



GLOBAL MASTERMIND
環球大通

GLOBAL MASTERMIND HOLDINGS LIMITED 環球大通集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 8063

Environmental, Social and
Governance Report

2022

*For identification purposes only

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About this Report

Global Mastermind Holdings Limited (the “**Company**”), together with its subsidiaries (the “**Group**”), is pleased to present this Environmental, Social and Governance Report (the “**Report**”) to provide an overview of the Group’s management of significant issues affecting the operation, including environmental, social and governance (“**ESG**”) issues. This Report is prepared by the Group with the professional assistance of APAC Compliance Consultancy and Internal Control Services Limited.

PREPARATION BASIS AND SCOPE

This Report is prepared in accordance with Appendix 20 to the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (“**GEM Listing Rules**”) – “**Environmental, Social and Governance Reporting Guide**” (“**ESG Reporting Guide**”) and has complied with “comply or explain” provision in the GEM Listing Rules.

This Report summarises the performance of the Group in respect of corporate environmental and social responsibilities covering its operating activities which are considered material by the Group – treasury management business, money lending business, brokerage business, asset management business and corporate finance advisory business. With the aim to optimise and improve the disclosure requirements in the Report, the Group has taken initiative to formulate policies, record relevant data as well as implement and monitor measures. This Report shall be uploaded and published both in Chinese and English on the websites of the Company and The Stock Exchange of Hong Kong Limited at www.hkexnews.hk. Should there be any discrepancy between the Chinese and the English versions, the English version shall prevail.

REPORTING PERIOD

This Report demonstrates our sustainability initiatives during the reporting period from 1 January 2022 to 31 December 2022.

CONTACT INFORMATION

The Group welcomes your feedback on this Report for our sustainability initiatives. Please contact us by email to enquiry@globalmastermind.co or by post to our office, Unit 1201, 12/F, West Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong.

Introduction

Global Mastermind Holdings Limited is an investment holding company and its subsidiaries are principally engaged in the provision and operation of travel business, treasury management business, money lending business and provision of securities, asset management and financial advisory services.

The Group acknowledges the significance of effective sustainability practices to achieve business excellence and enhance capabilities for long-term competitiveness. We are committed to the responsible operation and value creation for stakeholders and community by integrating environmental and social factors into management considerations. We endeavour to minimise the negative influence to the environment, be aware of employee well-being and make contribution to the community by establishing and implementing various policies to manage and monitor the risks related to the environment, employment, operating practices and community. Details of the management approaches to sustainable development of different areas are illustrated in this Report.

Stakeholder Engagement and Materiality Assessment

The Group understands the success of the Group's business depends on the support from its key stakeholders, who (a) have invested or will invest in the Group; (b) have the ability to influence the outcomes within the Group; and (c) are interested in or affected by or have the potential to be affected by the impact of the Group's activities, products, services and relationships. It allows the Group to understand risks and opportunities. The Group will continue to ensure effective communication and maintain good relationship with each of its key stakeholders.

Stakeholders are prioritised from time to time in view of the Group's roles and duties, strategic plan and business initiatives. The Group engages with its stakeholders to develop mutually beneficial relationships and to seek their views on its business proposals and initiatives as well as to promote sustainability in the marketplace, workplace, community and environment.

The Group acknowledges the importance of intelligence gained from the stakeholders' insights, inquiries and continuous interest in the Group's business activities.

The Group has identified key stakeholders that are important to our business and established various channels for communication.

The identified key stakeholders include:

- Shareholders and investors
- Employees
- Customers
- Suppliers/Business partners
- Government and regulatory authorities
- Peer/Industry associations
- Public and communities

The Group interacts with stakeholders through a number of channels on both regular and ad hoc basis. For instance, the Group organises the annual general meeting for shareholders to raise questions and concerns. In addition, for the purpose of maintaining two-way communication with stakeholders, the Group also responds to email and phone enquiries from shareholders and potential investors to enable them to keep updated on the Group's latest development and future plans. The Group also establishes multiple channels, including emails, face-to-face interviews, meetings, workshops, internal memorandum and corporate events, for employees and management to express their concerns.

Through general communication with stakeholders, the Group understands the expectations and concerns from stakeholders. The feedbacks obtained allow the Group to make more informed decisions, and to better assess and manage the resulting impact.

The Group has adopted the principle of materiality in the ESG reporting by understanding the key ESG issues that are important to the business of the Group. All the key ESG issues and key performance indicators (KPIs) are reported in the Report according to the recommendations of the ESG Reporting Guide (Appendix 20 of the GEM Listing Rules) and the Global Reporting Initiative Guidelines.

ESG Governance

BOARD'S OVERSIGHT OF ESG ISSUES

Board's overall vision and strategy in managing ESG issues

The board of directors ("**Board**") has a primary role in overseeing the management of the Group's sustainability issues. During the year, the Board and the ESG working group spent significant time in evaluating the impact of ESG-related risks on our operation and formulating relevant policy in dealing with the risks. The oversight of the Board aims to ensure the management to have all the right tools and resources to oversee the ESG issues in the context of strategy and long-term value creation.

ESG working group

To demonstrate our commitment to transparency and accountability, our Group has established an ESG working group, which has clear terms of reference that set out the powers delegated to it by the Board. We highly value opinions of each stakeholder and treat them as the cornerstone for the development of the Group.

The ESG working group is primarily responsible for reviewing and supervising the ESG process, and risk management of the Group. Different ESG issues were reviewed by the working group at the meetings. During the reporting period, the ESG working group and the management reviewed the ESG governance and different ESG issues.

BOARD'S ESG MANAGEMENT APPROACH AND STRATEGY FOR MATERIAL ESG-RELATED ISSUES

In order to better understand the opinions and expectations of different stakeholders on our ESG issues, materiality assessment is conducted each year. We ensure various platforms and channels of communication are used to reach, listen and respond to our key stakeholders. Through general communication with stakeholders, the Group understands the expectations and concerns from stakeholders. The feedbacks obtained allow the Group to make more informed decisions, and to better assess and manage the resulting impact.

The Group has evaluated the materiality and importance in ESG aspects through the steps: (1) material ESG area identification by industry benchmarking; (2) key ESG area prioritisation with stakeholder engagement; and (3) validation and determining material ESG issues based on results of communication among stakeholders and the management. Hence, this can enhance understanding of their degree and change of attention to each significant ESG issue, and can enable us to more comprehensively plan our sustainable development work in the future. Those important and material ESG areas identified during our material assessment were discussed in this Report.

ESG Governance

BOARD REVIEW PROGRESS AGAINST ESG-RELATED GOALS AND TARGETS

The progress of ESG target implementation and the ESG performance of the goals and targets should be closely reviewed from time to time. Rectification may be needed if the progress falls short of expectation. Effective communication about the goals and target process with key stakeholders is essential, as this enables them to be engaged in the implementation process, and to feel they are part of the change that the Group aspires to achieve.

Setting strategic goals for the coming three to five years enables the Group to develop a realistic roadmap and focus on results in achieving the visions.

Setting ESG targets requires the ESG working group to carefully examine the attainability of the targets which should be weighed against the Group's ambitions and goals. During the reporting period, the Group sets targets on an absolute basis.

Environmental Aspects

A. ENVIRONMENTAL ASPECTS

Given the nature of the Group's businesses, the impacts on the environment and nature resources are not significant. In spite of this, the Group is committed to minimising its environmental impacts by responsibly managing its business operations, reducing its carbon footprint and using resources effectively. During the year ended 31 December 2022, the Group fully complied with all of the relevant environmental laws and regulations where it operated such as the Air Pollution Control Ordinance. In 2022, there were no confirmed non-compliance incidents or grievances in relation to environmental protection that would have a significant impact on the Group.

A1. EMISSIONS

Air pollutants emissions

No substantial air pollutants emissions are generated from any type of fuels in daily operation as the Group is not engaged in any industrial production.

Greenhouse gas ("GHG") emission

Climate change is gradually concerned by the community as it affects our daily life. GHG is considered as one of the major contributors to the climate change and global warming. The major source of the Group's GHG emission is the indirect emission through electricity consumption for its office operations. In order to improve energy efficiency and reduce energy consumption, we have managed the carbon footprint by adopting energy saving initiatives that are mentioned in the section "Use of Resources" of this Report.

During the reporting period, the GHG emission was as follows:

Type of GHG emissions	Unit	2022	2021
Scope 1 ¹	tonnes of CO ₂ -e	–	–
Scope 2 ²	tonnes of CO ₂ -e	8	10
Total	tonnes of CO₂-e	8	10
GHG emissions intensity ³	tonnes of CO ₂ -e/employee	0.3	0.4

The decrease in total GHG emissions intensity in 2022 was mainly attributable to the effective implementation of energy saving policy and work-from-home arrangement for coping with COVID-19 pandemic during the year. Furthermore, the Group targets to reduce GHG emissions intensity by 3% by 2025.

¹ Scope 1: Direct emission from sources that are owned or controlled by the Group.

² Scope 2: Indirect emissions from the generation of purchased electricity consumed by the Group.

³ The intensity refers to tonnes of carbon dioxide equivalent (CO₂-e) per the total number of employees at the end of the reporting period.

Environmental Aspects

A. ENVIRONMENTAL ASPECTS *(Continued)*

A1. EMISSIONS *(Continued)*

Hazardous and non-hazardous wastes

Waste management measures have been introduced and implemented to minimise the amount of waste generated and the impact on the environment. Under our business operation in respect of its nature, no hazardous waste was generated during the reporting periods. The non-hazardous wastes generated by us are mainly general domestic waste and recyclable waste. We recognise the importance of waste reduction and strive to minimise the amount of waste generated and the impacts on the environment. We have actively introduced waste management measures according to 3R concepts – “Reduce, Reuse and Recycle” as follows:

- The use of reusable items such as ceramic cups and reusable cutleries are encouraged instead of disposable ones.
- Used toner cartridges are collected and recycled.
- Employees are encouraged to participate in activities related to environmental theme, waste reduction and recycling.

In addition, the Group places great emphasis in reducing paper waste. We have priority in choosing recycled paper instead of normal paper to reduce natural resources loss. We also strive to work towards a paperless office and endeavor to manage the paper usage and paper waste by adopting measures as follows:

- Slogans are posted in office areas and near printer to increase the awareness of employees in reducing paper consumption.
- Suitable printing format are adjusted to maximise paper use.
- Communication by electronic means is promoted to reduce unnecessary printing.
- A “think before you copy” attitude is promoted to encourage employees to share documents with co-workers and print only the number of copies required.
- Employees are encouraged to use double-sided printing.
- Recycle bins are placed next to the printers to facilitate recycle and reuse of paper.

Environmental Aspects

A. ENVIRONMENTAL ASPECTS *(Continued)*

A1. EMISSIONS *(Continued)*

Hazardous and non-hazardous wastes *(Continued)*

During the reporting period, the non-hazardous waste generated by the Group was as follows:

Type of waste	Unit	2022	2021
Non-hazardous waste generation	tonnes	0.47	0.50
Non-hazardous waste generation intensity ⁴	tonnes/employee	0.017	0.018

The decrease in non-hazardous waste generation intensity in 2022 was mainly attributable to the effective implementation of waste reduction strategies during the year. The Group targets to reduce non-hazardous waste generation intensity by 3% by 2025.

A2. USE OF RESOURCES

The Group considers environmental protection as an essential component of a sustainable and responsible business. We have an in-depth understanding of the importance of safeguarding sustainable development of the environment and thus to attach importance to efficient utilisation of resources by adopting various energy and water efficiency initiatives and encouraging our employees to incorporate green concept into daily business operations.

Energy consumption

The sole energy consumption of the Group is the purchased electricity. In view of the scarcity of resources, we have advocated various energy conservation strategies to improve energy efficiency and reduce energy consumption includes but not limited to:

- The temperature of air conditioners is configured to an optimised setting of 24 degrees Celsius to 26 degrees Celsius.
- Energy-saving light tubes and high-performance electrical equipment are installed.
- The use of natural lighting is encouraged.
- Electrical appliances with Grade 1 or 2 energy efficient labels are purchased.
- Computers are set to sleeping mode when they are not in use for a long period.
- Staff are encouraged to switch off all electrical appliances such as computers and air-conditioners when they are not in use.

⁴ The intensity refers to tonnes of non-hazardous waste generation per the total number of employees at the end of the reporting period.

Environmental Aspects

A. ENVIRONMENTAL ASPECTS *(Continued)*

A2. USE OF RESOURCES *(Continued)*

Energy consumption *(Continued)*

During the reporting period, the energy consumption was as follows:

Type of energy consumption	Unit	2022	2021
Purchased electricity	MWh	11	14
Total	MWh	11	14
Energy consumption intensity ⁵	MWh/employee	0.4	0.5

The decrease in energy consumption intensity in 2022 was mainly attributable to the effective implementation of energy saving policy and work-from-home arrangement for coping with COVID-19 pandemic during the year. Furthermore, the Group targets to reduce energy consumption intensity by 3% by 2025.

Water consumption

The businesses of the Group are operated in leased office premises where the water supplies are solely controlled by the building management companies and no water meter is installed for individual occupant. Hence, the provision of water usage data of the Group is not feasible. In spite of this, we strive to reduce and avoid unnecessary water consumption by posting water-saving slogans at eye levels of occupied areas.

A3. THE ENVIRONMENT AND NATURAL RESOURCES

As a service provider, the Group's operational activities do not cause any significant impact on the environment and natural resources. Despite this, we endeavour to consistently improve our sustainability performance by implementing aforementioned waste reduction measures and resources saving initiatives. We will continue to explore opportunities in operating our business in a more environmental-friendly manner.

⁵ The intensity refers to MWh per the total number of employees at the end of the reporting period.

Environmental Aspects

A. ENVIRONMENTAL ASPECTS *(Continued)*

A4. CLIMATE CHANGE

Governance

The Group addresses climate-related risks based on the nature of the risk to its operations. The physical impacts of climate change, including extreme weather events, or damage to facilities have immediate operational impacts and are treated as operational risks. Long-term challenges, such as emerging ESG issues and climate-related risks and opportunities, may be discussed by the ESG working group. The ESG working group provides effective governance for integrating and addressing ESG issues, including climate change, within the Group's business.

The ESG working group is responsible for approving operational emissions targets for the Group and commissioning an ESG benchmarking, as well as gap analysis exercise to identify gaps in both disclosure and policy relative to best practice standards. Moreover, the ESG working group works closely with the Group's different operation departments, with an aim to develop consistent and enhanced approaches on addressing ESG risk issues and report to the management.

Strategy

Climate change risk forms part of the Group's overall risk profile through its role in increasing the frequency and intensity of certain diseases, and the health and mortality impacts resulting from natural disasters. The Group assesses the overall level of risk by taking into consideration a range of diverse risk factors across many categories in its product or services range.

This diversity of risk is combined with the Group's business strategy. The Group continues to explore opportunities to engage its business partners and encourage them to develop climate resilience and reduce their operational carbon footprint by taking into consideration of different climate-related scenarios, including a "2°C or lower scenario" through the following steps:

Step 1: Set Future Images Assuming Climate Change Effects

As climate change measures proceeds, there is a possibility that the industry will be exposed to substantial changes, such as stricter policies including the introduction of and increases in carbon pricing, as well as advances in technology and changes in customer awareness.

In light of these climate change effects, based on the International Energy Agency ("IEA") scenarios and others, the Group developed multiple future images as the external environment that will surround it. With regard to the IEA scenarios, the Group puts focus on the 2°C scenario (2DS) and pictured future images in case where climate change measures do not progress and where such measures progress further "Beyond 2°C scenario".

Environmental Aspects

A. ENVIRONMENTAL ASPECTS *(Continued)*

A4. CLIMATE CHANGE *(Continued)*

Strategy *(Continued)*

Step 2: Consider the Impacts

The Group considered the impacts on it for each of the future images developed in Step 1. The Group believes that it will be possible to expedite carbon dioxide reduction effects in society.

With regard to the effects on office electricity consumption, introduction of and increases in carbon pricing is anticipated in accordance with the global advance of climate change measures, leading to the possibility of higher electricity cost.

On the other hand, in the case where climate change measures are not adequate throughout society, business operational interruptions and supply chain disruptions are likely to increase as a result of higher frequency and intensification of natural disasters such as flooding.

Step 3: Respond to the Strategies

The Group will begin promoting the reduction of non-renewable energy in its daily operation. This strategy will allow for flexible and strategic responses to each demand for the regions where the emission factors of purchased electricity consumptions are high. By promoting real carbon emissions reductions throughout the world through these types of initiatives, the Group is working to achieve zero carbon emission in its business.

The Group minimises carbon emissions through comprehensive energy-saving and introduction of renewable energy. With respect to renewable energy in particular, the Group has set a new target, achieve a reduction rate for purchased electricity in coming few years.

With regard to the ongoing confirmation of the suitability and progress of its strategies, the Group believes that it will have opportunities for stable funding and sustainable increase in corporate value through appropriate information disclosure, dialogue with institutional investors and other stakeholders.

Risk management

The Group identifies the climate change related risks or to test the existing risk management strategies under climate change with the aid of risk assessment. Hence, the areas where new strategies are needed can be identified.

The risk assessment takes a standard risk-based approach using national data, local information and expert knowledge, which can identify how climate change may compound existing risks or create new ones. The risk assessment is conducted through the following steps:

Step 1: Establish the Context

- Objective/goal
- Scale
- Time frame
- Climate change scenario for most climate variables and sea level

Environmental Aspects

A. ENVIRONMENTAL ASPECTS *(Continued)*

A4. CLIMATE CHANGE *(Continued)*

Risk management *(Continued)*

Step 2: Identify Existing Risk (past and current)

- Identify the record of occurrence of climatic hazard in the past in the area
- Risk management strategies in place to tackle future occurrence of the hazard

Step 3: Identify Future Risk and Opportunities

- Explore climate change projections for the selected time frame(s) and emission scenario(s)
- Identify potential hazards
- Investigate whether any existing risk from Step 2 may get worse under future projected changes
- Identify new risks that can emerge under future projected changes

Step 4: Analyse and Evaluate Risk

- Identify a set of decision areas or systems (i.e., geographical areas, business operation, assets, ecosystems, etc.) that has the potential to be at risk in future

As outlined within the ESG Governance section above, the Group has robust risk management and business planning processes that are overseen by the Board in order to identify, assess and manage climate-related risks. The Group engages with government and other appropriate organisations in order to keep abreast of expected and potential regulatory and/or fiscal changes.

The Group continues to raise awareness of climate change in regard to monitoring of carbon and energy footprint in its daily operation. However, there remains gaps in understanding how such climate risks and opportunities may impact the Group's operations, assets and profits. The Group assesses how the business addresses climate change risks and opportunities and takes the initiative to monitor and reduce their environmental footprint.

Environmental Aspects

A. ENVIRONMENTAL ASPECTS *(Continued)*

A4. CLIMATE CHANGE *(Continued)*

Significant climate-related issues

During the reporting period, the significant climate-related physical risks and transition risks, which have impacted and/or may impact the Group's business and strategy in (i) operations and services, (ii) supply chain and value chain, (iii) adaptation and mitigation activities, (iv) investment in research and development ("R&D"), and (v) financial planning, as well as the steps taken to manage these risks, are as follows:

Climate-related risks description	Financial impacts	Steps taken to manage the risks
Physical Risk		
Acute physical risks		
<ul style="list-style-type: none"> Increased severity and frequency of extreme weather events such as cyclones and floods. These have the potential to cause both idiosyncratic and systemic risks, resulting in potential damage to office equipment. 	<ul style="list-style-type: none"> Operating cost and repairing expense increase 	<ul style="list-style-type: none"> Planned to establish a natural disasters emergency plan. Planned to devise an action plan to articulate the goals and targets of the reductions in GHG emission and energy consumption. Outlined the plan to achieving those targets and defined responsibilities.
Chronic physical risks		
<ul style="list-style-type: none"> Changes in precipitation patterns and extreme variability in weather patterns. Frequent extreme weather events and rising in sea levels are likely to pose disruptions to communities across the region over the long term, affecting economic output and business productivity. Governments that have been pushing for new regulation to reduce GHG emission will pose a threat to financial performance of a business and increase regulatory risk. 	<ul style="list-style-type: none"> Revenue reduces Operating cost increases 	<ul style="list-style-type: none"> Planned improvements, retrofits, relocations, or other changes to facilities that may reduce their vulnerability to climate impacts, and increases climate resilience in long term. Record the energy consumption to identify peaks in usage, thus significant savings could be determined. Engaged with local governments and local stakeholders on local resilience.

Environmental Aspects

A. ENVIRONMENTAL ASPECTS *(Continued)*

A4. CLIMATE CHANGE *(Continued)*

Significant climate-related issues *(Continued)*

Climate-related risks description	Financial impacts	Steps taken to manage the risks
Transitional Risk		
Policy risk		
<ul style="list-style-type: none"> As a result of energy efficiency requirements, the carbon-pricing mechanisms by Mainland Chinese Government, which increase the price of fossil fuels. Mandates on and regulation of existing services as of the tightened environmental and safety laws and standards of oil. The Group has to spend much compliance cost to update or maintain the office equipment to fulfil the new regulations. 	<ul style="list-style-type: none"> Operating cost increases 	<ul style="list-style-type: none"> Planned to conduct a carbon footprint survey, in order to work out the company's footprint, to prioritise energy and waste reductions. Monitor the updates of the relevant environmental laws and regulations against existing services, to avoid the unnecessary increase in cost and expenditure due to non-compliance.
Legal risk		
<ul style="list-style-type: none"> Exposure to litigation risk. The Group has to adapt the tightened law and regulations imposed by the government due to climate change, as well as bear the risk of potential litigation once we fail to obligate the new regulations. Enhanced air pollutant emissions-reporting obligations for local government, and the Group may have to spend more time on fulfilling the ESG reporting standards to comply with the GEM Listing Rules. 	<ul style="list-style-type: none"> Operating cost increases 	<ul style="list-style-type: none"> Monitored the updates of environmental laws and regulations and implemented GHG emissions calculations in advance. Continued monitoring of the ESG reporting standards of the GEM Listing Rules.

Environmental Aspects

A. ENVIRONMENTAL ASPECTS *(Continued)*

A4. CLIMATE CHANGE *(Continued)*

Significant climate-related issues *(Continued)*

Climate-related risks description	Financial impacts	Steps taken to manage the risks
<p>Technology risk</p> <ul style="list-style-type: none"> Low-carbon, energy-saving technologies are launched by the peers in the business sector. Lagging behind of technology advancement may weaken our competitive edges. 	<ul style="list-style-type: none"> Capital investment increases R&D expense increases 	<ul style="list-style-type: none"> Planned to invest in the innovations of energy saving for provision of our services. Examined the feasibility and benefits of applying the latest low-carbon and energy-saving technologies into the Group's operation.
<p>Market risk</p> <ul style="list-style-type: none"> More customers are concerned about climate-related risks and opportunities, which may lead to changes in customer preference. Inability to attract co-financiers and/or investors due to uncertain risks related to the climate. 	<ul style="list-style-type: none"> Revenue decreases Operating cost increases Service cost increases 	<ul style="list-style-type: none"> Fulfilled the climate-related regulations by the government. Prioritise the climate change as a high concern in the market decisions to show to the clients that the Group is concerned about the problem of climate change.
<p>Reputational risk</p> <ul style="list-style-type: none"> Negative press coverage related to support of the Group's business projects or activities with negative impacts on the climate (e.g., GHG emissions and energy conservation), which may affect the Group's reputation and image. 	<ul style="list-style-type: none"> Revenue decreases Operating cost increases 	<ul style="list-style-type: none"> Fulfilled the social responsibility to show how the Group places importance on climate change.

Environmental Aspects

A. ENVIRONMENTAL ASPECTS *(Continued)*

A4. CLIMATE CHANGE *(Continued)*

Significant climate-related issues *(Continued)*

During the reporting period, the primary climate-related opportunities and the corresponding financial impacts were as follows:

Detailed description of climate-related opportunities	Financial impacts
<p>Resource efficiency</p> <ul style="list-style-type: none"> • Use of more efficient modes of transport • Use of more efficient production and distribution processes • Use of recycling • Reduce water consumption 	<ul style="list-style-type: none"> • Operating cost reduces through efficiency gains and cost reductions
<p>Energy source</p> <ul style="list-style-type: none"> • Use of lower-emission sources of energy • Use of supportive policy incentives • Use of new technologies • Shift toward decentralised energy generation 	<ul style="list-style-type: none"> • Operating cost reduces through use of lowest cost abatement • Returns on investment in low- emission technology increases
<p>Products and services</p> <ul style="list-style-type: none"> • Development of climate adaptation and insurance risk solutions • Ability to diversify business activities • Development of new products or services through R&D and innovation 	<ul style="list-style-type: none"> • Revenue increases through new solutions to adaptation needs, such as insurance risk transfer of products and services
<p>Markets</p> <ul style="list-style-type: none"> • Access to new markets 	<ul style="list-style-type: none"> • Revenue increases through access to new and emerging markets

Environmental Aspects

A. ENVIRONMENTAL ASPECTS *(Continued)*

A4. CLIMATE CHANGE *(Continued)*

Significant climate-related issues *(Continued)*

Detailed description of climate-related opportunities	Financial impacts
<p>Resilience</p> <ul style="list-style-type: none"> • Participation in renewable energy programs and adoption of energy-efficiency measures • Resource substitution or diversification 	<ul style="list-style-type: none"> • Market valuation increases through resilience planning, such as planning of the research in the use of electric vehicles • Reliability of supply chain and ability to operate under various condition increases • Revenue increases through new products and services related to ensuring resiliency

Metrics and targets

The Group adopts the key metrics to assess and manage climate-related risks and opportunities. The energy consumption and GHG emissions indicators are the key metrics used to assess and manage relevant climate-related risks where the Group considers such information is material and crucial for evaluating the impact of its operation on global climate change during the year. The Group regularly tracks its energy consumption and GHG emissions indicators to assess the effectiveness of emission reduction initiatives, as well as set targets to contribute its effort to have minimal impact on global warming.

The details of time frames over which the target applies and base year from which progress is measured are described in the section A1: “Emissions” and section A2: “Use of Resources” of this report. The Group adopts absolute target to manage climate-related risks, opportunities and performance.

Social Aspects

B. SOCIAL ASPECTS

EMPLOYMENT AND LABOUR PRACTICES

B1. EMPLOYMENT

The Group believes employees are valuable assets and their diligent efforts and continuous supports are crucial to the Group's success. Hence, we continue to attract and motivate talents, provide a safe and equal working environment for our employees and ensure their rights and interests are well protected. The staff handbook sets out the Group's standard in respect of compensation and dismissal, recruitment and promotion, working hours and other benefits and welfare.

During the reporting periods, the Group was not aware of any non-compliance with the relevant laws and regulations that had significant impacts on the Group relating to compensation and dismissal, recruitment and promotion, working hours, equal opportunity, diversity, anti-discrimination and other benefits and welfare.

Competitive benefits and remuneration

We reward and recognise employees by providing a competitive remuneration package according to external and internal benchmark. The remuneration of our employees is in line with the market rate and commensurate with seniority, relevant experience, performance appraisals, education level and professional qualifications of the employees, as well as the nature of the work and duties. Discretionary bonus and share options may be granted to eligible employees based on the Group's financial results and individual performance. We derive strength from our focus on talent development, therefore, we endeavour to offer our employees competitive remuneration packages and conduct regular salary adjustments with reference to the performance of employees and market trend.

In addition to remuneration and discretionary bonus, we provide five-day working week, medical insurance and mandatory provident fund to eligible employees. Employees are also entitled to have leave benefits, including annual leave, maternity and paternity leave, marriage leave, compassionate leave and examination leave. For departing employees, an exit interview will be conducted to identify the reason of leaving.

During the year ended 31 December 2022, the Group was in strict compliance with all the applicable laws and regulations, including the Employment Ordinance, the Mandatory Provident Fund Schemes Ordinance and the Minimum Wage Ordinance.

Social Aspects

B. SOCIAL ASPECTS *(Continued)*

EMPLOYMENT AND LABOUR PRACTICES *(Continued)*

B1. EMPLOYMENT *(Continued)*

Equal opportunities, diversity and anti-discrimination

As an employer promoting equal opportunities, the Group strongly opposes to all discriminatory behaviour and is committed to constructing a fair and inclusive working environment for employees. We promote fair competition and prohibit discrimination or harassment against any employee on their race, colour, age, gender, sexual orientation, ethnicity, disability, pregnancy, religion, political affiliation, union membership or marital status. The principle of equal opportunities is applied in all employment practices, including promotions, rewards, access to training and demotion. The Group has zero tolerance to sexual harassment in the workplace. Our whistleblowing policy, enables our employees to confidentially report on malpractice of matters related to the Group. During the reporting period, the Group did not identify any case of discrimination.

During the year ended 31 December 2022, the Group fully complied with all applicable laws and regulations, including the Sex Discrimination Ordinance, the Family Status Discrimination Ordinance, the Race Discrimination Ordinance and Disability Discrimination Ordinance.

As at 31 December 2022, the employee compositions (in percentage of employees) by gender, age group, geographical region and employment type were as follows:

Employee compositions	2022	2021
By gender		
• Male	59%	54%
• Female	41%	46%
By age group		
• Age 30 or below	4%	4%
• Age 31-40	33%	35%
• Age 41-50	33%	29%
• Age 51 or above	30%	32%
By geographical region		
• Hong Kong	100%	100%
By employment type		
• Management	59%	57%
• General Staff	41%	43%

Social Aspects

B. SOCIAL ASPECTS *(Continued)* EMPLOYMENT AND LABOUR PRACTICES *(Continued)*

B1. EMPLOYMENT *(Continued)*

Equal opportunities, diversity and anti-discrimination *(Continued)*

The employee turnover rates during the reporting periods by gender, age group, geographical region and employment type were as follows:

Employee turnover rates (%)	2022	2021
By gender		
• Male	–	24%
• Female	17%	35%
By age group		
• Age 30 or below	–	–
• Age 31-40	11%	–
• Age 41-50	–	42%
• Age 51 or above	12%	46%
By geographical region		
• Hong Kong	7%	29%
By employment type		
• Management	–	29%
• General Staff	17%	30%
Overall	7%	29%

B2. HEALTH AND SAFETY

Although our businesses are mainly office-based, we always place the highest priority on protecting the health and safety of our employees. We strictly comply with the Occupational Safety and Health Ordinance during the year ended 31 December 2022. We advocate a pro-active and risk-based accident prevention culture and ensure every staff undertakes the responsibility for work safety. Besides, we spare no effort to implement health and safety measures as followings:

- Prompt actions are taken in case of any sub-standard performance.
- All applicable laws and regulations for health and safety, relevant standards and code of practice, and relevant recommendations issued by safety and health authorities are observed.
- Eligible employees are provided with medical and employment injury insurance.
- Work arrangement for typhoon and rainstorm warning is established.

With the above measures implemented, there was no case of work-related fatal or serious accident during the reporting periods.

During the reporting periods, the Group was not aware of any non-compliance with the relevant laws and regulations that had significant impact on the Group in providing a safe and healthy working environment.

During the year, there was no work injury cases (2021: nil, 2020: nil) and no lost day due to work injury (2021: nil, 2020: nil) in our business operation. There was no work-related fatality case (2021: nil, 2020: nil) during the current reporting period. Employees were given paid sick leave for their recovery. Overall, no employees had serious accident during the reporting periods.

Social Aspects

B. SOCIAL ASPECTS *(Continued)*

EMPLOYMENT AND LABOUR PRACTICES *(Continued)*

B3. DEVELOPMENT AND TRAINING

The Group believes that the knowledge, skills and capabilities of our employees are vital to the Group's continued business growth and success. In view of this, we always encourage our staff to participate in the continuous learning activities to enhance their personal accomplishment, strengthen their working skills and reinforce team performance.

Employees are encouraged to take internal and external professional programmes to enhance their requisite knowledge and skills in discharging their duties. In order to motivate employees to participate in training programmes and foster a learning culture, employees are provided with job-related tuition fee reimbursement policy to attend courses organised by professional institutions.

According to the Code Provision A6.5 set out in the Corporate Governance Code and Corporate Governance Report as set out in Appendix 15 to the GEM Listing Rules, all directors should participate in continuous professional development to develop and refresh their knowledge and skills. Reading materials are provided to our directors to keep them abreast of the latest regulatory requirements, corporate governance practices, financial information and market trends.

During the reporting periods, the percentages of employees received training by gender and employment category were as follows:

Percentages of employees received training	2022	2021
By gender		
• Male	88%	87%
• Female	82%	62%
By employment category		
• Management	88%	81%
• General staff	82%	67%
Overall	85%	75%

During the reporting periods, the compositions of employees received training by gender and employment category were as follows:

Composition of employees received training	2022	2021
By gender		
• Male	61%	62%
• Female	39%	38%
By employment category		
• Management	61%	62%
• General staff	39%	38%

Social Aspects

B. SOCIAL ASPECTS *(Continued)*

EMPLOYMENT AND LABOUR PRACTICES *(Continued)*

B3. DEVELOPMENT AND TRAINING *(Continued)*

Besides, the average training hours completed per employee received training by gender and employee category were as follows:

Average training hours (hours/employee received training)	2022	2021
By gender		
• Male	13.4	13.2
• Female	15.9	12.4
By employment category		
• Management	15.0	14.5
• General staff	13.3	10.4
Overall	14.3	12.9

B4. LABOUR STANDARDS

The Group is committed to upholding the elimination of all forms of forced and compulsory labour and supporting the effective abolition of child labour. During the year ended 31 December 2022, the Group strictly prohibited recruitment of child labour in accordance with the Employment of Children Regulations. Prior to confirmation of employment, job applicants are required to provide a valid identity documents for age verification in order to ensure the applicants are lawfully employable. Forced labour is strictly prohibited. All works should not be performed under threat of penalty or coercion and all employees may resign upon reasonable notice. Salary and benefits were given in accordance with applicable laws and regulations, including the Employment Ordinance and the Minimum Wage Ordinance during the year ended 31 December 2022.

During the reporting periods, the Company was not aware of any non-compliance with relevant laws and regulations related to recruitment of child labour or forced labour practices, and no employee was paid less than the minimum wage specified by the relevant government regulations.

OPERATING PRACTICES

B5. SUPPLY CHAIN MANAGEMENT

The Group supports sustainable procurement by incorporating environmental responsibility into our procurement processes. Whenever practicable, we procure environmentally preferable products, including reusable items, to minimise the negative impacts on the environment and conserve natural resources.

B6. SERVICE RESPONSIBILITY

The Group regards service quality as one of the key competitive advantages of its businesses and makes every effort to improve the qualities of services provided. The qualities of services are regularly assessed by management teams. In the event of receiving complaint, the Group will take prompt actions to investigate the issue and carry out remedial action plans. During the reporting period, the Group was not aware of any material non-compliance with the relevant laws and regulations related to product responsibility in the PRC and Hong Kong.

Social Aspects

B. SOCIAL ASPECTS *(Continued)*

OPERATING PRACTICES *(Continued)*

B6. SERVICE RESPONSIBILITY *(Continued)*

The Group upholds the principle of fair competition and prohibits any improper business conduct such as disseminating false, misleading and incomplete information. Before publishing marketing information of our services, such information is reviewed by management to ensure all releasing information complies with applicable laws and does not contain any false information or misleading statement.

During the year ended 31 December 2022, we adhered to all the applicable laws and regulations, including but not limited to Money Lenders Ordinance and Money Lenders Regulations for its money lending business; Securities and Futures Ordinance for its financial services business; the GEM Listing Rule; the Hong Kong Companies Ordinance and other applicable local laws and regulations in which the Group operated.

The Group recognises the importance of personal data protection. During the year ended 31 December 2022, we are in strict compliance with the Personal Data (Privacy) Ordinance. The personal information of clients is treated as confidential and maintained with due care. It shall only be accessed by authorised personnel and used for authorised business purposes.

During the reporting periods, there was no receipt of complaint due to disclosure of personal information.

B7. ANTI-CORRUPTION

The Group considers business ethics and integrity as utmost importance in corporate sustainable development and long-term success. Hence, we strictly adhered to all the applicable laws and regulations, including the Prevention of Bribery Ordinance during the year ended 31 December 2022, and had no tolerance in any form of corruption, extortion, bribery, fraud, money laundering and embezzlement. The Group's requirements towards anti-corruption and business ethics, incorporated in staff handbook and code of conduct, are communicated and reinforced to all employees. Once misconduct case is discovered and confirmed, the employee will be subject to disciplinary actions. Besides, the case will be reported to the related regulatory body and law enforcement authority when necessary. The whistleblowing policy is also implemented for employees to report on any observed and suspected misconduct, malpractice or irregularity.

Social Aspects

B. SOCIAL ASPECTS *(Continued)*

OPERATING PRACTICES *(Continued)*

B7. ANTI-CORRUPTION *(Continued)*

During the reporting periods, no legal case concerned with corrupt practices was brought against the Group. The number of employees received anti-corruption training and the training hours by employment category were as follows:

Anti-corruption training	2022	2021
Number of employees received training		
• Management	8	–
• General	9	–
Total employees	17	–
Number of training hours		
• Management	9	–
• General	10	–
Total training hours	19	–

COMMUNITY

B8. COMMUNITY INVESTMENT

We are constantly aware of the community needs and take up our corporate responsibility to make contribution to the society. We encourage our employees to participate in the community activities and extend a helping hand to local communities with the aim to bring a positive impact on the society.

Environmental, Social and Governance Reporting Index

Subject areas, aspects, general disclosures and Key Performance Indicators (KPIs)		Section	Pages
A. Environmental			
A1: Emissions			
General Disclosure		“Emissions”	7
KPI A1.1	The types of emissions and respective emissions data	Not applicable to the Group’s businesses.	N/A
KPI A1.2	Greenhouse gas emissions in total and, where appropriate, intensity	“Emissions – Greenhouse Gas (“GHG”) Emission”	7
KPI A1.3	Total hazardous waste produced and, where appropriate, intensity	Not applicable to the Group’s business.	N/A
KPI A1.4	Total non-hazardous waste produced and, where appropriate, intensity	“Emissions – Hazardous and Non-hazardous Wastes”	9
KPI A1.5	Description of measures to mitigate emissions and results achieved	“Emissions – Greenhouse Gas (“GHG”) Emission”	7
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved	“Emissions – Hazardous and Non-hazardous Wastes”	8
A2: Use of Resources			
General Disclosure		“Use of Resources”	9
KPI A2.1	Direct and/or indirect energy consumption by type in total and intensity	“Use of Resources – Energy Consumption”	10
KPI A2.2	Water consumption in total and intensity	Not feasible for the Group to obtain water consumption data.	N/A
KPI A2.3	Description of energy use efficiency initiatives and results achieved	“Use of Resources – Energy Consumption”	9
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved	“Use of Resources – Water Consumption”	10
KPI A2.5	Total packaging material used for finished products and, if applicable, with reference to per unit produced	Not applicable to the Group’s businesses.	N/A
A3: The Environment and Natural Resources			
General Disclosure		“The Environment and Natural Resources”	10
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	No significant impact of the Group’s activities on the environment and natural resources was noted.	N/A
A.4: Climate Change			
General Disclosure		“Climate Change”	11
KPI A4.1	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	“Climate Change”	11-18

Environmental, Social and Governance Reporting Index

Subject areas, aspects, general disclosures and Key Performance Indicators (KPIs) *(Continued)*

		Section	Pages
B. Social			
Employment and Labour Practices			
B1: Employment			
General Disclosure		“Employment and Labour Practices – Employment”	19
KPI B1.1	Total workforce by gender, employment type, age group and geographical region	“Employment and Labour Practices – Employment”	20
KPI B1.2	Employee turnover rate by gender, age group and geographical region	“Employment and Labour Practices – Employment”	21
B2: Health and safety			
General Disclosure		“Employment and Labour Practices – Health and Safety”	21
KPI B2.1	Number and rate of work-related fatalities	“Employment and Labour Practices – Health and Safety”	21
KPI B2.2	Lost days due to work injury	“Employment and Labour Practices – Health and Safety”	21
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	“Employment and Labour Practices – Health and Safety”	21
B3: Development and Training			
General Disclosure		“Employment and Labour Practices – Development and Training”	22
KPI B3.1	The percentage of employee trained by gender and employee category	“Employment and Labour Practices – Development and Training”	22
KPI B3.2	The average training hours completed per employee by gender and employee category	“Employment and Labour Practices – Development and Training”	23
B4: Labour Standards			
General Disclosure		“Employment and Labour Practices – Labour Standards”	23
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour	“Employment and Labour Practices – Labour Standards”	23
KPI B4.2	Description of steps taken to eliminate such practices when discovered	“Employment and Labour Practices – Labour Standards”	23

Environmental, Social and Governance Reporting Index

Subject areas, aspects, general disclosures and Key Performance Indicators (KPIs) <i>(Continued)</i>		Section	Pages
Operating Practices			
B5: Supply Chain Management			
General Disclosure		“Operating Practices – Supply Chain Management”	23
KPI B5.1	Number of suppliers by geographical region	Not disclosed	N/A
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	Not disclosed	N/A
B6: Product/Services Responsibility			
General Disclosure		“Operating Practices –Service Responsibility”	23
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	No product sold or shipped due to nature of the Group’s business.	N/A
KPI B6.2	Number of products and service related complaints received and how they are dealt with	No service related complaint was received.	N/A
KPI B6.3	Description and practices relating to observing and protecting intellectual property rights	Not disclosed	N/A
KPI B6.4	Description of quality assurance process and recall procedures	“Operating Practices – Service Responsibility”	24
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	“Operating Practices –Service Responsibility”	24
B7: Anti-corruption			
General Disclosure		“Operating Practices – Anti-corruption”	24
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 case	“Operating Practices – Anti-corruption”	25
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	“Operating Practices – Anti-corruption”	24
KPI B7.3	Description of anti-corruption training provided to directors and staff	“Operating Practices – Anti-corruption”	25

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**Subject areas, aspects, general disclosures and
 Key Performance Indicators (KPIs) (Continued)**

		Section	Pages
Community			
B8: Community Investment			
General Disclosure		“Community – Community Investment”	25
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)	Not disclosed	N/A
KPI B8.2	Resources contributed (e.g. money or time) to the focus area	Not disclosed	N/A