SUNWAH KINGSWAY
新華滙富

Sunwah Kingsway Capital Holdings Limited
新華滙富金融控股有限公司

Incorporated in Bermuda with limited liability
Stock Code: 00188

15 years+ 商界展關懷
caringcompany
Awarded by The Hong Kong Council of Social Service
香港社會服務聯會頒發

Collaborate together to achieve success



Environmental, Social and Governance Report

2025

Environmental, Social and Governance Report

While acknowledging our responsibility to our stakeholders, we encourage our staff and partners to behave in a responsible manner towards the environment and the society in which we function. The Group is committed to the principles of good corporate governance, the integration of corporate social responsibility into our business culture, protecting the environment and the creation of a harmonious and enriching work place in which our staff can develop. This report aims at informing stakeholders of the Group's performance in environmental protection, social issues and community investment from 1 July 2024 to 30 June 2025 (the "Reporting Period") and also serves as a communication platform with its stakeholders and demonstrates its strategies for, and commitment to, build a sustainable green future.

The Reporting Standard

This report is prepared in accordance with the Environmental, Social and Governance ("ESG") Reporting Guide ("ESG Reporting Guide") as contained in Appendix C2 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The report discloses the key performance indicators ("KPIs") about environmental and social aspects in compliance with the "Comply or Explain" provisions of the ESG Reporting Guide. The four reporting principles, namely materiality, quantitative, balance and consistency, form the backbone of this report.

(1) MATERIALITY

Materiality is defined in the ESG Reporting Guide as the threshold at which ESG issues determined by the board are sufficiently important to investors and other stakeholders that they should be reported. This report is structured based on the materiality of the issues that are important to the stakeholders during the Reporting Period, which have been reviewed and confirmed by the board of directors of the Group (the "Board"). The Group has evaluated the materiality and importance in ESG aspects through the following steps:

Step 1: Identification – Industry Benchmarking

Based on industry research and peer benchmarking, 7 material environmental issues and 14 material social issues related to the business operations and stakeholders' concerns were identified and defined for the Group. The materiality of each ESG area was determined based on the importance of each ESG area to the Group through internal discussion of the ESG Committee, the recommendation of ESG Reporting Guide and their relevance to the Group's business and stakeholders.

	ESG Aspects	The material ESG issues for the Group
A. Environmental	A1. Emissions	1. Energy consumption and conservation
	A2. Use of Resources	2. Water consumption and conservation
	A3. The Environment and Natural Resources	3. Paper consumption and conservation
	A4. Climate Change	4. Waste disposal and recycling
		5. Greenhouse gas emissions
		6. Climate related hazards
		7. Measures for green offices

Use of words including "the Group" or "We" in this Environmental, Social and Governance Report refer to Sunwah Kingsway Capital Holdings Limited and its subsidiaries.

	ESG Aspects	The material ESG issues for the Group
B. Social	B1. Employment B2. Health and Safety B3. Development and Training B4. Labour Standards B5. Supply Chain Management B6. Product Responsibility B7. Anti-corruption B8. Community Investment	1. Human resources practices 2. Employee development 3. Equal opportunity 4. Remuneration policies 5. Employees' health and workplace safety 6. Anti-child and forced labour 7. Supplier selection criteria 8. Product Responsibility 9. Customer opinions/complaints 10. Privacy of personal data 11. Intellectual property rights 12. Responsible marketing 13. Anti-corruption and anti-money laundering 14. Community investment

Step 2: Prioritization – Stakeholder Engagement

We will continue to make our best endeavors to fulfilling our stakeholders' expectations by understanding their concerns and integrating such expectations through our ESG practices, with the ultimate purpose of maximising the economic output and business value while aligning with the Group's long-term sustainable development goals. To understand and address the key concerns of different stakeholders, we have been facilitating effective communication and maintaining ongoing relationships with them.

The Group communicates with its key stakeholders through various channels as an active part of our daily operations in order to understand their different expectations and identifies the material aspects for reporting in this report. The table below presents the communication methods between the Group and the key stakeholders.

Stakeholders	Key communication channels	Expectations
Shareholders and Investors	• Annual general meetings and other shareholder meetings • Private meetings • Financial reports • Announcements and circulars • Company website • Correspondences	• Sustainable profitability • Good corporate governance • Compliance with relevant local laws and regulations
Clients	• Meetings • Compliance staff • On-site customer services • Customer service hotline	• Customer satisfaction • High-quality services

Stakeholders	Key communication channels	Expectations
Employees	• New employee orientations • Training, seminars and briefing • Departmental meetings • Performance appraisals • Intra-net • Email and internal memos • Staff activities	• Remuneration, compensation and benefits • Safe working environment • Career development
Suppliers	• Business meetings and discussion • Inspections and feedback • Correspondences	• Fair and open procurement • On-time payment • Stability in business operations
Media and the public	• Press conferences • Interviews • ESG reports • Company website	• Compliance with relevant local laws and regulations • Good corporate governance
Regulatory Bodies	• Compliance monitoring • Correspondences • Visits and inspections	• Compliance with relevant local laws and regulations
Community	• Community activities • Company website	• Community development

Step 3: Validation – Determining Material Issues

Based on the internal discussion among the Group's management, we ensured that the material ESG areas, which were important to the business development, were reported and in compliance with ESG Reporting Guide.

Step 4: Review

The Board reviewed the identified material issues and results to ensure relevance and materiality to the Group.

(2) QUANTITATIVE

KPIs are disclosed in the ESG report so that stakeholders are able to have a comprehensive understanding of the Group's ESG performance. Information of the standards, methodologies, references, source of key emission and conversion factors used on these KPIs are stated wherever appropriate.

The Group has offices in Hong Kong, the PRC and Vietnam but the Group's principal operations are mostly performed in Hong Kong. This report focuses on the major operation of the Group in its office in Hong Kong. This report discloses relevant KPIs and quantitative information from its office in Hong Kong. The Group considers all other KPIs not specifically disclosed in this report to be irrelevant to the Group's operations.

(3) BALANCE

The Group is committed to preparing the report on an unbiased basis. Both achievements and challenges are covered in this report to reflect an objective picture of our performances.

(4) CONSISTENCY

In order to enhance and maintain comparability of ESG performances between years, the Group has strived to adopt consistent reporting and calculation methodologies as far as reasonably practicable. Any changes to the methods, KPI used, or any other relevant factors affecting a meaningful comparison shall be fully disclosed.

ESG Governance structure

The Board is the highest decision-making body of the Group and acknowledges its overall responsibility to oversee the Group's ESG performances, sustainability-related strategies and formulation of policies. The Board supports the Group's commitment to fulfilling its environmental and social responsibility and has overall responsibility for the Group's ESG strategy and reporting. The Group conducts a top-down management approach in respect of its ESG issues. The Board has delegated power and authority to the ESG Committee to assist in the implementation of strategies and initiatives set by the Board. The Group's ESG performance is regularly monitored by the ESG Committee and reported to the Board annually. The Board regularly reviews the Group's ESG performance, the ESG related goals and targets set by the ESG Committee and approves the Group's annual ESG report.

ESG Committee

Under the governance of the Board, our ESG Committee is responsible to oversee the development and implementation of the ESG strategies and policies, the funding of ESG initiatives, the external communication policies with its stakeholders, and recommend any improvements for the Board's approval. Additionally, the ESG Committee plays an integral role in ensuring the effectiveness of ESG governance and enhancing centralized management across different departments and subsidiaries.

The ESG Committee, comprised of core members from the Groups' different departments, is responsible for collecting relevant information on its ESG aspects for preparing the ESG report. The ESG Committee consists of the Chief Executive Officer, the Company Secretary, the Financial Controller, the Company Legal Counsel and the Corporate Communications Manager. Senior management and department heads advise and support the ESG Committee on ESG matters, strategies and policies; manages and monitors ESG performance and targets. The Human Resources and Administration Departments implement the ESG policies and the related initiatives.

Risks and Opportunities

Changing regulatory and business environments have highlighted the significance of implementing risk management procedures. The Group has set up its Audit Committee, Corporate Governance Committee, Compensation Committee, Nomination Committee, Executive Committee, Investment Committee, Risk Management Committee, Credit Committee, Finance Committee, Operations and the Legal and Compliance Department to closely monitor and determine the nature of material risks and review internal control activities for the Group. We are determined to reduce risks by carrying out various mitigation measures, where appropriate, to create tangible value for our business and stakeholders. For more information on our risk management and internal control, please refer to the "Risk Management and Internal Control" section in the Corporate Governance Report of the Group.

Sustainability Approach

To achieve long-term success, the Group continues to make best endeavours to address global sustainability challenges by integrating sustainability principles into every facet of the business. The Group will continue to keep close communication with its stakeholders to share and exchange ideas for advancing the Group's ESG management. Additionally, we hope to identify, determine, and monitor the sustainability risks and opportunities through closely observing regulatory requirements, reviewing our ESG practices and disclosing our performance on an annual basis.

Opinion Feedback

The Group welcomes our stakeholders to provide their opinions and suggestions in respect of this report by writing to 7/F., Tower One, Lippo Centre, 89 Queensway, Hong Kong.

The Core of Our Policies Prescribed in the Staff Handbook and the Compliance Manual

The Group emphasis on the core values of integrity, teamwork, respect, responsibility and the pursuit of excellence. Each employee of the Group participates in a structured staff orientation program and receives an electronic copy of the Staff Handbook and the Compliance Manual before the commencement of work, ensuring that they understand the principles behind the Group and our expectations.

Staff Handbook

Our foundational policy, which sets the core framework for how we work is prescribed in our Staff Handbook. The Staff Handbook formalizes our expectations of our employees, and clarifies our culture, our values, and our ways of working in the Group. The Staff Handbook covers our expectations on the employment, attendance, pay, allowance & benefits, leaves, personal development, professional ethics, internal control for corporate finance department, administration policy, health & safety as well as the specific expectations regarding the professional ethics, discipline and the handling information. A copy of the Staff Handbook (as updated from time to time) is posted on the Group's intranet.

The Compliance Manual

As a professional financial service provider, the Compliance Manual sets out the policies and procedures which apply to the Group's businesses in Hong Kong. It summarizes the material legislations and regulations relevant to the Group's financial and investment business operations. It also sets out the internal procedures and practices of the Group for conducting its financial service business. Each staff member is reminded to be familiar with the policies and the procedures as prescribed in the manual. The Compliance Manual covers the policy of compliance, the group code of conduct, know your client and account opening, licence and registration, the relationship with regulators, information control, prevention of money laundering, record retention and destruction policy, telephone recording policy, client complaints, staff dealing policy, trading in securities and futures, trading malpractices, advertising and marketing, research and analyses, group media relations policy, as well as the group policy on the corporate finance adviser and fund management.

If the staff has difficulty in understanding the Compliance Manual or any relevant regulations, or unable to find any guidance from the Compliance Manual, they can consult with the Legal and Compliance Department. The Legal and Compliance Department is responsible for the preparation, updating and amendment of the Compliance Manual. A copy of the Compliance Manual (as updated from time to time) is posted on the Group's Intranet.

A. ENVIRONMENTAL

The Group is committed to providing quality financial services to our clients in a manner that minimises our potential adverse impact on the environment and preserve natural resources in the course of our day-to-day operations. Although the business nature of the Group does not involve highly-polluting production and operation procedures, we are dedicated to showing our effort in addressing environmental protection and enhancing resource efficiency. We strive to observe the environmental laws and regulations in the jurisdiction in which we operate and with a view to achieving sustainability. Apart from full compliance with laws and regulations relating to environmental protection, our commitment to the environment focuses on the conservation of energy, minimising the use of paper and the reduction of waste by recycling. The ESG Committee will review its environmental practices from time to time and will consider implementing further ecofriendly measures to enhance environmental sustainability.

ASPECT A1: EMISSIONS

Disclosures on emissions and use of resources primarily relate to the use of electricity, paper and water in the Group's office in Hong Kong. The related consumption in other offices was minimal and therefore it was insignificant on the total consumption of the Group and was not recorded.

The Group's main business line is the provision of financial services, including securities broking, corporate finance and asset management. Our business does not involve the production of material amounts of greenhouse gas emissions, engage in discharging pollutants into water and land or generate significant amounts of hazardous wastes; therefore, there are no relevant laws or regulations in respect of emissions, which are applicable to our operations. Additionally, the Group does not own or maintain automobiles, boats or other vehicles which burn fossil fuels for use by staff and the Group encourages them to use public transportation when practical. However, the Group has established a late-night working policy that provides allowances to our staff to take a taxi for a journey from work to home provided that the late night working conditions are satisfied.

Business travel outside of Hong Kong and mainland China is minimal and we encourage our staff to use conference calls and virtual meeting facilities whenever possible. The Group believes that this would enhance operational efficiency, lower travel costs, and reduce the air pollutant emissions. The most material impact on the environment is confined to the premises in which the Group operates in Hong Kong. Mainly, the Group's carbon footprint is the greenhouse gas emissions from the use of electricity in our office lighting system, air-conditioning, computers, printers and other office equipment. Measures to reduce the use of energy and other resources, minimize the use of paper and encourage recycling are discussed below under Aspects A2 and A3.

ASPECTS A2 AND A3: USE OF RESOURCES; AND THE ENVIRONMENT AND NATURAL RESOURCES

1.1 Energy Consumption and Conservation

The indirect energy consumption of power during the Reporting Period was approximately 124 MWh with 74,221 kg of CO_2e emission (2024, 141MWh, 93,381 kg of CO_2e emission), a 20% decrease of carbon emission from last year. Below are some of the sustainable measures adopted to reduce the consumption of electricity:

- Our energy efficient cooling system, which has significantly reduced our consumption of electricity
- The room temperatures of the offices are maintained at a range between 22℃ and 24℃
- In the design of our offices, we have installed and used energy efficient lighting, including T5 and LED lights
- The computer equipment, servers, and monitors are continually upgraded or replaced to energy efficient models

- Our staff are reminded to shut down their computer systems at the end of the day and to turn off the lights when leaving the office
- All copying machines at the offices stay at the energy-saving mode until used
- The air ducts of the air conditioners are checked regularly to achieve better energy efficiency
- Regular maintenance of electrical equipment are arranged to ensure optimal energy efficiency performance

The Group participated in "Earth Hour 2025" that was organized by WWF – Hong Kong. We switched off all nonessential lights in the workspace for one hour on 22 March 2025 to save our planet for future generations and to promote environmental protection. We also encouraged all staff to participate in "Earth Hour" by turning off their lights at home during the event.

1.2 Water Consumption and Conservation

We did not encounter any problems in sourcing water for our daily operations during the Reporting Period. There was no water consumption data available as water consumption was managed by the property management company of the office building in Hong Kong and the water usage fee was included in the management fee paid to the property management company. The Group's water use is minimal as it is limited to drinking and personal hygiene. The Group also encourages saving on water use among our staff. Staff are reminded to shut off running water when not in use and are encouraged to use personal cups for drinking in order to reduce the consumption of disposable cups.

1.3 Waste Management

1.3.1 Packaging Materials and Hazardous Wastes

The business operation of the Group does not involve any consumption and production of packaging materials and hazardous wastes.

1.3.2 Non-hazardous Wastes

Non-hazardous wastes produced from the operations of the Group primarily comprise paper used in offices, which amounted to a total of approximately 1.405 tonnes of paper (A4 paper: 1.375 tonnes; A3 paper: 0.03 tonnes) (2024: A4 paper: 1.38 tonnes; A3 paper: 0.015 tonnes) and in turn 6,744 kg of CO_2e emission (2024: 6,672 kg of CO_2e emission) during the Reporting Period, a 1% increase from last year.

The Group delivered documents including the monthly reports and board meeting materials to be reviewed by board members via email. Hardcopy of the documents are provided only upon request.

The Group recognizes that in providing our services, we use a considerable amount of paper. In order to minimise paper usage, the Group continues to encourage its clients to receive electronic daily and monthly statements instead of paper statements. With an aim of reducing paper usage, we have initiated a service charge for clients who request physical monthly statements be mailed to them to discourage such practice. As at 30 June 2025, approximately 63% of existing customers were receiving electronic statements. We also use electronic mails in disseminating latest promotional materials and important information to our customers.

In order to minimize the impact of our paper usage, we seek to source sustainable paper comes from Forest Stewardship Council® (FSC®) certified forests and made from Elemental Chlorine Free pulp (ECF) from farmed plantations that are ISO14001 environmentally accredited. Our business papers could be recycled to achieve the requirement of environment protection. We believe that implementing and continuing this practice enables us to support the sustainable development of the forest.

The Group's corporate communications, including financial reports, announcements and circulars, are uploaded to the websites of the Group and the Stock Exchange at the same time. We recommend that stakeholders take advantage of our website to view our corporate communication instead of relying on physical communication. Timely investment information and research reports are also provided to clients through the website of the Group. In addition, the Group distributes the latest promotion information and notices via emails instead of printed mails. We hope that by offering an electronic means of corporate communications to our stakeholders, the quantity of printed materials will be considerably reduced.

We promote the behavior of reusing paper products. Internally, staff are encouraged to use two sided printing and where possible, to use scrap paper for printing drafts of documents, to print multiple pages per sheet to minimize the usage of office paper, to reuse and recycle the office supplies such as binders and file folders, and to reuse old envelopes for internal mail. When replacing our printers, we continue to look for models which require our staff to present his/her staff card before the printing is released to reduce unclaimed printed material. The Group has adopted electronic means and the Intranet for internal dissemination of information, such as circulars, memoranda and so forth to facilitate the sharing of information and save the use of physical space. The Group also facilitates information sharing via IT networks and reduces complicated documentation procedures. In addition, the Administration Department has registered for the electronic statement services with the vendors for the office equipment and office supplies, if possible, so that we can receive electronic invoices and electronic statements. The Finance Department has handled the Group's payments via internet banking instead of sending/delivering cheques.

Some non-hazardous wastes such as plastic bottles, paper cups and paper bags were consumed in the Reporting Period but the related consumption was insignificant on the total consumption and was not recorded. We provide tea cups, reusable tableware and containers instead of disposable one for meetings. We use rechargeable batteries and recycle metals, glass and plastics. We place "Green Message" reminders on office equipment to take initiatives in energy saving, and provide the microwave ovens in the offices to encourage our employees to carry their own lunch boxes.

The Group continues to engage in a computer-recycling program. Instead of simply disposing of our computer equipment in our landfills, our IT department donates the computers, monitors and servers to the Caritas Computer Workshop, who uses the computer equipment to train unemployed youths and donates refurbished computers to children from deprived families or NGOs.

To produce less wastes and recycle resources, suppliers are regularly arranged to collect used printing cartridges and toners for recycling purpose. The Group also collected spent lamps to the collection point of the office building for subsequent recycling. General waste that was not fit for recycling were collected and disposed of by a professional cleaning company. Scrap paper was separately collected for recycling and disposal.

After Mid-Autumn Festival and Chinese New Year, the Group encouraged staff to bring back mooncake boxes, candies/biscuits boxes and used red packet envelopes to office for recycling purpose.

1.4 Greenhouse Gas Emissions

The total carbon emission for the Group in the Reporting Period was approximately 80,965 kg of CO_2e (2024: 100,053 kg of CO_2e), a 19% decrease from last year. Given the nature of our business, the major source of greenhouse gas emission came from our use of electricity, representing approximately 92% of the total emission.

Scope of greenhouse gas emissions	Sources of emissions	Volume of emissions (in kg of CO_2e)
Scope 1 Direct emissions	NA	NA
Scope 2 Indirect emissions	Purchase and use of electricity	74,221
Scope 3 Other indirect emissions	Consumption of paper	6,744
Total	/	80,965

Notes:

- Emission factors were made by reference to Appendix C2 of the Main Board Listing Rules and their referred documentation as set out by Hong Kong Exchanges and Clearing Limited, unless stated otherwise.
- Emission factor of 0.60 (kg CO_2e per kWh) was used for purchased electricity from HK Electric Investments Limited (per HK Electric Investments Sustainability Report 2024).

1.5 Measures for green offices

Electricity and paper used at the office are the major sources of resources consumption. While the Group runs an office-based operation which does not create a significant impact on the environment, the Group strives to reduce impacts of its operation on the environment.

The ESG Committee has been conducting regular reviews on our energy objectives and targets to seek continuous improvement in the Group's energy performance. In 2021 the Group established the target of reduction of greenhouse gas emission by 5% by 2026. This target was fulfilled by end of the last reporting period. After reviewing the Group's business operations and the Group's ESG performance, the Group's future plans for the environmental protection are as follows:

- reduce the carbon footprint of the Group by 5% within 5 years by 2028 for the energy indirect emissions resulting from the purchase and use of electricity; and the consumption of paper;

- promote the concept of the paperless office and environmental awareness in the Group:
    - promote a paperless internal human resources processing such as leave applications, surveys, assessment papers and internal application forms;
    - promote electronic communications and "think before you print" attitude by sending a reminder email to remind the staff regularly to avoid unnecessary printings and conserve energy;
    - encourage employees to use environmentally friendly office supplies such as using refills instead of new ball pens, and using pencils to reduce the use of volatile ink and correct fluid; and
    - promote our recycling areas for rechargeable batteries, recycle metals, glass and plastics, used ink/toner cartridges of photocopiers and printers, unwanted electrical equipment at our workplace.

During the Reporting Period, the Group was not aware of any cases of non-compliance in relation to environmental laws and regulations, including but not limited to the Air Pollution Control Ordinance (Chapter 311 of the Laws of Hong Kong), Water Pollution Control Ordinance (Chapter 358 of the Laws of Hong Kong) and Waste Disposal Ordinance (Chapter 354 of the Laws of Hong Kong).

ASPECT A4: CLIMATE CHANGE

The ESG Committee helps to identify and monitor the climate-related risks for the Group. The current climate-related hazards in Hong Kong mainly include typhoons and rainstorms especially in the summers. The Group recognizes that climate change has been affecting different dimensions of our stakeholders, business operations and our community. Principally, the Group aims to ensure smooth business operations even during such conditions and to mitigate the risks and impacts posed to the Group. The Group has been closely monitoring the impact of climate change to mitigate these potential risks as follows in this Reporting Period:

Physical Risks

For the acute physical risks, weather conditions such as typhoons and natural disasters may disrupt the business operation in the short term. In order to minimize the disruptions to our business operation, the Group has devised a set of contingency measures which are applicable to adverse weather conditions and emergency situations.

In response to the potential incidents arising from its operations, the Group has established a set of business continuity and crisis management plans for our daily operations, especially for the Corporate Finance and Equity Capital Markets, the Fund Management, the Brokerage and the IT to respond to any unplanned incident that affects the daily operations of the Group. We also have work from home protocols in a disaster situation where the critical operations and services can be maintained, and senior management will decide when the Group will implement the work from home procedures. Details of the operating procedures, staff notification, and the emergency contact persons are designed in the business continuity and the crisis management plans. In addition, the Group conducts the disaster recovery drill with a companywide testing for disaster recovery testing purposes regularly which including the representatives from critical departments, to ensure our staff know what to do and carry out appropriate emergency procedures in the event of a disaster affecting overall computing infrastructure or access to workplace or a failover scenario occurs in our office in Hong Kong. Root causes and any preventive actions are identified and incident reports are submitted to the management afterwards. We review, update and modify the relevant business continuity and crisis management plans, and ensure that team members are well equipped to react to emergency situations. We believe any adverse environmental impact would be minimised with effective precautionary measures and follow-up actions.

Additionally, the Group is fully aware of the risks brought forth by climate change, especially the extreme weather conditions such as typhoons and rainstorms which may endanger the health and safety of employees. Therefore, we have developed comprehensive typhoon and rainstorm arrangements to safeguard the health and safety of our employees under extreme weather conditions. The work arrangements cover the arrangements in respect of reporting for duty, early release from work, the resumption of work, and the special arrangements in respect of essential staff in times of adverse weather. The Group also gives consideration as much as possible to the different situations faced by individual employees, such as their place of residence, the road and traffic conditions in the vicinity, and adopt a sympathetic and flexible approach with due regard to their actual difficulties and needs. For example, the Group adopts a staggered release schedule for employees, giving priority to those who live in remote places where public transport is not easily accessible. Meanwhile, the Human Resources Department will remind and keep employees updated on the latest weather condition through emails under extreme weather condition.

For chronic physical risks, these climate-related risks are regarded as minimal because part of the Group's business operations can be conducted through the online and mobile platform or suitable for working from home arrangements, the employees are situated in an indoor environment and the business nature is service orientated.

Transition Risks

For the policy risks, the impact of the potential government policy risk is relatively low since the Group's carbon footprint is minimal.

For the legal risks, the Group was not aware of any climate change related litigations from third parties and any life or property loss caused by climate-related hazards in this Reporting Period.

For the technology risks, there has not been any significant system malfunction for our online platform and internet network in the Reporting Period. The Group offers the online and mobile brokerage services and the internal business operation can be conducted through the online and mobile platforms. We also allow remote access to internal network and systems in our daily operations. The Group periodically reviews our trading and operating systems to minimize the occurrence of system errors and to ensure that they are user friendly for stakeholders.

For the reputational risks, since there has not been any significant policy, legal and technology risk, the Group believes that reputational risk arising from climate related issues should be minimal.

B. SOCIAL

ASPECTS B1 AND B4: EMPLOYMENT AND LABOUR STANDARDS

The Group has prepared and provided to all new staff electronic copy of the Staff Handbook and the Compliance Manual. All new staff go through a staff orientation with the Human Resources Department and the Legal and Compliance Department explains the major terms and conditions set out in the Staff Handbook and the Compliance Manual, including insider trading, staff dealing, anti-money laundering, acceptance of gifts and benefits, staff outside interest/employment, licensing/registration requirement, continuous professional training, information control, tape recording, copyright, and computer system control. The Group has established a clear employment system and helps our staff know about their rights and responsibilities as well as the Group's requirements on staff conducts and disciplines through the Staff Handbook and the Compliance Manual.

Environmental, Social and Governance Report

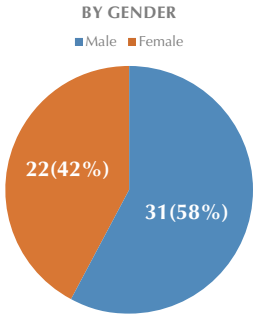
As a financial services provider, our most important assets are our staff, who interact with our clients and service our clients' financial needs. We are committed to creating a workplace that is harmonious and enriching. We emphasise respect and encourage communication within the Group. We are operating in a knowledge-based society and we hope our staff grow with the Group. Career advancement is one of our major concerns for our staff. We offer job diversification and inter-department transfer to our staff in order to enhance their work knowledge and demonstrate their various potential. We promote communication across departments through various channels.

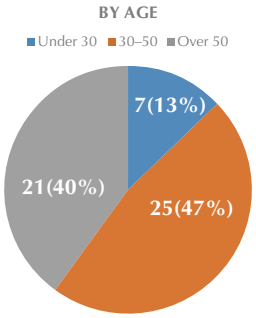
We also strive to provide a working environment free from discrimination and harassment. The Group has set up equal opportunities policies in the Staff Handbook to promote a more diverse environment in the workplace. Our Group is dedicated to complying with the Race, Sex, Disability and Family Status Discrimination Ordinances. The Group takes a zero tolerance approach to discrimination of sex, pregnancy, race, marital status, family status or disability within the Group. If being treated with discrimination or sexual harassment, our staff can inform their immediate supervisor or make written complaints to the Head of Legal and Compliance Department. We have also implemented anti-discrimination measures in our recruitment, hiring and promotion processes. We maintain the principle of equal pay, for equal work, of equal value. For recruitment and promotion, the Group focuses on the competence of its staff. Apart from the 3 female board members, female staff also hold senior positions in our Group including Deputy Chief Financial Officer, Deputy Chief Administrative Officer, Director of Corporate Finance, Director of Retail Brokerage and Head of Human Resources.

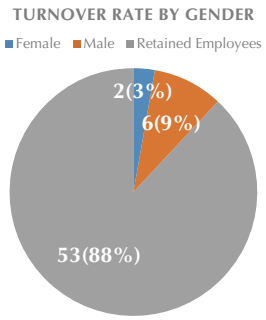
We do not employ child and/or forced labor. The Group has strictly complied with the Employment of Children Regulations (Chapter 57B of the Laws of Hong Kong) and the Employment Ordinance (Chapter 57 of the Laws of Hong Kong) and other relevant laws and regulations relating to preventing child and forced labor. Within the recruitment process of the Group, all background checks before the commencement of work including inspection of identity documentations and record keeping are completed to ensure all staff are at least the legal working age. Personal data are collected and original supporting documents are required to be presented during the recruitment process to assist the Human Resources Department to verify the candidates' personal data and select the most suitable candidates. Employees must truthfully provide their personal data at commencement of employment and must start to work in accordance with the requirements of relevant policies after commencement of employment. Cases of holding forged identification documents or providing false personal data or false work experience, once found, will be handled according to the relevant requirements of the Group's policies.

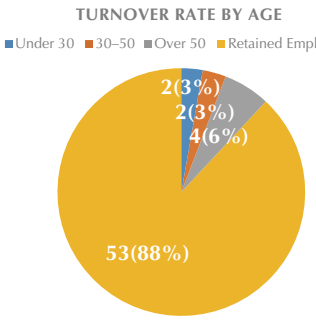
In terms of gender and age, the Group has a diverse workforce. As at the end of the Reporting Period, the total number of our staff in Hong Kong was 53, of which 52 were permanent full-time employees and 1 was part-time employee. The annual turnover was mainly attributed to retirement and voluntary resignation.

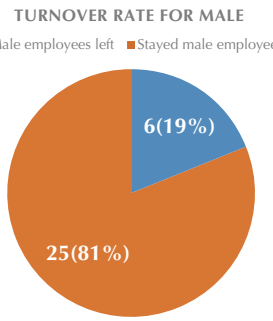
The demographics of the Group's workforce as at 30 June 2025 are summarised below:

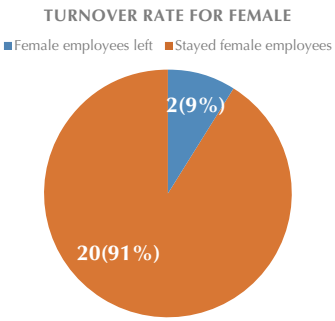




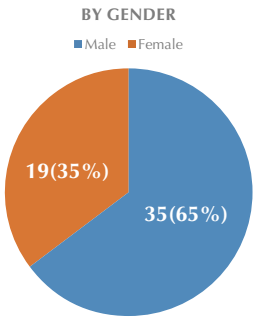


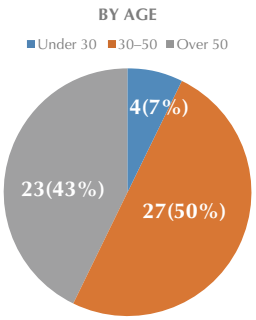


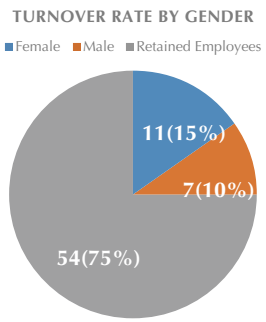


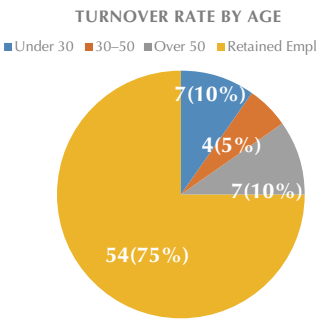


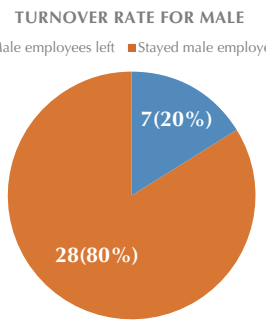
The demographics of the Group's workforce as at 30 June 2024 are summarised below:

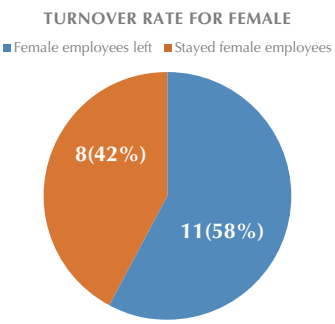












The remunerations and benefits provided by the Group are in compliance with the Employment Ordinance (Chapter 57 of the Laws of Hong Kong). The Group reviews its staff's remunerations and benefits on a regular basis to keep up with the trend in the market. The Group has established a comprehensive performance management system to assess the performance of its staff each year in order to improve staff performance and development on an open basis. This process facilitates a chance of communication between the supervisor and staff to express expectation or other issues concerning the jobs. Different performance reports will apply to different levels of staff according to their job nature and ranking. Salary adjustment or prospective promotion will be considered by taking into account of staff's performance. In addition, outstanding staff award and long service award are granted to the outstanding staff members and long serving staff members respectively, as an appreciation of their contribution and loyalty.

The Staff Handbook sets out policies relating to recruitment, promotion, compensation, dismissal, working hours, holidays, benefits and welfare. In addition to statutory holidays, the Group provides marriage leave, maternity leave, paternity leave, compassionate leave and jury service leave to show support to its employees. The Group provides medical insurance and dental allowances to all permanent full-time employees.

DISMISSAL

In situations that an employee has violated the Group's policy, or his/her performance is below an acceptable level continuously, a set of procedures were established to terminate his/her employment contract. The conditions for dismissal are outlined in the Staff Handbook. We also handle dismissal and serious cases according to the relevant legal requirements and regulations.

Staff employed in our main office in Hong Kong are governed by, among other regulations, the Employment Ordinance (Chapter 57 of the Laws of Hong Kong), the Employment of Children Regulations (Chapter 57B of the Laws of Hong Kong), the Employees' Compensation Ordinance (Chapter 282 of the Laws of Hong Kong), the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong), the Minimum Wage Ordinance (Chapter 608 of the Laws of Hong Kong), the Sex Discrimination Ordinance (Chapter 480 of the Laws of Hong Kong), the Disability Discrimination Ordinance (Chapter 487 of the Laws of Hong Kong), the Family Status Discrimination Ordinance (Chapter 527 of the Laws of Hong Kong), the Race Discrimination Ordinance (Chapter 602 of the Laws of Hong Kong), and the Occupational Safety and Health Ordinance (Chapter 509 of the Laws of Hong Kong). The Human Resources and the Legal and Compliance Departments will frequently review the Group's procedure and operations to ensure compliance with the relevant laws and regulations.

During the Reporting Period, there was no child nor forced labor in the Group's operation and the Group was not aware of any non-compliance with relevant labour-related laws and regulations and we were not aware of any litigation cases regarding labour and employment practices brought against the Group or its employees.

ASPECT B2: HEALTH AND SAFETY

The health and safety of our staff is of paramount importance to the Group. Our working environment and working procedures are in compliance with the Occupational Safety and Health Ordinance (Chapter 509 of the Laws of Hong Kong) and on a yearly basis the Group obtains employee compensation insurance.

Policies on ensuring health and safety at the workplace are established and employees are expected to adhere to the relevant policies as stipulated in our Staff Handbook. The Group's Human Resources and Administration Departments are responsible to monitor the workplace and ensure any unsafe situation is fixed promptly.

The Administration Department will conduct regular checks in respect of fire safety. Fire emergency procedures, escape map and location of firefighting equipment are posted onto the notice boards of the offices. To enhance the safety awareness of employees, they are encouraged to participate in fire drills organized by the office's property management company to be prepared to respond in the event of emergency. In case of accidents, a well-equipped first aid box is installed in our office. The Administration Department is tasked to take stock of the items in the first aid box regularly and to replenish it as needed. The representatives of the Human Resources and Administration Departments have attended the occupational health talk on first aid in the workplace to meet the needs of occupational first aid in workplaces if an accident occurs during working hours.

The Group has offered various facilities to address the health and safety needs of our employees, encompassing:

- ensuring ample space between workstations and clean and tidy common space such as corridors and pantry;
- arranging professional services providers to clean the carpets, telephone sets and computer equipment to reduce possible germs spread regularly, conduct pest control for the offices;
- ensuring the facilities operated by employees should meet safety and health standards;
- maintaining sufficient ventilation and lighting system in the offices;
- offering adjustable chairs and workstation of proper design at each individual workstation;
- prohibiting smoking and abuse of alcohol and drugs in the workplace;
- encouraging our employees to attend external training programs to update their professional knowledge and awareness in relation to health and safety matters in the workplace; and
- introducing family-friendly employment practices, including providing fresh fruits monthly to promote employee well-being.

In case of illness, the Group provides medical benefits covering the employees' clinic consultation, traditional Chinese medicine, paid sick leaves, compassionate leaves and so forth for all staff. Details are set out in our Staff Handbook to ensure that staff fully understand their benefits. Additionally, all staff are given monetary allowances for upkeep of dental hygiene.

The Group acknowledges the need for the practice of breastfeeding among female staff with young children, therefore we provide lactation support to mothers to fulfill such requirements during office hours to show our respects and supports to breast feeding mothers' rights and children's well-being.

The Group strives to promote a healthy and safe working environment, knowing that it does not only protect its employees from physical injuries, but it also promotes employees' well-being. Other than physical health of employees, the Group cares about the mental health of employees under high pressure working environment.

During the Reporting Period, the Group complied with the relevant laws and regulations, including the Occupational Safety and Health Ordinance (Chapter 509 of the Laws of Hong Kong). During the Reporting Period, no lost days due to work injury and critical incidents were recorded. There were no cases of work-related fatalities recorded during the Reporting Period and for the past two reporting years.

Moving forward, we shall continue to constantly review the appropriateness of our existing policies and monitor the execution of related measures in relation to the health and safety of our staff.

ASPECT B3: DEVELOPMENT AND TRAINING

The Group acknowledges that staff are the most important assets of the Company. The Group considers the skills and knowledge of its employees as the key elements of the Group's continued business growth and success.

Policies on the personal development are established in our Staff Handbook, including the continuous professional training and the training sponsorship.

As the Group's main business consists of activities licensed by the Securities and Futures Commission ("SFC"), the Group provides free professional training for its SFC licensed staff. The Group held at least 10 hours of internal training sessions on a variety of topics covering anti-money laundering, legal updates, codes, rules and regulations, and other topics related to licensed regulated activities per year. The Management is involved in designing training programmes that meet the demands of our operations such as compliance and regulatory issues, market and regulatory updates, anti-money laundering, business ethics for listed companies, staff integrity and other topics related to licensed regulated activities. The educational seminars not only assist them in fulfilling their Continuing Professional Training requirements and to expand their knowledge and understanding of different investment products as well as the industry, but also facilitate our people with up-to-date regulations and rules. Subject to actual need of different departments and functions, the Group also encourages and subsidizes staff at different job grades to enroll and/or participate in development or training courses in support of their career and professional development. Other than sponsoring its staff to acquire professional qualification and professional membership or to attend external job related training, the Group also provides examination fees, examination leaves, educational subsidies and course materials expenses for our staff. Details are set out in our Staff Handbook to ensure that our staff fully understand their benefits.

In addition to in-house training, the Group provides training sponsorships for all full-time employees to act as motivations for employees to attend external training programs and obtain professional memberships. Employees are encouraged to attend external training programs offered by recognised and accredited institutes to update their professional knowledge and awareness of market trends. The percentage of employees of the Group receiving internal training and the average training hours per employee during the Reporting Period are summarized as follows:

	2024/2025	**2023/2024**
Staff joined internal training	51%	47%
Male Employees joined training	80%	77%
Female Employees joined training	20%	23%
Senior management joined training	43%	33%
General staff joined training	57%	67%

Indicators	**2024/2025 Unit (hours)**	**2023/2024 Unit (hours)**
Total internal training hours provided:	245	426
Total hours that male staff participated:	198	327
Total hours that female staff participated:	47	99
Average hours that staff participated:	3.5	6.3
Average hours that male staff participated:	4.8	7.4
Average hours that female staff participated:	1.7	4.1
Total hours that the senior management participated:	109	136
Total hours that the general staff participated:	136	290
Average hours that the senior management participated:	7.3	9.7
Average hours that the general staff participated:	2.5	5.3

ASPECT B5: SUPPLY CHAIN MANAGEMENT

In selecting suppliers or cooperation partners, the Group takes into consideration, among others, their environmental and energy policies, to maximise environmental protection and minimise pollution. The Group strives to maintain long-term and stable relationships with suppliers. The Group values mutually beneficial and longstanding relationships with its suppliers.

The Group's suppliers includes hardware and software vendors, stock quote and market information vendors, services providers offering trading platform systems and financial information solutions, legal and accounting services professionals and office equipment suppliers in Hong Kong. All suppliers of the Group are primarily based in Hong Kong. We select our vendors and professional service providers based on price, reputation, track record, responsiveness to problems, customer services, capabilities and experiences and quality of product and services. When possible, in our selection of service providers and products, the Group is committed to selecting suppliers not only based on their service quality and price, but also their environmental, social and ethical values.

ASPECT B6: PRODUCT RESPONSIBILITY

Service quality is always of the utmost concern in the Group's operation. The Group continues to provide high quality services in order to meet the expectations of our clients and enhance their satisfaction.

Our Group is a comprehensive financial services provider, we do not have concerns regarding total products sold or shipped subject to recalls for safety and health reasons. The services we offer include, brokerage (securities and futures), corporate finance advisory (including Sponsors for Initial Public Offerings), margin financing, asset management and money lending. Our major business activities are licensed and regulated by various agencies including the SFC, Hong Kong Exchanges and Clearing Limited, money lenders licensing court, Registrar of Money Lender and the Commissioner of Police. We are also a company of which the shares are listed on The Stock Exchange of Hong Kong Limited and subject to The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

The Group has obtained all licenses, qualifications and permits required of its business operations. As at 30 June 2025, 45 employees of the Group were licensed with the SFC in various regulated activities such as dealing in securities, dealing in futures contracts, advising on securities, advising on corporate finance and asset management. The Group's licensed entities must strictly abide by the law, rules and regulations set out in the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), the Securities and Futures (Financial Resources) Rules, the Securities and Futures (Client Securities) Rules, the Securities and Futures (Client Money) Rules, the Code of Conduct for Persons Licensed by or Registered with the SFC, the Corporate Finance Adviser Code of Conduct, the Fit and Proper Guidelines, the Guidelines on Competence, the Licensing Handbook, the Guidelines on Continuous Professional Training, and the Guideline on Anti-Money Laundering and Counter Financing of Terrorism.

As a money lender's license holder, the Group provides loan products to individuals and companies in Hong Kong. The Group regularly monitors, reviews and updates the existing measures and credit evaluation to ensure the money lending business is strictly in compliance with the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong), and the Guideline on Compliance of Anti-Money Laundering and Counter-Terrorist Financing Requirements for Licensed Money Lenders.

We mandate all our staff to follow the rules and guidelines set by the SFC, the Listing Rules and the Money Lenders Ordinance. For example, we are committed to deliver best execution to protect the investors who rely on us to act in their best interests during the execution process in our brokerage services. The Group has a detailed best execution policy and all execution staff who are responsible for the execution of transactions on behalf of clients must ensure that any such activities are conducted in accordance with the requirements and guidance set out in this policy. The Group provides staff with periodic training on best execution as well as updates on internal policies and regulatory and technology developments.

As part of our duty as a financial service institution, the Group conducts "know your client" ("KYC") background reviews prior to opening accounts for new clients and product offering to ensure that the most suitable financial services are provided to clients. We verify the client's identity, investment objectives and experience, risk tolerance level, financial status, occupation, age, etc. and obtain relevant documents as proof and for our record keeping. We ensure that our array of financial products are displayed clearly in an understandable manner, whilst adhering to our internal policies and procedures as well as applicable laws and regulations. A Risk Disclosure Statement is also issued to clients to facilitate an understanding of the associated risks with the investment products and services. This is to ensure that the most suitable financial services and financial products are provided to clients and to build up our clients' confidence in our financial team. We review and update the client profiles periodically in order to improve our service quality. To create a secure and reliable trading experience, we proactively implement the guidelines, regulations and relevant laws in relation to the cyber security management.

The Group has a well-established Legal and Compliance Department, which consists of a solicitor, a chartered secretary, and other compliance staff. The Legal and Compliance Department is charged with ensuring the Group's compliance with applicable laws, regulations, rules and guidelines. To monitor the Group's business, the Legal and Compliance Department has developed and implemented a Compliance Monitoring Program to review the day-to-day business operations.

All staff can refer to the general compliance section in the Staff Handbook, and it covers the areas of our code of conduct, the KYC and account opening rules, the Group's licensing status, the relationship with regulators, information control, the anti-money laundering policy, anti-corruption policy, the records retention and destruction policy, the client complaint procedures, the staff dealing policy, the code of dealing practices, the trading malpractices, the code of practice on corporate finance and the code of practice on fund management and so forth. With clear internal procedures, the Group has set up service teams that are comprised of different professionals to provide diversified financial services. The Group also formulated the operations manuals specially for futures and options trading, securities and asset management, corporate finance, margin lending, research operations and clearance, equity capital markets, money lending and best execution. The policies and procedures contained in these manuals are designed to ensure that our respective teams can conduct all our activities with the highest standards of care, and in strict conformity with applicable legal and regulatory requirements. All staff are expected to know, understand and comply with the provisions in the relevant manuals. The Group would update its operation procedures on an ongoing basis, thereby enhancing its service quality. Updates on relevant laws and regulations are also notified to relevant operating units and staff from time to time.

In addition, we conduct bi-weekly operations meetings with the department heads to discuss the daily operations of their own departments, the relevant SFC and the Listing Rules and regulations, regulatory compliance issues, feedback about products and services of our financial products, to safeguard the clients' interest and service experience for better client satisfaction.

The Group conducts an internal audit annually to provide an independent assurance to the management that there were sound and effective internal controls maintained to safeguard the shareholders' investment and the Company's assets. The scope of internal audit covers the Company's main business units, including corporate finance, brokerage, asset management, proprietary investment, finance and accounts, human resource and administration and is conducted by the Legal and Compliance Department. Additionally, we reviewed the progress of implementation of last year's recommendations on respective business units. The objectives of this review are to review and evaluate the adequacy and effectiveness of the controls over the Group's business activities, with particular attention to those high-risk areas such as corporate finance, brokerage, asset management, proprietary investment, and human resources and administration; ascertain the extent of compliance with the established management policies and related regulatory requirements; recommend areas for improvement where control weaknesses or operation inefficiencies are identified; and follow-up of comments and recommendations from last review.

During the Reporting Period, the Group complied with relevant applicable laws related to the services of the Group provided including but not limited to Securities and Futures Ordinance, the Listing Rules and the Money Lenders Ordinance and other related laws and regulations.

CLIENT OPINIONS/COMPLAINTS

As a financial services provider, the Group values its clients and respects clients' rights. With clear procedures within the Group, all disputes and complaints are investigated and resolved in a rapid manner. The client complaints are dealt with by the Head of Legal and Compliance Department and the team concerned, which replies accordingly to the respective clients. If the complaint is of a confidential nature, it will be dealt with independently by the Legal and Compliance Department, which replies accordingly to the respective clients and/or relevant regulatory bodies. We maintain a complaint file to ensure the full records are maintained and the appropriate actions are taken. Senior management shall review the complaints and determine whether internal controls and procedures need to be enhanced or any other appropriate action is required to be taken. Feedback from clients is a drive for the Group's continuous improvement.

During the Reporting Period, no client complaint of a material nature was reported.

PRIVACY OF PERSONAL DATA

The Group places the utmost importance on protecting the privacy of its clients, partners and staff in the collection, handling, safekeeping, use and retention of their personal data. The Group adheres to the applicable data protection regulations and ensures appropriate technical measures are in place to protect personal data against unauthorised use or access. For the protection of privacy in respect of personal data, the Group has developed its policies for the protection of personal data on the basis of the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong) for its clients, staff and third parties. All collected personal data during the course of business are treated as confidential, kept securely, and accessible by designated personnel only. As part of the client's account opening agreement, the Group is subject to a contractual obligation to protect all client related data that is classified as confidential. This includes the clients' transaction record and personal information.

In order to prevent unauthorized deletion, amendments or unauthorized usage of the client's confidential data, the Group has established precautionary measures and a well-designed internal control system to safeguard the client's data. In scenarios that require disclosure of these confidential information, it will be conducted in accordance with the relevant laws, rules and regulations such as the Listing Rules or Securities and Futures Ordinance. The Group will continue to review the existing internal control procedures and ensure that it is up to date in accordance with the latest version of the codes of practice issued by the Office of the Privacy Commissioner for Personal Data.

The Group seeks to ensure that appropriate measures are in place to prevent the misuse or leakage of personal data, and shall hold such personal data only for the purpose of such collection. The details of handling client information are also set out in the Staff Handbook and the Compliance Manual. We stringently forbid all staff under the Group to disclose client privacy or sensitive company information to unrelated persons or outsiders. As communicated in the employment contract, employees are expected to handle all information with care and in confidence. It is our professional obligation to safeguard all confidential information that is shared with us.

The departmental data of the Group is accessible only to authorized persons and no data or confidential data is allowed to be stored in any portable devices by staff without management approval. To further protect client's privacy and confidentiality, the Group has adopted sufficient measures to safeguard client data stored and strictly prohibit receiving sensitive price information to trade related securities, including Chinese Walls, physical access control, firewall, and anti-virus software. Confidential papers no longer required must be shredded before disposal and no such papers may be discarded in waste paper baskets. Further, our staff are not allowed to bring any clients and visitors into the trading floor especially during trading hours owing to the sensitivity of information flow in the trading floor.

During the Reporting Period, there were no complaints received concerning breaches of customer privacy and loss of data.

INTELLECTUAL PROPERTY RIGHTS

The Group observes the intellectual property laws in Hong Kong and respects intellectual property rights. As per the End User Computing Policy and Procedures of the Group, it states the minimum standard which all staff members must adhere to and any material breach of the policy will be taken very seriously and may result in disciplinary action, including withdrawal of Internet access, or even termination of employment. Staff are not allowed to install any unauthorized or unlicensed software into their working computers provided by the Group. Use of any materials which are in violation of the relevant laws is strictly prohibited. We obtain authorisation and all necessary licensing agreements in the use of computer software by licensed third parties and adhere to all applicable terms of use prior to utilization of any properties. The purchase, allocation, maintenance and destruction of all IT devices are under the control of the Group to avoid leakage of data.

To maintain network security, the Group has set up firewalls, installed anti-virus software and implemented interactive processing for password verification. Robust support has been provided for network and servers involved in major operations. IT Department has set restricted connections between office and commercial networks to prevent unauthorized data use, export and copy.

During the Reporting Period, no complaint was received regarding data privacy violation and there was no disciplinary action taken against the Group by any regulatory authorities due to violation of laws regarding product responsibility, client opinions/ complaints, client privacy, loss of data and intellectual property rights.

RESPONSIBLE MARKETING

The Group pays great attention to our marketing behaviors. The Group requires all publicity content, such as external image display, event publicity, marketing publicity, to be produced and published only after approval, so as to avoid any form of false publicity and ensure its authenticity and accuracy. Apart from abiding by relevant laws and regulations, we thoroughly review our advertising materials to ensure all statements are consistent with actual product specifications.

During the Reporting Period, the Group was not aware of any non-compliance with relevant laws and regulations that had a significant impact on the Group relating to the product responsibility.

ASPECT B7: ANTI-CORRUPTION AND ANTI-MONEY LAUNDERING

The Group is committed to adhering to strict compliance with all applicable anti-corruption and anti-money laundering laws and regulations to prevent the use of its services for misconduct and terrorist financing purposes.

All staff of the Group are expected to conduct themselves with integrity, impartiality and honesty. The Group has established policies and procedures in accordance to the relevant Hong Kong regulations and laws, and the anti-money laundering guidelines, which promotes these attributes. The Legal and Compliance Department will conduct a conflicts check at the time the potential client seeks to engage our Group or its affiliates in a business transaction. Where a business unit or a staff member has a material interest in a transaction with or for a potential client or a relationship which lead to a conflict of interest in relation to the transaction, it should be disclosed to the Group CEO or CAO as well as the client involved. The staff member concern should not advise or deal in relation to the transaction unless the material interest or conflict has been disclosed to the client and reasonable steps have been taken to ensure the client is being fairly treated and comply with the relevant laws.

The Group will inevitably find conflicts of interest and duty within its various areas of business. These conflicts of interest and duties arise as a result of grouping together business of stock broking, corporate finance, investment management, advisory, capital markets and research.

All staff must avoid any conflicts of interest between their personal interest and the interest of the Group, its clients, its suppliers and all other organizations doing or seeking to do business with the Group. All staff are subject to the provisions of the Prevention of Bribery Ordinance (Chapter 201 of the Laws of Hong Kong), which require staff not to offer or pay, solicit or accept anything of material value in exchange for some improper advantage from other companies/person. The solicitation or receipt of gifts over a set amount deemed appropriate by the Legal and Compliance Department for personal use, bribes or kickbacks of any kind from outside organizations and business contacts is specifically prohibited under any circumstance and violations will be reported to the appropriate law enforcement agency and/or regulator. The Group has adopted anti-corruption policy against the receipt or provision of gifts. It mandates that all forms of bribery, corruption and extortion are strictly prohibited. We also remind employees to avoid soliciting, accepting or offering any advantages, from or to our clients, suppliers and those that have a business relationship with the Group. Prior to job commencement, employees are required to disclose potential conflicts of interest to the Group. In addition, staff must declare any receipt of gifts or benefits over a set limit to the Legal and Compliance Department.

In addition to Anti-Corruption Policy, we commit to raise employees' awareness through providing training on ethical conduct and anti-corruption to all employees and the directors of the Group. We have also developed numerous channels for employees to raise concerns regarding suspected misconduct or malpractice. For example, we enhance anti-corruption awareness at our financial services through discussion of internal updates and relevant news in our bi-weekly operations meetings and account executive meetings. All subsidiaries, departments, business units, and projects are subject to rigorous control mechanisms.

The Group has implemented a whistle-blowing policy for all levels to ensure that complaints of suspected misconduct, malpractice, fraud, corruption or other irregularities in any matter related to the Group's business is reported and investigated. We encourage reporting by providing a clear reporting line, ensuring confidentiality and protecting the reporting individual from any retaliatory act. The policy provides that when suspected misconduct is identified, staff should report it to the Head of Legal and Compliance Department. However, if for any legitimate reason the whistleblower prefers not to raise the matter with the Head of Legal and Compliance Department, he/she may take the matter directly to the Chairman of the Audit Committee. The Group complies with all applicable anti-money laundering laws and regulations in Hong Kong including the Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Chapter 615 of the Laws of Hong Kong), its corresponding guideline, the Drug Trafficking (Recovery of Proceeds) Ordinance (Chapter 405 of the Laws of Hong Kong), the Organized and Serious Crimes Ordinance (Chapter 455 of the Laws of Hong Kong), the Weapons of Mass Destruction (Control of Provision of Services) Ordinance (Chapter 526 of the Laws of Hong Kong) and the United Nations (Anti-Terrorism Measures) Ordinance (Chapter 575 of the Laws of Hong Kong) (together the "AMLO").

Our Compliance Manual governs our financial services practices and details the policies and procedures to detect suspicious criminal acts and the types and nature of activities to observe for. The Group has set out the key provisions relating to anti-corruption legislation. Any suspicious or unusual activities, including suspected terrorist financing, money laundering activities, drug trafficking and organised and serious crimes, must be reported to the Head of Legal and Compliance Department. It is the Group's policy that unless a client's identity is satisfactorily established, we should not enter into a relationship with that client. If a potential client refuses to produce any of the requested information and/or documentation, we must refuse to transact any business with such client. The Group has established four main initiatives to mitigate the financial crime risk and to prevent these illegal activities:

1. **Client Due Diligence**
   All new clients will undergo a strict Know-Your-Client due diligence procedures and source of funds check. We will conduct the background check and perform a name search in an anti-money laundering database system supplied by a third-party professional vendor. This has enhanced the efficiency and effectiveness of the screening process in order to screen each new client against current terrorist and sanction designations, and check whether the client is a politically exposed person.

2. **Ongoing Monitoring**
   We periodically conduct data, document and information review of our existing clients, especially for the high-risk financial activities and high-risk clients.

3. **Suspicious Transaction Reporting**
   The Group has devised a set of comprehensive internal protocol for suspicious activity. In an event of a suspicious activity, the compliance team shall be notified immediately. If the compliance team holds reasonable grounds to substantiate that these are suspicious activities, the team will further escalate the case to the Joint Financial Intelligence Unit.

4. **Record Keeping**
   As part of the record keeping procedure, all accounts related to the suspicious activity will have their records stored in our database for at least seven years. This enables the compliance team or Joint Financial Intelligence Unit to conduct a thorough investigation.

During the Reporting Period, the Group was not aware of any material complaints, cases, or non-compliance with the AMLO and any laws and regulations relating to corruption, bribery, extortion, fraud, or money laundering.

ASPECT B8: COMMUNITY INVESTMENT

The Group grows and prospers with our people and our community. While we are committed to creating a good corporate environment for our loyal staff, we also aim to foster the development of our employees to realise their unlimited potential. We are also supporters of our community at large through investing dedicated time and effort into the surrounding society.

Our Group strives to be a good corporate citizen who contributes both financially to various charities and encourages our staff to participate in social services within our community. We have been helping the under privileged in our community as well as other countries through participating in various charitable activities. For over the past 19 continuous years, we have been awarded the Caring Company designation by the Hong Kong Council of Social Services.

Skip-A-Meal

During the Reporting Period, the Group supported "Skip-A-Meal" programme organized by World Vision Hong Kong in June 2025. We encourage the staff to participate the activity by matching each dollar our staff donated. The fund raised was used to improve livelihood through sustainable agroforestry and climate-smart agriculture, and strengthen the climate resilience of impoverished children and families in Africa, Latin America, and Southeast Asia.

SUNWAH KINGSWAY
新華滙富

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