



***KINGKEY  
FINANCIAL  
INTERNATIONAL***

**Kingkey Financial International (Holdings) Limited**

(Incorporated in the Cayman Islands with limited liability)

Stock code: 1468



**ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT | 2023**

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## About this Report

### Report Overview

This Environmental, Social and Governance Report (the “Report”) summarises the environmental, social and governance (“ESG”) initiatives, plans and performances of Kingkey Financial International (Holdings) Limited (the “Company”), together with its subsidiaries (the “Group” or “We”), and demonstrates its commitment to sustainable development.

### Reporting Period

This Report describes the ESG activities, challenges and measures taken by the Group during the year ended 31 March 2023 (the “Reporting Period” or “2023”).

### Reporting Scope

This Report focuses principally on the Group’s ESG performance within the Hong Kong offices and Denmark offices of the Group, which is a major operating revenue activity controlled directly by our management. It includes (i) the provision of securities trading, insurance brokerage, assets management and money lending, (ii) fur business, (iii) membership and event business, (iv) insurance technology business and (v) network and licensing business.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Reporting Framework

This Report has been prepared in compliance with all the applicable provisions as set out in the Environmental, Social and Governance Reporting Guide (the “ESG Reporting Guide”) under the Appendix 27 of the Main Board Listing Rules. During the preparation for this Report, the Group has applied the reporting principles stipulated in the ESG Reporting Guide as the following:

Materiality	The materiality assessment was conducted to identify material issues during the Reporting Period, thereby adopting the confirmed material issues as the focus for the preparation of the ESG Report. The materiality of issues was reviewed and confirmed by the ESG Taskforce. Please refer to the sections headed “Stakeholder Engagement” and “Materiality Assessment” for further details.
Quantitative	Supplementary notes have been added along with quantitative data disclosed in this Report to explain any standards, methodologies, and sources of conversion factors used during the calculation of emissions and energy consumption.
Consistency	The preparation approach of this ESG Report was substantially consistent with the previous year, and explanations were provided regarding data with changes in the scope of disclosure and calculation methodologies.
Balance	The information provided in this Report was presented in an objective and impartial manner, which provided stakeholders with an unbiased view of how the group performed in terms of its ESG activities.

## Contact Us

We value the feedback and comment from our stakeholders in developing our sustainability strategy. You are welcome to provide your opinion and suggestions on this Report or our sustainability performance at [admin@kkgroup.com.hk](mailto:admin@kkgroup.com.hk)

## Forward-Looking Statements

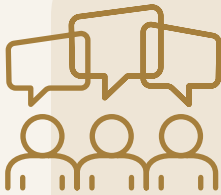
This Report contains forward-looking statements which are based on the current expectations, estimates, projections, beliefs, and assumptions of the Group about the businesses and the markets in which it and its subsidiaries operate. These forward-looking statements are not guarantees of future performance and are subject to market risks, uncertainties, and factors beyond the control of the Group. Therefore, actual outcomes and returns may differ from the assumptions made and the statements contained in this Report.

## Our ESG Governance Structure



### Board of Directors

- Evaluate ESG-related risks and opportunities
- Formulate ESG management approaches, strategies, priorities and goals
- Review the disclosures in the ESG Report
- Oversee all ESG issues



### ESG Taskforce

- Oversee the development of ESG-related strategies, goals, policies and practices
- Identify the Group's ESG-related issues and risks
- Flag emerging ESG-related risks and opportunities
- Implement sustainability policies, procedure and initiatives
- Collect ESG information and data for ESG disclosures

## Board Statement

The board of directors of the Company (the “Board”) holds the ultimate responsibility for monitoring the Group’s ESG issues, including ESG management approaches, strategies, and policies. To better manage the Group’s ESG performance and identify potential risks, the Board conducts materiality assessment with the assistance of the ESG Taskforce to draw up, prioritise and manage material ESG-related issues with reference to the opinions of our stakeholders. The Board sets up a general direction for the Group’s ESG strategies to ensure effective control of ESG risks and internal control mechanisms. The Board approved the Report after it was compiled by the ESG Taskforce.

## ESG Taskforce

The Group has established an ESG Taskforce that comprises core members from different departments. This ESG Taskforce is responsible for systematically managing ESG issues. The designated personnel are responsible for collecting relevant information on ESG aspects for the preparation of the ESG Report. It periodically reports to the Board, assists in identifying and assessing the Group’s ESG risks, and evaluates the implementation and effectiveness of the internal control mechanism, taking into account the Group’s business. Additionally, it evaluates the performance of the company in terms of ESG targets and goals, such as the environmental impact, labour practices, and other ESG issues.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Stakeholder Engagement

Stakeholders and their feedback are important to the Group's business and ESG activities. Through multiple communication channels, we worked closely with key stakeholders to fully understand and resolve their core concerns, including investors and shareholders, customers, suppliers, employees, government and regulatory bodies, the community, and the media. ESG strategies will incorporate stakeholder expectations as a driving force for sustainable corporate development and optimal management. Stakeholders' expectations and communication channels are as follows:

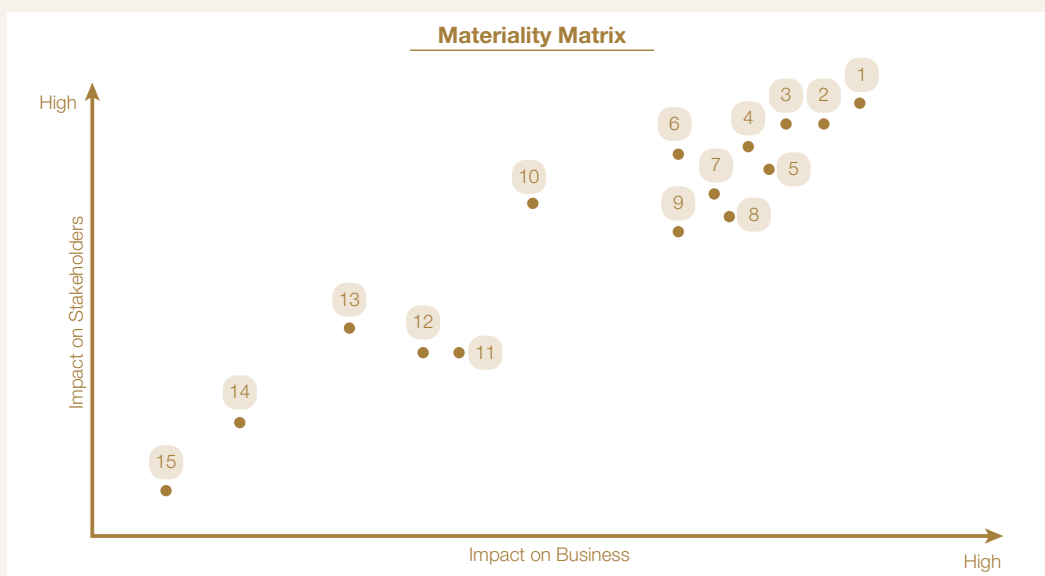
Major Stakeholders	Engagement Channels	Expectations
<b>Investors and Shareholders</b>	<ul style="list-style-type: none"> <li>Annual General Meeting</li> <li>Financial Statements</li> <li>Announcements and Circulars</li> <li>Extraordinary General Meetings</li> </ul>	<ul style="list-style-type: none"> <li>Compliant Operation</li> <li>Risk Management</li> <li>Financial Performance</li> <li>Corporate Governance</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>Company Website</li> <li>Corporate Reports and Announcements</li> <li>Hotline and Emails</li> <li>Social Media Platforms</li> </ul>	<ul style="list-style-type: none"> <li>Quality Service</li> <li>Business Ethics</li> <li>Privacy Protection</li> <li>Seamless Communication</li> </ul>
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>Supplier Meetings and Interviews</li> <li>Periodic Assessment</li> <li>Open Tendering</li> <li>Regular Meetings</li> <li>Circulars and Manuals</li> <li>Company Website</li> </ul>	<ul style="list-style-type: none"> <li>Contract Performance</li> <li>Business Ethics</li> <li>Win-win Cooperation</li> <li>Information Resources Sharing</li> <li>Long-term Partnership</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>Employee Communication Channels</li> <li>Regular Meetings</li> <li>Performance Appraisal</li> <li>Employee Activities</li> <li>Internal Training</li> </ul>	<ul style="list-style-type: none"> <li>Health and Safety</li> <li>Equal Opportunities</li> <li>Welfare and Benefits</li> <li>Career Development</li> <li>Legal Rights and Interests</li> </ul>
<b>Government/Regulatory Bodies</b>	<ul style="list-style-type: none"> <li>Corporate Reports and Announcements</li> <li>On-site Inspections</li> <li>Field Trips</li> <li>Tax Payments</li> </ul>	<ul style="list-style-type: none"> <li>Taxation Compliance</li> <li>Employment Growth</li> <li>Regulatory Compliance</li> <li>Business Ethics</li> </ul>
<b>Community and the Media</b>	<ul style="list-style-type: none"> <li>Community Involvement</li> <li>Community Investment Programs</li> <li>News Media</li> </ul>	<ul style="list-style-type: none"> <li>Community Contributions</li> <li>Environmental Protection</li> <li>Transparent Information</li> </ul>

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Materiality Assessment

The Group identified 15 ESG material issues and prepared a questionnaire based on those issues. Significant stakeholders, the Group’s management, and staff were asked to rate their importance. In this Report, material issues refer to those issues that may have a significant impact on the Group’s business operations or have a direct impact on its stakeholders.

The Group collected the ratings and analysed the results. In the end, the results were presented as a materiality matrix, which was reviewed by the Group Board and the ESG Taskforce in order to ensure that they were consistent with the business nature of the Group and were widely represented. It will serve as an important reference for the development of future strategies, targets, and disclosure of information. As a summary of the Group’s material ESG issues during the Reporting Period, we present the following matrix:

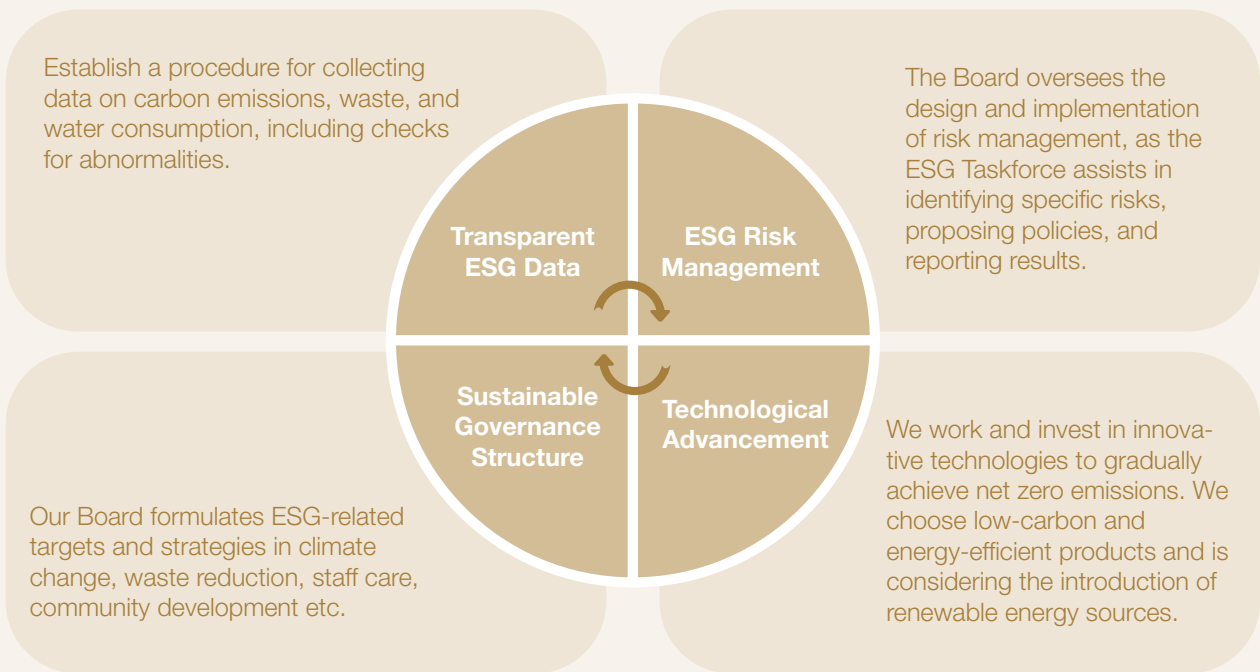


No.	Material Issues	No.	Material Issues
1.	Protection of Data Privacy	2.	Anti-money Laundering and Counter-terrorist Financing
3.	Anti-corruption	4.	Customer Service
5.	Whistle-blowing Mechanism	6.	Occupational Health and Safety
7.	Employment Practices	8.	Protection of Biodiversity and Nature
9.	Development and Training	10.	Prevention of Child and Forced Labour
11.	Supply Chain Management	12.	Climate Change
13.	Energy Consumption	14.	Emissions and Waste Management
15.	Protection of Animal Rights		

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Our Approach to Sustainable Development

We are committed to sustainable development. Achieving long-term value for shareholders is contingent upon using natural resources responsibly, minimising waste and pollution, and investing in our people and communities. Sustainability is an integral part of our business strategy and our ESG policies.

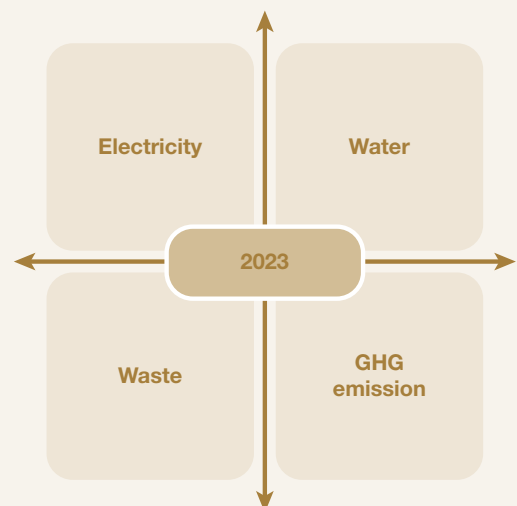


## A. Environmental





The Group attaches great importance to good environmental management in order to fulfil its social responsibilities. The Group has formulated relevant practices to regulate greenhouse gas emissions and wastes generated during operations, to contribute to environmental protection, reduce carbon emissions, and achieve the goal of long-term sustainable development.

### Our Environmental Targets

Through sustainable development goals, we facilitate collaboration among our operating companies to achieve common goals. Through improving standards, efficiency, and innovation, we aim to mitigate operational risks and build long-term resilience for our businesses.



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Our Priority Areas	Our Commitments
	<b>10%</b> Reduction in Scope 1 and Scope 2 GHG emissions intensity by 2030.
	<b>10%</b> Reduction in intensity of waste generation by 2030.
	<b>5%</b> Reduction in water consumption intensity by 2030.
	<b>4%</b> Reduction in electricity consumption intensity by 2030.

## A1. Emissions Control

The Group is fully aware of its responsibilities towards the potential direct and indirect negative environmental impacts associated with its business operations. The Group adheres to good environmental management and strives to protect the environment by fulfilling its corporate social responsibility.

To minimise the adverse impact caused by our operations, the Group has designated ESG Taskforce to coordinate and implement environmental protection measures and objectives and address environmental issues. The Group has formulated an ESG policy in order to direct and implement the measures taken to protect the environment. Also, the Group is committed to raising employees' awareness of environmental protection.



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Air Emissions

The Group's air emissions were generated from fuel consumption by Group vehicles. The exhaust gas generated by the Group includes nitrogen oxides ("NO<sub>x</sub>"), sulphur oxides ("SO<sub>x</sub>") and particulate matter ("PM").

Types of Air Emissions	Unit	FY2023
Nitrogen Oxides (NO <sub>x</sub> )	kg	8.18
Sulphur Oxides (SO <sub>x</sub> )	kg	0.02
Particulate Matter (PM)	kg	0.78

The Group prefers local suppliers and contractors, thus reducing exhaust gas and GHG emissions resulting from transportation. Environmentally friendly unleaded petrol is adopted to comply with the latest emissions standards.

## GHG Emissions

The consumption of electricity at the offices is the major source of GHG emissions of the Group. For Scope 1 direct GHG emissions, as milk farms reopened, diesel consumption was recorded due to the small trucks in the Danish farm. The total GHG emissions increased because the Group expanded new business during the Reporting Period.

Indicators <sup>1</sup>	Unit	FY2023	FY2022
Direct GHG Emissions (Scope 1)			
– Diesel Consumption	tCO <sub>2</sub> e	2.57	–
Energy Indirect GHG Emissions (Scope 2)			
– Electricity Consumption	tCO <sub>2</sub> e	159.53	111.05
Total GHG Emissions (Scope 1 and Scope 2)	tCO <sub>2</sub> e	162.10	111.05
Total GHG Emission Intensity <sup>2</sup>	tCO <sub>2</sub> e/employee	1.95	1.61

Remarks:

- GHG emissions data is presented in tonnes of carbon dioxide equivalent and was in reference to, including but not limited to, the reporting requirements of the "GHG Protocol Corporate Accounting and Reporting Standard" issued by the World Resources Institute and the World Business Council for Sustainable Development, the "How to prepare an ESG Report – Appendix II: Reporting Guidance on Environmental KPIs" issued by the HKEX, the "Sustainability Report 2022" published by the Hong Kong Electric Investments Limited, the "2022 Sustainability Report" published by the CLP Power Hong Kong, and the "Greenhouse gas reporting: conversion factors 2023" issued by DESNZ in the UK..
- As of 31 March 2023, the Group had a total of 83 full-time employees (2022: 69 full-time employees). The data is also used for calculating other intensity data.

The principal GHG emissions of the Group were generated from the purchased electricity (Scope 2). Energy conservation measures are actively adopted by the Group and will be described in "A2. Use of Resources – Energy Management". In order to achieve the 2030 target, nevertheless, the Group still focuses on nurturing and strengthening the employees' awareness of environmental protection in their daily work processes, and actively implements the Group's environmental protection measures, thereby minimising carbon footprint.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Sewage Discharge

Due to the Group's business nature, we do not consume a significant volume of water in our business activities, and therefore our business activities did not generate a material portion of discharges into water. The majority of the water supply and discharge facilities are provided and managed by the property management company. Therefore, this disclosure does not apply to the Group.

## Waste Management

The Group adheres to waste management principles and strives to properly manage and dispose of wastes produced by our business activities. The Group has formulated an "Environment and Waste Management plan". The waste management plan aims to minimise potential adverse impacts associated with solid waste, chemical waste, general refuse and wastewater arising from the construction and operation of the Group.

## Hazardous Waste

In view of the Group's primary business, it does not produce a significant number of hazardous wastes during its operation. Nevertheless, the Group has established guidelines which detail the steps in governing the management and disposal of hazardous waste. In case of any hazardous waste generated, the Group will engage qualified waste collectors to handle the waste to comply with the relevant environmental regulations and rules.

## Non-hazardous Waste

The non-hazardous waste generated by the Group's operations is mainly office paper.

Indicators	Unit	FY2023	FY2022
Total Non-hazardous Waste Produced			
– Office Paper	tonnes	3.11	4.86
Non-hazardous Waste Produced Intensity	tonnes/employee	0.04	0.07

We strive to maximise the usage of resources during our business operations. Different waste reduction initiatives have been launched in different working areas of the Group to manage different types of waste. We monitor the consumption of paper to prevent abnormal situations from occurring. To create a paperless workplace, double-sided printing is used, and electronic means for document circulation are adopted. Our office has also provided appropriate facilities and encouraged our staff with Green Message reminders to sort and recycle waste for the objectives of minimising waste, reusing and recycling paper. Whenever possible, online meetings are conducted instead of physical meetings to reduce unneeded waste.

Furthermore, office supplies are another focus of our operational sustainability efforts. Producing, using and disposing of office supplies has significant hidden environmental and social impacts. When possible, we seek to reuse and refurbish office supplies, such as file boxes, plastic binding rings, paper clips, etc.. Our office uses refillable rollerball pens and correction-type paper whenever possible; and avoids single-use disposable items.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## A2. Use of Resources

The Group is committed to becoming a resource-saving and environmentally friendly enterprise. We continue to introduce resource efficiency and eco-friendly measures to the Group's operations and optimise the use of resources in all our business operations. The Group has established policies that govern the efficient and responsible use of resources to achieve higher energy efficiency and minimise the unnecessary resource usage.

### Energy Management

Due to the business nature of the Group, the energy consumption is considered relatively low. Energy consumption of the Group includes diesel consumed by small trucks in the Danish farm, and electricity used at the offices.

Indicators	Unit	FY2023	FY2022
<b>Direct Energy Consumption</b>			
– Diesel	kWh	11,078	–
<b>Indirect Energy Consumption</b>			
– Purchased Electricity	kWh	366,630	255,143
<b>Total Energy Consumption</b>	<b>kWh</b>	<b>377,708</b>	<b>255,143</b>
<b>Total Energy Consumption Intensity</b>	<b>kWh/employee</b>	<b>4,551</b>	<b>3,698</b>

The Group has adopted the following energy-saving measures to improve the energy efficiency performance, including but not limited to:

- Encourage employees to turn off idle equipment, computers and lighting, when not in use or after working hours;
- Utilise natural light where possible;
- Adopt power-saving features for office equipment and computers;
- Purchase energy-efficient appliances as a replacement for old appliances or due to new business needs.

Through various energy conservation measures, the Group has set a positive example. In addition, the Group reduces electricity consumption in the workplace in the long run to reduce costs.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Water Consumption

The Group does not consume a significant amount of water in its financial service due to its business nature. Water was mainly consumed for basic cleaning and sanitisation. Since the estate management fee covered the water bill in the majority of Hong Kong offices, data on the consumption of water was not available. Despite this, the Group encourages all employees to develop the habit of conserving water consciously. Pantry and toilets are posted with environmental messages to remind the employees of water conservation. The Group strives to improve its water conservation measures continuously.

The majority of recorded usage of water was from the mink farms in Denmark and our Hunghom Office. Due to the Group's business nature and geographical region which our operation is mainly based in Hong Kong, the issue of sourcing water that is fit for purpose is not relevant to the Group.

Indicators	Unit	FY2023	FY2022
Water Consumption	m <sup>3</sup>	4,315	4,758
Water Consumption Intensity	m <sup>3</sup>	52	69

## Use of Packaging Materials

Due to the Group's business nature, it does not consume a significant amount of packaging materials, and thus the use of packaging materials is immaterial.

## A3. The Environment and Natural Resources

The Group works tirelessly to mitigate the environmental impact of its activities by adopting industry best practices targeted at reducing natural resource consumption and effective emission management. The Group regularly assesses the environmental risks of its businesses and adopts preventive measures to reduce the risks, and ensures compliance with relevant laws and regulations.

The fur trading and securities businesses of the Group have a remote impact on the environment and natural resources. Nevertheless, as an ongoing commitment to good corporate social responsibility, the Group recognises its responsibility to minimise the negative environmental impact arising from its business operations.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Protection of Biodiversity and Nature

While the fur farming industry, by its very nature, does not directly contribute to protecting biodiversity, the Group's approach to fur farming is extremely respectful of the environment. We actively engage in habitat conservation efforts on our properties to create suitable environments for the minks we rear. This can involve preserving and restoring natural habitats, planting native vegetation, or setting aside land for wildlife corridors. During the procurement process, we widely procured minks of different colours and sex and only selects reputable mink suppliers who are able to provide transparent information on their cultivation process so as to ensure that minks are not sourced from any untraceable and questionable source nor a product from any poaching activity.

The by-product from fur farming was converted into useful products; for example, animal fats from minks were used in the production of biodiesel while the remains of minks were fully utilised and converted to fertilisers for growing crops and for cement production, etc. Meanwhile, the feeds of the minks were by-products from fish and meat industries which would otherwise be disposed of. The Group have put tremendous effort into conserving natural resources in the process of mink farming and endeavours to create a sustainable production chain.

We may conduct research on animal behaviour, genetics, or habitat restoration techniques in the future if possible. This can contribute to a better understanding of biodiversity and inform conservation efforts. We are committed to contributing to biodiversity conservation through certain practices or initiatives indirectly.

## A4. Climate Change

In recent years, the weather has become less predictable as a result of climate change. The Group is aware of the threat posed by climate change and is actively doing its part by offsetting its carbon footprint. The Group recognises the importance of the identification and mitigation of significant climate-related issues, therefore closely monitors the potential impact of climate change on our business and operations and is committed to managing the potential climate-related risks which may impact the Group's business activities.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Climate-related Management

Our Board oversees the implementation of climate-related governance, strategies and climate risk management to realise carbon neutrality.

### Governance

- The Board is briefed by ESG Taskforce on climate-related issues and our performance against our decarbonisation targets.
- To provide additional oversight and direction, the ESG Taskforce reports periodically to the Board and leadership team on sustainability matters.

### Strategy

- We have identified short-term, medium-term, and long-term climate-related risks and opportunities.
- The ESG Taskforce discusses how climate-related risks and opportunities affect the Group's strategies, finances, and businesses.

### Risk Management

- Assessment has been conducted to identify the sensitivity and adaptability of developments under the potential impacts of climate change. Assessing system robustness includes considering existing flood prevention systems, system redundancy such as the capacity of water supply, and susceptibility to extreme weather.
- Sustainability criteria are integrated into the Group's assessment of risk for new acquisitions, such as adaptation and resilience to climate change, flood risk assessment, energy efficiency, and carbon emissions reduction.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Physical Risks

According to the reporting framework developed by the Task Force on Climate-Related Financial Disclosures, climate-related risks are divided into physical and transition risks. As the frequency and severity of extreme weather events such as typhoons, storms, heavy rains, extreme cold, and extreme heat increase, the Group's business is exposed to acute and chronic risks of physical damage.

Physical Risks	Description
<b>Acute:</b>	
<ul style="list-style-type: none"><li>• Flooding</li><li>• Drought</li><li>• Wildfire</li><li>• Tropical cyclones</li></ul>	<ul style="list-style-type: none"><li>• Increased spending to enhance our assets' adaptive capability and mitigate adverse effects</li></ul>
<b>Chronic:</b>	
<ul style="list-style-type: none"><li>• Heat stress</li><li>• Water stress</li></ul>	<ul style="list-style-type: none"><li>• Lower productivity due to extreme heat</li><li>• Greater expenditure on cooling and an increase in water efficiency</li></ul>

To minimise the potential hazards, the Group has upgraded flood protection measures and mitigation plans, including flexible working arrangements during typhoons and black rainstorms. Additionally, the Group has put in place corresponding policies such as health & safety policies and energy efficiency policies in order to take precautions.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Transition Risks

The Group anticipates climate change will lead to changes in the regulatory, technological, and market landscape, including tightening national policies, introducing environmental taxes, and shifting customers' preferences toward eco-friendly business practices to achieve its global vision of carbon neutrality.

Transition Risks	Description
<b>Policy regulations</b>	<ul style="list-style-type: none"><li>• Tighter national policies and regulations</li><li>• The emergence of environmentally related taxes</li><li>• More ambitious national decarbonisation plans</li></ul>
<b>Technology innovations</b>	<ul style="list-style-type: none"><li>• Increased use of green and low-carbon technologies</li><li>• Using renewable energy more often</li></ul>
<b>Markets</b>	<ul style="list-style-type: none"><li>• Greener products and processes are more popular among customers</li></ul>
<b>Reputational damage</b>	<ul style="list-style-type: none"><li>• Greenwash accusations</li></ul>

The Group constantly monitors any changes in laws or regulations and global trends on climate change to avoid cost increments, non-compliance fines or reputational risks due to delayed response. The Group will explore emergency plans to further enhance business stability.



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## B. Social

### B1. Employment

The Group considers employees as the most valuable resource and believes that they are the Group's greatest asset. Employees' expertise, capability, loyalty and contribution are the most essential elements that lead to the success of the Group. In this regard, the Group wishes to retain its employees by providing a caring, safe, and positive working environment. The Group has formulated the Employee Handbook, which covers recruitment, compensation, promotion, working hours and rest periods, dismissals, diversity and equal opportunity, etc. The Group periodically reviews these policies and employment practices to ensure continuous improvement of its employment standards and stay competitive in the industry.

During the Reporting Period, the Group is not aware of any material non-compliance with employment and labour practices-related laws and regulations that would have a significant adverse impact on the Group.

#### **Recruitment, Promotion and Dismissal**

The Group recognises the value of a diverse and skilled workforce and is committed to creating and maintaining an inclusive and collaborative workplace culture in which all can thrive. The Group hires employees in an open and transparent manner. The recruitment process standardises the hiring procedures and recruitment principles of fairness and equality. All candidates are offered equal opportunity, regardless of their gender, race, age or any other demographic characteristics.

Employees of the Group are remunerated at a competitive level and are rewarded according to their performance and experience. The promotion of the Group's employees is subject to review annually. The Group has established objective performance indicators for annual performance evaluation. The Supervisor will discuss with the employee in his/her performance in facilitating effective two-way communication for advancement. Based on the evaluation result, we offer rewards to the employees to encourage continuous improvement.

The Group has no tolerance for unfair dismissals and makes sure the dismissal procedure is fair and open. The Group has formulated the procedures and conditions of dismissal in the Employee Handbook. Any termination of the employment contract would be based on reasonable and lawful grounds.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## **Working Hours and Rest Periods**

The Group has formulated policies for determining the working hours and rest periods for employees following local employment laws. The Group recognises the importance of maintaining a healthy lifestyle and work-life balance. To achieve this goal, the Group does not encourage employees to work overtime. All overtime work is on a voluntary basis and is subject to appropriate overtime allowance. The Group actively engages its employees through employee bonding, outing, volunteering activities and charity events. The Group also allows employees to leave work early on festivals for celebrations.

## **Equal Opportunity, Diversity and Anti-discrimination**

The Group is dedicated to providing equal opportunities in all aspects of employment and maintaining a workplace that is free from discrimination, physical or verbal harassment against any individual on the basis of race, religion, colour, gender, physical or mental disability, age, place of origin, marital status, and sexual orientation. The Group's Employee Handbook outlines the terms and conditions of employment, the expectation for employees' conduct and behaviours, and employees' rights and benefits.

With the aim of ensuring fair and equal protection for all employees, the Group has zero tolerance for sexual harassment in the workplace in any form. Employees can resort to the Human Resources Department in case of any harassment or discrimination, the department head will give advice to deal with the situation, and an investigation may be carried out. The Group strives to ensure that complaints, grievances and concerns are dealt with promptly and confidentially. Appropriate disciplinary actions ranging from an apology, warning, or summary dismissal, will be taken if the case is later substantiated.

## **Compensation and Benefits**

The Group actively recruits and attracts talents and provides fair and competitive compensation with reference to the market practice. Employees' salaries and year-end bonuses are determined based on factors such as qualifications, work performance, performance appraisal results and market trends. The remuneration package includes holidays, annual leave, medical benefits, and discretionary bonuses. The Group pays "five social insurances and one housing fund" for employees in accordance with the Social Insurance Law of the PRC, namely, endowment insurance, medical insurance, unemployment insurance, employment injury insurance, maternity insurance, and housing provident fund to ensure employees are covered by social insurance. The Group also pays the Mandatory Provident Fund for employees in Hong Kong in accordance with the Mandatory Provident Fund Schemes Ordinance of Hong Kong.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Engaging with Employees

The Group also makes use of a number of channels to facilitate transparent and effective communication between management and other employees, including emails, employee questionnaires, internal meetings, etc. The Group states that employees shall report any irregularities to their supervisors or the Human Resources Department and that all cases will be investigated and handled confidentially.

As of 31 March 2023, the Group's employee size breakdown was as below.

<b>Breakdown of Employees</b>	<b>FY2023</b>	<b>FY2022</b>
<b>Total</b>	<b>83</b>	<b>69</b>
<b>By Gender</b>		
Male	35	32
Female	48	37
<b>By Age</b>		
Below 30	8	5
30–50	63	57
Above 50	12	7
<b>By Geographical Location</b>		
Mainland China	17	–
Hong Kong	64	67
Denmark	2	2
<b>By Employment Type</b>		
Full-time	80	68
Part-time	3	1
<b>By Employment Category</b>		
Senior Management	13	11
Middle Management	29	25
General Staff	41	33

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

During the Reporting Period, the overall employee rate was approximately 14%. The table below shows the employee turnover rate breakdown by gender, age group and region group:

Indicators	FY2023 <sup>3</sup>	FY2022 <sup>4</sup>
<b>By Gender</b>		
Male	17%	44%
Female	13%	55%
<b>By Age</b>		
Below 30	25%	111%
30–50	14%	42%
Above 50	8%	91%
<b>By Geographical Location</b>		
Mainland China	12%	0%
Hong Kong	16%	47%
Denmark	0%	100%

Remarks:

3. The employee turnover rate this year was calculated by the number of employees left during the Reporting Period/Total number of employees as of 31 March 2023 × 100%.
4. Employee turnover rate in 2022 was calculated by the number of employees left during the Reporting Period/((Beginning + ending number of employees)/2) × 100%.

## B2. Health and Safety

The Group highly values employees' health and safety and is always committed to providing employees with a healthy, safe, and comfortable working environment. The Group has formulated the Health and Safety Policy. It aims to reduce the occupational safety hazards encountered by employees at work by establishing a safety management structure. The Group has achieved zero work-related fatalities for three consecutive years (including the Reporting Period). During the Reporting Period, the Group had not lost any working days due to work injury.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Safety Measures in Offices

The Group values a comfortable working environment that is crucial to maintaining employees' health mentally and physically. The Group monitors and reviews the safety and security management periodically. To safeguard the health and safety of its staff, a guidance note is given on fire precautions to reduce the risk of fire and evacuation in case of emergency. A detailed escape route and the layout of the offices are posted in a noticeable place to prepare employees for the emergency. The offices are also equipped with adequate firefighting equipment in case of fire. The Group also conducted regular fire inspections to prevent blockage of the escape route and ensure the fire equipment was in perfect shape. A fire drill is arranged by the estate management office regularly. Proper lighting and ventilation are ensured; first aid boxes are available at easily accessible locations. The Human Resources Department is responsible for ensuring that the supplies inside the first aid boxes have not expired and remain functional.

## COVID-19 Pandemic Preventive Measures

The Group has taken proactive measures to protect its employees and business partners from the new virus variants in accordance with public health measures by the local authorities. Group management is highly aware of the potential health and safety impacts for its employees and has taken precautions at its office. All employees are required to wear face masks at the offices and check their body temperature prior to work every day. The Group arranged flexible working timeslot if they or their closely related persons have been infected. The work-from-home arrangement has been conducted to reduce the risk of human-to-human transmission. Employees are provided with sanitising and cleaning products, including masks and alcohol-based hand rubs.

## B3. Development and Training

The Group regards its talent as the most important asset and resource. This is achieved through the development of the talents by a well-planned training strategy that creates values and caters to their need. The Group understands that training and development programmes are indispensable to its talents in keeping abreast of the latest trend in the finance industry and the dynamic pace in the current domestic market. In light of this, the Group holds regular training, development programmes and training sponsorship for its employees.

Through a variety of training modes and courses, the Group has established its internal training system to meet the diverse needs of all types of employees at all levels. These include induction training, generic skill development, professional development, and leadership development. Hence, employees' skills will be enhanced, employees will be supported in their personal growth, and the Group will be able to develop sustainably.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

During the Reporting Period, the Group has achieved a 58% overall training rate and a total training hour of 40 hours. The table below shows the employee training data by gender and employee category:

Indicators	Average Training Hours (hours)	Percentage of Employees Trained (%)
<b>By Gender</b>		
Male	1.14	83%
Female	0.21	40%
<b>By Employment Category</b>		
Senior Management	0.77	38%
Middle Management	0.69	31%
General Staff	0.49	83%

## B4. Labour Standards

The Group respects human rights and strictly prohibits the use of child labour and forced labour in our operations. Measures have been taken to avoid child and forced labour.

Prevention of child labour	During the recruitment process, the Human Resources department will verify the applicant's identity documents and ensure that they have reached the minimum age (18 years old or above) for employment.
Prohibition of forced labour	The Group specifies overtime compensation provisions in the Employee Handbook. The Group carefully monitors the employee working time and schedule to ensure they work voluntarily and freely.

In case any child or forced labour is discovered, the Group will stop all the work of the identified child or forced labour immediately. An investigation will be carried out subsequently to find out the reasons and revise the employment management practices whenever possible to plug the loophole.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## **B5. Supply Chain Management**

The Group recognises the importance of supply chain management in mitigating environmental and social risks. In view of green supply chain management, the Group strives to engage suppliers who incorporate the consideration of environmental and social risks into their supply chain management. We cooperated with 50 major suppliers during the Reporting Period; all are located in China.

### **Suppliers' Evaluation and Management**

The Group has formulated standard procedures for selecting suppliers. The Group expects to build long-term cooperation relationships with suppliers to realise sustainable development and innovation achievement. The Group has always been conducting procurement with the principles of openness, fairness and equitability. The Group has established a rigorous and standardised procurement system and a systematic supplier selection process while imposed with the relevant environmental and social risk control requirements on suppliers. Suppliers who fail to pass the safety performance evaluation may be suspended or removed from the approved list.

### **Supply Chain of Fur Trading Business**

In Hong Kong and Denmark, the Group strictly monitors the fur supply chain workflow to ensure compliance. Animal rights and ethical issues are two of the most important consideration factors when selecting suppliers. The Group only selects reputable mink suppliers who refrain from sourcing mink from untraceable and questionable sources. The Group periodically evaluates and monitors the performance of its suppliers to ensure that they are in compliance with service standards, contract conditions, and quality provisions. Should their services fall below the agreed standard, the contract will be terminated. The Group also strictly abides by the Code of Practice for the Care and Health of Farmed Mink, Fitch and Fox in Europe issued by the European Fur Breeders' Association and relevant Danish legislative provisions. The Group places great emphasis on the killing method adopted by the slaughterhouse and the auction house. Should there be any reported cases of mistreatment or unethical killing, the partnership will be terminated immediately. Apart from the government inspection, the European Fur Breeders' Association conducts biannual inspections at the farms. Apart from abiding by the laws and regulations on animal welfare in Denmark, the Group is also in compliance with the Protection of Endangered Species of Animals and Plants Ordinance of Hong Kong.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Green Sourcing

The Group is aware of the environmental and social practices of the suppliers and tries to engage suppliers with responsible acts to society in view of green sourcing. The Group is committed to selecting environmentally friendly products with competitive prices and good quality in order to safeguard customers' health and safety, prevent pollution and efficiently use natural resources. The Group requires all departments to consider environmental factors and search for products with higher recycled content, greater durability or greater water and energy efficiency. During the procurement process, the Group prioritises local suppliers and environmentally friendly products and services, hoping to reduce the carbon footprint caused by transportation while supporting local economic development and creating employment opportunities for local communities. In addition to environmental factors, the Group will also adopt measures to monitor whether its suppliers or contractors comply with relevant environmental and social laws and regulations or meet other standards in terms of health, safety, forced labour and child labour.

## B6. Product Responsibility

Customers' satisfaction is the Group's foundation for sustainable development. The Group is committed to providing the highest quality of service to its customers. We aim to customise our solutions based on the unique needs of customers, delivering sustainable value and fostering a long-term relationship.

## Quality Assurance

The Group has formulated a Quality Assurance Policy. To ensure compliance with local laws and regulations, the Group has a strict quality assurance process in place, which regularly reviews and updates its quality control standards to meet the latest standards. To provide quality financial services to our customers, the Group has obtained all relevant licenses and permits that are material to our operation in Hong Kong, including but not limited to SFC type 1/4/9, the license from the Insurance Authority, registered intermediaries for MPFA and the Money Lending License. The Group also keeps track of the expiry dates of relevant licences and timely applies for renewal. For the mink farm business, the farms have already obtained the relevant permits required.



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Complaint Channel

Feedback and opinions from customers contribute significantly to the Group's sustainable development, which provides insight and motivation for improvement. The Group actively listens to and responds promptly to the feedback shared by its customers. If the Group receives any complaints, its compliance officer will investigate the complaint and subsequently submit a report to the management for review. Meanwhile, appropriate actions will also be taken. The Group commits to responding to enquiries in a timely manner and ensures that the complaints are handled properly. During the Reporting Period, in August 2022, one client filed a complaint with the SFC, stating that the service we provided was misconduct. On 1 December 2022, the SFC determined not to pursue the complaint further.

## Safeguarding Customer Assets

Subsidiaries of the Group have licensed corporations and are regulated under the SFC with licenses 1/4/9. As a custodian of customers' assets, we implement the necessary controls to properly handle and safeguard customers' assets according to relevant laws and regulations.

Segregated accounts are maintained in keeping customers' assets. Transactions are executed only when customers' consent is received, or customers' obligation is required to be met on agreed contracts. An adequate audit trail is maintained to enable proper control. Regular compliance reviews and audits are conducted to detect any non-compliance with regulatory requirements. Any irregularities should be immediately reported to the Management and the relevant authorities.

## Protection of Consumers' Information and Data Privacy

In respect of customer personal data and confidential documents, the Group handles them strictly following the guidance of the Office of the Privacy Commissioner for Personal Data of Hong Kong. The Group will not disclose any personal information collected to any third parties without its clients' consent. During the Reporting Period, the Group did not receive any significant complaints regarding the breach of customer privacy.

## Protection of Intellectual Property Rights

Intellectual Property Rights promote innovation and creativity, helping society to increase its competitiveness and to improve the well-being of humans. The Group respects Intellectual Property Rights and has formulated procedures and guidelines to ensure its operations at all levels in the fight against intellectual property infringement. All employees are prohibited from disclosing confidential information, including Group strategies, business interests, know-how, inventions, and intellectual property, whether in the course of employment or after leaving the company. During the Reporting Period, the Group obtained 1 patent and developed 8 new products.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Advertising and Labelling

Advertisements of the Group are prohibited from disclosing statements that are untrue or inaccurate. Accordingly, the Group has established a set of procedures to ensure that our advertising is truthful, fair, reasonable, and free of misleading elements.

## B7. Anti-corruption

The Group strives to achieve high standards of ethics in our business operations. Fraudulent events such as corruption, bribery and collusion are strictly prohibited. The Group has zero tolerance for any corruption-related cases. The Group has formulated the Compliance Manual and internal control systems governing anti-corruption. The Group prohibits the solicitation, acceptance or offer of any advantages by employees from or to any parties. Employees should comply with the rules stated in performing business activities, and they should report to the management if they suspect any professional misconduct.

Anti-corruption-related training is conducted annually. During the Reporting Period, all directors and staff have received anti-corruption training and have spent 2 hours studying the circulated anti-corruption materials published by ICAC. The awareness of the anti-corruption of the Group has been enhanced. There were no concluded legal cases regarding corrupt practices brought against the Group or its employees during the Reporting Period.

## Whistle-blowing Mechanism

The Group adopts a whistle-blowing policy and procedures for all levels and operations. Staff can raise concerns about possible improprieties such as fraud, deception, theft, forgery, corruption, misconduct and any malpractice in any matter related to the Group. Reports and complaints received will be handled in a prompt and fair manner. Any employee found to violate our anti-corruption and bribery policies will be dismissed. Such policy also aims at protecting whistle-blowers from unfair dismissal, victimisation and unwarranted disciplinary actions.

## B8. Community Investment

Our diverse business activities contribute to the long-term development of the communities and societies in which we operate. We benefit from the prosperity of those communities. Our commitment to connecting, involving, and being a responsible employer extends to our neighbours as well. Creating stronger communities is the goal of our community work. Our vision is that all members of society will have opportunities for a meaningful life and that resources will be sustained for future generations. During the Reporting Period, the Group has made charitable donations of HKD50,000, and around 28 volunteer hours have been contributed by the Group.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Kingkey Financial awarded the Outstanding Listed Companies by IFAPC

The Hong Kong Institute of Financial Analysts and Professional Commentators Limited (“IFAPC”) (香港股票分析師協會) and Metro Finance hold the “Annual Awards for Listed Companies” every year, aiming to demonstrate the steady growth of Hong Kong’s financial market by commending the performance of high-quality listed companies, enhancing Hong Kong’s competitiveness and attractiveness, and laying a solid foundation for the status of an international financial centre, so as to jointly promote the long-term economic development of the country, the Greater Bay Area and Hong Kong.



In 2022, the Group won the IFAPC Outstanding Listed Companies Award and highlighting the Group’s contribution to the growth and development of Hong Kong financial and investment markets.



Our Group Chief Investment Officer (CIO), Dr. Hau Chun Kei (侯鎮基博士) was presenting a speech and shared the Group’s latest development during the ceremony.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



In March 2023, at the “2023 Greater Bay Area ESG Economic Forum”, attended by government representatives, finance and investment experts, business leaders and other important guests, the Group discussed new opportunities and challenges in the economic development of the Greater Bay Area from the perspective of sustainable development. The Group provides professional consulting services, promotion activities and volunteer support.

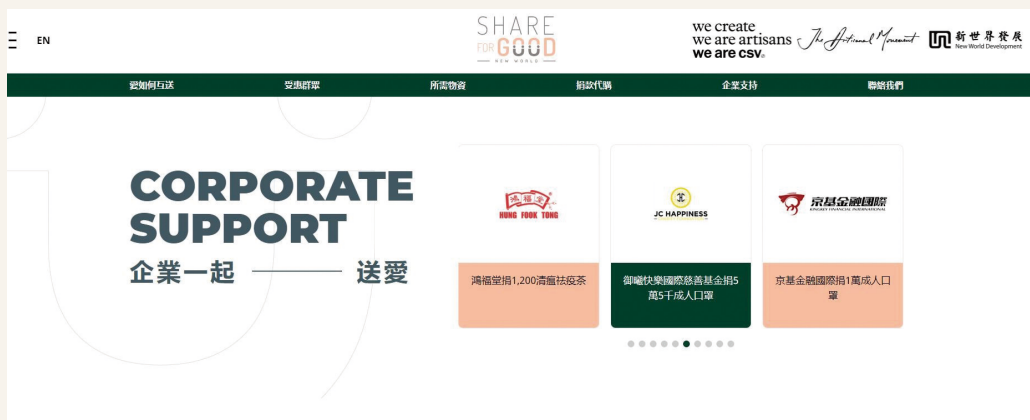


In November 2022, Kingkey Privilege Wealth Management sponsored “The 9th Bid for Love Auction and Dinner” held by KFoundation, and all management was invited to attend the charity. Over 500 participants from the financial and real estate industry in Shanghai and Hong Kong participated in the parties for the public’s welfare and witnessed the unity of love in the two cities.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



In May 2022, the Group supported its charity partner “Reading • Dreams” to hold the “2022 Reading Dreams 15th Anniversary Charity Night”.



We fully support the “Share for Good” platform through the donation of anti-pandemic products. The platform provides a way for beneficiary organisations to efficiently and accurately deliver materials to those in need, making it the first large-scale donation matching platform established by New World Development in Hong Kong.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Major Applicable Laws and Regulations Related to the Group's Business

Aspect	Main Applicable Laws and Regulations
<b>Emissions</b>	Air Pollution Control Ordinance Water Pollution Control Ordinance Waste Disposal Ordinance the Environmental Protection Act of Denmark Environmental Protection Law of the People's Republic of China Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution Law of the People's Republic of China on Prevention and Control of Water Pollution Law of the People's Republic of China on Prevention and Control of Solid Waste Pollution
<b>Employment and Labour Standards</b>	Employment Ordinance Employees' Compensation Ordinance Sex Discrimination Ordinance Disability Discrimination Ordinance Family Status Discrimination Ordinance Personal Data (Privacy) Ordinance the Salaried Employees Act the Children Act of Denmark Labour Law of the People's Republic of China Labour Contract Law of the People's Republic of China Social Insurance Law of the People's Republic of China Law of the People's Republic of China on the Protection of Minors
<b>Health and Safety</b>	Occupational Safety and Health Ordinance Fire Safety Ordinance the Health Act of Denmark Production Safety Law of the People's Republic of China Law of the People's Republic of China on the Prevention and Treatment of Occupational Diseases Regulation on Work-Related Injury Insurances of the People's Republic of China
<b>Supply Chain Management</b>	the Protection of Endangered Species of Animals and Plants Ordinance of Hong Kong the Code of Practice for the Care and Health of Farmed Mink, Fitch and Fox

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

<b>Aspect</b>	<b>Main Applicable Laws and Regulations</b>
<b>Product Responsibility</b>	Trade Descriptions Ordinance Personal Data (Privacy) Ordinance Advertising Law of the People's Republic of China Trademark Law of the People's Republic of China Protection of Consumer Rights and Interests of the People's Republic of China
<b>Anti-corruption</b>	Prevention of Bribery Ordinance Anti-Money Laundering and Counter-Terrorist Financing Ordinance the Danish Criminal Code Criminal Law of the People's Republic of China Anti-Money Laundering Law of the People's Republic of China Anti-Unfair Competition Law of the People's Republic of China Tendering and Bidding Law of the People's Republic of China

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## The ESG Reporting Guide Content Index of the Stock Exchange of Hong Kong Limited

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
<b>Aspect A1: Emissions</b>		
General Disclosure	Information on:  (a) the policies; and  (b) compliance with relevant laws and regulations that have a significant impact on the issuer  relating to Exhaust Gas and GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Emissions Control
KPI A1.1	The types of emissions and respective emissions data.	Emissions Control
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity.	Emissions Control – GHG Emissions
KPI A1.3	Total hazardous waste produced (in tonnes) and intensity.	Emissions Control – Waste Management
KPI A1.4	Total non-hazardous waste produced (in tonnes) and intensity.	Emissions Control – Waste Management
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	Emissions Control – Our Environmental Targets
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	Emissions Control – Waste Management



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
<b>Aspect A2: Use of Resources</b>		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Use of Resources
KPI A2.1	Direct and/or indirect energy consumption by type in total and intensity.	Use of Resources – Energy Management
KPI A2.2	Water consumption in total and intensity.	Use of Resources – Water Consumption
KPI A2.3	Description of energy use efficiency initiatives and results achieved.	Use of Resources – Energy Management
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	Use of Resources – Water Consumption
KPI A2.5	Total packaging material used for finished products (in tonnes) and with reference to per unit produced.	Use of Resources – Use of Packaging Materials
<b>Aspect A3: The Environment and Natural Resources</b>		
General Disclosure	Policies on minimising the issuer’s significant impact on the environment and natural resources.	The Environment and Natural Resources
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	The Environment and Natural Resources – Protection of Biodiversity and Nature
<b>Aspect A4: Climate Change</b>		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Climate Change
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Climate Change – Climate-related Management, Physical Risks, Transition Risks

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
<b>Aspect B1: Employment</b>		
General Disclosure	Information on: <ul style="list-style-type: none"> <li>(a) the policies; and</li> <li>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</li> </ul> relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, antidiscrimination, and other benefits and welfare.	Employment
KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	Employment
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Employment
<b>Aspect B2: Health and Safety</b>		
General Disclosure	Information on: <ul style="list-style-type: none"> <li>(a) the policies; and</li> <li>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</li> </ul> relating to providing a safe working environment and protecting employees from occupational hazards.	Health and Safety
KPI B2.1	Number and rate of work-related fatalities.	Health and Safety
KPI B2.2	Lost days due to work injury.	Health and Safety
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Health and Safety – Safety Measures in Offices, COVID-19 Pandemic Preventive Measures

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
<b>Aspect 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
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Development and Training
KPI B3.2	The average training hours completed per employee by gender and employee category.	Development and Training
<b>Aspect B4: Labour Standards</b>		
General Disclosure	Information on:  (a) the policies; and  (b) compliance with relevant laws and regulations that have a significant impact on the issuer  relating to preventing child and forced labour.	Labour Standards
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Labour Standards
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Labour Standards

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
<b>Aspect B5: Supply Chain Management</b>		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	Supply Chain Management
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Supply Chain Management – Suppliers’ Evaluation and Management, Supply Chain of Fur Trading Business
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply Chain Management – Green Sourcing
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply Chain Management – Green Sourcing

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
<b>Aspect B6: Product Responsibility</b>		
General Disclosure	Information on: <ul style="list-style-type: none"> <li>(a) the policies; and</li> <li>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</li> </ul> relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Product Responsibility
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Product Responsibility – Quality Assurance
KPI B6.2	Number of products and service-related complaints received and how they are dealt with.	Product Responsibility – Complaint Channel
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Product Responsibility – Protection of Intellectual Property Rights
KPI B6.4	Description of quality assurance process and recall procedures.	Product Responsibility – Quality Assurance, Safeguarding Customer Assets
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Product Responsibility – Protection of Customer's Information and Data Privacy

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
<b>Aspect 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
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases.	Anti-corruption
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Anti-corruption – Whistle-blowing Mechanism
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Anti-corruption
<b>Aspect 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
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community Investment
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Community Investment