

REF Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1631

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

2024

Environmental, Social and Governance Report 2024

INTRODUCTION AND APPROACH TO ENVIRONMENTAL, SOCIAL AND GOVERNANCE AND REPORTING

REF Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is an investment holding company and the Group is a one-stop financial printing service provider in Hong Kong, which offers a wide range of top-quality and convenient financial printing services including typesetting, proofreading, translation, design, printing, web submitting, media placement and distribution. The services of the Group can be categorised into printing, translation and media placement. The core financial printing services of the Group include printing of listing documents, financial reports, compliance documents and other documents. Most of the Group’s customers are listed on the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

This environmental, social and governance report (the “**ESG Report**”) summarises the environmental, social and governance (“**ESG**”) initiatives, plans and performances of the Group and demonstrates its on-going commitment towards sustainable development.

REPORTING PERIOD

The ESG Report describes the ESG activities, challenges and measures taken by the Group from 1 January 2024 to 31 December 2024 (the “**Year**” or “**2024**”).

SCOPE OF REPORTING

The ESG Report covers the Group’s business activities in Hong Kong offices, which represent the Group’s major sources of revenue. The reporting scope of the ESG Report remains the same as the year ended 31 December 2023 (the “**Prior Year**” or “**2023**”) and is aligned with the segmentation of business of the Group in its 2024 Annual Report.

The Group will continue to assess the major ESG aspects of different businesses and extend the scope of disclosures when and where applicable.

REPORTING FRAMEWORK

The ESG Report has been prepared in accordance with the Environmental, Social and Governance Reporting Guide (the “**ESG Reporting Guide**”) as set out in Appendix C2 to the Rules Governing the Listing of Securities on The Stock Exchange. Information relating to the corporate governance practices of the Group has been set out in the Corporate Governance Report of the Group’s 2024 Annual Report.

During the preparation of this ESG Report, the Group has applied the following reporting principles:

Materiality: Materiality assessment was conducted to identify material issues for the Year, and thereby adopting the confirmed material issues as the focus for the preparation of the ESG Report. The materiality of issues was reviewed and confirmed by the board of directors (the “**Board**”) and senior management. For further details, please refer to the sections headed “STAKEHOLDER ENGAGEMENT” and “MATERIALITY ASSESSMENT”.

Quantitative: The standards, methodologies and applicable assumptions used in the calculation of key performance indicators (“**KPIs**”) data were supplemented by explanatory notes. Specific environmental targets have been established to mitigate and address a particular impact.

Consistency: Unless otherwise stated, the preparation approach of this ESG Report is consistent with the Prior Year for comparison. If there are any changes in the scope of disclosure and calculation methodologies that may affect comparison with previous reports, explanations will be provided to the corresponding data.

Balance: The ESG Report was prepared based on an objective and impartial manner to ensure that the information disclosed faithfully reflects the overall ESG performance of the Group.

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BOARD STATEMENT AND ESG GOVERNANCE STRUCTURE

The Group conducts a top-down management approach concerning its ESG issues. The Board, equipped with the necessary ESG-related knowledge and expertise, takes full responsibility to oversee and evaluate the Group's ESG performance to determine potential risks and opportunities on its ESG aspects. This is achieved by setting out ESG management approach, strategy, priorities and objectives. In order to better manage the Group's ESG performance, related issues and potential risks, the Board holds meeting at least once annually at which it discusses ESG issues, evaluates and determines ESG-related risks and opportunities of the Group, as well as reviews its performance against ESG-related targets, with the assistance of the ESG Taskforce (the "**Taskforce**"). The Board is also responsible for ensuring the effectiveness of the Group's risk management and internal control systems and approving disclosures in the ESG reports.

To develop systematic management of ESG issues under the Board's delegations, the Group has established the Taskforce. The Taskforce is composed of core members from various departments, who possess relevant professional knowledge in various ESG aspects to facilitate the Board's oversight of ESG matters. The Taskforce has the responsibility for collecting and analysing ESG data which are reviewed and confirmed by respective department heads, monitoring and evaluating the Group's ESG performance, keeping track of and reviewing the progress made against the Group's ESG-related targets, ensuring compliance with ESG-related laws and regulations, assisting in conducting materiality assessment and preparing the ESG reports. The Taskforce arranges meetings regularly to evaluate the effectiveness of current policies and procedures, and formulates appropriate solutions to improve the overall performance of ESG-related policies. The findings and suggestions are reported to the Board through meetings at least once annually. The Taskforce also assists the Board in assessing and identifying the Group's ESG risks and opportunities, ensuring the implementation and effectiveness of the risk management and internal control systems. Where appropriate, external advisors would be engaged to provide expertise and professional advice for the ESG management process.

STAKEHOLDER ENGAGEMENT

The Group recognises its responsibility and accountability towards its stakeholders, and thus attaches great importance to their feedback regarding the Group's businesses and ESG aspects. In order to understand and address the key concerns of different stakeholders, close communication is maintained with key stakeholders, including but not limited to the Board and senior management, investors and shareholders, customers, suppliers and subcontractors, employees, as well as the community, non-governmental organisations ("**NGOs**") and media.

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When formulating operational strategies and ESG measures, the Group takes account of the stakeholders' expectations and endeavours to improve its performance through mutual cooperation with the stakeholders, resulting in creating greater value for the community by utilising diversified key communication channels. The Group's key communication channels with its stakeholders and their respective expectations and concerns are as follows:

Stakeholders	Key Communication Channels	Expectations and Concerns
The Board and senior management	<ul style="list-style-type: none"> Regular meetings 	<ul style="list-style-type: none"> Complying with relevant laws and regulations Economic performance Corporate sustainability Protection of the Group's rights and interests
Investors and shareholders	<ul style="list-style-type: none"> Annual general meeting and other shareholder meetings Financial reports 	<ul style="list-style-type: none"> Complying with relevant laws and regulations Economic performance
Customers	<ul style="list-style-type: none"> The Group's website Project briefing Customer service hotline 	<ul style="list-style-type: none"> Product and service quality Timely response
Suppliers and subcontractors	<ul style="list-style-type: none"> Supplier and subcontractor management meetings On-site review 	<ul style="list-style-type: none"> Supply chain management
Employees	<ul style="list-style-type: none"> Regular management communications Regular performance review or appraisal Notification from Human Resources Department Intranet 	<ul style="list-style-type: none"> Occupational health and safety Remuneration and benefits
The community, NGOs, and media	<ul style="list-style-type: none"> Community investment Charity events ESG reports 	<ul style="list-style-type: none"> Giving back to society Involvement in the community environment Environmental protection Complying with relevant laws and regulations

The Group aims to collaborate with its stakeholders to improve its ESG performance and create greater value for the wider community continuously.

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MATERIALITY ASSESSMENT

The Group's management and employees from respective major operations have participated in the preparation of the ESG Report to assist the Group in reviewing its operations, identifying relevant ESG issues, and assessing the importance of related matters to its businesses and stakeholders.

With the assistance of the Taskforce, the Group identified a list of material ESG issues for the Group, based on its business, the ESG Reporting Guide and the analysis of industry peers. To prioritise the identified material ESG issues, the Group conducted materiality assessment regularly. Management and employees were invited to participate in a survey to evaluate the significance of the identified ESG issues to the Group's stakeholders and its business. The results of the materiality assessment were reviewed and confirmed by the Taskforce, and then approved by the Board.

The summary of the Group's material ESG issues as set out in the ESG Report is shown as below:

The ESG Reporting Guide	Material ESG aspects of the Group	Materiality to the Group
A. Environmental		
A1. Emissions	Greenhouse Gas ("GHG") Emissions	Low
	Waste Management	Low
A2. Use of Resources	Energy Consumption	Low
A3. The Environment and Natural Resources	Indoor Air Quality	Low
A4. Climate Change	Climate change	Low
B. Social		
B1. Employment	Employment and Labour Practices	Low
	Diversity and Equal Opportunities	Medium
B2. Health and Safety	Workplace Health and Safety	Medium
B3. Development and Training	Employee Development and Training	Medium
B4. Labour Standards	Prevention of Child Labour and Forced Labour	Low
B5. Supply Chain Management	Supply Chain Management	Medium
B6. Product Responsibility	Quality Management	High
	Privacy Protection	High
B7. Anti-corruption	Whistle-blowing Mechanism	Medium
B8. Community Investment	Corporate Social Responsibility	Medium

During the Year, the Group confirmed that it has established appropriate and effective management policies and internal control systems for ESG issues, and confirmed that the disclosed contents are in compliance with the requirements of the ESG Reporting Guide.

CONTACT US

Comments and suggestions are welcome from all stakeholders. You may provide comments on the ESG Report or towards the Group's performance in respect of sustainable development via the methods below:

Address: Units 5906–5912, 59/F, The Center, 99 Queen's Road Central, Hong Kong
Email: investor@ref.com.hk
Hotline: (852) 2176 0800

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A. ENVIRONMENTAL

The Group is committed to ensuring and protecting the long-term sustainability of the environment and community where the Group operates in. Therefore, the Group has integrated environmental consideration into its decision-making process and embraced the responsibilities to create an environmentally sustainable business. Due to its business nature, the Group's day-to-day operations can impact both, directly and indirectly, to the environment.

The Group recognises the importance of continuous improvement on the ESG performance and its responsibilities towards the potential direct and indirect negative environmental impacts associated with its business operations, and thus focuses on nurturing and strengthening its employees' awareness of environmental protection in their daily work processes. The Group has set environmental targets and implemented various environmental protection measures in order to achieve its goal of effectively enhancing employees' environmental awareness and the Group's ESG performance.

A1. EMISSIONS

To enhance its environmental governance practices and mitigate the environmental impacts derived from its operations, the Group has implemented relevant environmental protection policies and strived to maintain a green environment. The Group has established relevant environmental protection policies with the aim to measure and report its efforts in reducing carbon footprints, promoting waste reduction at source, enhancing its waste disposal management and setting targets on environmental performance. With aims to minimise the environmental impacts concerning its activities, products and services, the Group is committed to:

- complying with applicable legal and other requirements related to the Group's environmental aspects, and to which the Group subscribes;
- identifying environmental impacts associated with the operations and setting the targets to reduce stress on the environment in consideration of social expectations;
- preventing pollution, reducing waste and minimising the consumption of resources in all daily operations and actively promoting recycling, reuse and replacement; and
- educating, training and motivating employees to develop a social viewpoint that enables them to conduct business activities in an environmentally responsible manner.

During the Year, the Group was not aware of any material non-compliance with relevant laws and regulations in Hong Kong relating to air and GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous waste, including but not limited to the Air Pollution Control Ordinance and the Waste Disposal Ordinance that would have a significant impact on the Group.

Exhaust Gas Emissions

Since the Group's major business is providing financial printing services, the Group does not generate a significant amount of exhaust gas from any combustion of fuels. Thus, this aspect is considered as immaterial to the Group.

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GHG Emissions

The Group did not generate a significant amount of direct GHG emissions (Scope 1) since the Group's operation does not involve any combustion of fuels. The major sources of GHG emissions were generated from purchased electricity (Scope 2) and wastepaper disposal (Scope 3). Regarding this, the Group has formulated relevant policies and internal control system to reduce electricity consumption and wastepaper disposal.

With the aim to respond to the growing awareness of climate change, the Group targets to reduce its GHG emissions intensity (tCO₂e/square foot) by 5% by the year ending 31 December 2025 ("**2025**"), using the year ended 31 December 2021 ("**2021**") as the baseline year, which was approximately 0.011 tCO₂e/square foot. In order to achieve this target, the Group offset its GHG emissions of 243 tCO₂e emitted in 2021 in accordance with requirements of PAS 2060:2014 "Specification for the Demonstration of Carbon Neutrality" by supporting a Hydro Power Project. The Group has also implemented electricity conservation measures which are described in the section headed "Energy Consumption" under Aspect A2 and office paper reduction measures which are described in the section headed "Waste Management" under this aspect.

Due to the above measures and target, employees' awareness on GHG emissions reduction has been enhanced. As a result, the Group's GHG emissions intensity (tCO₂e/square foot) during the Year decreased by approximately 22.22% when compared with 2023. The Group is making progress towards the set target.

The Group's GHG emissions performance is as follows:

Indicator ¹	Unit	2024	2023
Direct GHG emissions (Scope 1)	tCO ₂ e	–	–
Energy indirect GHG emissions (Scope 2)			
• Electricity consumption	tCO ₂ e	153.15	163.77
Other indirect GHG emissions (Scope 3)			
• Wastepaper disposal	tCO ₂ e	15.33	37.13
Total GHG emissions	tCO ₂ e	168.48	200.90
Intensity ²	tCO ₂ e/square foot	0.007	0.009

Note(s):

- GHG emissions data are presented in terms of carbon dioxide equivalent and are based on, but not limited to, "The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard" issued by the World Resources Institute and the World Business Council for Sustainable Development, "How to prepare an ESG Report — Appendix 2: Reporting Guidance on Environmental KPIs" issued by the Stock Exchange, and the "2023 Sustainability Report" published by the HK Electric Investments and HK Electric Investments Limited.
- The total floor area of the Group as at 31 December 2024 was approximately 23,306 square feet (as at 31 December 2023: 21,329 square feet). This number would also be used for calculating other intensity data in this ESG Report.

Sewage Discharge

The Group does not consume a significant volume of water through its business activities, and therefore does not generate a material portion of discharge into water. As the sewage discharged by the Group is treated by the Drainage Services Department, the amount of sewage discharge is considered the same as the amount of water consumed. Descriptions of water consumption and corresponding water-saving initiatives are described in the section headed "Water Consumption" under Aspect A2.

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Waste Management

The Group abides by the waste management principle and strives to properly handle and dispose of wastes produced by its business activities. The Group maintains high standard in waste reduction, educates its employees on the significance of sustainable development and provides relevant support in order to enhance their skills and knowledge in sustainable development.

Hazardous Wastes

Given its business nature, the Group did not generate a significant amount of hazardous waste during the Year. Nevertheless, the Group strictly complies with the relevant environmental laws and regulations. In case there are any hazardous wastes produced, the Group will engage a qualified chemical waste collector to handle such wastes.

Non-hazardous Wastes

The non-hazardous wastes generated by the Group's operations mainly consist of paper. As a responsible corporation, the Group values paper saving and regularly monitors the effectiveness of policies implemented in relation to office paper.

With the aim to respond to the growing awareness of climate change, the Group targets to reduce its non-hazardous waste intensity (tonnes/square foot) by 5% by 2025, using 2021 as the baseline year, which was approximately 0.00059 tonnes/square foot. In order to achieve this target, the measures taken to reduce office paper consumption are as follows:

Paperless office is promoted to employees, customers and other stakeholders by encouraging the application of e-files and e-documents via on-screen reviewing and checking. For unavoidable paper printing, the Group encourages employees to use double-sided printing instead of single-sided printing and collect all printed single-sided paper next to printers for reuse. Reminders about paper reusing are posted around the office. The Group has also been encouraging customers to use Forest Stewardship Council recycled papers to print their financial reports and other documents, extending green practices to its value chain. Besides, the Group has hired qualified recyclers to collect and recycle non-confidential wastepaper to avoid wastepaper being sent to landfill.

Due to the above measures and target, employees' awareness on non-hazardous waste reduction has been enhanced. As a result, the Group's office paper usage intensity (tonnes/square foot) in 2024 decreased by approximately 61.11% when compared with 2023. The Group is making progress towards the set target.

The Group's non-hazardous waste disposal performance is as follows:

Indicator	Unit	2024	2023
Office paper consumption ³	tonnes	3.19	7.74
Intensity	tonnes/square foot	0.00014	0.00036

Note(s):

3. Office paper consumption was approximately 639,500 sheets in 2024 and approximately 1,556,500 sheets in 2023.

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A2. USE OF RESOURCES

The Group is committed to becoming a resource-saving and environmentally friendly enterprise to promote environmental protection. During daily operation, electricity, water and paper are the major resources consumed. The Group has established relevant environmental protection policies and corporate social responsibility policies which set out procedures in governing the efficient use of these resources, with reference to the objective of achieving higher energy efficiency and reducing the use of unnecessary materials.

Energy Consumption

Due to the Group's business nature, no fossil fuel is consumed during operation. Hence, there is no direct consumption of energy. Purchased electricity is the main source of indirect energy consumption. The Group aims to minimise the environmental impacts that resulted from its operations by identifying and adopting appropriate measures. Energy-related policies, measures and practices have been developed to show its commitment to energy efficiency.

With the aim to respond to the growing awareness of climate change, the Group targets to reduce its energy consumption intensity (kWh/square foot) by 5% by 2025, using 2021 as the baseline year, which was approximately 10.60 kWh/square foot. The Group strives to further reduce energy consumption by adopting the following energy-saving measures:

- deciding to replace all lighting in the offices with light-emitting diode ("LED") lamps in phase;
- switching off unnecessary or unattended lights and electronic appliances during lunch hours and before leaving the office;
- leasing energy-efficient high-speed printers for daily operation;
- using a variety of energy-saving lamps and equipment;
- expediting the replacement and repair processes to avoid possible unnecessary use of energy; and
- labelling all multiple switches to facilitate the energy-saving operation.

Due to the effective implementation of the above measures, employees' awareness on energy saving has been enhanced. As a result, the Group's energy consumption intensity (kWh/square foot) decreased by approximately 11.78% in 2024 when compared with 2023. The Group is making progress towards the set target.

The Group's energy consumption performance is as follows:

Indicator	Unit	2024	2023
Direct energy consumption	kWh	–	–
Indirect energy consumption			
• Electricity	kWh	232,040.00	240,836.00
Total energy consumption	kWh	232,040.00	240,836.00
Intensity	kWh/square foot	9.96	11.29

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Water Consumption

The Group's water consumption was mainly attributable to water consumed in office. Due to the stable supply of water at the operating location, the Group did not encounter any significant issues in sourcing water that is fit for purpose. As the Group's principal businesses are providing financial printing services, it does not consume a significant amount of water during operation. The office's water usage has been included in the tenancy fees. Hence, water consumption data is not available and no quantitative target is set.

Despite considering water consumption as insignificant due to business nature, the Group is dedicated to promoting behavioural changes in water usage at offices and encouraging water conservation. Environmental signages on water-saving messages are posted in prominent places to remind employees to conserve water. With the above measure implemented, employees' awareness on water conservation has been enhanced. The Group is committed to further promote water conservation by sending educational materials to employees starting from 2024.

Use of Packaging Materials

As the Group does not involve in any production processes, packaging materials are not consumed, hence this topic is considered as immaterial.

A3. THE ENVIRONMENT AND NATURAL RESOURCES

The Group focuses on its business impact on the environment and natural resources and pursues the best practice in environmental protection. Aside from abiding by the relevant environmental laws and regulations and international standards, relevant environmental protection policies have been formulated with the principle to minimise impact of our operations on the natural environment. The Group endeavours to identify ways to integrate environmental considerations into its business decisions and services it provides, so as to achieve environmental sustainability. Relevant notice would be circulated to staff as guidance for minimising the impact on the environment and establishing an environmentally-friendly working environment in daily operations.

Indoor Air Quality

The Group is committed to providing employees with a pleasing working environment to enhance work efficiency. Due to the nature of the Group's business, its employees spend most of their working time in the office, implying that indoor air quality in the workplace is of paramount importance. Therefore, indoor air quality is constantly monitored and improved by the utilisation of several measures. Such measures include installing air purifiers, cleaning air-conditioning systems regularly and choosing products with low or zero volatile organic compounds where applicable. By adopting these measures, indoor air quality of office was maintained.

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A4. CLIMATE CHANGE

The Group recognises climate change as one of the greatest issues confronting humanity today. It is vital for the Group to understand its corporate role in addressing climate change threats, which could impact its business profitability and long-term resilience. As such, the Group has established relevant environmental protection policies to identify, monitor and manage climate-related issues, and integrate such considerations into its strategic business planning.

To cope with the intensified threat of climate change, the Group has assessed the potential risks that may arise from its business operations. These risks mainly stem from the following dimensions:

Physical Risks

For physical risks, extreme weather events, such as strong typhoons and floods, may interrupt the water and electricity supplies, damage the Group's properties, as well as threaten the safety of its employees. This may cause interruptions to normal business operations and thus lead to higher operating cost of the Group.

The Group has taken different actions to manage the abovementioned acute physical risks. For example, the Group maintains comprehensive insurance coverage on assets that are prone to damage by extreme weather conditions. In addition, the Group has developed the practice of communicating the arrangements under bad weather conditions to employees in advance. Employees are notified of the schedule of release and also reminded to keep all the papers and documents in a safe place as to minimise any damages caused therefrom. Business Continuity and Disaster Recovery Plan has also been formulated to ensure uninterrupted business operations in the face of extreme weather conditions. The potential financial impacts can be minimised with adequate preparations for extreme weather events.

Transition Risks

For transition risks, the Group expects policies and regulations related to climate change to be stricter. If the Group's existing compliance procedures and business operations could not fully comply with the new legal and regulatory requirements, it might incur additional compliance costs and adversely affect the reputation of the Group. In addition, investors are increasingly urging the Group to take action on climate change, and they may withdraw capital if the Group fails to implement effective measures to manage climate-related risks. Related climate-related risks might also impose an impact on the Group's investment and financing activities regarding related industries.

To manage the above transition risks, the Group's management regularly monitors existing and emerging climate-related trends, policies and regulations and seeks compliance consulting services to reduce legal risks. Various measures have also been taken to protect the environment, including measures aimed at reducing GHG emissions as well as resources conservation. By going beyond current compliance requirements, the Group has a better chance to adapt swiftly to regulatory changes and maintain high transparency in disclosing climate-related risks and opportunities, in order to build trust and confidence with investors.

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B. SOCIAL

B1. EMPLOYMENT

Human resources are the foundation for supporting the development of the Group, and therefore has adopted a people-oriented management approach through implementing relevant employment policies with a view to realising the full potential of employees. These employment policies are formally documented, incorporating recruitment, compensation, promotion, working hours and rest periods, diversity and equal opportunities, etc. These employment policies and practices are reviewed regularly to ensure continuous improvements in the Group's employment standards.

During the Year, the Group was not aware of any material non-compliance with relevant laws and regulations in Hong Kong relating to employment, including but not limited to the Employment Ordinance, the Minimum Wage Ordinance and the Mandatory Provident Fund Schemes Ordinance that would have a significant impact on the Group.

Recruitment, Promotion and Dismissal

As a company providing financial printing services, the Group believes that hiring and retaining qualified employees is the key to its success. Staff Manual is formulated to regulate and standardise employment-related procedures for the Human Resources Department. In line with the needs of business development and the principles of fairness and justice, the Group selects the best and suitable qualified candidates through open recruitment and internal promotion process. The Group applies robust and transparent recruitment processes based on merit selection against the job criteria, and recruits individuals based on their suitability for the position and potential to fulfil the Group's current and future needs.

The Group carries out staff evaluations to assess performance of all employees on an annual basis. The Group gives priority to internal promotion and encourages employees to compete for internal job vacancies. With an effective two-way communication channel, the Group discusses with employees on their performances to better understand their expectations.

The termination of an employment contract is governed by internal policies, including the Staff Manual, and is based on reasonable and lawful grounds. The Group strictly prohibits any unfair or illegitimate dismissals. For those who have unsatisfactory working performance or repeatedly make mistakes, the Group will give verbal warning before issuing a warning letter. For those who show no improvement, the Group will consider dismissing the employees according to relevant laws and regulations.

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As at 31 December 2024, the Group had 92 (as at 31 December 2023: 103) employees, of which all employees are full-time employees and are situated in Hong Kong. The breakdown of employee distribution by gender and age group is summarised as follows:

	As at 31 December 2024		As at 31 December 2023	
	Number	Percentage	Number	Percentage
Gender distribution				
Male	46	50%	50	49%
Female	46	50%	53	51%
Age group distribution				
16–18	–	–	–	–
19–30	15	16%	19	19%
31–45	51	56%	55	53%
46–60	26	28%	28	27%
>60	–	–	1	1%

During the Year, 17 (2023: 23) employees left the Group and the overall turnover rate⁴ was approximately 16% (2023: approximately 18%). The breakdown of turnover rate distribution by gender and age group is summarised as follows:

	2024	2023
Gender distribution⁵		
Male	5%	6%
Female	11%	12%
Age group distribution⁵		
16–18	–	–
19–30	5%	4%
31–45	6%	6%
46–60	4%	6%
>60	1%	2%

Note(s):

4. Overall turnover rate is calculated by applying the following formula:

$$\frac{\text{total no. of employee left the Group during the year}}{\text{total no. of employee at the end of the year} + \text{total no. of employee left the Group during the year}} \times 100\%$$

5. Turnover rate for each specific category is calculated by applying the following formula:

$$\frac{\text{no. of employee left the Group (in the specific category) during the year}}{\text{total no. of employee at the end of the year} + \text{total no. of employee left the Group during the year}} \times 100\%$$

The Group will continue to provide a well-structured and caring environment to its employees so as to raise their sense of belonging and work efficiency in the Group.

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Remuneration and Benefits

The Group understands that a competitive remuneration package together with good benefits and welfare encourages employee retention and fosters a sense of belonging. The Group offers a comprehensive remuneration package for all its employees, and employees are remunerated fairly according to their contributions with reference to the market practice. The Group regularly reviews the remuneration policy to ensure its market competitiveness. Employees are recognised and rewarded according to their individual performance, working experience, respective responsibilities, merits, qualifications, competences and time commitments. The remuneration package includes holidays, annual leave, sick leave, marriage leave, maternity leave, paternity leave, compassionate leave, jury leave, medical scheme, group life insurance scheme, mandatory provident fund and discretionary bonus.

Diversity and Equal Opportunities

The Group is committed to fostering a cooperative and collaborative workplace culture since a diversified workforce is critical for its business. The Group is dedicated to providing equal opportunities in all aspects of employment and maintaining a workplace that is free from discrimination, physical or verbal harassment against any individuals on the basis of race, religion, colour, gender, physical or mental disability, age, place of origin, marital status and sexual orientation. Employees are strongly encouraged to report any suspected cases to protect the rights and interests of each employee. Any forms of sexual harassment or abuse in the workplace are in no way tolerated.

B2. HEALTH AND SAFETY

Being a corporation principally engaged in financial printing services, the Group's businesses do not pose a significant threat to the health and safety of employees. Nonetheless, the Group recognises that the operational efficiency of an enterprise is closely related to the maintenance of a healthy and safe working environment for all employees, thus it endeavours to safeguard the health and safety of its employees and expects all employees to strictly observe its health and safety policies. The Group will continue to review the effectiveness of these policies and maintain a healthy and safe working environment for its employees.

During the Year, the Group was not aware of any material non-compliance with relevant laws and regulations in Hong Kong relating to health and safety, including but not limited to the Occupational Safety and Health Ordinance and the Employees' Compensation Ordinance that would have a significant impact on the Group. In addition, during the Year, there were no work-related fatalities and lost days due to work injury (2023 and 2022: Nil).

Workplace Health and Safety

Although no high-risk or security-sensitive types of work have been identified in the Group's workplaces, the Group understands that employees need to work at a computer for a long period of time every day due to its business nature. Hence, the Group provides employees with occupational health education by circulating Office Safety Guidance issued by the Occupational Safety & Health Council which covers the safe use of display screen equipment and correct working postures and encourages workplace stretching exercises to minimise the risk of work-related injuries and strains. Moreover, the Group has posted reminders for its employees to develop healthy working habits in office such as appropriate body working postures, regular exercises in office and appropriate setting of computer monitors.

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B3. DEVELOPMENT AND TRAINING

Employee Development and Training

The Group endeavours to assist its employees in fulfilling their full potential, as it believes that talents are the key to the future of the Group. The Group is committed to nurturing its talents by providing diversified learning channels. Guidelines on education and training management are clearly provided for the sake of fully empowering its employees with the knowledge and skills required to excel in their professional fields as well as motivating employees to further self-learning, and thereby creating a talent pool which can contribute to the continuous success of the Group.

Aiming to assist employees in continuously developing their capacity through further education, the Group has formulated relevant policies to regulate employee training management. Employees are provided with on-the-job training relevant to their current roles. The Group is committed to increasing job morale as well as job satisfaction among its employees.

During the Year, approximately 2%⁶ (2023: approximately 2%) of the Group's employees participated in continuing professional development ("CPD") programmes. Approximately 0.34 hours⁷ were received by the Group's employees on average (2023: approximately 0.40 hours). The training data of employees by gender and employee category is summarised as follows:

	2024		2023	
	Breakdown of trained employees ⁸	Average training hours ⁹	Breakdown of trained employees	Average training hours
By gender				
Male	—	—	—	—
Female	100%	0.68	100%	0.77
By employee category				
Management	50%	10.13	50%	11.00
General staff	50%	0.13	50%	0.19

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Note(s):

6. Overall percentage of employees trained was calculated by applying the following formula:

$$\frac{\text{total no. of employees who took part in training during the year}}{\text{total no. of employees at the end of the year}} \times 100\%$$

7. Average training hours per employee was calculated by applying the following formula:

$$\frac{\text{total no. of training hours during the year}}{\text{total no. of employees at the end of the year}}$$

8. Breakdown of trained employees by category was calculated by applying the following formula:

$$\frac{\text{no. of employees (in the specified category) who took part in training during the year}}{\text{total no. of employees who took part in training during the year}} \times 100\%$$

9. Average training hours by category was calculated by applying the following formula:

$$\frac{\text{no. of training hours for employees (in the specified category) during the year}}{\text{no. of employees (in the specified category) at the end of the year}}$$

B4. LABOUR STANDARDS

Prevention of Child Labour and Forced Labour

The Group is fully aware that child labour and forced labour violates fundamental human rights and the International Labour Conventions and Recommendations, and poses a threat to sustainable social and economic development. Therefore, the Group strictly complies with all relevant laws and regulations in where it operates.

The Group strictly prohibits the use of child labour by stringently reviewing the actual age of the interviewee during the recruitment process, including the examination of identity documents and detailed records. The Group is committed to complying with the requirements of standard labour contract and does not utilise any other means to unfairly restrict the employment relationship between employees and the Group by following relevant policies.

The Group will conduct investigations, punishment or dismissal of relevant employees immediately when any non-compliance is being discovered. If necessary, the Group will further improve the labour mechanism against illegal behaviours.

Furthermore, employees of the Group work overtime only on a voluntary basis to prevent any breaches of labour standards. Any punishments, management methods and behaviours involving verbal abuse, physical punishment, physical abuse, oppression and sexual harassment against its employees are prohibited for any reasons.

During the Year, the Group was not aware of any material non-compliance with relevant laws and regulations in Hong Kong relating to child and forced labour, including but not limited to the Employment of Children Regulations and the Employment Ordinance that would have a significant impact on the Group.

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B5. SUPPLY CHAIN MANAGEMENT

The Group highly values its relationship with suppliers as they are the key to sustainable development of the Group. To ensure suppliers' fulfilment of the Group's standards and requirements regarding quality, environment and safety, the Group has established a stringent and standardised procurement system that all suppliers are evaluated carefully and subject to regular monitoring and assessments.

The Group's major suppliers are its subcontractors which mainly comprise printing factories and translation companies. Site visits are arranged by the Group where necessary to ensure the manpower and facilities of the suppliers are capable of fulfilling the Group's requirement, and thus ensuring the overall quality of the printed documents is up to standard. In addition, the Group requires its major suppliers to strictly comply with all local laws and regulations in different aspects so as to further eliminate the environmental and social risks of the Group's supply chain. Regular reviews are conducted to ensure the effectiveness of these procedures. During the Year, the Group has 42 (2023: 47) suppliers, of which 41 are based in Hong Kong and 1 is based in the People's Republic of China, and all major suppliers are subject to the suppliers' evaluation and monitoring regularly.

In addition to factors such as technical capabilities, delivery times and price competitiveness of subcontractors, the Group also considers extending environmental and safety requirements and focuses along the supply chain, and requires its subcontractors to focus on their sustainability performance. As a provider of financial printing services, the Group is aware that in its supply chain, high-speed printers emit high concentrations of suspended particulates into the air. The Group will continually review the environmental impact along its supply chain and explore environmental-friendly options in its operations, as well as monitor this practice to ensure its effectiveness. With an objective to minimise the carbon emissions and to support local economy and community, the Group mainly sourced its services locally in Hong Kong. It is in line with the objective stipulated under relevant corporate social responsibility policies to increase the proportion of cooperation with companies which share the common sustainability goals together.

B6. PRODUCT RESPONSIBILITY

Under the competitive environment within the financial printing services industry, expectation on the quality of products and services continues to rise. The Group understands that it can only gain, maintain and enhance its customers' trust and loyalty by creating the most value to its customers in a responsible manner.

During the Year, the Group was not aware of any material non-compliance with relevant laws and regulations in Hong Kong relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress, including but not limited to the Trade Descriptions Ordinance and the Personal Data (Privacy) Ordinance that would have a significant impact on the Group.

Quality Management

Given the Group's business nature, the Group was not involved in the sale of products, therefore disclosures on product recall procedures and number of products subject to recalls for safety and health reasons are not applicable. Nevertheless, quality assurance remains a crucial step in the entire typesetting process. The Group strives to provide customers with quick turnaround to meet challenging deadlines while not achieving it at the expense of quality. The Group has implemented a quality control system through its thorough proofreading service to ensure the accuracy of the typesetting of documents. Production process is continuously reviewed with attention to details to enhance the quality of its financial printing services. To further enhance its competitive edge, the Group actively acquires new facilities and equipment to react to the changing needs of its customers.

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Customer Service

The Group provides services to customers equally regardless of their industries, sales amount and whether they are listed on the Main Board or GEM on the Stock Exchange. In the financial printing service sector, response time and quality of services are critical. Being aligned with relevant corporate social responsibility policies, the Group is committed to fulfilling its customers' satisfaction by the provision of timely responses and high-quality service. The key communication channels described in the section headed "STAKEHOLDER ENGAGEMENT" are in place for collecting customers' opinions which would be duly dealt with. Valid complaints would be investigated before responses are made in a prompt and fair manner. During the Year, the Group did not receive any material written complaints from its customers in relation to the quality of its service (2023: Nil).

Privacy Protection

The Group has routinely handled important, confidential and price-sensitive information related to its customers. Securing customers' information is the most essential element for maintaining good corporate governance and building long-term trust with its customers. As a responsible service provider, the Group adheres to the relevant laws and regulations and expressly reiterates confidentiality obligations in its Staff Manual. Employees are required to sign a confidentiality agreement and are trained to maintain the confidentiality of customers' information. The Group has engaged a confidential material destruction service provider to collect and handle used papers that could possibly contain customers' confidential information. These policies and procedures are reviewed regularly to ensure the effectiveness.

Intellectual Property ("IP") Rights

Despite IP rights not being considered a material ESG aspect to the Group due to the Group's business nature, the IT Department is in charge of securing proper licenses for software, hardware and information the Group uses in its business operation. Duplication or downloading of information, software and images from the internet must be approved by the relevant department. Furthermore, some customers would like to have unique design for their documents. Strong design capabilities enable the Group to develop its brand and differentiate itself from competitors. Its creative artwork adheres to and is protected by the relevant laws and regulations. The Group closely monitors and prevents any infringement behaviours such as counterfeit trademarks in the market. The Group will continue to monitor to ensure that its IP rights are not being infringed upon.

Advertising and Labelling

As a company providing financial printing services, the Group has limited issues on advertising and labelling. In the Group's dealings with its clients, information provided should be complete, true, accurate, clear, and comply with all relevant laws and regulations regarding the proper advertising.

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B7. ANTI-CORRUPTION

The Group believes that the integrity of business is the foundation of corporate social responsibility, as well as a fundamental element for competitive advantage and sustainability. The Group is committed to adhering to the highest possible standards of openness, probity and accountability. Hence, the Group has formulated relevant business conduct and conflict of interest policies requiring all the employees to discharge their duties with loyalty and integrity, and shall not abuse their positions to seek any improper interests.

During the Year, the Group was not aware of any material non-compliance with relevant laws and regulations in Hong Kong relating to bribery, extortion, fraud and money laundering, including but not limited to the Prevention of Bribery Ordinance that would have a significant impact on the Group. In addition, during the Year, there were no concluded legal cases regarding corrupt practices brought against the Group or its employees (2023: Nil).

Recognising that anti-corruption training is essential for creating a healthy corporate culture, the Group has provided relevant training to directors and employees. The Group disseminates the Hong Kong Companies Registry's guidelines on anti-money laundering and counter-terrorist financing to directors and employees via email at least once annually. Such material familiarises directors and employees with their corresponding roles and responsibilities in anti-corruption and business ethics. During the Year, 2 employees engaged with the additional reading materials relating to anti-corruption to develop their anti-corruption awareness and good professional conduct (2023: 2 employees engaged with the additional reading materials relating to anti-corruption).

Whistle-blowing Mechanism

A Whistle-blowing Policy was put into effect for all levels and operations in the Group to show zero tolerance towards corruption and assist individual employees to disclose malpractice or impropriety within the Group. All employees must fully comply with relevant local laws and regulations as well as the Group's own policies on the prevention of corruption. All employees have a responsibility to raise concerns about possible improprieties such as misconduct and malpractice related to the Group and report any suspected violations to a supervisor or senior management. Such policy also aims at protecting whistle-blowers from unfair dismissal, victimisation and unwarranted disciplinary actions. This policy is reviewed regularly to ensure its ongoing effectiveness and alignment with requirements of the current regulations.

B8. COMMUNITY INVESTMENT

Corporate Social Responsibility

As part of strategic development, the Group aims to promote the stability of society and inspire its employees towards social welfare awareness. The Group has established relevant corporate social responsibility policies with the aim to further promote the concept of social responsibility among its employees and the policies have stated that the focuses of the Group's community investment are on social welfare and environmental protection. The Group encourages its employees to participate in volunteer services and fund-raising activities to contribute to the community because it is believed that active responses to charitable programmes and volunteer services can alleviate social problems.

During 2024, the Group donated HK\$3,000 for the Po Leung Kuk Flag Day 2024, which supports social welfare initiatives (2023: HK\$2,568 was donated by its employees for Dress Casual Day 2023).

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INDEX TABLE OF ESG REPORTING GUIDE OF THE STOCK EXCHANGE

Mandatory Disclosure Requirements		Section/Declaration
Governance Structure		BOARD STATEMENT AND ESG GOVERNANCE STRUCTURE
Reporting Principles		REPORTING FRAMEWORK
Reporting Boundary		SCOPE OF REPORTING
Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Statement
A. Environmental		
Aspect A1: Emissions	General Disclosure	EMISSIONS
	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.	
	Note: Air emissions include NO _x , SO _x , and other pollutants regulated under national laws and regulations.	
	Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride.	
	Hazardous wastes are those defined by national regulations.	
KPI A1.1	The types of emissions and respective emissions data.	EMISSIONS — Exhaust Gas Emissions (N/A — explained)
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	EMISSIONS — GHG Emissions

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Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Statement
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	EMISSIONS — Waste Management — Hazardous Wastes (N/A — explained)
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	EMISSIONS — Waste Management — Non-hazardous Wastes
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	EMISSIONS — GHG Emissions
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	EMISSIONS — Waste Management
Aspect A2: Use of Resources	<p>General Disclosure</p> <p>Policies on the efficient use of resources, including energy, water and other raw materials.</p> <p>Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.</p>	USE OF RESOURCES
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).	USE OF RESOURCES — Energy Consumption
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	USE OF RESOURCES — Water Consumption (N/A — explained)
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	USE OF RESOURCES — Energy Consumption
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	USE OF RESOURCES — Water Consumption
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	USE OF RESOURCES — Use of Packaging Materials (N/A — explained)

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Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Statement
Aspect A3: The Environmental and Natural Resources	General Disclosure	THE ENVIRONMENT AND NATURAL RESOURCES
	Policies on minimising the issuer's significant impacts on the environment and natural resources.	
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	THE ENVIRONMENT AND NATURAL RESOURCES — Indoor Air Quality
Aspect A4: Climate Change	General Disclosure	CLIMATE CHANGE
	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	CLIMATE CHANGE — Physical Risks; Transition Risks
B. Social		
Aspect B1: Employment	General Disclosure	EMPLOYMENT
	Information on:	
	(a) the policies; and	
	(b) compliance with relevant laws and regulations that have a significant impact on the issuer	
	relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	
KPI B1.1	Total workforce by gender, employment type (for example, full-or part-time), age group and geographical region.	EMPLOYMENT — Recruitment, Promotion and Dismissal
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	EMPLOYMENT — Recruitment, Promotion and Dismissal

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Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Statement
Aspect B2: Health and Safety	<p>General Disclosure</p> <p>Information on:</p> <ul style="list-style-type: none"> (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer <p>relating to providing a safe working environment and protecting employees from occupational hazards.</p>	HEALTH AND SAFETY
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	HEALTH AND SAFETY
KPI B2.2	Lost days due to work injury.	HEALTH AND SAFETY
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	HEALTH AND SAFETY — Workplace Health and Safety
Aspect B3: Development and Training	<p>General Disclosure</p> <p>Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.</p> <p>Note: Training refers to vocational training. It may include internal and external courses paid by the employer.</p>	DEVELOPMENT AND TRAINING
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	DEVELOPMENT AND TRAINING — Employee Development and Training
KPI B3.2	The average training hours completed per employee by gender and employee category.	DEVELOPMENT AND TRAINING — Employee Development and Training

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Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Statement
Aspect B4: Labour Standards	General Disclosure	LABOUR STANDARDS
	Information on:	
	(a) the policies; and	
	(b) compliance with relevant laws and regulations that have a significant impact on the issuer	
	relating to preventing child and forced labour.	
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	LABOUR STANDARDS — Prevention of Child Labour and Forced Labour
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	LABOUR STANDARDS — Prevention of Child Labour and Forced Labour
Aspect B5: Supply Chain Management	General Disclosure	SUPPLY CHAIN MANAGEMENT
	Policies on managing environmental and social risks of the supply chain.	
KPI B5.1	Number of suppliers by geographical region.	SUPPLY CHAIN MANAGEMENT
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	SUPPLY CHAIN MANAGEMENT
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	SUPPLY CHAIN MANAGEMENT
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	SUPPLY CHAIN MANAGEMENT

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Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Statement
Aspect B6: Product Responsibility	General Disclosure	PRODUCT RESPONSIBILITY
	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.	
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	PRODUCT RESPONSIBILITY — Quality Management (N/A — explained)
KPI B6.2	Number of products and service-related complaints received and how they are dealt with.	PRODUCT RESPONSIBILITY — Customer Service
KPI B6.3	Description of practices relating to observing and protecting IP rights.	PRODUCT RESPONSIBILITY — IP Rights
KPI B6.4	Description of quality assurance process and recall procedures.	PRODUCT RESPONSIBILITY — Quality Management
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	PRODUCT RESPONSIBILITY — Privacy Protection

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Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Statement
Aspect B7: Anti-corruption	<p>General Disclosure</p> <p>Information on:</p> <ul style="list-style-type: none"> (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer <p>relating to bribery, extortion, fraud and money laundering.</p>	ANTI-CORRUPTION
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	ANTI-CORRUPTION
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	ANTI-CORRUPTION —Whistle-blowing Mechanism
KPI B7.3	Description of anti-corruption training provided to directors and staff.	ANTI-CORRUPTION
Aspect B8: Community Investment	<p>General Disclosure</p> <p>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.</p>	COMMUNITY INVESTMENT
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	COMMUNITY INVESTMENT — Corporate Social Responsibility
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	COMMUNITY INVESTMENT — Corporate Social Responsibility