

GLOBAL MASTERMIND
環球大通

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

(Incorporated in the Cayman Islands with limited liability)
Stock Code: 8063



Environmental, Social
and Governance Report

2017

*For identification purposes only

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About this Report

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

PREPARATION BASIS AND SCOPE

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

This Report summarises the performance of the Group in respect of corporate social responsibility, covering its operating activities which are considered material by the Group – (i) travel business, treasury management business, money lending business and securities brokerage business in Hong Kong, and (ii) travel business in Singapore. With the aim to optimise and improve the disclosure requirements in the Report, the Group has taken initiative to formulate policies, record relevant data as well as implement and monitor measures. This Report shall be published both in Chinese and English on the website of the Company and GEM of The Stock Exchange of Hong Kong Limited. Should there be any discrepancy between the Chinese and the English versions, the English version shall prevail.

REPORTING PERIOD

This Report demonstrates our sustainability initiatives during the reporting period from 1 January 2017 to 31 December 2017.

CONTACT INFORMATION

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

Global Mastermind Holdings Limited is an investment holding company and its subsidiaries are principally engaged in the provision and operation of travel business in Hong Kong and Singapore, treasury management business, money lending business and securities brokerage business in Hong Kong.

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

Stakeholders Engagement

Stakeholder engagement is an integral part of the Group's approach to sustainable development. The Group maintains ongoing dialogue with our key stakeholders, including employees, customers, business partners, shareholders, suppliers, government and the community. The Group has developed various communication channels, both formally and informally, to understand the concerns and expectations of our stakeholders. All the feedbacks and communication help us to better formulate our strategies in respect of sustainability and serve as the reference of materiality assessment in this Report.

Given the nature of our businesses, the impacts on the environment and natural resources are not significant. In spite of this, we are committed to minimising our environmental impacts by responsibly managing our business operations, reducing our carbon footprint and using resources effectively.

During the reporting period, the Group was not aware of any specific laws and regulations that had significant impact on the Group related to air and greenhouse gas emission, discharges into water and land, generation of hazardous and non-hazardous waste.

EMISSIONS

Greenhouse Gas (“GHG”) Emission

Greenhouse gas contributes to global warming and associated climate changes. The major source of our GHG emission is the indirect emission through electricity consumption for our office operations. In order to improve energy efficiency and reduce energy consumption, we have managed the carbon footprint by adopting energy saving initiatives which will be further elaborated in the section “Use of Resources” of this Report.

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

Type of GHG emission	Unit	Hong Kong	Singapore	Total
Scope 1 ¹	tonnes of CO ₂ e	–	–	–
Scope 2 ²	tonnes of CO ₂ e	32.44	60.01	92.45
Total	tonnes of CO₂e	32.44	60.01	92.45
GHG Intensity	tonnes of CO ₂ e/ employee ³	0.93	0.74	0.80

Hazardous and Non-hazardous Wastes

Our operations are mainly office-based and do not generate any hazardous waste. The non-hazardous wastes generated by the Group are mainly general domestic waste and recyclable waste. The Group recognises the importance of waste reduction and strives to minimise the amount of waste generated and the impacts on the environment. The Group has actively introduced waste management measures according to 3R concepts – “Reduce, Reuse and Recycle” as follows:

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

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

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

³ The intensity refers to tonnes of carbon dioxide equivalent (CO₂e) per the total number of employees at the end of the reporting period.

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

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

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

Type of waste	Unit	Hong Kong	Singapore	Total
Non-hazardous waste	tonnes	0.45	0.25	0.70
Non-hazardous waste intensity	tonnes/employee ⁴	0.013	0.003	0.006

USE OF RESOURCES

The Group attaches great importance to efficient utilisation of resources by adopting various energy and water efficiency initiatives and encouraging our employees to incorporate green concept into daily operations.

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

Energy consumption

The sole energy consumption of the Group is purchased electricity. In view of the scarcity of resources, we have advocated various energy conservation strategies to improve energy efficiency and reduce energy consumption as follows:

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

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

Type of energy consumption	Unit	Hong Kong	Singapore	Total
Purchased electricity	MWh	49.37	141.40	190.77
Total	MWh	49.37	141.40	190.77
Energy intensity	MWh/employee ⁵	1.41	1.75	1.64

Water consumption

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

THE ENVIRONMENT AND NATURAL RESOURCES

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

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

EMPLOYMENT AND LABOUR PRACTICES

Employment

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

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

Competitive Benefits and Remuneration

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

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

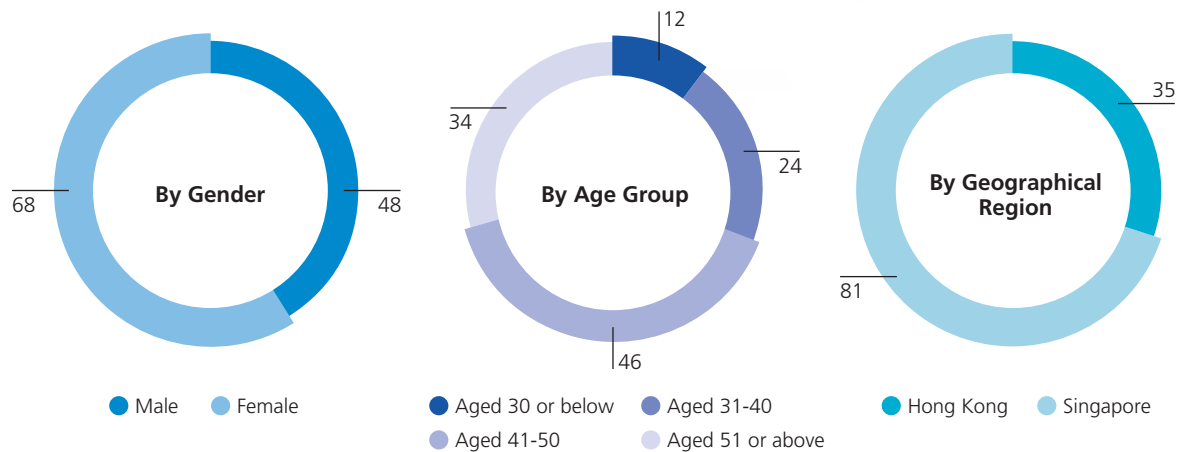
The Group is in strict compliance with all the applicable laws and regulations, including the Employment Ordinance, the Mandatory Provident Fund Schemes Ordinance and the Minimum Wage Ordinance in Hong Kong, and the Employment Act in Singapore.

Equal Opportunities, Diversity and Anti-discrimination

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

The Group fully complies with all applicable laws and regulations, including the Sex Discrimination Ordinance, the Family Status Discrimination Ordinance, the Race Discrimination Ordinance and Disability Discrimination Ordinance in Hong Kong, and the Employment Act in Singapore.

As at 31 December 2017, the employee compositions (in numbers of employees) by gender, age group and geographical region were as follows:



Health and Safety

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

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

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

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

Development and Training

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

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

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

Labour Standards

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

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

OPERATING PRACTICES

Supply Chain Management

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

Service Responsibility

The Group regards service quality as one of the key competitive advantages of its businesses and makes every effort to improve the qualities of services provided. The qualities of services are regularly assessed by management teams. In the event of receiving complaint, the Group will take prompt actions to investigate the issue and carry out remedial action plans.

The Group upholds the principle of fair competition and prohibits any improper business conduct such as disseminating false, misleading and incomplete information. Before publishing marketing information of our services, such information are reviewed by our senior executives to ensure they comply with applicable laws and do not contain any false information or misleading statement. We adhere to all the applicable laws and regulations, including the Travel Agents Ordinance, the Money Lenders Ordinance, the Money Lenders Regulations and the Securities and Futures Ordinance in Hong Kong, and the Travel Agents Regulations in Singapore.

The Group recognises the importance of personal data protection. We are in strict compliance with the Personal Data (Privacy) Ordinance in Hong Kong and the Personal Data Protection Act in Singapore. The personal information of clients is treated as confidential and maintained with due care. It shall only be accessed by authorised personnel and used for authorised business purposes.

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

Anti-Corruption

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

During the reporting period, no legal case concerned with corrupt practices was brought against the Group.

COMMUNITY

Community Investment

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

Environmental, Social and Governance Reporting Index

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

Subject areas, aspects, general disclosures and Key Performance Indicators (KPIs)		Section	Pages
B. Social			
Employment and Labour Practices			
B1: Employment			
<u>General Disclosure</u>		<u>"Employment and Labour Practices – Employment"</u>	8
KPI B1.1	Total workforce by gender, employment type, age group and geographical region	<u>"Employment and Labour Practices – Employment"</u>	8
KPI B1.2	Employee turnover rate by gender, age group and geographical region	Not disclosed	N/A
B2: Health and safety			
<u>General Disclosure</u>		<u>"Employment and Labour Practices – Health and Safety"</u>	9
KPI B2.1	Number and rate of work-related fatalities	No case of work-related fatality was noted.	N/A
KPI B2.2	Lost days due to work injury	No case of lost days due to work injury was noted.	N/A
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	<u>"Employment and Labour Practices – Health and Safety"</u>	9
B3: Development and Training			
<u>General Disclosure</u>		<u>"Employment and Labour Practices – Development and Training"</u>	10
KPI B3.1	The percentage of employee trained by gender and employee category	Not disclosed	N/A
KPI B3.2	The average training hours completed per employee by gender and employee category	Not disclosed	N/A
B4: Labour Standards			
<u>General Disclosure</u>		<u>"Employment and Labour Practices – Labour Standards"</u>	10
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour	<u>"Employment and Labour Practices – Labour Standards"</u>	10
KPI B4.2	Description of steps taken to eliminate such practices when discovered	<u>"Employment and Labour Practices – Labour Standards"</u>	10
Operating Practices			
B5: Supply Chain Management			
<u>General Disclosure</u>		<u>"Operating Practices – Supply Chain Management"</u>	10
KPI B5.1	Number of suppliers by geographical region	Not disclosed	N/A
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	Not disclosed	N/A

Subject areas, aspects, general disclosures and Key Performance Indicators (KPIs)		Section	Pages
B6: Product/Services Responsibility			
<u>General Disclosure</u>		<u>"Operating Practices – Service Responsibility"</u>	10
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	No products sold or shipped due to nature of the Group's businesses	N/A
KPI B6.2	Number of products and service related complaints received and how they are dealt with	No service related complaint was received.	N/A
KPI B6.3	Description and practices relating to observing and protecting intellectual property rights	Not disclosed	N/A
KPI B6.4	Description of quality assurance process and recall procedures	<u>"Operating Practices – Service Responsibility"</u>	10
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	<u>"Operating Practices – Service Responsibility"</u>	10
B7: Anti-corruption			
<u>General Disclosure</u>		<u>"Operating Practices – Anti-corruption"</u>	11
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the case	No concluded legal case regarding corrupt practices was noted.	N/A
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	<u>"Operating Practices – Anti-corruption"</u>	11
Community			
B8: Community Investment			
<u>General Disclosure</u>		<u>"Community – Community Investment"</u>	11
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)	Not disclosed	N/A
KPI B8.2	Resources contributed (e.g. money or time) to the focus area	Not disclosed	N/A