



Oi Wah Pawnshop Credit Holdings Limited
靄華押業信貸控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1319)

Environmental, Social and Governance Report 2024

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ABOUT THE GROUP

Oi Wah Pawnshop Credit Holdings Limited (“**Oi Wah**”, the “**Company**”, “**we**” or “**us**”) and its subsidiaries (together with the Company collectively referred to as the “**Group**”) have been providing secured financing, including pawn loan and mortgage loan services, to the public and various corporations in the business sector. Being one of the pawn loan service and property mortgage service providers in Hong Kong, our practice and spirit of being “professional, honourable and customer-oriented” have contributed to our goodwill and success. As a listed company, it is our corporate duty to promote transparency in relation to our business operations. As such, we would like to present our Environmental, Social and Governance (“**ESG**”) Report (the “**ESG Report**” or the “**Report**”) for the year ended 29 February 2024 which highlights the operational strategies that we have carried out during this financial year to achieve sustainability in all aspects.

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

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

ABOUT THE ESG REPORT

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

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

Report Scope and Boundary

The Report is prepared in accordance with the selected global, local and industrial standards and best practices, which include, but are not limited to, the ESG Reporting Guide (the “**Guide**”) as set out in Appendix C2 to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (“**HKEX**”) and any applicable accounting and financial reporting standards in Hong Kong.

In order to comply with the disclosure obligations of “comply or explain” provisions, this Report has outlined the overall Group’s performance in environmental protection, human resources, operating practices and community involvement for the financial year from 1 March 2023 to 29 February 2024 (the “**Reporting Period**”). HKEX’s Guide for the Report is provided on pages 23 to 29 for cross-referencing purposes.

The ESG Report complies with all provisions of “mandatory disclosure” or “comply or explain”, as well as the principles of materiality, quantitative, balance and consistency. In preparing the Report, we have adopted the international standards and emission factors specified in the guidance materials on ESG issued by the HKEX for computing the relevant KPIs, and there has been no change to the methods or KPIs used or any other relevant factors affecting a meaningful comparison of the Group’s 2023 ESG Report. The application of materiality is detailed in the subsection headed “ESG Management – Materiality Analysis”. The ESG Report provides an unbiased picture of the Group’s performance within the Reporting Period, avoiding selections, omissions, or presentation formats that may inappropriately influence a decision or judgement by the reader.

The Group acknowledges the importance of proper disclosure of business activities, believing it is the key to building trust with investors and shareholders. For instance, this Report will highlight the following aspects:

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

Information and Feedback

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

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

OUR STAKEHOLDERS

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

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

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

As a responsible corporate citizen, we value the concept of sustainability and have been actively fulfilling our corporate social responsibilities. The Report summarises the strategy, practice and vision of our Group with respect to the issues related to ESG, and conveys a clear message of our Group's devotion to sustainability. To enhance our resilience and adaptive capacity to potential ESG-related risks and opportunities, all potential ESG issues are covered and evaluated in the annual risk assessment.

To facilitate effective management of the ESG issues, the Group has established a governance structure. The Board of Directors (the "**Board**") has an overall responsibility for overseeing the Group's ESG-related risks and opportunities, establishing and adopting the ESG-related strategies and targets of the Group including setting KPIs for environmental-related issues and setting higher standards of energy efficient measures and waste treatment, reviewing the Group's performance annually against the ESG-related targets, and revising the ESG-related strategies as appropriate if significant variance from the ESG-related target is identified. The Group has set up an ESG Working Group which includes the senior management to support the Board in implementing ESG-related strategies and targets, and promoting the implementation of measures in relation to the ESG issues identified.

Based on the set goals and targets, the Board will continue to review the Group's progress in relation to ESG issues in order to build a more sustainable business and bring greater benefits to society as a whole.

The Board

The Board is responsible for the overall decision-making process and overseeing the formulation, administration, and assessment of the ESG system.

ESG Working Group

The ESG Working Group is responsible for assisting the Board in managing and monitoring the ESG matters on a daily basis.

Functional Departments

Functional departments are responsible for the execution of measures to achieve the preset ESG-related strategies and targets.

The Board is dedicated to improving and developing the ESG strategy which is acting in the best interests of our stakeholders. Under the section "OUR STAKEHOLDERS", the mechanism and the idea of stakeholders' involvement in developing our ESG strategy are clearly stated.

For details of the corporate governance of the Company, please refer to the "Corporate Governance Report" on pages 38 to 64 of the annual report of the Company for the year ended 29 February 2024.

MATERIALITY ANALYSIS

During the annual assessment of ESG strategy and development, the Group has identified ESG issues that have a potential or actual impact on its sustainable development from various sources, such as issues identified in previous ESG reports, internal policies industry trends and the Sustainability Accounting Standards Board's Materiality Map. The ESG issues have been analysed with reference to an array of factors, including the Group's overall strategy, development, and goals and targets. The Group has conducted a materiality assessment to rate the identified ESG issues that are pertinent to its business and stakeholders, and their respective level of impact. After analysing the results, the Group concluded that there have been no significant changes in the main concerns of stakeholders and that the priority of ESG matters remains consistent with the previous reporting period. The result of the identified material ESG issues is summarised as follows:

Vital

- Clients' privacy and data protection
- Anti-corruption practices management

Essential

- Uses of natural resources
- Environmental protection
- Employment welfare

Important

- Safe working environment
- Labour standards

SUSTAINABILITY APPROACH

We endeavour to incorporate materiality, quantitative, balance and consistency in the presentation of the information, as required by the HKEX. In the long run, we are committed to enriching our ESG information disclosure in order to enhance the transparency in our sustainability performance.

We take sustainability as our development principle to foster the growth of the Group. In order to uphold sustainability in our daily operations, we are committed to maintaining a high environmental standard and incorporating relevant requirements under applicable laws and ordinances into our daily practices.

ENVIRONMENTAL

Overview

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

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

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

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

Compliance and Grievance

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

Emissions

Oi Wah's greenhouse gas ("GHG") emissions mainly consisted of two types of activities, including but not limited to, energy indirect emissions from the use of electricity for air-conditioning and lighting at its head office and pawnshops, and other indirect emissions from paper consumption.

The major source of GHG emissions of the Group is the use of electricity for business operations. Employees are encouraged to set the air conditioning at the head office and pawnshops at the temperature of 25 degrees Celsius and switch off the air-conditioners and lights when they are not in use. The Group has also placed notices at prominent locations to raise employees' awareness of energy conservation. Moreover, air-conditioners installed at the head office are centrally controlled by the office building, and are automatically switched off from 8 pm until 8 am of the following day.

Another main source of GHG emissions of the Group is paper consumption. As a pawn loan and mortgage loan service provider, numerous classified documents need to be recorded by hardcopy. To minimise paper consumption and disposal, our employees are encouraged to adopt double-sided printing and reuse single-sided-printed paper for non-classified documents. With these measures, the Group endeavours to cultivate energy-saving habits among its employees and contribute to energy conservation.

On top of the abovementioned sources, the Group also owns motor vehicles for transporting our management team members, guests and clients. The use of motor vehicles did not give rise to material GHG emissions, which was not included in the calculation of total GHG emissions. All of our vehicles are running on unleaded automotive fuel, which is, in comparison to other fuels, cleaner and emits fewer pollutants into the air. Furthermore, all vehicles are under regular maintenance to enhance fuel consumption efficiency, ensure road safety and keep emissions at a minimum.

Scope of GHG Emissions	GHG Emissions Sources	Year ended 29 February 2024		Year ended 28 February 2023	
		GHG Emissions (tonnes of CO ₂ equivalent)	GHG Emissions Intensity (tonnes of CO ₂ equivalent/employee)	GHG Emissions (tonnes of CO ₂ equivalent)	GHG Emissions Intensity (tonnes of CO ₂ equivalent/employee)
Scope 1					
Direct Emissions	N/A				
Scope 2	Purchased				
Energy Indirect Emissions	Electricity	63.55	1.27	63.40	1.27
Scope 3	Paper				
Other Indirect Emissions	Consumption	2.50	0.05	2.77	0.06
Total		66.05	1.32	66.17	1.33

During the Reporting Period, the intensity of GHG emissions decreased by approximately 1% compared to the last reporting period, and the Group has achieved the target. For more details, please refer to the below section “Electricity and Energy Usage”. To uphold the principles of sustainable development, the Group is committed to reducing or maintaining the total GHG emissions intensity between 90% to 120% of the level of the baseline year ended 29 February 2024 in the next reporting period.

Use of Resources

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

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

Water Usage

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

Electricity and Energy Usage

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

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

The energy consumption of the Group is stated below:

Energy Consumption for the years ended

Energy Source	Year Ended 29 February 2024 (kWh)	Year Ended 28 February 2023 (kWh)
Indirect Energy Consumption – Purchased Electricity Consumption	127,844.62	123,320.00
Total Energy Consumption	127,844.62	123,320.00
Energy Consumption Intensity (kWh/employee)	2,556.89	2,466.40

The energy consumption intensity has increased by 4% compared with the last reporting period, which is mainly because of the new opening of a premium service center in East Tsim Sha Tsui MTR station during the Reporting Period. The target for energy consumption is achieved during the Reporting Period. To uphold the principles of sustainable development, the Group is committed to reducing or maintaining the intensity of energy consumption between 90% to 120% of the level of the baseline year ended 29 February 2024 in the next reporting period. As a responsible corporate citizen, we will continue to encourage our employees to reduce energy consumption and avoid unnecessary electricity usage.

Generation of Waste

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

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

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

The Group did not produce any hazardous waste during the course of its daily operations. The total amount of non-hazardous waste generated by the Group is stated below:

Total non-hazardous waste generated for the years ended

Emissions Source	Year Ended 29 February 2024 (tonnes)	Year Ended 28 February 2023 (tonnes)
Paper	0.520	0.576
Plastic bag	0.007	0.095
Total non-hazardous waste generated	0.527	0.671
Intensity of non-hazardous waste generated (tonnes/employee)	0.011	0.013

The intensity of total non-hazardous waste generated by the Group during the Reporting Period decreased by 15% compared with the last reporting period. Normally, bulk purchases of plastic bags would take place every 18 to 24 months. The target of non-hazardous waste is achieved during the Reporting Period. To uphold the principles of sustainable development, the Group is committed to reducing or maintaining the intensity of total non-hazardous waste generated between 90% to 120% of the level of the baseline year ended 29 February 2024 in the next reporting period.

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

Reduction of printing and paper usage

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

Minimising the use of plastic bags

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

Climate Change

The Group reviews and identifies the climate-related risk annually while conducting the risk assessment. We have considered the potential climate-related risks in respect of the recommendations of the Task Force on Climate-related Financial Disclosure (“TCFD”), which are the physical risks such as acute extreme weather conditions, chronic sustained high temperature, and transition risks such as regulatory change on environmental matters, and the potential climate-related risks are summarised as below:

Risk Type	Risks	Potential Financial Impact	Short (current Reporting Period)	Medium (one to three years)	Long (four to ten years)	Mitigation Strategy
Physical Risks	<ul style="list-style-type: none"> • Extreme weather conditions such as flooding and typhoon 	<ul style="list-style-type: none"> • Reduce revenue from business disruptions 	√	√		<ul style="list-style-type: none"> • Established adverse weather condition policy
	<ul style="list-style-type: none"> • Sustained elevated temperature 	<ul style="list-style-type: none"> • Increase in operating costs for cooling 	√	√		<ul style="list-style-type: none"> • Adopted energy conservation measures
Transition Risks	<ul style="list-style-type: none"> • Changes in environmental-related regulations 	<ul style="list-style-type: none"> • Higher operating costs to comply with new regulations 		√	√	<ul style="list-style-type: none"> • Adopted energy conservation measures to reduce emissions • Continues to monitor the regulatory environment to ensure that the Group meets the expectations of regulatory authority and complied with the environmental-related laws and regulations

SOCIAL

Employment and Labour Practices

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

Compliance and Grievance

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

Employment

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

As at 29 February 2024, Oi Wah employed 50 (2023: 50) full-time employees who are all Hong Kong citizens. The Group has a diverse workforce in terms of gender, age and skill sets.

The breakdowns of the Group’s workforce by type of employment, gender, age group and geographical region as at 29 February 2024 are as follows:

	As at 29 February 2024
Employee Workforce	
Total Workforce	50
Type of Employment	
Full-time	50
By Gender	
Male	40
Female	10
By Age Group	
< 25	2
25 – 29	1
30 – 39	5
40 – 49	11
≥ 50	31
By Geographical Region	
Hong Kong	50

Attracting and retaining talents

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

Welfare and benefits

To increase our employees’ sense of belonging, we have offered various welfare and benefits to our employees. For instance, employees are entitled to all public holidays as well as paid leave in accordance with the Employment Ordinance and their job level. In addition, we offer medical insurance, overtime allowance and lunch allowance to our employees. At Oi Wah, we encourage our staff to attend external training to enhance their work skills and job satisfaction and any costs incurred are reimbursed by the Group. To ensure that the Group’s key policies are clearly and consistently communicated to the employees, the Group has established an “Employees’ Handbook”, which details the rights of the employees, such as working hours, leave entitlements and other benefits and welfare.

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

Details of the employee turnover rates as at 29 February 2024 are as follows:

Employee Turnover Rates

Total	12%
By Gender	
Male	15%
Female	–
By Age Group	
< 25	–
25-29	300%
30-39	–
40-49	9%
≥ 50	6%
By Geographical Region	
Hong Kong	12%

Anti-discrimination and integrity

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

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

Health and Safety

We aim to provide a safe and healthy working environment for our employees and encourage them to achieve a balance between work and a healthy lifestyle. Oi Wah complies with the relevant laws and regulations in relation to safety, as well as hygiene and health. Apart from employees' compensation insurance, we provide other fringe benefits to our employees, such as medical coverage. The Group's business operations do not involve any high-risk work activities that could lead to serious industrial safety events or occupational health problems. Employees mainly work in the office and are less likely to encounter work-related accidents. During the Reporting Period, the Group (i) recorded zero cases of work-related injury (2023: nil; 2022: nil), (ii) recorded no work-related fatalities (2023: nil; 2022: nil) and (iii) recorded zero lost days due to work injury (2023: nil; 2022: nil).

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

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

Development and Training

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

Orientation training sessions were provided for newly recruited staff members. The training covered the introduction of the Group, their department structure, responsibilities, required skills and working instructions. Moreover, on-the-job training was provided to make sure that all staff members possess sufficient knowledge and skills to provide quality services to the customers such as skills to identify the value of the pawn.

The following are the percentage of employees receiving training and the average training hours completed per employee by gender and employee category, which the training with a certificate during the Reporting Period:

The percentage of employees trained	
As at 29 February	2024
Overall	20%
By Gender	
Male	50%
Female	50%
By Employee Category	
General Staff	40%
Middle Management	20%
Senior Management or Above	40%

The average training hours completed per employee are shown as follow:

The average training hours completed per employee	
As at 29 February	2024
Average hours of training that employees participated in	0.9
By Gender	
Male	0.8
Female	1.2
By Employment Category	
General Staff	0.4
Middle Management	1.6
Senior Management or Above	0.9

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

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

Labour Standards

We are committed to complying with the Employment Ordinance and other relevant laws and regulations in relation to employees' protection and benefits. Every employee is subject to a stringent internal review process that involves a well-established procedure to verify a candidate's personal information, in order to avoid misrepresentation and involvement in any form of child labour. For instance, the staff member responsible for recruitment collects identity proof from the candidates to ensure that the age of the candidates fulfills the requirements as stipulated by the applicable laws and regulations. Also, the Group guarantees that no employee is made to work against his/her will, work under forced labour, or be subject to coercion related to work

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

Operating Practices

Supply Chain Management

Since Oi Wah is a service provider for mortgage loans and pawn loans, the Group does not engage any critical suppliers who provide physical materials due to the nature of the Group's core business activities during the Reporting Period.

We support the purchase of environmentally friendly products to minimise the environmental impact caused by the operation of our business. To ensure the fairness of supplier vetting and selection, we have established a procedure to acquire information for background checking and quotations from more than one supplier for comparisons. Before cooperating with new suppliers, the Group will assess the supplier's capabilities based on their background information, professional qualifications, product and service quality, and reputation. Issues such as human rights management adopted by the suppliers and environmental protection are considered in the selection process. Approved suppliers are reviewed annually to ensure the quality of the services and products purchased is up to standard.

Product and Service Responsibility

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

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

Privacy Matters

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

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

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

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

Customer Care

We hope our clients have an enjoyable experience during their visit to Oi Wah and are satisfied with our services. As such, training is provided to our employees to refresh their memory and knowledge on the appropriate procedures when dealing with customer queries, as well as all the requirements and usual practices applicable to mortgage loan and pawn loan services. The Group makes every effort to promptly investigate and resolve all disputes and complaints lodged by the customers. All complaints received are handled by the management of the Group. The responsible personnel should investigate the matter and appropriate action will be taken in a timely manner. During the Reporting Period, the Group did not receive any complaints (2023: nil). We will continue to improve our products and maintain good customer relations in the future.

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

All collateral is securely kept in sealed plastic bags which are specifically designed for storing the collateral. Customers are requested to sign their names on tape which is used to seal the plastic bag. Since the sealed plastic bag cannot be opened without removing the tape, it ensures that we properly keep the collateral and that it will not be misused by any of our staff members. The collateral that is properly sealed in plastic bags will be handed over to our customers when the collateral is redeemed.

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

Advertising

The Group recognises the importance of compliance with regulatory requirements. During the Reporting Period, we complied with all relevant laws and regulations that significantly impacted us, including, but not limited to, the Money Lenders Ordinance (Cap. 163 of the laws of Hong Kong).

The Group has strictly complied with the advertising requirements. Any advertisement published by us contains our telephone hotline for handling complaints and a risk warning statement as “You have to repay your loans, but don’t pay any intermediaries”. All final drafts of the advertisement must be approved by our management before bulk printing.

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

Intellectual Property Rights

The Group have registered trademarks in Hong Kong which is important to our business. We regularly monitor whether our trademark is being infringed. We are committed to protecting intellectual property rights which we handle with great care during the course of our daily operations.

During the Reporting Period, there were no cases regarding copyright infringement reported within the Group. The Group has strictly complied with the relevant laws and regulations.

Anti-corruption

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

We maintain and implement our own anti-money laundering, counter-terrorist financing, anti-bribery, anti-corruption, anti-extortion and anti-fraud practices and procedures. We do not support, nor tolerate, any corrupt practices and making or receiving of bribery payments. We have established a clear policy to guide our employees in this regard. In addition, the employment contracts of our employees include the code of conduct for them to follow. In our workplace, in order to maintain a high standard of integrity and impartiality, we encourage our employees to report any suspected corrupt practices. The whistle-blower's identity will always remain anonymous and be protected throughout the investigation. If any employees are found breaching the code of conduct stated in "Employee Handbook", we will immediately terminate the contract of the employee concerned, and reserve our right to take necessary legal action. During the Reporting Period, the Group has provided orientation to the new employee in relation to business ethics including anti-corruption. The Group will closely monitor the regulatory development and will arrange relevant anti-corruption training for our employees and directors, where necessary.

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

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

During the Reporting Period, we complied with all relevant laws and regulations that had a significant impact on us, including but not limited to, the Prevention of Bribery Ordinance (Cap. 201 of the laws of Hong Kong). During the Reporting Period, the Group has not concluded any legal cases regarding corrupt practices brought against the Group or its employees and no corruption or bribery incidents were reported within the Group (2023: Nil).

Community Investment

We understand the importance of giving back to society. We aim to create a positive impact in the community in which we operate by cooperating with different organisations, and promoting employee voluntary services and donations. Therefore, we encourage our employees to take part in community services to foster a more sustainable and harmonious society. We wish to be more focused on helping the underprivileged and vulnerable groups.

During the Reporting Period, the Group made donations of a total of HK\$100,000 to the Redford Charitable Foundation, for supporting the underprivileged and vulnerable groups in Hong Kong.

HKEX ESG REPORTING GUIDE CONTENT INDEX

KPI	Environmental, Social and Governance Report	Disclosed in	Remarks
A.	Environmental		
	Aspect A1: Emissions		
	General Disclosure Information on:	Environmental	
	(a) the policies; and		
	(b) compliance with relevant laws and regulations that have significant impact on the issuer		
	relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.		
A1.1	The types of emissions and respective emissions data.	Emissions	Gaseous fuel consumption from activities such as transportation is minimal in our business.
A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Emissions	
A1.3	Total hazardous waste produced and, where appropriate, intensity.	Not Applicable	There was no hazardous waste generated from our business operations.
A1.4	Total non-hazardous waste produced and, where appropriate, intensity.	Generation of Waste	
A1.5	Description of emissions target(s) set and steps taken to achieve them.	Emissions	
A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	Generation of Waste	

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

KPI	Environmental, Social and Governance Report	Disclosed in	Remarks
A4:	Climate Change		
	General Disclosure	Climate Change	
	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.		
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	
B. Social			
B1:	Employment and Labour Practices		
	General Disclosure	Employment	
	Information on:		
	(a) the policies; and		
	(b) compliance with relevant laws and regulations that have a significant impact on the issuer		
	relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.		
B1.1	Total workforce by gender, employment type, age group and geographical region.	Employment	
B1.2	Employee turnover rate by gender, age group and geographical region.	Employment	

KPI	Environmental, Social and Governance Report	Disclosed in	Remarks
B2: Health and Safety			
General Disclosure		Health and Safety	
Information on:			
(a)	the policies; and		
(b)	compliance with relevant laws and regulations that have significant impact on the issuer		
relating to providing a safe working environment and protecting employees from occupational hazards.			
B2.1	Number and rate of work-related fatalities.	Health and Safety	
B2.2	Lost days due to work injury.	Health and Safety	
B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Health and Safety	
B3: Development and Training			
General Disclosure		Development and Training	
Policies on improving employees' knowledge and skills for discharging duties at work.			
Description of training activities.			
B3.1	The percentage of employees trained by gender and employee category.	Development and Training	
B3.2	The average training hours completed per employee by gender and employee category.	Development and Training	

KPI	Environmental, Social and Governance Report	Disclosed in	Remarks
	B4: Labour Standards		
	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have significant impact on the issuer relating to preventing child and forced labour.	Labour Standards	
B4.1	Description of measures to review employment practices to avoid child and forced labour.	Labour Standards	
B4.2	Description of steps taken to eliminate such practices when discovered.	Labour Standards	
	B5: Supply Chain Management		
	General Disclosure Policies on managing environmental and social risks of the supply chain.	Supply Chain Management	
B5.1	Number of suppliers by geographical region.	Not Applicable	As we provide financing services, our business does not involve purchases of material products.
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Supply Chain Management	
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	
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	

KPI	Environmental, Social and Governance Report	Disclosed in	Remarks
B6: Product and Service Responsibility			
General Disclosure Information on:		Product and Service Responsibility	
(a) the policies; and			
(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.			
B6.1	Percentage and total products sold or shipped subject to recalls for safety and health reasons.	Not Applicable	As we provide financing services, we do not sell any physical products.
B6.2	Number of products and service related complaints received and how they are dealt with.	Product and Service Responsibility	
B6.3	Description of practices relating to observing and protecting intellectual property rights.	Product and Service Responsibility	
B6.4	Description of quality assurance process and recall procedures.	Not Applicable	As we provide financing services, we do not sell any physical products.
B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Product and Service Responsibility	

KPI	Environmental, Social and Governance Report	Disclosed in	Remarks
B7: Anti-corruption			
	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Anti-corruption	
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Anti-corruption	
B7.2	Description of prevention measures and whistle-blowing procedures, how they are implemented and monitored.	Anti-corruption	
B7.3	Description of anti-corruption training provided to directors and staff.	Anti-corruption	
B8: Community Investment			
	General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Community Investment	
B8.1	Focus areas of contribution.	Community Investment	
B8.2	Resources contributed to the focus area.	Community Investment	