


IMAGI INTERNATIONAL HOLDINGS LIMITED
意馬國際控股有限公司*

(incorporated in Bermuda with limited liability)
(Stock Code: 585)

Environmental, Social and Governance Report
For the year ended 31 December 2017

Imagi International Holdings Limited (the “Company”, “We”, “Our” and “Us”) presents this Environmental, Social and Governance Report (the “ESG Report”) for the year ended 31 December 2017 (the “Reporting Period”) in accordance with Appendix 27 – Environmental, Social and Governance (“ESG”) Reporting Guide (the “ESG Guide”) of the Main Board Listing Rules published by Hong Kong Exchanges and Clearing Limited.

The Board of Directors is overall responsible for the Company’s ESG strategy and reporting. Our management is responsible for monitoring and managing the Company’s ESG-related risks and the effectiveness of the ESG management systems.

SCOPE OF THE REPORT

This Report covers the Company’s principal businesses of financial services in Hong Kong and was prepared in accordance with the “Comply or Explain” provisions of the ESG Guide. The ESG Report only includes ESG factors which are directly controlled by the Company.

MATERIALITY ASSESSMENT

We have engaged our internal stakeholders to identify our relevant ESG issues, and ESG issues considered to be material to our business as well as to our stakeholder are included in this ESG Report.

ESG Aspect of the ESG Guide

Material ESG issue

A. Environmental

A1 Emissions	Waste Management, Greenhouse Gas Emissions
A2 Use of resources	Energy Consumption
A3 The environment and natural resources	Environmental Management

* *For identification purpose only*

ESG Aspect of the ESG Guide

Material ESG issue

B. Social

B1	Employment	Recruitment, Remuneration and Dismissal, Equal Opportunities, Other Employment Policies
B2	Health & safety	Workplace Health and Safety
B3	Development and training	Staff Training and Development
B4	Labour standards	Anti-Child and Forced Labour
B5	Supply chain management	Procurement Management
B6	Product responsibility	Responsible Investment, Data Privacy
B7	Anti-corruption	Anti-Corruption
B8	Community investment	Social Responsibility

ENVIRONMENTAL

Although we are engaged in financial services businesses which have insignificant direct impact on the environment, we take the responsibility of environmental protection by executing various measures to minimize other indirect environmental impact arising from our business activities.

During the Reporting Period, the Company has not identified any material non-compliance of environmental laws and regulations in Hong Kong.

Waste Management

With respect to our business nature, no substantial air emissions and hazardous waste are produced from our operations. General wastes such as paper and office consumables are disposed from our office administrative work. We have incorporated the principles of the “3R” (Reduce Reuse, and Recycle) into our business activities and encourage our colleagues to reduce waste from avoiding excessive procurement of office stationary, controlling paper consumption, to driving behavioural changes.

During the Reporting Period, the major waste produced was paper, of which 728.41 kg were purchased. Used ink cartridges and toners were returned to and recycled by our service provider and the quantity was minimal.

Greenhouse Gas Emissions

The Company emits greenhouse gas (“GHG”) mainly from the consumption of electricity and petrol. During the Reporting Period, the Company emitted 38,636 kg CO₂ equivalent of GHG¹. Regarding the initiatives of reduction of GHG, please refer to the section “Energy Consumption”.

Energy Consumption

The Company seeks to ensure all of its business activities are conducted in an energy-conservative manner. We have put much effort in enhancing our management system to achieve green operations. We keep abreast of new technologies, such as energy efficient computer systems and electrical appliances, which can help reduce electricity consumption. In addition, in an effort to promote staff awareness of sustainability, emphasis has been placed on advocating energy efficient work practices.

During the Reporting Period, the Company mainly consumed two sources of energy, which were electricity and petrol. Electricity was consumed in our offices to provide lighting, air-conditioning and operations of office equipment. Petrol was consumed on a company-owned vehicle for transportation purpose. The amount of consumption was:

Energy Type	Unit	Amount	Intensity (per square feet gross floor area)
Electricity	kWh	47,494	5.70
Petrol ²	Liter	412	N/A ²

With the implementation of various energy-saving initiatives, the Company can benefit from cost saving due to reduced energy consumption, meanwhile promoting environmental-friendly practices in workplace.

Environmental Management

Other than paper consumption from administrative work as well as energy usage, the Company’s business activities have no other significant impacts on the environment and natural resources.

¹ Data of greenhouse gas emissions was calculated with reference to the Greenhouse Gas Protocol issued by the World Business Council for Sustainable Development and World Resources Institute.

² Intensity of petrol consumption is considered non-applicable for reporting owing to its irrelevance to the Company’s principal business activities.

As a responsible corporation, the Company monitors potential environmental risks on an on-going basis. Control measures are in place to detect and mitigate environmental issues throughout our business operations. The idea of green operations is incorporated into our daily business activities which can help further protect the environment. Furthermore, we proactively refresh employees' understanding of the latest environmental requirements, and update our internal policies regularly to ensure our compliance with relevant laws and regulations and enhance our environmental performance.

Other Environmental Matters

Our business activities do not consume significant amount of water. The Company has limited access to water consumption data as it is controlled by the property management agent. Hence, water consumption is considered as immaterial for ESG reporting.

In addition, given the business nature of the Company, no packaging material was used during the Reporting Period.

SOCIAL

Recruitment, Remuneration and Dismissal

Having a stable and effective workforce are the essences of the success of the Company. The Company treasures its loyal and industrious staff members. We aim to attract and retain talents by implementing appropriate remuneration policy which is to reward its employees with reference to their qualifications, experience and work performance as well as to the market benchmarks. In addition to basic salaries, incentives in the form of bonus and share options may be offered to eligible employees on the basis of individual performance and the Company's business results. With regards to employee dismissals and terminations, relevant employment rules and regulation stipulated in Hong Kong are strictly followed.

Equal Opportunities

We adopt non-discriminatory hiring and employment practices and strictly prohibit discrimination of any kind. We promote a diversified work force and career development opportunities are provided on merits.

Other Employment Policies

Working hours, leaves, remuneration and other employment practices are reviewed regularly to ensure the compliance with latest labour laws and regulations and the norms of the market where the group operates.

During the Reporting Period, we have not identified any material non-compliance of labour laws and regulations.

Workplace Health and Safety

The Company maintains a high standard of occupational safety and health and is devoted to providing a safe and healthy workplace for all staff members.

Although the Company's operations as a financial services provider do not involve high risk activities, we keep abreast of the latest occupational safety and health (OSH) practices at office, including indoor air quality, lighting, office equipment and fire safety. If health and safety incident occurs, it will be reported to management and promptly dealt with. In addition, we offer medical insurance benefits to all staff to ensure they have insurance coverage in case of health issues. All these measures can assist the Company in retaining valuable human resources.

During the Reporting Period, we have not identified any material non-compliance of occupational safety and health-related laws and regulations.

Staff Training and Development

Recognizing the vitality of employees to the success of our business, the Company emphasizes on staff's capabilities and competitiveness for the mutual development of both the organization and themselves. As such, we emphasize the importance of sufficient and adequate training to our staffs' holistic development and fulfilment of their job duties. We also encourage our staff to pursue external training at accredited professional institutions so as to obtain up-to-date market information, knowledge and techniques. Subsidies are provided to aid staff with such pursuit if necessary. Furthermore, on-job training is provided to our staff in order to maintain and enhance our work quality.

Anti-Child and Forced Labour

We do not engage in or tolerate any use of child or forced labour in our operations. All employees are recruited in strict compliance with local labour laws and regulations and their positions are bounded by legal contracts with detailed terms and conditions of employment to protect both the interests of the employees and the Company. In addition, control measures on human resources process are in place to prevent the employment of child or forced labour.

During the Reporting Period, we have not identified any material non-compliance of child and forced labour-related laws and regulations.

Procurement Management

The Company encourages its suppliers, service providers and business partners to maintain a high standard of business ethics and conduct and manage the environmental and social issues arising from their business operations. In view of our business nature, we do not have any major supplier that has significant influence on our operations. However, we strive to maintain a fair and cooperative relationship with our suppliers. During the supplier selection process, we assess the suppliers' performance in handling environmental and social matters and priority is given to those with satisfactory performance. In addition, we periodically evaluate the performance of the suppliers and inform them to take remedial measures if sub-standard performance is noted.

Responsible Investment

The Company is currently developing the integrated financial services as its principal businesses, including money lending, security brokerage and margin financing, with the securities investment and proprietary trading business currently in operation.

The Company upholds the principle of maximizing shareholders value and therefore its investment and trading strategies are set to achieve this purpose. We strive to obtain satisfactory returns for our investors and run our businesses ethically, meanwhile maintaining openness and integrity in our dealings.

Data Privacy

The Company respects data privacy of its employees, suppliers, business partners and customers. We safeguard the privacy of both personal and business data. In particular, we strictly adhere to the Personal Data (Privacy) Ordinance ("PDPO") in Hong Kong. We strictly prohibit the use of any personal information of clients by other parties for direct marketing purposes if unlawful or without explicit and implicit consent of the clients.

During the Reporting Period, we have not identified any material non-compliance of product responsibility as required by relevant laws and regulations.

Anti-Corruption

Business ethics and integrity are the core values of the Company in conducting its business. The Company does not tolerate corruption, bribery, extortion, money-laundering and other fraudulent activities and various control measures (including the establishment of whistle-blowing channel) are in place to prevent and detect these activities.

The Company's anti-corruption policies are clearly stipulated in the staff handbook. All of the employees are required to comply with these policies under any circumstances.

During the Reporting Period, we have not identified any material non-compliance of anti-corruption-related laws and regulations.

Social Responsibility

The success of our business is attributable to the prosperity of society. As a responsible company, we care for the development of the community in which we operate and aim at promoting a harmonious relationship between the Company and the society. We encourage our employees to participate in charitable activities and to make contributions by both financial and non-financial means such as volunteering, donating money or used items. We will support the employees to organize and participate in charitable initiatives as long as they are in alignment of our core values.