



**Imperium Financial Group Limited**

**帝國金融集團有限公司**

(formerly known as Sun International Group Limited 太陽國際集團有限公司)

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8029)**

**ENVIRONMENTAL, SOCIAL AND  
GOVERNANCE REPORT 2021/2022**

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## 1 SCOPE AND REPORTING PERIOD

This Environmental, Social, and Governance Report (the “ESG Report”) was prepared by Imperium Financial Group Limited (the “Company”) and its subsidiaries (together the “Group”), highlighting its ESG performance, with disclosure reference made to the ESG Reporting Guide as described in Appendix 20 of the Rules Governing the Listing of GEM Securities on The Stock Exchange of Hong Kong Limited (the Listing Rules). The basis of reporting principles – materiality, quantitative and consistency:

- “Materiality” Principle: Materiality assessment was conducted and reviewed annually to assess the relative importance of the ESG topics identified. Topics that are relevant and important to the operation of the Group and stakeholders must be covered in this Report.
- “Quantitative” Principle: If the key performance indicators (KPIs) have been established, they must be measurable and applicable to valid comparisons under appropriate conditions.
- “Consistency” Principle: ESG data presented in This Report are prepared using consistent methodologies over time unless otherwise specified either in text or footnote.

The management and staff of the Group’s respective major functions have participated in the preparation of this ESG Report to assist the Group in identifying relevant and material ESG issues.

This report is designed to enable the shareholders, investors (including potential investors) and the public to have a more comprehensive understanding of the Company’s corporate governance and culture. The Company is willing to take up more social responsibilities to maintain the balance between the interest of shareholders and social benefits. Data contained in this report is derived from various Company’s documents and reports, as well as summary and statistical data provided by the Company subsidiaries.

The principal activities of the Group are the rental of stallions and related land and financial services (including securities and futures brokerage, money lending, asset management services and cryptocurrency business). This ESG report covers the Group’s overall performance in two subject areas, namely, Environmental and Social of business operations in Hong Kong including four offices in Hong Kong (hereafter office operation) between 1 April 2021 to 31 March 2022. During the reporting period, the Group had started a cryptocurrency business by outsourcing the operation of the cryptocurrency miners in Kazakhstan while retaining ownership of the said miners. In Kazakhstan, only the use of electricity was evaluated in this report.

Total floor area coverage for the operation of the Group was 847 m<sup>2</sup> (847 m<sup>2</sup> for offices in Hong Kong).

## **1.1 Stakeholder Engagement and Materiality Assessment**

To identify the most significant aspects for the Group to report on for this ESG report, the Group regularly collects views and discusses ESG issues with stakeholders through a variety of channels, such as engaging in online community and forums, annual general meetings, surveys, and other regular dialogue and meetings. The Group also commissioned an independent third-party consultant to assist in conducting a materiality analysis in ESG aspects, during which frontline staff, suppliers and clients were engaged to gain different prospective and further insights on various ESG aspects and challenges, and have identified the following top material aspects:

1. Employment
2. Water
3. Customer Service
4. Product/Service Quality
5. Anti-corruption

The above aspects were strictly managed through the Group's policies and guidelines, the management process of these ESG aspects will be described in detail in later sections below. Through regular board meetings and meetings among different departments conducted during the reporting period these material ESG issues were discussed and reviewed. The Group will continue to identify areas of improvement in our ESG reporting process and will keep in close communication with its stakeholders to share and exchange ideas for advancing the Group's ESG management and to be prepared for future challenges.

## **1.2 Stakeholders' Feedback**

The Group welcomes stakeholders' feedback on our environmental, social and governance approach and performance. Please give your suggestions or share your views with us via email at [info@8029.hk](mailto:info@8029.hk).

### **1.3 Sustainability Core Values, Mission and Vision**

#### **1.3.1 Core Values**

These core values are created to drive and support the Group's business objectives. They also ensure all employees are aligned with a common understanding of the way they should behave in each situation, providing an overriding sense of purpose and identity within the organization.

Adaptability  
Building Trust  
Communication  
Customer Focus  
Initiating Action  
Work Standards  
Credibility  
Loyalty  
Accountability  
Equality and Respect

VALUES – are nothing without Integrity

#### **1.3.2 Mission**

The Group is committed to placing our clients first in all that we do.

The Group prides itself on achievements and continually strives to improve our performance.

The Group has a dynamic team focused on professionalism and a will to succeed.

#### **1.3.3 Vision**

The Group will:

- Offer a level of service and quality that makes clients want to support us;
- Be a company that the staff is proud to work for;
- Be sought after as a valued partner by our suppliers; and
- Be an employer of people who make positive contributions, add value to the organisation and whose initiative is encouraged.

The Group will continue to uphold its core values in operating its business, with a focus on contributing to the mitigation of climate change and safeguarding staff's occupational health and safety in the next financial year.

#### **1.4 Stakeholder Engagement**

The Group's main stakeholder engagement in ESG promotion includes employees, shareholders, local communities, investors and regulators. The Company shall ensure the communication of the ESG Policy, management strategy and approach of the Company in environmental protection to our stakeholders through different channels including annual general meetings, the Company's website and regular seminars to employees, etc.

#### **1.5 Governance Structure**

The Board is responsible for formulating ESG strategy and reporting, evaluating and determining the Company's ESG related risks, and ensuring that appropriate and effective ESG risk management and internal control systems are in place. Management is responsible for assisting the Board in discharging the above duties and responsibilities, implementing the ESG Policy, and providing confirmation to the Board on the effectiveness of ESG risk management and internal control systems. Management will, where appropriate, delegate ESG responsibilities to officers and managers at departmental levels, or instruct external professionals in the identification and management of its risks and opportunities.

### **2 ENVIRONMENT AND USE OF RESOURCE**

The group's major business is in the provision of financial services. Thus, the environmental impact from the group will be mainly from electricity and fuel consumption by vehicles and other mobile machines, as well as carbon emissions from the cryptocurrency mining business. The group strictly monitors its services and operation to comply with all national and local laws and regulations related to environmental protection.

## 2.1 Air emissions

Below is a list of air emissions of the Group

Emissions	Unit	2022	2021
Nitrogen Oxides (NOx)	Kg	365.98	158.30
Sulphur Oxides (SOx)	Kg	0.38	0.65
Particulate Matter (PM)	Kg	3.60	2.33

### 2.1.1 Greenhouse Gas (GHG) Emissions

Below is a list of GHG emissions of the Group

Scope of GHG	Emissions Sources	Emissions (in tCO <sub>2</sub> e)
Scope 1	Combustion of machines (incl. Vehicles)	67.95
Scope 2	Office Electricity	21.07
	Crypto-related mining cost	19,215.87
Scope 3	Paper Waste Disposal	4.02
<b>Total</b>		<b>19,308.91</b>

### 2.1.2 Business Air Travel

There was no business air travel during the reporting period due to the COVID-19 pandemic.

## 2.2 Use of resources

The Group has not established policies on the efficient use of resources, nevertheless, employees are reminded of resource conservation practices in offices.

### 2.2.1 Energy Consumption

Below is a breakdown of the consumption of fuels and electricity used by the company's operation.

Sources	Consumption in 2022
Diesel	11,368 L
Petrol	13,127 L
Electricity	24,167,206 kWh

### 2.2.2 Water Consumption

Water use was not included as there are no independent water meters for offices on the premises.

### 2.2.3 Energy Use Efficiency Initiatives

The Group has set up procedures and issued formal notice and guidelines to employees for energy saving and control of lighting, computer and printing power during standby and hibernate status in the overall office working setting. The Group will continue monitoring the electricity consumption of stables to explore opportunities to reduce consumption and reminds staff through email to conserve electricity whenever possible. The group aims to achieve a 15% reduction in per capita energy use by 2032 from the base year of 2022.

### 2.2.4 Packaging Material

The Group's business did not involve any use of packaging materials; hence no data nor information is available.



## **2.3 Waste**

### ***2.3.1 Hazardous Waste***

The Group's overall business did not involve in the generation of a significant amount of hazardous waste. The hazardous waste we produced during the reporting period only included toner cartridges, which were collected by the vendor and recycled after use. In this financial year, 10 toner cartridges were recycled. The Group's objective is to achieve a 15% reduction of hazardous waste by 2032 from the base year of 2022.

### ***2.3.2 Non-hazardous Waste***

There was no significant generation of non-hazardous waste. As waste is collected centrally by building management offices, there is no data related to non-hazardous waste.

### ***2.3.3 Waste handling and reduction initiatives***

At office operation, general refuse and waste paper were handled by the building management office. At the Group's equine services operation, medical waste such as sharp needles was collected by licensed contractors, while waste batteries and tyres were returned to suppliers for re-processing or recycling. Domestic waste was collected by licensed waste collectors while manure and wood chips were reused on site.

The Group encourages sharing of resources to fully utilize resources and reduce waste. In its office operation, office supplies are centralized so that supplies such as stationaries, binders and file folders are shared among staff. Old cartridges of printers are returned to suppliers and remanufactured toner cartridges are used. Durable and reusable dishes and tableware are provided in pantries to avoid the usage of disposable items. Recycling bins were also provided during luncheon and other office events.

Overall, the Group recycled 30 kg of waste paper and continued the adaptation and promotion of paper-saving initiatives such as using single-side-used paper for printing drafts and defaulting printers into double-sided printing with double password confirmation. To further encourage office paper recycling, the Group provides ample recycling bins for separate collection of waste office paper. Waste office paper is collected and recycled by licensed recyclers.

## **2.4 Climate change**

Climate change and global warming are the major environmental concerns in the world. Despite having no significant impact on the Group's businesses, the Group still strives to put forward environmental conservation and raise the environmental awareness of the employees.

Since the major business nature of the Group is engaging in money lending, securities, asset management services and cryptocurrency business. Climate change does not have significant impacts on the business directly. With a higher temperature in the future, the Group may need to allocate more spending on cooling.

On the other hand, the Group may experience productivity loss due to increased extreme weather, like typhoons and heavy rain. The Group will review the existing measures for adverse weather conditions and ensure the safety of the employees.

## **3 SOCIAL AND GOVERNANCE**

### **3.1 Employment and labour Practices**

#### ***3.1.1 Employment and turnover***

The Group's current Human Resources policies provide detailed procedures on compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunities, diversity, anti-discrimination, and other employees' benefits and welfare. Periodical review, inspection and update of the human resources policies are conducted to ensure their implementation and effectiveness. The Group did not note any cases of material non-compliance related to employment during the reporting period. The Group strictly complies with national and local laws and regulations, including but not limited to the following regulations:

- Employment Ordinance (Cap. 57);
- Sex Discrimination Ordinance (Cap. 480);
- Disability Discrimination Ordinance (Cap. 487);
- Family Status Discrimination Ordinance (Cap. 527);
- Race Discrimination Ordinance (Cap. 602); and
- Personal Data (Privacy) Ordinance (Cap. 486)

The Group had a total number of 43 employees as of 31 March 2022. The employee compositions (in numbers of employees, excluding independent non-executive directors) by gender, employee category, age group and geographical region were as follows:

<b>Employment Data</b>	<b>2022 (as of 31 March, 2022)</b>	<b>2021 (as of 1 April, 2021)</b>	<b>Turnover rate</b>
Total number of employees	43	42	16.2%
<b>By gender</b>			
Male	24	23	25.0%
Female	19	19	5.2%
<b>By employment type</b>			
Full time	43	42	N/A
<b>By age</b>			
18-25	0	0	0.0%
26-35	11	12	8.3%
36-45	19	17	15.8%
46-55	8	8	0.0%
56 or above	5	5	40.0%
<b>By location</b>			
Hong Kong	43	42	16.2%
<b>By position</b>			
General Staff	30	30	16.6%
Middle Management	8	8	12.5%
Senior Management	5	4	20.0%

### **3.1.2 Compensation and Benefits**

Aligned with the Group's core values, the Group adopted a fair and reasonable approach to remuneration for all managers and employees. The salary package is calculated as the base salary, any allowances with net deductions in respect of any contribution employees might be required by the Mandatory Provident Fund scheme in Hong Kong. Salary is reviewed annually, with consideration of the factors of the economic situations, market trends, the Group's performances, individual job duties and responsibilities.

The working hours in equine services operation is subject to the minimum workplace entitlements in the National Employment Standards, which has a maximum standard working week of 38 hours for full-time employees. Work on statutory holidays due to unforeseen or unavoidable circumstances will be compensated with compensation holidays. All contracts of employment set out terms of remuneration, duration of employment (if applicable), probation (if applicable), hours of work, entitled benefits and welfare, and dismissal obligations.

Employees are entitled to paid leave, long service leave, voluntary leave, maternity/parental leave, compassionate leave, sick leave and carer's leave. Other benefits include staff accommodation, subsidies for company mobile phones, medical insurance and office insurance.

### ***3.1.3 Equal Opportunities***

The Group has policies regarding equal opportunities, anti-discrimination and anti-harassment, formulated by prevailing discrimination and human rights-related laws in Hong Kong. Discriminatory practices are regarded as both illegal and a barrier to effective recruitment and utilization of staff. Equal opportunities are provided to all staff regardless of nationality, race, religion, belief, colour, age, sex or marital status on recruitment, internal transfer, compensation, training and promotion.

Any form of workplace discrimination or harassment is unacceptable and contrary to the Group's policies. Staff may contact the Human Resources Department for any enquiries, grievances or complaints in respect of discrimination arising from recruitment, promotion, transfer, training and termination processes or decisions or grievances related to sexual or disability harassment, and victimization. The Group will promptly commence impartial investigation upon receipt of grievances or complaints. Any breach of the policies will be dealt with fairly and promptly, and the consequences of such breach may include termination of employment.

### ***3.1.4 Employee Relations***

The Group values open communication. Employees are encouraged to engage in discussions regarding employment terms and conditions. Group's development and updates are circulated among employees mainly through social media platforms. Employees also have the freedom to decide whether they would join an employee association. Regular staff gathering activities are organized to enhance their sense of belonging.

### ***3.1.5 Employee Management***

To ensure that superior employee performance is recognised and rewarded, the Group has its policy on performance management. It provides a mechanism for both formal and informal reviews, which provides regular feedback and ensures that related issues are identified and actioned in a constructive and timely manner.

A minimum of two one-on-one meetings are held between employees and their decision or department managers throughout the year, providing a platform for giving and receiving feedback on current performance and discussing any issues impacting performance. An annual performance review is performed to formalize the one-on-one discussions, review actual results achieved against targets and give employees an overall performance rating. Role clarity issues are also reviewed and updated during the review. Director Awards, Long Service Awards and Executive Management Bonus are presented and offered to recognise exemplary or significant contribution by selected employees to the business.

To ensure employees are provided with ample support to achieve the Group and individual goals, employees who fail to meet the Group's standards of work performance or behaviour will be counselled by managers so that issues are promptly identified and corrected.

### ***3.1.6 Employee Health and Safety***

The Group is committed to ensuring the health, safety and welfare of its employees and the timely and effective rehabilitation of injured employees. The Group believes that the achievement of a safe and healthy environment is a collective responsibility and the commitment of all employees is required to ensure the safety of themselves and others in the workplace and the community. During the reporting period, the Group did not note any cases of material non-compliance about health and safety laws and regulations.

For office operation, a periodical fire drill is provided for emergency purposes. No more particular occupational health and safety measures were provided as the office working environment is considered low risk by nature.

During the reporting period, there were no workplace accidents in Hong Kong.

During the past three years, there had been zero work-related deaths.

### ***3.1.7 Employee Training***

The Group is committed to ensuring that employees have the necessary skills to do their jobs and are provided with suitable opportunities for ongoing development, through both informal and formal means, utilising both internal and external resources. During the reporting period, employees engaged in various training on operational policies and procedures, ordinances, rules and regulation updates. Key topics covered by training include:

- Anti-money laundering;
- CPR certification and first-aid training;
- Enforcement case study; and
- Counter terrorist financing.

The Group encourages employees to continue their educational development so as to improve their work performance and value. Apart from training, Vocational Education Sponsorship and Overseas Employee Exchange Program are open for application by permanent employees.

All staff received training and on average, regardless of sex (male or female) and across management positions (senior management, middle management or junior staff), staff received an average of 5 hours of on-site training activities.

Apart from vocational training, internal learning modules are provided to staff and staff are required to complete the anti-corruption module during the company onboarding process.

### ***3.1.8 Labour Standards***

During the reporting period, the Group did not note any cases of material noncompliance relating to preventing child and forced labour. The Group strictly complies with applicable laws such as Employment Ordinance (Cap. 57) in Hong Kong. There was no child nor forced labour in the Group's operation. Job candidates' identity cards, relevant certificates and references are checked to ensure compliance with all applicable laws. There was no non-compliance issue noted regarding labour standards as required by related laws and regulations during the reporting period.

## **3.2 Operating Practices**

### ***3.2.1 Supply Chain Management***

The Group has a procurement policy on the selection of suppliers with lower prices, acceptable quality and its industrial ranking and reputation to ensure that all equipment and consumables such as computer software, hardware and printing machinery, are of good quality, perform consistently and conserve energy. The Group will adopt green procurement initiatives and encourage suppliers to adopt a greener supply chain to reduce environmental and social risks. Procurement managers of the Group are responsible for maintaining the procurement process and implementing the policy. Suppliers are selected and reviewed upon price and quality of purchased items, with three quotations collected for high-value procurements. Suppliers of the office operation focus mainly on the supply of computer software and hardware and other service providers, which are selected based on various factors such as industrial ranking, reputation and ongoing performance. The group did not have any Hong Kong local suppliers, had 1 supplier in Australia and 1 supplier in Kazakhstan.

### **3.2.2 Product Responsibility**

During the reporting period, there were no major changes in policies and the Group did not note any cases of material non-compliance regarding product responsibility and strictly complies with the related laws and regulations, including but not limited to Trade Marks Ordinance (Cap. 559), Copyright Ordinance (Cap. 528) and Competition Ordinance (Cap. 619) in Hong Kong.

#### *3.2.2.1 Intellectual Property (IP) Rights*

Employees must notify the Group of all inventions, discoveries, improvements or other forms of IP made by employees during their employment. IP includes products, patents and even systems and plans developed in the course of employees' employment at the Group. An IP in connection with the business of the Group shall belong to and be the absolute property of the Group with no compensation being due to the employee in respect of the IP. Misuse of IP belongings of the Group is prohibited.

Applications and software on computers are monitored by the I.T. Department which strictly follows IP rights protection policies. At the same time, any other staff is prohibited from loading or altering software on Group assets. On leaving the Group, employees must surrender any Group assets, documents and items containing business information. This includes IP that may have been created whilst working with the Group. Deleting or copying information before leaving is not permitted as IP restrictions continue to apply after employment with the Group has been terminated.

#### *3.2.2.2 Use of Group's Assets*

The Group's code of conduct states that Group assets including goods, money vehicles, computers, phones, e-mail, software, intellectual property or services of the Group's employees (including contractors), must not be used for personal gain. Group properties and merchandise are not allowed to be removed from the Group's premises unless obtained approval. Employee in control of any Group assets, particularly cash or other valuables, are personally responsible for them and must use due care in dealing with those assets, ensuring the utilization of such assets is in the best interest of the Group. The use of Group property to access or distribute potentially offensive or pornographic material will not be tolerated.

#### *3.2.2.3 Data Protection*

According to the Group's code of conduct and policy on the privacy of personal data, all information relating to the Group business obtained by employees in the course of their employment is to be considered confidential unless the Group has officially made the information public. Confidential information includes but is not limited to documents prepared for internal use, commercially sensitive documents

relating to sales, products or merchandising and information obtained verbally whether in formal meetings, during discussions or in any other way. Except as required by law, employees are required to treat all Group information as confidential while they are employed and after their employment with the Group ceases, unless it is in the public domain. The Group was complied with all applicable laws and ordinances regarding personal and consumer data protection and privacy.

#### *3.2.2.4 Advertising and Labelling*

The Group strives to ensure that no misleading or false advertisement and interpretation of its financial products is communicated to customers. The Group signs written agreements with customers that comprise detailed terms indicating a wide range of customers' interests and liabilities.

### **3.2.3 Anti-corruption**

Independent guidelines and compliance manuals are provided to employees about operational policies and procedures relating to bribery, extortion, fraud and money laundering. A periodical compliance audit is performed to monitor the effectiveness of the control of the measures and procedures. Relevant training such as standard practices on anti-money laundering issues are provided to employees on regular basis. During the reporting period, the Group complied with all applicable laws prohibiting corruption and bribery such as the Prevention of Bribery Ordinance (Cap. 201) in Hong Kong. There was no concluded legal case regarding corrupt practices brought against the Group or its employees.

#### *3.2.3.1 Conflict of Interest*

Employees (including contractors and consultants engaged by the Group) of the Group have a potential conflict of interest if, in the course of their employment, any decision they make creates a personal advantage or benefit to themselves or a related third party. When dealing with external suppliers of goods and services to the Group, employees must avoid placing themselves in situations of potential conflict of interests.

Any situation potentially involving a direct or indirect conflict of interest between an employee and the Group should be avoided unless specifically consented to in writing by the employee's general manager.



### *3.2.3.2 Fraud, Corruption and Irregular Transactions*

The Group does not allow any unethical or improper payment practices either to obtain business or for personal gain. Any activities related to fraud, corruption and irregular transactions are prohibited. Employees will not be criticised for the loss of business as a result of resisting making or receiving a bribe or inducement to or from a third party. Employees who believe they know of any fraud, corruption, irregular transactions or breach of ethics have the duty to raise the matter with the general manager. The Group will fully co-operate with any related investigation by law enforcement or regulatory authorities.

### **3.3 Community Investment**

Due to the COVID-19 pandemic, community services are impossible to be carried out. However, the group still actively finds possible opportunities for staff to serve the disadvantaged and is as committed as in previous years for the will to serve the community.