



Astrum Financial Holdings Limited

阿仕特朗金融控股有限公司

(incorporated in the Cayman Islands with limited liability)

Stock Code: 8333

Environmental, Social
and Governance Report

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Astrum Financial Holdings Limited (the “Company”, together with its subsidiaries referred to as the “Group”) regards corporate social responsibilities as one of its core values in the sustainable development of its business operations. The Group strives to combine corporate social responsibility with its business strategy and management with the aim to create positive values for its shareholders and customers.

The Group is principally engaged in the provision of securities dealing and brokerage services, placing and underwriting services, corporate finance advisory services, financing services and asset management services. As the Group’s primary activities are office-based, the potential direct environmental impact is minimal and there are no laws and regulations in Hong Kong that have a significant impact on the Group in this respect. However, the Group is dedicated to cultivating a green, healthy and safe work place for its employees while placing a strong awareness towards protecting the environment.

This report covers the overall performance of the Group in environmental, social and governance aspects for the period from 1 January 2016 to 31 December 2016 (the “Year”).

ENVIRONMENTAL PROTECTION

The operating activities of the Group is mainly conducted in the office located in Hong Kong with gross floor area of approximately 3,600 square feet. The business of the Group does not involve direct air and greenhouse gas emissions, discharges into water and land, or generation of hazardous waste. The major non-hazardous waste is office paper and the Group has adopted various practices to reduce the consumption of paper. During the Year, the Group had no non-compliance cases regarding violation of relevant environmental laws and regulations.

The Group is committed to protecting the environment. The Group has identified areas of environmental impacts attributable to its operations, and adopted various measures to reduce energy and other resources, minimize waste and increase recycling. The Group also educates its employees on their awareness of promoting a “green” environment. Steps have been taken to reduce energy use in the workplace by using energy-efficient LED lighting, switching off the lights in vacant office areas, switching off the air conditioning after office hours, and setting the air-conditioning system at an optimal temperature.

The Group is also creating a paperless working environment to reduce environmental damage by reminding employees to “think before you print” and assess the need of printing. Where appropriate, duplex printing is used, and reusing any single-side printed papers for copying is recommended. The Group has long been encouraging its securities trading customers to receive daily and monthly statements by email. A majority of the customers have agreed to receive e-statements which in turn help reduce printing and mailing of statements. The Group is committed to continuing to reduce paper consumption.

EMPLOYMENT AND LABOUR PRACTICE

Employment

The Group regards its employees as the most valuable assets and resources. It believes that a balanced workforce is crucial for building a sustainable business model and delivering long term returns. As the business operation of the Group is conducted in Hong Kong only, all employees of the Group are based in Hong Kong.

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As at 31 December 2016, the Group had 21 employees (excluding self-employed account executives). Composition of the workforce of the Group is as follow:

Age group	Male	Female	Total
18-35	3	4	7
36-55	8	4	12
56 or above	1	1	2
Total	12	9	21

During the Year, two employees left the Group. Composition of resigned employees is as follow:

Age group	Male	Female	Total
18-35	0	0	0
36-55	1	0	1
56 or above	0	1	1
Total	1	1	2

The Group enters into written employment contracts with all employees which set out the employees' responsibilities, remuneration and grounds for termination of employment. Staff handbook is also in place to deal with compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other benefits and welfare. The Group provides a good working environment for its employees, including a workplace free from discrimination and harassment, and allows equal opportunities among all employees along with competitive remuneration. The Group also advocates work-life balance, which is essential for sustainability and a sound body and mind of every employee. To support employees in maintaining a work-life balance, the Group organised a variety of staff activities such as badminton games, hiking, festive celebrations and an overseas trip during the Year. This helped strengthen the relationships among the employees and therefore cultivating a harmonious working environment.

During the Year, the Group complied with Employment Ordinance (Cap. 57 of the Laws of Hong Kong), Mandatory Provident Fund Schemes Ordinance (Cap. 485 of the Laws of Hong Kong) and Employee's Compensation Ordinance (Cap. 282 of the Laws of Hong Kong).

Health and Safety

The Group values the healthiness and well-being of its employees. To maintain a safe and comfortable working environment, the Group keeps good ventilation throughout the office, arranges routine carpet cleaning, installs sufficient lighting in each work station, and provides sufficient first-aid kit at office. In addition to employees' compensation insurance, the Group also provides general medical insurance to its employees which covers in-patient, out-patient, Chinese medicine treatment and dental treatment. During the Year, the Group organised a health check program for its employees and there was no work related injuries, fatalities or lost days due to work injury.

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Development and Training

The Group recognises the importance for its employees to actively pursue professional trainings to enhance their technical knowledge and keep abreast of the latest developments of the financial market in Hong Kong. The Group is obliged to comply with various ordinances, rules and guidelines including but not limited to the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the “SFO”), the Personal Data (Privacy) Ordinance (Cap. 486 of the Laws of Hong Kong), the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”) and the Guideline on Anti-Money Laundering and Counter-Terrorist Financing issued by the Securities and Futures Commission (the “SFC”).

The Group also observes the Guidelines on Continuous Professional Training set out under section 399 of the SFO. It also adheres to the code provision A.6.5 of the Corporate Governance Code under Appendix 15 to the GEM Listing Rules whereby all directors are required to participate in professional training to update and refresh their knowledge and skills. The Group supports and encourages its directors, responsible officers, licensed representatives and employees in fulfilling their respective professional training requirements by attending training programmes organised in-house or by various professional bodies and by pursuing educational or training opportunities that result in personal and professional development.

During the Year, the Group conducted in-house seminars and trainings covering anti-money laundering, updates to laws, codes, rules and regulations, and other topics related to regulated activities carried out by the Group in order for employees to maintain the highest standard of professional conduct and ethics. The Group also conducted monthly meetings to provide employees on the latest updates of relevant laws and regulations and to allow employees to openly discuss any issues concerning the latest developments and their impact on the Group’s operations.

Labour Standard

The Group strictly complies with the Employment Ordinance (Cap. 57 of the Laws of Hong Kong). Personal data collected during recruitment process will be used solely for the purpose of selection of suitable candidates. Verification of personal data, including checking on identification documents, original certificates and internet search, will also be conducted to ensure that information provided by candidates is true and correct and there is no child or forced labour.

During the Year, the Group had no non-compliance cases regarding violation of relevant child labour and forced labour laws.

OPERATING PRACTICE

Supply Chain Management

The Group has maintained good practice to select and evaluate its suppliers and their engagements. Due to the business nature of the Group, the Group mainly purchases office equipment and office supplies in Hong Kong through suppliers according to the quality of goods and services provided.

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Compliance with Laws and Regulations

The Group is committed to complying with relevant laws and regulations under the regulatory regime for the financial service industry, all applicable provisions of the SFO and its supplementary rules and regulations as well as the codes and guidelines issued by the SFC, in particular, Securities and Futures (Client Securities) Rules (Cap. 571H of the Laws of Hong Kong), Securities and Futures (Client Money) Rules (Cap. 571I of the Laws of Hong Kong) and Securities and Futures (Financial Resources) Rules (Cap. 571N of the Laws of Hong Kong). The Group is also in compliance with the GEM Listing Rules with respect to listing matters, Employment Ordinance (Cap. 57 of the Laws of Hong Kong) in relation to employment and Hong Kong Companies Ordinance (Cap. 622 of the Laws of Hong Kong).

Customer Services

The Group commits to providing professional service to customers after understanding the characteristics and risks of their investments. During the account opening process, account executives perform thorough “know-your-client” checks and explain to customers inherent risks of investments in different markets. The Group also promptly delivers daily and monthly statements and notices to customers through emails while mailing service is still available upon request. Customers can also access their trading account with the latest trading transaction and position through private login to online trading platform of the Group or telephone enquiry with account executives. During the Year, the Group did not receive any complaints from its customers.

Protection of Customers’ Data

The Group places vast importance on protecting the privacy of its customers, partners and employees in the collection, processing and use of their personal data. The Group adheres to the applicable data protection regulations and ensures that customers’ personal data is securely kept and processed only for the purposes of which it has been collected.

Anti-corruption

The Group fosters an ethical corporate culture and prevents any unethical trading activities. The Group has adopted a whistleblowing policy and other procedures to raise concerns about possible suspected business irregularities. The Group encourages its employees to report to the compliance officer of the Group when suspected wrongdoings are identified, and to report to law enforcement authorities when necessary. During the Year, there was no legal case regarding corrupt practices nor any case of corruption found or reported.

Anti-money Laundering

The Group complies with all applicable anti-money laundering laws and regulations in Hong Kong including the Anti-Money Laundering and Counter-Terrorist Financing (Financial Institutions) Ordinance (Cap. 615 of the Laws of Hong Kong) and the Guideline on Anti-Money Laundering and Counter-Terrorist Financing issued by the SFC.

Being a licensed corporation under the SFC with client money holding in the trust account, the Group formulates strict policies to deal with the anti-money laundering and counter-terrorist financing during account opening procedures, customers due diligence, and receipt and withdrawal of client money.

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COMMUNITY ENGAGEMENT

The Group is aware of the community's needs and takes up its corporate social responsibility with best efforts to make contribution to the community by sponsoring community activities and making donations to various charitable organisations.

The Group encourages its employees to reach out to the community by taking part in social and charitable activities. Certain employees of the Group participated in the Oxfam Trailwalker in November 2016 to raise funds for Oxfam.

During the Year, the Group also supported a wide range of community sponsorship and donation programmes. The Group made contributions to the Community Chest, Ten Percent Donation Scheme Foundation, H.K. Youth Cultural & Arts Foundation Limited, The Hong Kong Society for the Blind and Oxfam Trailwalker.