established apparel manufacturers give us a negotiating edge, which ensures that competitive pricing does not come at the cost of high quality. When providing technical packages to third-party manufacturers, the Group will specify to them the required materials and quality. The third-party manufacturers shall obtain materials of appropriate quantity and quality from their own sources or the sources provided by the Group. Any materials used in the production of salesman samples, pre-production samples and final products, are checked by the Group to ensure that they meet customer's requirements. Any materials that do not meet customer's requirements are not approved for pre-production or bulk production.

At the beginning of pre-production and bulk production, the merchandising employee in charge of quality control will regularly visit the site of third-party manufacturer to ensure the quality of apparel products. The Group requires sales personnel to continuously monitor and inspect apparel products throughout the production process. Senior employees inspect the final product before delivery to customers. Any specifications that are not met are notified to the third-party manufacturers to rectify. A final quality control inspection report is prepared which will cover the number of pieces inspected, labelling requirements, packaging requirements. The Group will specify major and minor defects that may not be acceptable to customers.

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Customers are advised to count and inspect apparels immediately when shipments are received. Products with defects or incorrect quantity are allowed to be returned or discounted. Once customer feedback or complaint is received, the Group will discuss with customers to find out the responsible party. If the defect is caused by the Group's manufacturer, the Group will contact the customer and the manufacturer for compromise solutions such as returns or discounts. During the Reporting Period, the Group has not been notified of any violation of law regarding product or service responsibility. During the Reporting Period, the Group did not receive any complaints related to the Apparel Business provided, nor were there any product recalls or returns involving safety and health reasons.

Quality Control of Financial Services

The financial services provided by the Group include financial advisory services; securities research services; securities trading and brokerage services; margin financing services; referral services; investment management and advisory services; and provision of money lending services.

To ensure that the Group's products and services meet the requirements, the Group has established internal procedures and manuals such as "Business Plan and Internal Control Manual" (the "**Business Plan and Internal Control Manual**"), which was adopted on 11 May 2015 and was last reviewed on 23 June 2022. The Group has established "Conflict of Interest Policy" in the Business Plan and Internal Control Manual, which was also adopted on 11 May 2015 and was last reviewed on 23 June 2022, to ensure that the Group's clients are treated fairly and with the highest level of integrity, and that their interests are protected at all times. The content includes the followings:

- the Group should take all reasonable steps to execute promptly client orders in accordance with clients' instructions;
- the Group should act honestly, fairly, and in the best interests of its clients and the integrity of the market;
- the Group should ensure that transactions executed on behalf of clients are promptly and fairly allocated to the accounts of the clients on whose behalf the transactions were executed;
- the Group should try to avoid conflicts of interest, and when they cannot be avoided, should ensure that its clients are fairly treated;
- the Group should make adequate disclosure of relevant material information in its dealings with its clients; and
- the senior management should bear primary responsibility for ensuring the maintenance of appropriate standards of conduct and adherence to proper procedures by the company.

In performing customer due diligence and risk assessment procedures in relation to its clients, the Group follows the regulators' guidelines on "Anti-Money Laundering ("**AML**") and "Counter Financing of Terrorism". The Group can better understand and evaluate its clients' financial background, trading experience, and risk tolerance level by conducting "Know Your Clients" ("**KYC**") procedures and assessments before providing them with the type of financial services or products that suit their needs.

During the Reporting Period, the Group did not receive any complaints related to the Financial Services Businesses provided, nor were there any product recalls or returns involving safety and health reasons.

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Intellectual Property

All licenses on software and information have been purchased or renewed. The Group will observe and protect all relevant intellectual property rights.

Data Privacy

Data privacy is crucial to the sustainable development of the Group since it will affect the level of trust the Group's customers have in us. In order to protect the privacy of customers, the Group takes all practical steps and measures to ensure that the personal data collected in the course of its business are protected. The Group strictly complies with Personal Data (Privacy) Ordinance (Cap 486 of the Laws of Hong Kong) in the process of collecting, summarising, holding and processing personal data and information.

The Group's Business Plan and Internal Control Manual contains relevant provisions on the handling of confidential information, including:

- all employees must keep all trade secrets and confidential information, whether written or not, obtained in the course of employment absolutely confidential; and
- all employees are not allowed to use or allow the use of such information to conduct any securities transactions in any market.

These apply to information about customers and other counterparties, as well as information about companies, activities, techniques and work practices, which may be financial, personal, technical or operational. These confidentiality requirements are ongoing obligations that remain effective after the employee leaves the Group.

The Group adopts a series of control measures related to authorisation and operation of a discretionary account, in accordance with the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission. The Group maintains separate accounts to keep customers' assets. The Group should not effect a transaction for a client unless, before the transaction is effected, (i) the client, or a person designated in writing by the client, has specifically authorised the transaction; or (ii) the client has authorised in writing the Group or any person employed by the Group to effect transactions for the client without the client's specific authorisation. The Group has sufficient audit work records to conduct investigations in case of suspected violations. Regular compliance audits and reviews are conducted to find any non-compliance with regulatory requirements. Any violations should be reported to the Group management immediately.

During the Reporting Period, the Group was not aware of any non-compliance with laws and regulations having a significant impact on the Group relating to privacy matters.

Advertising and Labelling

At present, the Group only conducts limited promotional activities on businesses related to the sales of apparel products, and provides customers with the overall solution of supply chain management. Therefore, the risks associated with advertising and labelling of materials will not be involved in its business operation.

On the other hand, the Group has set standards for advertising and sales materials. Advertisements should not contain information that is false, disparaging, misleading or deceptive. The Group also prohibits the use of false, misleading or inaccurate statements in any form of communication. During the Reporting Period, the Group did not receive any complaints related to the services provided.

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B.7. Anti-Corruption

A system with moral integrity and anticorruption mechanism is the cornerstone for a sustainable and healthy development of the Group. The Group strictly forbids any form of corruption, bribery, fraud extortion, money laundering, and all other acts against professional ethics. To promote integrity in the workplace, the Group has formulated the Code of Conduct and Business Ethics (the “**Code of Conduct and Business Ethics**”) on 11 May 2015, and was last reviewed on 23 June 2022, relating to anti-corruption based on the Prevention of Bribery Ordinance (Cap 201 of the Laws of Hong Kong), and requires all employees to comply with it. The Code of Conduct and Business Ethics includes, but is not limited to, relevant provisions on the following topics:

- handling conflict of interests;
- accepting advantages;
- fraudulent financial statements;
- leakage of confidential information; and
- embezzlement of the Group’s assets in one’s position.

To combat corruption and regulate conflicts of interest, the Group has during the Reporting Period, through the distribution of an updated staff handbook which includes the Group’s anti-bribery measures to its directors and employees, provided anti-corruption training to its directors and staff. In addition, except as approved by senior management in advance, employees are not allowed to offer or receive any gifts, gratuities, favors, benefits or excessive hospitality that do not conform to the Code of Conduct and Business Ethics. Violators are subject to disciplinary action, including termination of employment if necessary.

In order to govern AML and KYC procedures, the Group has also established its policy and guidelines in accordance with the Guideline on Anti-Money Laundering and Counter-Financing of Terrorism issued by the Securities and Futures Commission on 11 May 2015, and the relevant policy and guidelines were last reviewed on 23 June 2022, including the basic procedures for customer identification, customer risk assessment, due diligence, suspicious transaction reporting and record keeping. The Group also provides on-the-job training to ensure that every employee fully understands these policies.

The audit committee of the Company (the “**Audit Committee**”) is responsible for continuously evaluating the effectiveness of the Group’s internal control, identifying potential deficiencies and improving areas. If there are any areas of improvement, the responsible department will be issued an internal audit report for timely remediation.

The Board and the Audit Committee periodically monitor the implementation and effectiveness of the whistleblowing policy. The reporting policy allows employees and independent third parties who have contact with any employee (such as customers, suppliers, subcontractors, creditors, and debtors) to anonymously report to the board of directors or audit committee any misconduct or irregularities that may exist in financial reporting, internal controls or other aspects. Reports and complaints received will be dealt with in a timely and fair manner. This policy also aims to protect whistleblowers from unfair dismissal, persecution and unreasonable disciplinary actions. The identity of whistleblowers will be kept as confidential as possible. Any person found persecuting or retaliating against a whistleblower who raises a concern under this policy will be subject to disciplinary action. If necessary, the Group also reserves the right to refer the case to the relevant authorities.

During the Reporting Period, the Group did not note any cases of bribery, extortion, fraud and money laundering.

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B.8. Community Investment

As part of its strategic development, the Group is committed to supporting the public through social participation and contribution, as well as nurturing the corporate culture and practices of corporate citizens in daily work life throughout the Group. The Group adopted policies that it will incorporate corporate social responsibility into its strategic development and will look into social initiatives where it can contribute human capital and resources. All of the Group's employees are encouraged to help and support their local communities and neighbors on their own initiative.

Despite the adverse impact of the COVID-19, the Group has contributed in community investment during the Reporting Period. The Group has donated in total of HKD230,000 to Sheen Hok Charitable Foundation for Rising Sun Project, Hong Kong Island Women's Association, and Ripplefly Swim within the year. The Group recognises the importance of contributing within the local community. The Group is committed to giving back to the community and developing close relationship with charities and other institutions in order to build more economically sustainable environment. In the future, the Group also encourage all employees to help and support the local communities and neighbors.

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