eBROKER GROUP LIMITED
電子交易集團有限公司

(incorporated in the Cayman Islands with limited liability)

Stock code: 8036

Environmental, Social and Governance Report 2019

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2019

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ABOUT THIS REPORT

eBroker Group Limited (the "Company" together with its subsidiaries, hereinafter referred to as the "Group" or "we" or "us") is pleased to present the second Environmental, Social and Governance Report (the "Report") to summarise the Group's policies, measures and performance on the key environmental, social and governance ("ESG") issues.

Reporting Period

The Report illustrates the overall performance of the Group regarding the environmental and social aspects from 1 January 2019 to 31 December 2019 (the "Reporting Period" or "2019").

Scope and Boundary of Report

This Report covers the core and material business engaged by the Group's subsidiaries, namely the provision of financial software solution services to primarily financial institutions (including mainly brokerage firms, proprietary trading firms and wealth management companies) in Hong Kong. The research and development center in Shenzhen was newly established and was inactive during the Reporting Period, therefore, it was not included in this Report.

In summary, there is no significant change in the scope and boundaries of this Report from that of the ESG report for the year ended 31 December 2018 ("2018"). If the scope and boundaries of the specific contents vary, they are noted in the relevant sections of this Report.

Reporting Guidelines

This Report is prepared in accordance with the Environmental, Social and Governance Reporting Guide (the "ESG Reporting Guide") as set out in Appendix 20 of the Rules Governing the Listing of Securities on GEM[1] of Stock Exchange of Hong Kong Limited (the "GEM Listing Rules") issued by the Stock Exchange of Hong Kong Limited (the "SEHK"). The Company has complied with all "comply or explain" provisions set out in the ESG Reporting Guide and followed the following reporting principles in the preparation of this Report: materiality, quantitative, balance and consistency.

- "Materiality" Principle:

  The Group determines material ESG issues by stakeholder engagement and materiality assessment.

- "Quantitative" Principle:

  Information is presented with quantitative measure, whenever feasible, including information on the standards, methodologies, assumptions used and provision of comparative data.

- "Balance" Principle:

  This Report identifies the achievements and challenges faced by the Group.

- "Consistency" Principle:

  This Report adopts consistent methodologies for meaningful comparisons unless improvements in methodology are identified.

The information contained herein is sourced from internal documents and statistics of the Group, as well as the combined control, management and operations information provided by the subsidiaries in accordance with the Group's relevant policies. A complete content index is appended to the last section hereof for ease of reference. This Report is prepared and published in both Chinese and English. In the event of contradiction or inconsistency between the Chinese version and the English version, the English version shall prevail.

Feedback

The Group respects your opinion and feedback on this Report. You are welcome to contact us at:

Address	Room 603, China Insurance Group Building, 141 Des Voeux Road Central, Hong Kong (For the attention of the Board)
Fax	+852 2928 9008
Email	info@ebrokersystems.com

[1] It refers to Growth Enterprise Market (GEM).

ABOUT THE GROUP

The Group is principally engaged in the provision of financial software solution services to primarily financial institutions (including mainly brokerage firms, proprietary trading firms and wealth management companies) in Hong Kong. Our vision is to connect to the world for the right trading opportunities and to define a new standard for our customers to better perform global trading in exchange-listed instruments world.

Product and Service

Our products and services cover the whole life cycle of trading and settlement process from low latency trading, risk management, compliance and settlement for the financial community. Our solutions are engineered to perform a variety of functions for both front office and back office.

We work with key players across the region, which include top-tier financial institutions, leading local and regional brokerage firms, wealth management companies and proprietary trading firms.

We are committed to driving our client business strategy by delivering innovative and high-performance financial technologies to fulfil our clients' needs.

Awards and Recognitions

During the Reporting Period, the Group received the following awards and recognitions, including Most Valuable Companies Awards 2020 by Mediazone and ListCo Excellence Awards 2019 by AM730, PRAsia and PhoenixNet HK Stocks.

ESG MANAGEMENT APPROACH

The Group is committed to integrating environmental, social and governance factors into its operations to create sustainable value for stakeholders and take up the responsibilities as a corporate citizen.

The Board of Directors (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 Board is responsible for evaluating and determining the Group's ESG-related risks, and ensuring that appropriate and effective ESG risk management and internal control systems are in place.

The Board has overall responsibility for the Group's ESG strategy but has delegated the day-to-day responsibility of the implementation to the ESG Working Group (the "Working Group") with representatives from different departments in the Group. The Working Group is responsible for facilitating the adoption of ESG strategies and policies throughout the Group. It collects data, evaluates performance and reports major issues to the Board regularly.

Stakeholder Engagement

Stakeholders' opinions are the solid foundation for the Group's sustainable development and success. The stakeholder engagement helps the Group to develop a business strategy that meets the needs and expectations of stakeholders, enhances the ability to identify risk and strengthens important relationships. Stakeholders can express their opinions through various channels. The relevant stakeholders of the Group and their engagement platforms are as follows:

Stakeholder	Engagement Platform
Government and regulatory agencies	• Annual reports, interim reports, ESG reports and other public information
Shareholders and investors	• Annual general meetings and other general meetings of shareholders • Company website • Press releases/announcements • Annual reports, interim reports, ESG reports and other public information
Employees	• Training • Performance evaluation • Leisure activities • Survey
Customers	• Fax, email and telephone
Suppliers	• Tendering process • Telephone discussions

Materiality Assessment

The Group identifies issues for disclosure in this Report through materiality assessment. By considering the dependence and influence on the Group of the stakeholders and the availability of resources for the Group, the management has conducted a survey with internal stakeholders. They have expressed their opinions and recommendations on the sustainability issues related to the Group's operation.

Consolidating the results of the assessment, the Group has compiled the materiality matrix (refer to the diagram below). We determine the extent of disclosure for issues in this Report based on the importance of the issue to the business and the stakeholders.

Materiality Matrix

Importance to the stakeholder: High	Importance to the business: Low	Importance to the business: High
	Diversity and Equal Opportunities	Customer Satisfaction Intellectual Property Right Quality Management Customer Data and Privacy Protection Anti-corruption Development and Training Occupational Health and Safety Employment Practice Anti-discrimination
Importance to the stakeholder: Low	Child Labour and Forced Labour Energy Efficiency Effluents and Waste Water Efficiency Raw Material Consumption Emissions Climate Change The Environment and Natural Resource	Product Health and Safety Supply Chain Management Advertising and Labelling Community Investment

ENVIRONMENTAL ASPECTS

As a financial technology solution provider, the Group recognises its social responsibilities with regards to managing the environmental impacts associated with our operations. Given the non-manufacturing nature of our business, our Environmental Policy primarily focuses on the issues relating to greenhouse gases ("GHG") emission, wastes and energy consumption. The details are explained in the following sections.

Emissions

The Group's day-to-day business does not involve the direct generation and emission of air, water, and land pollution. Due to our business nature, we are not aware of any relevant environmental laws and regulations in respect of air and GHG emissions discharge into water and land, and generation of hazardous and non-hazardous waste that would have a significant impact on us.

Carbon management

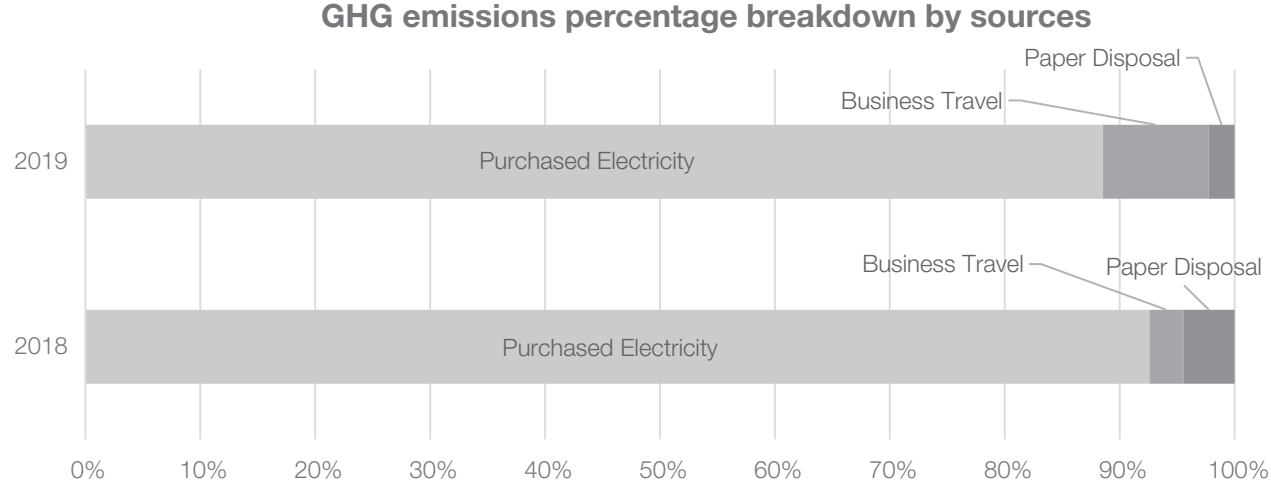
In response to the community's growing concern on GHG emissions, climate changes and other related issues, the Group provides guidelines on energy-saving strategies in the office, details of which are illustrated in the section headed "Use of Resources" in this Report.

The total GHG emissions are 53.72 tonnes CO_2-equivalent (t CO_2-e) in 2019, recorded a decrease of 2%, as compared to last year. The decrease was attributable to the significant decrease in scope 2 emissions. The GHG emission intensity is 0.02 tonnes CO_2-e per square foot (sq. ft) of office area, showing no significant changes as compared to last year.

Table 1 Greenhouse Gas (GHG) Emissions[2]

	Unit	2019	2018
Scope 1[3]	t CO_2-e	**0**	0
Scope 2[4]	t CO_2-e	**47.57**	50.81
• Purchased Electricity	t CO_2-e	**47.57**	50.81
Scope 3[5]	t CO_2-e	**6.15**	4.07
• Business Travel	t CO_2-e	**4.93**	1.62
• Paper Disposal	t CO_2-e	**1.22**	2.45
Grand Total	t CO_2-e	**53.72**	54.88
Intensity	tonnes CO_2-e/sq. ft[6]	**0.02**	0.02

During the Reporting Period, the Group's GHG inventory principally comprises of scope 2 and 3 emissions, similar to last year. Scope 2 emissions account for 89% of the total GHG emissions. Scope 3 emissions include GHG emissions arising from (i) business travel and (ii) disposal of paper waste. Among these two categories, business air travel was the major contributor, which accounts for around 80% of scope 3 emissions. Going forward, the Group will continue to monitor the GHG emission annually to see if any feasible mitigation measures can be implemented.



2 The GHG emission calculation is estimated with reference to guidelines published by the Environmental Protection Department of the Hong Kong Government.
3 Scope 1: The direct emission from the business operations owned or controlled by the Group, including the emission from the Group's vehicle fleet.
4 Scope 2: The "indirect energy" emissions from the internal purchased electricity consumption by the Group.
5 Scope 3 refers to all other indirect emissions that occur outside the company, including both upstream and downstream emissions. It includes the emissions produced indirectly from commercial business travel and paper wastes disposed at landfills.
6 The total office area was 2,947 square feet.

Wastes

The Group aims to streamline processes and procedures to increase the efficiency and reduce the consumption of day-to-day operation inputs including paper and electronic equipment. The Group encourages waste minimisation, upcycling, recycling and the use of recycled or environmentally friendly materials, and the practice of disposing of the hazardous or non-hazardous waste in a responsible manner.

We encourage our employees to develop environmentally-friendly habits such as utilising recycled paper and using paper saving techniques such as two-sided printing whenever possible. The used paper and cartridges are recycled by designated collectors.

Table 2 Waste Production

	Unit	2019	2018
Non-hazardous wastes			
Office Paper recycled	Tonnes	**0.025**	0.006
Hazardous wastes			
Cartridges recycled	Tonnes	**0.007**	0.011

Use of Resources

Energy management

The major resources consumed by the Group's operations are purchased electricity and paper consumption. There was no packaging materials consumption. The Group's Environmental Policy states our commitments on energy saving:

- Track and monitor the usage of energy
- Support technology which has a lower energy consumption
- Minimise the dependency on carbon dependent sources and other natural resources
- Embrace sustainable development through good environment management

We encourage our employees to switch off electrical appliances when they are not in use (such as air-conditioning, computer, printer, photocopier, lighting, etc.) and set the computer in energy-saving mode.

The total energy consumption is 58.73 MWh in 2019, recorded a decrease of 8%, as compared to last year. The decrease was attributable to the significant decrease in indirect energy (i.e. electricity) consumption. The energy consumption intensity is 0.02 MWh/sq. ft, representing no significant change compared to last year.

Table 3 Energy Consumption

	Unit	2019	2018
Direct Energy	MWh	**0**	0
Indirect Energy[7]	MWh	**58.73**	63.51
Total	MWh	**58.73**	63.51
Intensity	MWh/sq. ft	**0.02**	0.02

Water management

The water consumption of the Group mainly relates to basic cleaning and sanitation. We do not consume significant amounts of water through our business activities. The majority of the water supply facilities are provided and managed by the property management company. It is not feasible to obtain consumption data. Nevertheless, we encourage our employees to develop the habit of conserving water and to use water resources properly.

The Environment and Natural Resources

The Group's operations did not have a direct impact on the environment and the consumption of natural resources. However, indirect GHG emissions would aggravate global warming. The Group strives to reduce indirect GHG emissions and its impact on the environment and natural resources through various measures mentioned in the sections "Emissions" and "Use of Resources". The Group will continue to review the performance and where viable set practical targets and goals.

[7] It refers to the energy consumption from the purchased electricity of the Group.

SOCIAL ASPECTS

Employment and Labour Practices

Employment

The Group believes that employees are the most important asset that contributes to our success. As the business grows, the Group must establish sustainable human capital to attract and retain talents. The Group strictly abides by the employment laws and regulations in Hong Kong and Mainland China, including the Employment Ordinance, Minimum Wage Ordinance, the Employees' Compensation Ordinance and the Sex Discrimination Ordinance, Labour Contract Law of the People's Republic of China, Law of the People's Republic of China on Social Insurance and Labour Law of the People's Republic of China. During the Reporting Period, the Group did not have any significant non-compliance issues in this regard.

The Group's Human Resources Management Policies and Procedures govern recruitment, employment, performance evaluation, disciplinary action, termination and staff training processes.

Recruitment

The Group will use its best effort to attract and retain appropriate and suitable personnel to serve our Group. The Group assesses the available human resources continuously and will determine whether additional personnel are required to cope with our business development. We recruit employees primarily from the open market and through internal referral. We enter into individual employment agreements with our employees, specifying terms including, among other things, remuneration, benefits, confidentiality obligations and termination.

Remuneration, Promotion and dismissal

The Group determines employees' remunerations based on factors such as qualifications, duties, contributions and experience. We have an annual review system to assess the performance of the employees, which forms the basis of determination on pay rises, bonus and promotion. We have also established the Share Award Scheme to offer suitable incentives to attract and retain targeted talent and personnel for the continuance of operations and future development of the Group.

For employee termination, employment might be terminated by the Director for non-performance, breach of policies or gross misconduct. For voluntary resignation, an exit interview is conducted with the resigned employee so the Group would understand the reason and continue to improve the human resource management.

Working hours and rest periods

The Group is committed to offering reasonable working hours and rest period to employees. Each employee is advised of his normal working hours on engagement. Employee's working hours may be re-scheduled by his supervisor to suit operational needs. The Group implements five-day workweek. All employees shall be entitled to General Holidays as announced in the Hong Kong SAR Government Gazette each year. In addition to general holidays, employees are entitled to annual leave, maternity leave, sick leave and compassionate leave.

Equal opportunity, diversity, anti-discrimination

To achieve sustainable and balanced development, the Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. The Group has established the Board Diversity Policy to set out the approach to achieve diversity on the board of directors of the Company. Selection of candidates will be based on a range of diverse perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. As stated in our Human Resources Management Policies, we value the dignity and equality of employee and ensure that all applicants have an equal opportunity of employment irrespective of their age, sex, marital status, pregnancy, family status, disability, race, nationality or religion.

Employee benefits and welfare

According to the applicable laws and regulations in Hong Kong, the Group provide various benefits and welfare to the employees. The Group participates in the defined contribution scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance which is available to its employees in Hong Kong. Contributions to the MPF Scheme by the Group and employees are made based on a percentage of employees' basic salaries. The Group's employer contributions vest fully with the employees in Hong Kong when contributed to the MPF Scheme. The Group also contributes to social insurance premiums including pension, medical care, work injury, unemployment and maternity insurance, as well as housing funds for all employees in Mainland China. The Group also provides medical insurance, long service payment and compensation insurance. In addition, the Group provides monetary awards, such as discretionary bonus, to employees.

We have organised leisure events such as running or jogging activities for our employees to help maintain their health and wellbeing.

Employee Profile:

As at end of the Reporting Period, the Group had a workforce of 59 full-time employees. The breakdown by gender, age group, employment type and geographical location are as follows.

Table 4 Employee Profile

	2019
By gender	
• Male	41
• Female	18
By age group	
• Below 30	14
• 30–50	34
• Above 50	11
By employment type	
• Full Time	59
• Part-Time	0
By geographical region	
• Hong Kong	32
• Mainland China	27
Total	59

Table 5 Employee Turnover Rate

	2019	
	Turnover Rate[8]	Number of Turnovers
By gender		
• Male	7%	3
• Female	0%	0
By age group		
• Below 30	0%	0
• 30–50	6%	2
• Above 50	9%	1
By geographical region		
• Hong Kong	9%	3
• Mainland China	0%	0
Total	5%	3

Health and Safety

The Group attaches great importance to the health of its employees and is committed to providing a safe and healthy working environment for them. The Group maintains medical insurance for its employees and adopts policies and procedures regarding work safety and occupational health issues. Safety arrangements in cases of emergency such as during typhoons, rainstorm warnings and fire evaluation are stated in the *Employee Handbook* to ensure that all employees are aware of emergency procedures.

Response to COVID-19

The challenges arising from the COVID-19 pandemic are unprecedented. To reduce the risk of infection and the spread of the virus in the workplace, we have implemented precaution measures, including:

- Record employees' body temperature before they enter the office;
- Require employees to wear masks in office areas;
- Remind employees to wash and sanitise their hands frequently.

The Group complies with relevant laws and regulations in Hong Kong and Mainland China, including but not limited to the Occupational Safety and Health Ordinance and Law of the People's Republic of China on Prevention and Control of Occupational Diseases. During the Reporting Period, the Group did not have any non-compliance issues in this regard.

[8] Turnover rate = (Total number of employees in the specific category leaving employment during the Reporting Period / Total number of employees in the specific category at the end of the Reporting Period) * 100%

Development and Training

The Group places a great deal of importance on the career development and training of its staff. The Group has developed *Training Policy* to ensure employees acquire the necessary skills to perform tasks up to the standards of the Group. The Group will establish *training plans* regularly ensuring that training to be provided can meet the business needs on an ongoing basis and maintain *attendance records* as appropriate to ensure that our staffs have adequate knowledge and competence to fulfil the job requirement.

Staffs at all levels are expected to engage in continuing professional development. We provide management training courses, which are conducted by our senior management team, to our employees in the supervisory level to develop their management and leadership skills and to better manage their work and their team. Our software engineers participate in courses provided by our suppliers to keep abreast of the latest technology development. Training includes in-house or external courses and on-the-job training and self-study or tuition to sit for professional examinations.

Labour Standards

The Group primarily engages in the provision of the technology solution. There has never been any unlawful child labour or forced labour practices in the Group's operation. Our major business activities are carried out in Hong Kong and our suppliers do not involve in labour-intensive activities such as manufacturing in general. To the best of our Directors' knowledge, there is no operations or suppliers considered to have significant risk for incidents of child or forced labour in terms of our business activities and the operating locations.

Background checks of employees are performed to ensure that they meet statutory standards in recruitment and our compliance with labour laws and regulations. The Group also strives to adhere strictly to the statutory labour standards, in particular to issues regarding equality and discrimination, details of which are set out in the section headed "Employment" in this Report.

During the Reporting Period, the Group strictly complied with the laws and regulations relating to employment, such as the Employment Ordinance. The Group is not aware of any laws and regulations relating to preventing child or forced labour that have a significant impact on us.

Operating Practices

Supply Chain Management

The Group's suppliers are generally telecommunication service providers as well as hardware and/or software vendors providing us with their data service, bandwidth, internet lines, leased lines, routers and servers. To enhance our operational efficiency, we also outsource the development of part of the modules of our financial software which does not relate to the core components of our financial software, testing and day-to-day customer support work to the technical service providers.

The Group has a *Procurement Policy* in place to identify alternative suppliers. The Group manages the environmental and social risks through applying the four principles to the procurement practices: fair competition, prevention of conflict of interest, cost-effectiveness and transparency. As stipulated in the Group's *Responsible Product and Supply Chain Policy*, the sustainability performance of the suppliers would be one of the selection considerations if applicable in the future.

The Group would evaluate suppliers based on their price, quality of the services and track records of the tenderers. The successful tenderer will enter into an agreement with us to formalise the terms and conditions of the service. If none of the tenders fulfils the required specifications and conditions in the tender invitation, the tendering exercise would be cancelled. The original specifications and conditions would be amended as necessary for re-tendering.

Apart from the tendering process, we manage the supply chain risk through quality controls of suppliers. For each leased line installation, our engineers will work with our suppliers to check if the connectivity is compatible. Suppliers will designate support engineers to us, and we can contact them in case of any technical problems concerning network connectivity. The suppliers will also monitor our leased line setup. For each hardware delivered to us from our suppliers, our engineers will verify that the parts in the hardware are the same as what we have ordered.

During the Reporting Period, there were 10 suppliers and the majority were located in Hong Kong.

Table 6 Number of suppliers by geographical regions

	2019
Hong Kong	8
Mainland China	1
The United States of America	1
Total	10

Product Responsibility

Products and services delivered by the Group to the customers can be broadly categorised into the following types: (i) computer products; (ii) contracted trading solutions and (iii) development of trading systems for brokerage.

The Group's *Responsible Product and Supply Chain Policy* provides guidance to our employees on continually improving the quality of our services and products and privacy protection. We value our customers and are committed to strengthening our ties with them over time by continuously improving the quality of our products and customer experience. Regarding the business nature and the materiality assessment, product health and safety is neither a material nor relevant issue. During the reporting period, there are no products sold or shipped subject to recalls for safety and health reasons.

The Group strictly abides by the relevant laws and regulations in Hong Kong, including the Copyright Ordinance, the Sale of Goods Ordinance, the Supply of Services (Implied Terms) Ordinance and Personal Data (Privacy) Ordinance. During the Reporting Period, the Group did not have any significant non-compliance issues in this regard.

Quality Management

The Group believes that the quality of our solution services is one of the principal factors that contribute to our success. Therefore, we endeavour to tackle any issues that may tamper with the functionality of our software solutions, and we strive to ensure that our solution services will fulfil all requirements of our clients by implementing quality control measures over our suppliers and our services. For the quality control over our suppliers, please refer to the section "Supply Chain Management".

The Group has implemented a set of internal quality control measures over our services. The quality control work undertaken by the technical service providers is mainly related to the provision of supporting services including routine checking on our systems provided to clients. Our project team also reviews the problems or errors reported by clients and solves the problems or rectifies the errors with the supporting service provided by the technical service providers.

For each project, upon our request and guidance, the technical service providers will execute the test plan designed by us according to the specifications of our clients. To ensure that our services are in good quality and fit for use, a three-stage test is adopted to scan and test the hardware, software and system security. The three-stage test is described as follows:

1. Unit Testing

- To test individual components of our product
- To ensure that individual components of our product can function properly

2. Integrated Testing

- To test the compatibility and functionality of each component with other components of our product
- To ensure that each component of our product is compatible with other components, so that our product as a whole can work smoothly

3. Customisation Testing

- To test our product under the specific operating environment of our client according to our client's specifications
- To ensure that our product can run smoothly under the specific operating environment of our client and meet our client's requirements

Our project officer checks and analyses the performance of our solutions against a set of conditions and parameters implemented by us based on the test report prepared by the technical service providers containing the data collected from the three-stage test described above. Once our project officer is satisfied with the test result, we will install the software and deliver the hardware to our clients. Our clients will then perform a series of user acceptance tests under our guidance and monitoring and we will solve problems or rectify the errors identified during the test period.

After-sales Service

The Group is committed to providing quality after-sale services to our clients. For instance, we are responsive to the challenges faced by our clients. Further, we also provide telephone and on-site support and maintenance services for corrections of defects and problems. We also provide daily health check to ensure the software systems are in order.

Any serious complaints that we received will be handled by Customer Support Manager or Account Manager, before being escalated to our Chief Executive Officer for investigation. Upon full investigation, an incident report will be generated together with a plan of action containing rectification steps to prevent future occurrence. To ensure that we continue to deal with complaints effectively and our customer complaints policy is kept abreast of new or update on relevant laws and regulations, we will consult with legal advisors if necessary. During the Reporting Period, the Group was not aware of any material complaints in this regard.

Intellectual Property Protection

The Group regards our copyrights, trademarks and other intellectual property as critical to our success. We rely primarily on a combination of copyright, trademark and other intellectual property-related laws in Hong Kong, as well as confidentiality procedures and contractual restrictions to establish and protect our intellectual property rights.

Under the Copyright Ordinance, there are certain provisions to protect copyrighted work of computer programmes. However, there is no formal procedure to register the copyright of our software in Hong Kong. Should there be any relevant formal procedures in the future, we may consider registering the copyright of our software in Hong Kong.

Advertising/labelling

The Group's business does not involve product packaging and labelling activities. Therefore, labelling issue is not relevant to the operations of the Group. The Group does not involve significant advertising activities. The Group promotes products and services to potential clients of the industry in conferences, seminars and exhibition. Referral of new clients by existing clients as a result of the departure of employees of existing clients and business expansion by existing clients or setting up of new Exchange Participants[9] (EPs) by owners of existing clients is the major channel in expanding our client base.

Customer Data Protection and Privacy

The Group is committed to ensuring the privacy of our customers and the Group adheres to the Personal Data (Privacy) Ordinance of Hong Kong. All personal information collected in whichever formats or platforms will only be used for the purposes for which the information has been collected which have been made known to the customers. Our Employee Handbook sets out employee's conduct in information protection. Some of the precautionary measures are adopted as follows:

- Files should be returned to the filing areas when they are not in use.
- Confidential documents that are no longer required must be shredded and must not be discarded in wastepaper baskets.
- Firewall and anti-virus solution are installed to protect the internal network and prevent the computers from virus infection.

Anti-corruption

Honesty and integrity are the core values embraced by all employees of the Group. We have *Anti-Money Laundering Policy and Anti-Fraud Policy* in place to maintain a high standard of corporate governance practices.

The Entertainment and Business Gift Policy in the Employee Handbook sets out employee's conducts in dealing with issues related to the acceptance of gifts and conflicts of interest. All received gifts should be reported to the respective department head and management. For a gift with a value over a certain amount, an endorsement from the management team is required. The Human Resource Department maintains all records, receipts, account information and other documents that the employee submitted.

[9] An Exchange Participant is a corporation who may trade on or through the Exchange and is licensed under the Securities and Futures Ordinance to carry on securities/futures/options dealing activity.

To encourage all its employees to adopt good and proper business ethics and to report promptly any malpractices, the Group has also established a Whistle Blowing Policy. The whistleblower can convey his concerns on malpractice by sending or e-mailing written reports to the Board of Directors or the Audit Committee. All the information is kept anonymously and confidentially. The reports of malpractices are handled and investigated by the designated department, which reports directly to the Board.

The Group strictly abides by the laws and regulations relating to bribery, extortion, fraud and money laundering in Hong Kong, including the Prevention of Bribery Ordinance. During the Reporting Period, the Group did not have any significant non-compliance issues in this regard nor was there any legal case regarding corrupted practices brought against the Group or our employees.

Community

Community Investment

The Group is committed to maintaining the sustainability of its business and communities. Our Community Investment Policy establishes a framework and guidelines for community investment, sponsorship and donations, and is expected to contribute towards community wellness.

We aim to develop long-term relations with our stakeholders based on mutual trust, respect and integrity. We also seek to make contributions to programs with positive impact on community development. We encourage our employees to volunteer and work through collaboration with strategic giving as well as capacity-building initiatives to try and create a positive impact on the community.

During the Reporting Period, the Group made donations amounted to HK$336,800, including a research project conducted by City University of Hong Kong,"Deep Probabilistic Reasoning and Statistical Analysis using Deep-Learning", and a project under the Child Development Fund (CDF)[10] operated by Bishop Walsh Primary School.

[10] The Child Development Fund (CDF), founded in 2008, is a tripartite, cross-sector collaboration among families in the community, the business sector and the Hong Kong Government. CDF aims to support longer-term development of children from a disadvantaged background, with a view to alleviating inter-generational poverty. CDF projects are funded by the Hong Kong Government and operated by non-governmental organisations or schools across the territory.

ESG REPORTING GUIDE CONTENT INDEX

Subject Areas, Aspects, General Disclosures and KPIs (Note)		Reference/ Response	Page number
Subject Area A. Environmental			
Aspect A1 Emissions			
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 air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste	Emissions	5
KPI A1.1	The types of emissions and respective emissions data	Emissions	5
KPI A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Carbon management	5
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Wastes	6
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Wastes	6
KPI A1.5	Description of measures to mitigate emissions and results achieved	Carbon management	5
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved	Wastes	6
Aspect A2 Use of Resources			
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials	Use of Resources	6
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility)	Energy management	6
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility)	Water management	6
KPI A2.3	Description of energy use efficiency initiatives and results achieved	Energy management	6
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved	Not material to the Group's business	6
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced	Not relevant to the Group's business	Not applicable
Aspect A3 The Environment and Natural Resources			
General Disclosure	Policies on minimising the issuers' significant impact on the environment and natural resources	The Environment and Natural Resources	6
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	The Environment and Natural Resources	6

Subject Areas, Aspects, General Disclosures and KPIs (Note)		Reference/ Response	Page number
Subject Area B. Social			
Employment and Labour Practices			
Aspect B1 Employment			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare	Employment	7
KPI B1.1	Total workforce by gender, employment type, age group and geographical region	Employment	8
KPI B1.2	Employee turnover rate by gender, age group and geographical region	Employment	8
Aspect B2 Health and Safety			
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 providing a safe working environment and protecting employees from occupational hazards	Health and Safety	8
KPI B2.1	Number and rate of work-related fatalities	Not applicable	Not applicable
KPI B2.2	Lost days due to work injury	Not applicable	Not applicable
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	Health and Safety	8
Aspect B3 Development and Training			
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities	Development and Training	9
KPI B3.1	The percentage of employees trained by gender and employee category	Not applicable	Not applicable
KPI B3.2	The average training hours completed per employee by gender and employee category	Not applicable	Not applicable
Aspect B4 Labour standards			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child or forced labour	Labour Standards	9
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour	Labour Standards	9
KPI B4.2	Description of steps taken to eliminate such practices when discovered	Not applicable	Not applicable

Subject Areas, Aspects, General Disclosures and KPIs (Note)		Reference/ Response	Page number
Operating Practices			
Aspect B5 Supply Chain Management			
General Disclosure	Policies on managing environmental and social risks of supply chain	Supply Chain Management	9
KPI B5.1	Number of suppliers by geographical region	Supply Chain Management	10
KPI 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	9
Aspect B6 Product Responsibility			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress	Product Responsibility	10
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	Not material. The Group primarily engaged in provision of financial software solution services. The activity does not pose any threats to the safety or health of our customers.	Not applicable
KPI B6.2	Number of products and service-related complaints received and how they are dealt with	Product Responsibility	11
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights	Product Responsibility	11
KPI B6.4	Description of quality assurance process and recall procedures	Product Responsibility	10
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	Product Responsibility	11
Aspect 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	11
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases	No cases	12
KPI B7.2	Description of preventive measures and whistleblowing procedures, how they are implemented and monitored	Anti-corruption	11

Subject Areas, Aspects, General Disclosures and KPIs (Note)		Reference/ Response	Page number
Community			
Aspect 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	12
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)	Community Investment	12
KPI B8.2	Resources contributed (e.g. money or time) to the focus area	Community Investment	12

Note: All general disclosure made under each aspect and KPIs in the "Environmental" subject area are reported in accordance with the "comply or explain" provisions while others are recommended disclosure set out in the ESG Guide.