

# Corporate Social Responsibility Report



## ABOUT CORPORATE SOCIAL RESPONSIBILITY REPORT

This report is the fourth corporate social responsibility report issued by the Group. It aims to set out the principles and performance of the Group in relation to sustainable development in fulfilling its corporate social responsibility in 2020 and respond to material issues of concern to key stakeholders. Please see the “Corporate Governance Report” section of this annual report or visit the official website of the Group (<http://www.bocomgroup.com/>) for details of the Group’s corporate governance.

### Scope of Report

Unless specified otherwise, the scope of disclosure of this report covers the businesses directly controlled by the Group in Hong Kong (excluding the mainland businesses of the Group in the PRC). The time range is from 1 January 2020 to 31 December 2020 (the “Reporting Period”). In order to enhance the completeness of the report, some of the content is appropriately traced backward or forward.

### Basis of Preparation

This report has been prepared in accordance with the principles of materiality, quantitative, balance and consistency as set out in Appendix 27 Environmental, Social and Governance Reporting Guide (2016 Edition) (the “Guide”) under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. This report is in compliance with the “comply or explain” provisions set out in the Guide, and describes the environmental and social impacts arising from the business and operating activities of the Group.

### **Materiality**

The Group identified material issues related to the Group through a materiality assessment procedure and made relevant disclosure in this report. Such procedure included: identifying sustainable development issues related to the Group and key stakeholders, inviting all stakeholders and the Board to prioritise the sustainable development issues in order of importance and carry out analysis on material issues, etc. This report has been prepared by focusing on the material issues verified by the Board. For details on the materiality assessment procedure, please refer to the section headed “Stakeholder Engagement” in this report.

### ***Quantitative***

In order to comprehensively evaluate the Group's performance in environmental, social and governance (ESG) aspects during the Reporting Period, the Group made disclosure regarding the applicable quantitative key performance indicators as set out in the Guide, and explained the standards, methods, assumptions and calculation tools adopted for such quantitative key performance indicators, including the source of key conversion factors.

### ***Consistency***

This report has adopted, as far as practical, the same data statistical and collection methodologies with those applied for the previous reporting period to provide meaningful comparison of our performance during the Reporting Period for all stakeholders.

### ***Opinion***

We value your feedback on this report. If you have any enquiries or valuable suggestions for this report, please feel free to contact us by:

Email: [ir@bocomgroup.com](mailto:ir@bocomgroup.com)

Address: 9/F, Man Yee Building, 68 Des Voeux Road Central, Hong Kong



## SUSTAINABLE DEVELOPMENT GOVERNANCE

### SUSTAINABLE DEVELOPMENT OBJECTIVES

The Group is committed to developing itself into a comprehensive wealth management and financial services institution with global influence and market competitiveness in the region, and makes strenuous efforts to enhance the sustainability and competitiveness of its business. While developing its business, the Group also seeks to concurrently fulfil its environmental and social responsibilities and continuously promote the sustainable development of the Group.

The Group adheres to its original intention of creating sustainable value for all stakeholders in four major areas, and is constantly pursuing its further goals:

#### STEADY MANAGEMENT

Safeguarding compliance operations, seizing market opportunities, continuously optimising products and services, and enhancing customer experience

#### CARE FOR EMPLOYEES

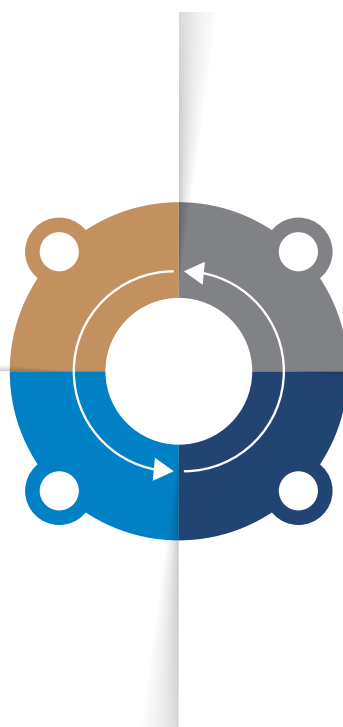
Creating a working environment full of humanistic care and building an efficient and collaborative elite team

#### CARE FOR THE COMMUNITY

Supporting community growth, with the aim of promoting socially sustainable development

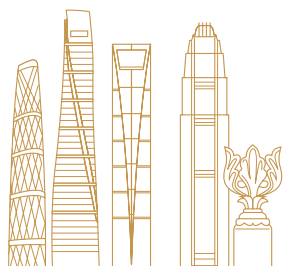
#### CARE FOR THE ENVIRONMENT

Committed to reducing the environmental impact of business operations, supporting green finance business and comprehensively enhancing the environmental performance of the Group



#### The implementation of sustainable development objectives during the Reporting Period:

Steady Management	<ul style="list-style-type: none"> <li>Strengthening risk management and control to ensure smooth business operation and balance risks and returns</li> <li>Launching the "BOCOMI Services App" to provide customers with around-the-clock services and optimise online services</li> </ul>
Care for Employees	<ul style="list-style-type: none"> <li>Attaching great emphasis to employees' health and well-being, and working together with the staff to fight against the COVID-19 pandemic</li> <li>Strengthening business ethics, anti-corruption and anti-money laundering trainings to regulate compliance with high ethical standards in business practices by employees</li> </ul>
Care for the Environment	<ul style="list-style-type: none"> <li>Implementing low-carbon operation measures to proactively combat climate change</li> <li>Assisting in three green bond issuance projects to support the development of green industries</li> </ul>
Care for the Community	<ul style="list-style-type: none"> <li>Supporting the community in the fight against the COVID-19 pandemic through a diverse range of initiatives during these challenging times</li> </ul>



### ENVIRONMENTAL, SOCIAL AND GOVERNANCE SYSTEM

The Group proactively incorporates the concept of sustainable development into its corporate governance framework, and has established the ESG-related issue governance structure led by the Board. The Board is fully responsible for the Group's ESG strategies and reporting, and has authorised its subordinate ESG Task Force ("Task Force") to assist in performing such duties. The Task Force consists of an Executive Director (who is also a member of senior management, acting as the leader), the Executive Office (acting as the secretariats) and representatives of seven other relevant functional departments/organisations. In daily operations, the Task Force performs its duties in accordance with the Administrative Measures for the Environmental, Social and Governance (ESG) Task Force (the "Administrative Measures for Task Force"), and regularly reports to the Board.

The Administrative Measures for Task Force aims to specify the responsibilities of the Task Force members and reporting procedures for sustainable development work. In order to further promote the sustainable development work of the Group, the Task Force members discussed the amendments to the Administrative Measures for Task Force during the Reporting Period, including updating the responsibilities of the Task Force, so as to strengthen the Board's engagement in the ESG-related work and continuously facilitate the implementation of the sustainable development governance concept and the relevant strategies by the Group.

The major duties of Task Force are as follows:

- to assist in identifying, evaluating and prioritising the Group's material ESG-related issues, and report the results of materiality assessment to the Board for confirmation;
- to assist the Board in analysing the potential risks and opportunities from the material ESG-related issues on the Group's business strategy and establishing an appropriate and effective ESG risk management and internal control system;
- to assist the Board in setting up the Group's ESG-related objectives, and carry out regular assessment of the progress on achieving these objectives;
- to prepare and submit an annual corporate social responsibility report to the Board for approval and ensure that the report meets regulatory requirements; and
- to assist the Board in formulating and reviewing the existing ESG governance approaches and strategies as appropriate.

During the Reporting Period, the Task Force also conducted one meeting and a work interview to discuss the amendments to the Administrative Measures for Task Force and matters related to the 2020 ESG disclosure of the Group.



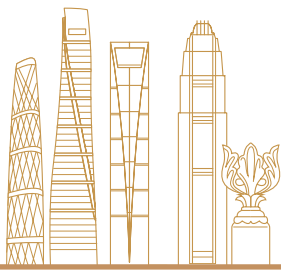
## STAKEHOLDER ENGAGEMENT

The Group understands that support from all stakeholders are essential for sustainable corporate development, thus we make great efforts to maintain effective communication with our stakeholders and ensure that we understand their concerns and expectations in a timely manner, so that we may take their opinions into consideration when developing and implementing sustainable development strategies. In the past year, we have upheld the spirit of mutual interaction, and communicated with internal and external stakeholders through a diverse range of channels.

### Communication Channels with Stakeholders

Regulatory Authorities	<ul style="list-style-type: none"> <li>• Meetings</li> <li>• Written Responses to Public Consultations</li> <li>• Compliance Reports</li> </ul>
Company Employees	<ul style="list-style-type: none"> <li>• Performance Appraisals</li> <li>• Meetings and Interviews/Briefings</li> <li>• Seminars/Workshops/Lectures/Trainings</li> <li>• Team Building Activities/Volunteer Activities</li> <li>• Outstanding Employee Award and Recognition Events</li> </ul>
Customers	<ul style="list-style-type: none"> <li>• Customer Satisfaction Surveys and Feedback</li> <li>• Customer Service Centres/Intelligent Customer Service Robot</li> <li>• Daily Operations/Interactions</li> <li>• Telephone/E-mail Communication</li> </ul>
Investment Sector	<ul style="list-style-type: none"> <li>• Corporate Communications e.g. Interim Reports, Annual Reports, Announcements and Circulars</li> <li>• Investor Conferences/Roadshows</li> <li>• Analyst Conferences</li> <li>• Roadshow Activities</li> <li>• Investor Mailbox</li> </ul>
Financial Sector Peers	<ul style="list-style-type: none"> <li>• Strategic Cooperations</li> <li>• Financial Sector Sharings and Discussions</li> </ul>
Community	<ul style="list-style-type: none"> <li>• Volunteer Activities</li> <li>• Community Investment Schemes</li> <li>• Charity Donations</li> </ul>
Business Partners	<ul style="list-style-type: none"> <li>• Meetings/Daily Communications</li> <li>• Assessments</li> <li>• Work Inspections and Supervision</li> </ul>





### Communication Channels with Stakeholders

Professional Bodies	<ul style="list-style-type: none"> <li>• Meetings</li> <li>• Regular Visits</li> <li>• Working Groups</li> </ul>
Media	<ul style="list-style-type: none"> <li>• Media Briefings</li> <li>• Press Releases</li> <li>• Results Announcements</li> <li>• Media Interviews</li> <li>• WeChat Official Account</li> </ul>

### Annual General Meeting





### MATERIALITY ASSESSMENT

In order to ensure that this report specifically addresses the key issues of concern of the stakeholders regarding the Group, in addition to our existing communication mechanism with the stakeholders, the Task Force also invited the stakeholders to participate in the materiality assessment. Details on the materiality assessment procedure are set out as follows:

#### 1 identify key stakeholders and update the sustainable development issue pool

In formulating the list of key stakeholders to participate in this materiality assessment, the Task Force considered several factors such as “the degree of influence on enterprises” and “the degree of influence of enterprises” of each stakeholder and the feasibility. At the same time, with reference to the compliance requirement under the Guide, the sustainable development issue pool of the previous year and the benchmark analysis on peer enterprises, the Task Force selected 29 sustainable development issues related to the Group to update the sustainable development issue pool of the Group.

#### 2 invite key stakeholders to participate in the assessment

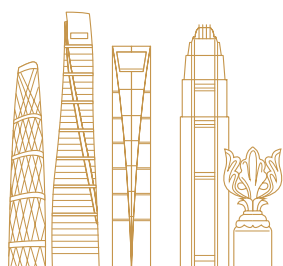
We invited the key internal and external stakeholders identified in Step 1 to participate in this materiality assessment through online questionnaire survey. The stakeholders who participated in the assessment included the employees and management of the Company, customers, investment sector, business partners, media, community/non-governmental organisations, financial sector peers and professional bodies. The internal and external stakeholders ranked the sustainable development issues across the economic, environmental and social areas in order of materiality from the perspectives of the Group and their owning standing respectively.

#### 3 identify material issues

The Group examined the materiality of the sustainable development issues in each aspect by considering two dimensions of “importance to the stakeholders” and “importance to BOCOM International”. We evaluated the relative materiality of these sustainable development issues in the two dimensions (the maximum score for each dimension is 10) by consolidating the ranking made by all internal and external stakeholders. The sustainable development issues that were ranked at half or above of the maximum score of relative materiality in the two dimensions (i.e. ranked at 5 or above in the two dimensions) were considered “material issues”. We have identified 15 material issues across three areas: economic, environmental and social.

#### 4 invite the Board to determine material issues

The Task Force invited the Board to confirm the evaluation result of material issues to ensure compliance with the Group’s sustainable development strategies. The details regarding the material issues will be disclosed in the subsequent sections of this report to respond to the stakeholders’ concerns.



## “MATERIAL ISSUES”

### Economic

- Risk Management and Internal Control
- Protecting Personal Data and Privacy of Clients
- Anti-Money Laundering and Counter-Terrorist Financing
- Anti-corruption, Bribery and Financial Crime
- Optimise Financial Services

### Environmental

- Environmental Protection Education and Promotion
- Green Office Measures
- Utilisation and Application of Resources
- Waste Disposal and Recycling
- Green Finance
- Greenhouse Gas Emissions

### Social

- Equal Opportunity
- Employee Benefits and Welfare
- Occupational Health and Safety
- Employee Training and Development

\* The above topics are ranked in order of materiality (from top to bottom) according to the stakeholders' survey results

## STEADY MANAGEMENT TO PURSUE EXCELLENCE

As one of the earliest licensed securities firms with a PRC background in Hong Kong, and by adhering to the strategy of “seeking transformation while maintaining stability”, the Group is well positioned to cope with the ever-changing operation environment. In honouring the philosophy of business integrity, the Group enhances operational risk management and control through prudent internal control procedures, so as to further consolidate our well-established foundation. Meanwhile, we proactively expand into new businesses, improve customer services, strengthen financial technology capabilities and optimise business operations to maintain the long-term competitive advantage of the Group and continuously create value for our customers and shareholders. With our sound business strategy, we retained the same credit ratings by Fitch Ratings and Moody's Investor Service, both being major international credit rating agencies, receiving the honour of being the internationally highest-rated securities company with a PRC background listed in Hong Kong.



Maintained our credit rating by two major international credit rating agencies

**A**  
**FitchRatings**

  
**交銀國際**  
**BOCOM International**

**A3**  
**MOODY'S**



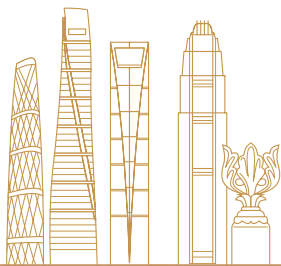


### Risk Management and Internal Control

Sound risk management procedures are essential to ensuring companies' ability to continue as a going concern and help companies strike a balance between the risks and rewards of their day-to-day operations. Therefore, the Group has adopted the relevant provisions as set out in the Corporate Governance Code of the Listing Rules, established risk management and internal control processes, and proactively cultivated a strong risk management culture at all levels within the Group, so as to achieve effective corporate governance and to monitor, evaluate and manage the principal risks assumed by the Group in its ordinary course of business.

The Group recognises that a clear risk management structure is an important part of the risk management process. The Group has established a three-tier risk management structure consisting of (i) the Board; (ii) a risk management committee and special committees; and (iii) the relevant middle and back offices in charge of the execution of risk management. The risk management committee, which is chaired by Mr. TAN Yueheng, the Chairman and Executive Director, is the decision-making body in respect of risk management, and listens to the risk management reports by various departments on a regular basis. Please refer to the Risk Management and Internal Control as set out in the section headed "Corporate Governance Report" in this annual report for details on the Group's risk management structure.

The Group recognises that emerging risks are intertwined with ESG issues, and has gradually taken into account ESG issues when formulating its risk management processes. In order to mitigate the ESG risks to which we are exposed at business level, we amended the "BOCOM International Securities Investment Management Measures (《交銀國際證券投資業務管理辦法》)" to prioritise investing in environmentally-friendly industries under the backdrop of similar rates of return and risks. Furthermore, the Group preliminarily identified the ESG risks relating to its business during the Reporting Period, such as compliance and cybersecurity risks. The professional personnel of various functional departments are responsible for formulating risk management measures, and shall report to the Board about the effectiveness of such measures on a regular basis, so as to ensure effective risk management and control. In addition, the Group made strenuous efforts to strengthen the awareness and capabilities of various functional departments in controlling the ESG risks, and formulated the "Administrative Measures on Business Continuity (《業務連續性管理辦法》)" to standardise the daily management and emergency handling procedures and specify the responsibilities of various departments upon occurrence of business disruption, with an aim to mitigate the impacts of business disruptions caused by ESG risks. In the future, we will continue to improve our management and control of ESG risks to further ensure the sustainability of our businesses.



### Anti-Money Laundering and Counter-Terrorist Financing

The Group is determined to eliminate any money laundering and terrorist financing activities, and has strictly complied with the SFC's Guideline on Anti-Money Laundering and Counter-Financing of Terrorism (the "Guideline"), and has formulated an internal "Measures for Anti-Money Laundering and Counter-Financing of Terrorism". It aims to raise awareness of anti-money laundering and terrorist financing among employees. We require employees of the Group to fully understand their responsibilities under the laws of Hong Kong, including but not limited to the Anti-Money Laundering and Counter-Terrorist Financing Ordinance, the Drug Trafficking (Recovery of Proceeds) Ordinance, the Organised and Serious Crimes Ordinance, the United Nations (Anti-Terrorism Measures) Ordinance, the United Nations Sanctions Ordinance, the Weapons of Mass Destruction (Control of Provision of Services) Ordinance, etc., and they are encouraged to report any suspected crimes in accordance with the aforesaid laws. The Group reviews and updates the "Measures for Anti-Money Laundering and Counter-Financing of Terrorism" in a timely manner to ensure that it complies with the latest laws and regulations, and strives to work together with its employees to fight against money laundering and terrorist financing.

The Group has adopted a series of measures to combat money laundering and terrorist financing. In accordance with the Guideline, we have designated a compliance officer and a money laundering reporting officer, which are acted by the head of the Legal and Compliance Department and the head of the Anti-money Laundering Compliance Team respectively. They are responsible for supervising all activities to prevent and detect money laundering and terrorist financing within the Group. In order to further curb money laundering, the Group formulated the "Measures on Annual Compliance Audit for Anti-Money Laundering (《反洗錢年度合規審計辦法》)" during the Reporting Period, which stipulates that the Legal and Compliance Department shall conduct an annual audit on anti-money laundering. If any violations are identified, the Legal and Compliance Department shall request relevant departments to come up with improvement plans within two weeks to eliminate further violations.

We regularly provide employees with compulsory anti-money laundering trainings, with the aim of enhancing their knowledge and capabilities in fighting against money laundering and terrorist financing activities. During the Reporting Period, the Group organised and our employees participated in 12 anti-money laundering trainings, the content of which was tailor-made according to the nature of the employees' work, consisting of prevailing legal and regulatory requirements, in-house policies and case sharing, with an aim to consolidate employees' knowledge on fighting against money laundering and terrorist financing.

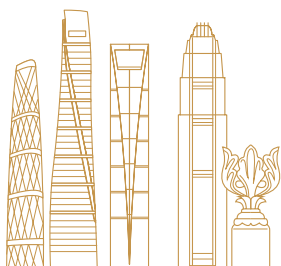


### Anti-corruption, Bribery and Financial Crimes

The Group adheres to the core values of honesty, integrity and fairness, attaches great emphasis to the integrity of employees, and prohibits any corruption, bribery, extortion, fraud and other dishonest activities. We require our employees or licensed representatives to comply with the Code of Conduct for Persons Licensed by or Registered with the SFC, the Corporate Finance Advisor Code of Conduct, the Fund Manager Code of Conduct and the SFO, and perform their duties strictly and uphold professional integrity. Furthermore, our Compliance Manual has clearly specified the approval process and monitoring measures regarding offering and receiving gifts as well as the “prohibited gift items”. Any giving or receiving of gifts shall be reported by employees to and recorded by the employee in-charge of the same department and be approved by the members of the managing executive committee and the member of the executive committee in charge of finances. We clearly prohibit employees from engaging in any form of corruption or bribery activities, such as giving or receiving cash and expensive gifts. In accordance with the “Measures on Annual Compliance Audit for the Prevention of Bribery Code (《防止賄賂守則年度合規審計辦法》)” formulated by the Group, the Legal and Compliance Department conducts an annual bribery review on all departments to ensure that all departments comply with the gift offering and receiving procedures of the Group.

Meanwhile, we are committed to maintaining the highest standards of openness, uprightness and accountability, and encourage our employees and third parties that have business relationship with the Group to report any misconducts. The Group’s Whistleblowing Policy clearly stipulates the reporting procedures and confidentiality procedures for employees and third parties to ensure that whistleblowers have the right to report any relevant misconducts in writing or orally on condition of confidentiality. The competent department of the Group shall issue oral or written confirmation in relation to any report made by an employee as soon as practicable and in any event within seven working days, and shall duly observe the requirements for maintaining relevant records for follow-up or review. In addition, any third party may report any existing or potential misconduct, fraud or violation to our Legal and Compliance Department upon detection, which will be referred to the Internal Audit Department for recording.

During the Reporting Period, the Group provided Directors and employees with anti-corruption and anti-money laundering trainings. We have strictly complied with the Prevention of Bribery Ordinance and have not received any lawsuits regarding corruption.



### Protecting Cybersecurity and Privacy of Clients

The Group is dedicated to protecting privacy of clients, in an effort to safeguard the personal data of clients. We believe that maintaining cybersecurity plays an important role in protecting clients' personal data. The Group has formulated the Information Security Policy in accordance with the Guidelines for Reducing and Mitigating Hacking Risks Associated with Internet Trading published by the SFC to provide clear guidelines on identifying and responding to cybersecurity risks by focusing on three major information security principles of confidentiality, completeness and accessibility. The Information Technology Department conducts network security awareness training and testing among all employees on a regular basis, so as to ensure that all employees master necessary knowledge on network security, in an effort to safeguard our business interests and the personal data of clients and to protect the security of the network ecological environment.

We strive to fully safeguard clients' legitimate rights and interests when collecting and using their personal information. During the Reporting Period, the Group has strictly abided by the Personal Data (Privacy) Ordinance and informed the clients about the purpose for personal information collection, scope of use permitted and scope of disclosure of clients' personal information, so as to ensure that the clients are aware of and agree on the scope for using their personal information. In order to further protect trade secrets and privacy of the clients, Information Security Policy also states that confidential and sensitive data (information obtained from clients, corporate members, organisations or business partners) must be:

- used only for the specified purpose for which it was collected;
- kept for the period specified under the laws and regulations or the period in respect of the main purpose;
- kept confidential and must not be divulged without authorisation.

A strict confidentiality system has been established to protect clients' personal data. Measures we have taken included establishment of access rights controls and data storage and access monitoring mechanisms, establishment of the Chinese wall policies for separate management of confidential client information by each department, and prohibition on copying any client information to personal devices or using personal computers to process client information by employees, in an effort to strictly limit the risk of client data divulgence. Upon occurrence of confidential data divulgence, we will promptly develop and implement remedial measures in response to the existing circumstances, and make every effort to safeguard the rights and interest of the clients.



### Maintain and Protect Intellectual Property Rights

In order to regulate and strengthen the management and application of our intellectual property rights, according to the Regulations on Software Licenses and Copyrights in the Group's Information Security Policy, all software must not be installed on the Group's computers until approved by the department head and the Information Technology Department and make sure all software installed by employees must have a genuine computer software license. Moreover, all licensed software are managed by the Information Technology Department, and all employees are prohibited from unpermitted use and installing software for individual purposes.

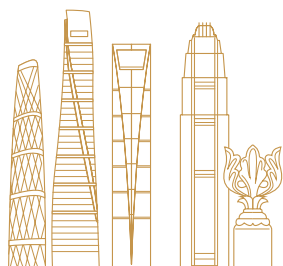
Meanwhile, we register and update our own trademarks and domain names in Mainland China and Hong Kong in a timely manner. During the Reporting Period, we successfully registered eight domain names. In the future, we will continue to enhance the construction of and procedural systems for intellectual property management, and effectively promote the development of intellectual property management.

### Optimise Financial Services

The Group is committed to improving customer service quality under the client-based principle, and strives to take the path of high-quality development, so as to bring into play our core advantages. As the market shifted to a technology-oriented one, we attached great emphasis on digital transformation by devoting considerable resources to enhance our online trading platform, data management, cyber security and market surveillance to satisfy various needs. Facing the challenges of the COVID-19 pandemic, the Group's high-quality management team, with the assistance of modern technology, guaranteed efficient and high-quality services to our customers by providing remote services and arranging virtual meetings and other means. We seized market opportunities, made active response to the COVID-19 pandemic and promoted the integration and development of online and offline services. Through cooperation with industry peers, we launched online interactive live stream programs and organised online roadshows for all segments of the industry, with an aim to enrich global product trading platforms and expand online interaction channels, continuously improving customer experience.

Under the backdrop of digital and intelligent transformation, we further pushed forward the development of online customer services and optimised our online service quality. During the Reporting Period, we rolled-out the "BOCOMI Services App", "New Share App (新股寶)" and business intelligence and reporting tool (商業智能報表), focusing on improving our operation and management systems and data analysis capabilities, so as to further optimise digital and intelligent service experience.





In addition to optimisation in financial services, we carefully listen to our customers' opinions and thoughts and improve and raise the quality standards of our services. We have provided customers with various channels for enquiries and complaints. Customers may contact our customer service centre via various means including phone calls, facsimiles and emails. Sound and standard procedures for handling customer complaints have been developed to ensure that customer complaints, whether by oral or in writing, will be handled promptly and appropriately. Employees must promptly report to their department heads upon receiving a complaint. The head of the department which received the complaint will investigate the relevant matters accordingly. The Legal and Compliance Department will also further review and investigate the specific complaints and respond to the customers in a timely manner. During the Reporting Period, we handled all complaints received properly according to specific procedures and therefore achieved a 100% complaint resolution rate during the Reporting Period.

### Regulate Marketing Management

We adhere to the principle of integrity in our operations to ensure that all information disclosed and provided is true and reliable. The Group strictly abides by the laws and regulations applicable to the Group such as the SFO, and prohibits illegal advertising and promotion for any products that is not authorised by the SFC. The Compliance Manual of the Group sets out the code of conduct in relation to promotion materials and engaging in advertising and promotion activities. We guarantee the fairness and compliance of promotion materials, without false, groundless, misleading or fraudulent information, which include applicable legal and regulatory disclosure statement(s) or appropriate warning statement(s).

### Supplier Management

Through maintaining a close and sound relationship with suppliers, the Group hopes to jointly contribute to the environment and society. The Group has formulated the Regulations on the Purchase and Management of Equipment, which establishes a fair and transparent code for suppliers' selection and management to minimise environmental and social risks in the supply chains.

For procurement procedures with major expenditure, for example, suppliers for renovation works, we select suppliers through a stringent selection process with reference to the suppliers recognised by the BOCOM Group, in an attempt to avoid suppliers with a negative track record and reputation in fulfilling their environmental and social responsibilities. Moreover, we also conduct evaluation and screening of suppliers selected by us. In addition to taking into account the quality and cost of services and products, efficiency and goodwill of suppliers, we also value their commitment to and performance of its environmental and social responsibilities, encouraging suppliers to provide environmental and secured products and services. Our evaluation methods for suppliers included oral enquiry and service inspection, such as observing whether a supplier meets occupational health standards in the delivery of services and checking the source of materials and components of products, to ensure that the supplier operates compliantly and meets our social and environmental requirements. During the Reporting Period, we engaged 45 suppliers from Hong Kong, all of whom were selected in strict accordance with our standards<sup>1</sup>.

<sup>1</sup> The number of suppliers stated above covers suppliers for printing paper, renovation projects, furniture, electrical appliances as well as cleaning and hygiene services, currently excluding providers for transportation and freight services and gardening services.



Moreover, we implement the practice of green procurement by always taking into account the environmental factors when procuring office supplies. We give priority to office supplies made of renewable materials and with environmental certification instead of disposable office supplies, such as sustainability-certified paper, reusable tableware, electrical appliances with energy-saving labels and energy-saving lamps. We also encourage suppliers to provide high-quality environmentally-friendly office supplies, so as to further reduce the Group's impact on the environment.

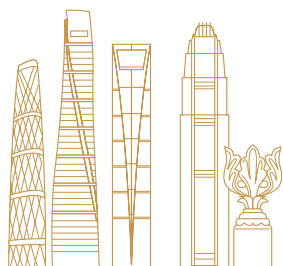
### TAKING CARE OF EMPLOYEES AND NURTURING TALENTS

Upholding the "people-oriented" corporate culture, the Group regards employees as important assets. We are committed to recruiting and cultivating outstanding talents, building an united and cooperative elite team and creating an ideal working environment, with an aim to combine the personal development of our employees with the development of the Company.

During the Reporting Period, the Group has strictly complied with various Hong Kong laws including the Employment Ordinance, the Employees' Compensation Ordinance, the Minimum Wage Ordinance, and the Mandatory Provident Fund Schemes Ordinance. The Group also complied with the PRC Labour Law, the PRC Labour Contract Law and other relevant laws and regulations to protect the legitimate rights and interests of the employees of the Group. The Human Resources Department of the Group has developed the Human Resources Management System, which aims to regulate matters including recruitment and dismissal, promotion and training, compensation and benefits as well as working hours and holiday arrangements, and implemented human resources management.

Before hiring new employees, we will investigate employees' personal information and confirm that employees meet the statutory working age. In addition, in the case of any falsely provided information or information discrepancy, we will require the prospective staff to provide a reasonable explanation. If there is no reasonable explanation, we will revoke or cancel the employment in accordance with the "reasons for termination of employment contract without notice or payment in lieu of notice" clause as set out in the Employment Ordinance. At the same time, we enter into employment contracts with employees based on the principle of equality, and clearly specify working hours, rest days and holidays in the Human Resources Management System. Moreover, any forms of forced labour are prohibited.

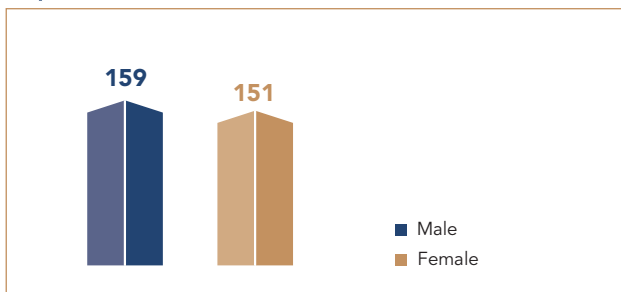
The Human Resources Management System contains provisions on standard notice period and procedures for resignation, which we and the employees are required to follow for the protection of the rights and interests of both parties. The notice period for resignation is stipulated in the employment contract, and in case either party fails to give prior notice as required, the other party shall be indemnified with payment in lieu of such notice. Employees are also required to sign the "Final Salary Confirmation (最後薪金同意書)" before leaving the Group, so as to ensure that they are aware of the amount of post-employment pay and receive reasonable amount of post-employment pay.



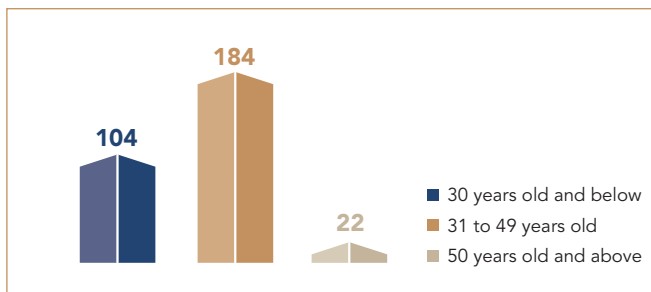
As at the end of the Reporting Period, the Group had a total of 310 employees who are all full-time employees. The number of employees<sup>2</sup> and turnover rate by gender, age group and geographical region are as follows:



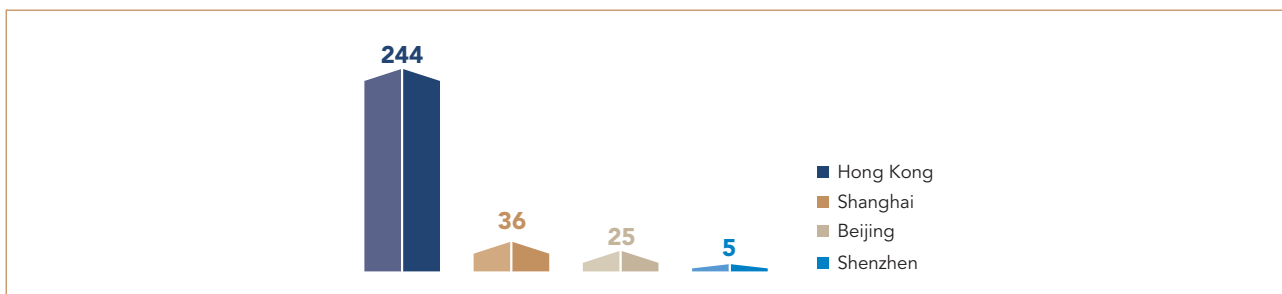
Number of employees by gender



Number of employees by age group



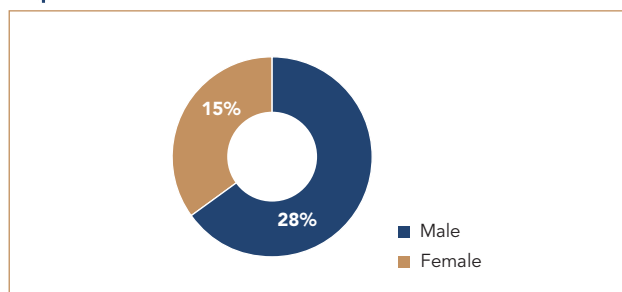
Number of employees by geographical region



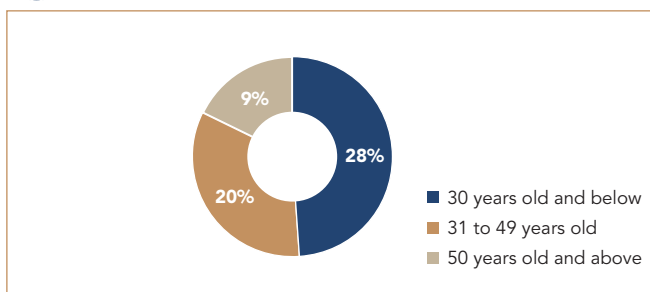
<sup>2</sup> All statistics in relation to the number of employees of the Group are as of 31 December 2020.



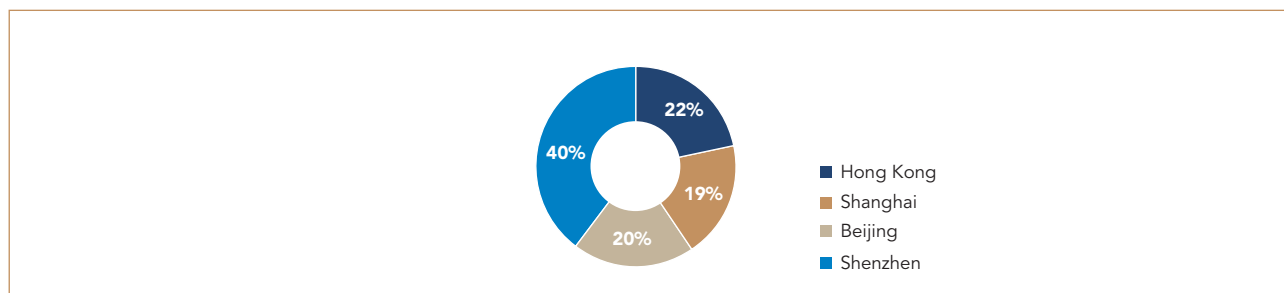
Turnover rate of employees by gender



Turnover rate of employees by age group

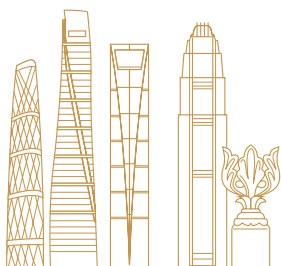


Turnover rate of employees by geographical region



## Equal Opportunities and Diversity

The Group is committed to creating an equal, open and diverse working environment to ensure fair and open recruitment, promotion opportunities and benefits of staff. During the Reporting Period, we have strictly complied with the Sex Discrimination Ordinance, the Disability Discrimination Ordinance, the Family Status Discrimination Ordinance and the Race Discrimination Ordinance in Hong Kong, and eliminated discrimination based on factors such as gender, body type, race and ethnicity. During staff recruitments, we adopt a uniform selection process and only consider relevant factors such as qualifications, work experience, skills of the candidates and job requirements. At the same time, we adopt unified promotion criteria, which emphasise on-the-job performance, skills and future job requirements when assessing employees. Factors such as gender, family status, marital status, pregnancy or disability are not involved in the process of recruitment and promotion, and the Group is committed to protect the rights of employees to equal opportunities.



### Employee Benefits and Welfare

The Group attaches great importance to the benefits and welfare system of employees to attract talents and maintain our elite team. In accordance with the existing Human Resources Management System, we implement flexible working hours for individual staff based on the special factors including nature of work, scheduling and staffing in different positions. During the Reporting Period, we have strictly complied with the statutory rest day requirements of the place of operation, and do not encourage and never force employees to work overtime. In the event of special circumstances, employees will be allowed to take another rest day.

We continue to review the current employment regulations and market conditions, and offer competitive compensation and benefits superior to statutory requirements. We protect our employees' rights to enjoy statutory holidays and benefits such as public holidays, annual leave, statutory paid sick leave, maternity and paternity leave, and Mandatory Provident Fund schemes. In addition, we have additional paid leave such as birthday leave, marriage leave and compassionate leave. In addition to the employment injury insurance we purchased for all employees in accordance with the Employees' Compensation Ordinance, we also provided comprehensive medical benefits through purchasing group medical insurance for employees and their immediate family members. Meanwhile, we set a separate Lactorium which is equipped with welfare facilities such as chairs, tables and a refrigerator, with the aim of providing female employees in the maternity period with a friendly workplace environment, demonstrating our care for employees.

Besides, we have established the Health Committee to organise staff group activities and welfare initiatives, with the aim of promoting communications among staff from different departments and fostering their sense of belonging to the Group. In the future, we will continue to offer employees generous benefit packages, and promote the "people-oriented" corporate culture.



Lactorium

### Occupational Health and Safety

The Group values the health and well-being of its employees and endeavours to provide a safe, efficient and harmonious working environment for its employees. During the Reporting Period, we have strictly complied with the Occupational Safety and Health Ordinance in Hong Kong and the Law of the PRC on the Prevention and Treatment of Occupational Diseases in Mainland China. We also stipulated in the Human Resources Management System that, labour insurance, group life insurance, personal accident insurance and business travel insurance are to be purchased for our employees to ensure the occupational health and safety of our employees to the largest possible extent. In addition, we provide various annual health examination schemes for employees to meet their different health examination needs. Moreover, we also equip our employees with ergonomic office facilities, and conduct periodic inspections on fire fighting equipment of the office premises, with an aim to reduce the risks of occupational hazards and fire accidents to our employees while they are on duty.



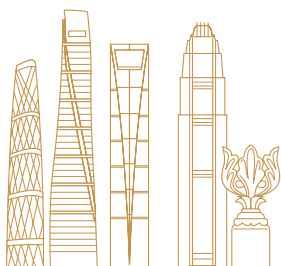


The Group has comprehensively considered the safety of employees at work and while commuting to work, and mitigated relevant safety issues. The Group has established corresponding work arrangements and contingency measures against extreme weather events such as typhoons and rainstorms for the safety of its employees. We also provide safety education to employees, such as giving out Fire Safety Guidance to employees, educating them about fire emergency arrangements and ensuring their familiarity with escape routes, so as to enhance their awareness on fire prevention. During the Reporting Period, the Group did not have any work-related injuries or fatalities.

We also attach great importance to the physical and mental health of the employees, encourage them to develop after-hour hobbies and assist them in maintaining a work-life balance. To this end, we have launched the “Bocom International Running Program” under which the running mileage of each participating employee of his/her own free will is recorded via smartphone positioning and rewards will be granted to those who achieve the program goal, with an aim to encourage our employees to take more exercise for the purpose of physical fitness enhancement, stress relief after work and ultimately physical and mental health improvement.

### ***Proactive Implementation of Epidemic Prevention and Control Measures***

Since 2020, the outbreak of the COVID-19 pandemic subjected the entire world to grave disruptions. In order to safeguard the health and safety of our employees, in the early stage of the COVID-19 pandemic, we swiftly set up a steering group for the prevention and control of the COVID-19 pandemic which consists of the Chairman (as head of the steering group), all members of the Executive Committee and the head of each of the Executive Office, Human Resources Department, Finance and Accounting Department and Administration Department (as steering group members), so as to give full play to their respective duties and functions to coordinate our efforts in the prevention and control of the COVID-19 pandemic.



### Strengthening the steering team and coordinating the deployment of epidemic containment measures

- To cope with the development of the COVID-19 pandemic, the steering group for the prevention and control of the COVID-19 pandemic has held 20 meetings for the deployment of epidemic prevention works during the Reporting Period, so as to ensure prompt formulation of epidemic prevention measures and adjustment to the intensity of prevention measures.
- We circulated updated epidemic prevention arrangement notices to the employees in a timely manner and maintained close communication with the employees, so as to ensure the health and safety of the employees as well as an orderly business operation.



### Increasing efforts in epidemic prevention and control and implementing special work arrangements

- Various work arrangements were implemented in different stages of the COVID-19 pandemic, which helped to curb the risks of spreading the COVID-19 pandemic. During the dire period of the COVID-19 pandemic, we implemented a work arrangement which required only minimal on-site presence by allowing employees to work at home as much as possible. For departments whose affairs can't be conducted from home, we arranged staff of those departments to work at different locations, i.e., different offices in different floors for staff of different departments. In addition, public facilities in office premises were sterilised at regular time every day, as a way to reduce the risks of cross infections among employees.
- Furthermore, we required our employees to cancel visits, business meals and physical meetings, and to convene meetings via video or telephone.



### Staying committed to epidemic containment and establishing an epidemic reporting mechanism

- An epidemic prevention and control reporting mechanism has been established, under which, the heads of all departments are required to submit a report containing information such as the health conditions of the department members, whether they have been in close contact with person who contracted COVID-19 and whether there is any confirmed cases in the communities they reside, etc., enabling us to have updated information and adopt appropriate response measures in a timely manner.
- As required by the external and in-house requirements of the government, regulatory agencies and the Group, we provided our employees and relevant personnel with updated information daily and ensured timely circulation of information on epidemic prevention.



### Caring more for employees and raising their awareness on hygiene and protection

- Following the outbreak of the COVID-19 pandemic, we promptly purchased and provided protective masks, hand sanitisers and other prevention materials to our employees. We cared about their health and emotions, learned about their needs and offered our hands.
- During different stages of the COVID-19 pandemic, we offered our employees lunch allowance, transport expense and testing expense reimbursement, and provided them with necessary support. We also offered related leaves to staff who received COVID-19 vaccine, so as to encourage them to get vaccinated to safeguard their health.
- In order to raise our employees' protection awareness during the COVID-19 pandemic, we advocated the epidemic prevention requirements and distributed correct prevention information to our employees. All employees were subject to a temperature check before entering the work premises and were required to wear face mask at work. Efforts have been made to raise the hygiene awareness of all employees.



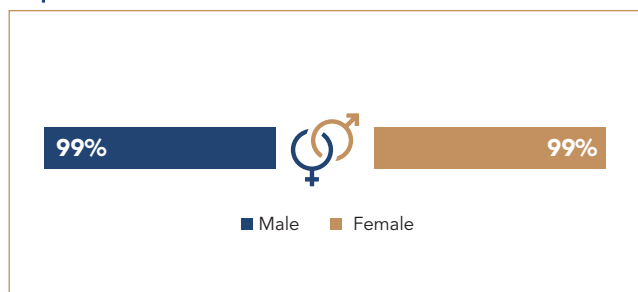
## Employee Training and Development

The Group recognises that talent cultivation is essential to the long-term development of our business. Therefore, the Group proactively organised its employees to take part in various education training programs and provided specific regulations regarding training coordination and employee training subsidy of the Group in the Human Resources Management System, providing assistance for employees to acquire professional knowledge and skills that meet the needs of their work, so as to suit the business development and strategic plan of the Group. We organised or invited external professional training institutions to hold various types of programmes, subject talks, symposiums and team building activities, etc., so that employees can keep abreast of the latest developments in the industry to cope with the changing economic and business environment. In addition, we also established the Employee Further Studies Sponsorship Scheme to sponsor employees for profession-related courses and exams, so as to encourage them improve their qualifications according to their individual career plans.

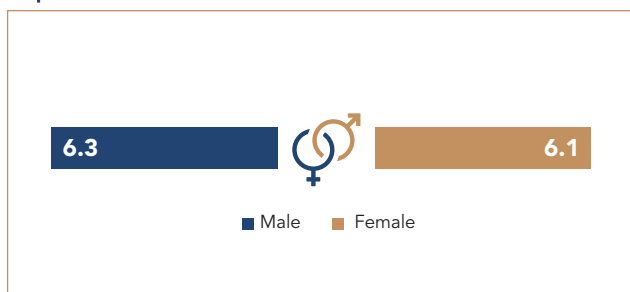
The percentage<sup>4</sup> of employees undertaking training by gender and employee category and the average training hours<sup>5</sup> are as follows<sup>6</sup>:



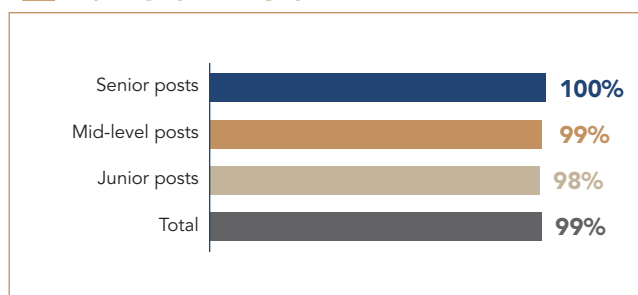
Percentage of employees undertaking training by gender



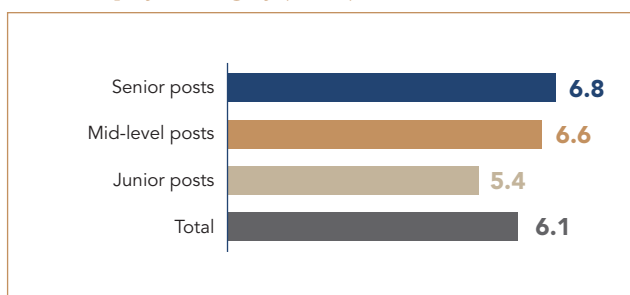
Average training hours of employees by gender (hours)



Percentage of employees undertaking training by employee category



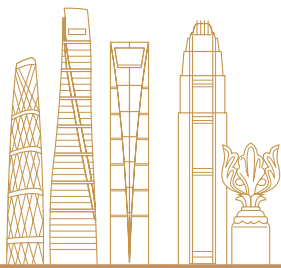
Average training hours of employees by employee category (hours)



<sup>4</sup> Training percentage is calculated by: dividing the number of employees of the category who received training by the total number of employees of the category\*100%.

<sup>5</sup> Average training hours of employees is calculated by: dividing the total training hours received by employees of the category by the total number of employees of the category.

<sup>6</sup> The statistics regarding employee training set out below include the internal training provided by the Group and part of external training taken by employees and subsidised by the Group. Statistics of resigned employees are excluded during the Reporting Period.



During the Reporting Period, we organised several orientation trainings for new employees to further new employees' understanding of the Company's corporate culture philosophy, regulatory requirements and management systems and help them adapt to new working environment more promptly. At the same time, we have jointly organised anti-bribery and anti-money laundering training sessions with the Independent Commission Against Corruption of Hong Kong, with the aim of stressing to all our employees the importance of complying with the relevant laws and regulations in the industry and enhancing our employees' awareness of legal compliance and professional integrity. In order to further strengthen employees' professional knowledge, we held several special training seminars on topics including the investment trend of various industries, assisting employees in gaining an in-depth understanding of the latest development trend of the industry and having an accurate picture of the future development of the industry, which helped improve the investment decision-making capability of our employees. In addition, we organised a cybersecurity awareness training to increase the cybersecurity awareness of employees. According to business requirement, we also invited external professionals to hold seminars on the latest laws and rules governing the secondary listing and connected transactions, aiming to enhance employees' knowledge of and competency in relevant business.



Online Cybersecurity Training



### Special Training Seminars include:



Recent development of environmental, social and corporate governance and investment opportunities

Investment opportunities in the PRC securities industry

Value of the Internet

Impact of "Three Red lines" on the real estate industry and the prospect of real estate industry in 2021

Review and prospect of Hong Kong real estate industry

Latest development of the secondary listing



## CARING FOR THE ENVIRONMENT AND GREEN OPERATIONS

In order to continuously promote the Group's sustainable development, the Group implements the "green operation" philosophy and is committed to reducing the negative impact on the environment from our business operations, so as to ensure a balance between business development and environmental protection.

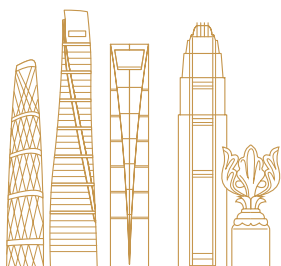
### Green Office Measures

The daily operations of the Group are mainly carried out in office premises, thus the major impacts on the environment are emissions from electricity consumption or use of vehicles, office wastes and resource consumption. Although we do not make a significant impact on the environment and natural resources in daily operations, we have proactively developed the Green Office Tips, made strenuous efforts to implement resource-saving measures and set a role model to educate our employees to embrace on environmental protection. During the Reporting Period, we carried out environmental protection measures to achieve energy conservation, water and fuel savings as well as waste reduction and recycling, and proactively implemented green procurement policy. The following are the main energy conservation and environmental protection measures that we implement in the daily office operations:

#### ***Saving Paper***

We promotes a paperless working environment and encourages employees to use electronic methods as much as possible, such as e-mail and scanning to circulate and communicate information, and store documents electronically to save paper. Meanwhile, we also encourage employees to reuse recycled paper or waste paper and use double-sided photocopying by setting up a waste bin next to the printing machine and pre-setting double-sided photocopying mode for the printing machine, with an aim to reduce paper waste.





### ***Saving Electricity***

We educate our employees to cultivate electricity-saving habits to reduce unnecessary energy waste. We circulate the Notice on Safe Use of Electricity to employees to remind them to turn off all unnecessary power sources, such as lights, photocopiers, computers, water dispensers and coffee machines before leaving for holidays, after office hours and before leaving the meeting room. We also advocate that employees shall not apply for extended use of air conditioning equipment unless necessary, so as to reduce additional consumption of electricity. In addition, we actively adopt electrical appliances with lower power consumption, such as those with grade 1 energy labels, in an effort to improve energy efficiency. During the Reporting Period, with effective implementation of our energy-saving measures, the total electricity consumption of our office premises was reduced.

### ***Saving Water***

In order to avoid wasting water resources, we post water-saving notices at appropriate areas to enhance the employees' awareness on water conservation. In addition, we provide cups for visitors in the conference room and recommend employees to bring their own cups for in-house meetings, so as to reduce consumption of bottled water. Due to the business nature, we are not a high water-consuming company. The water used in our office is mainly from the municipal water supply system, and there is no difficulty in finding water sources. During the Reporting Period, with effective implementation of our water-saving measures, we did not encounter unexpected trouble in securing water resources.



Water-saving Notice



### Reasonable Use of Vehicles

The vehicles of the Group are mainly used for accommodating clients, transportation for meetings, etc. To promote low-carbon office and resource conservation, we encourage employees hold meetings by means of telephone, video or other communication equipment and make business visits via public transportation vehicles, so as to mitigate the impact on the environment. In addition, we provide low-carbon driving training for our drivers and require our employees to make more appropriate arrangement for itineraries to avoid the situation of idling engines and maximise vehicle fuel efficiency, in an effort to reduce air pollution caused by driving the vehicles. We also regularly inspect vehicles to minimise reductions in fuel efficiency caused by aging and abrasion of vehicle parts. During the Reporting Period, with effective implementation of measures to reduce use of vehicles, air pollutants and greenhouse gas emissions produced by use of vehicles were reduced.

#### Hong Kong office areas<sup>7</sup> – Resource consumption

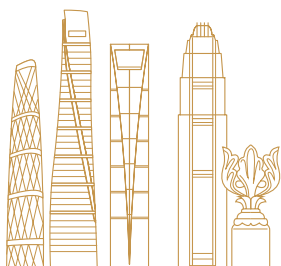
Class	Consumption in 2020	Intensity of consumption in 2020	Consumption in 2019	Intensity of consumption in 2019
Total energy consumption	921.61 mWh	3.78 mWh/person	1,013.94 mWh	3.98 mWh/person
<b>Direct energy consumption</b>				
Fuel consumption (gasoline) <sup>8</sup>	6,772.90 L	1,128.82 L/vehicle	13,575.00 L	2,262.50 L/vehicle
	65,638.65 kWh <sup>9</sup>	10,939.78 kWh/vehicle	131,560.29 kWh	21,926.72 kWh/vehicle
<b>Total indirect energy consumption</b>				
Electricity consumption	855,973.00 kWh	3,508.09 kWh/person	882,381.00 kWh	3,460.32 kWh/person
		183.34 kWh/m <sup>2</sup>		189.00 kWh/m <sup>2</sup>
Water consumption <sup>10</sup>	872.73 tonnes	3.58 tonnes/person	806.96 tonnes	3.16 tonnes/person
Total paper consumption	6,835.75 kg	28.02 kg/person	7,222.45 kg	28.32 kg/person

<sup>7</sup> The Hong Kong office areas of the Group include the Headquarters Office in Central, Hong Kong, and the Tsim Sha Tsui office, with a total area of 4,668.7 m<sup>2</sup>.

<sup>8</sup> Fuel consumption was generated from: 6 official vehicles over which the Group has operational control in the Hong Kong office areas during the Reporting Period. Due to the outbreak of the COVID-19 pandemic, the Group reduced visits to and from business partners, so as to guarantee the safety of our employees. Accordingly, the fuel consumption of company vehicles for 2020 was significantly lower than that recorded for the previous reporting period.

<sup>9</sup> Fuel consumption is initially measured in the unit of litre, and is converted to kWh based on the conversion factors as set out in the Energy Data Book issued by the International Energy Agency.

<sup>10</sup> As water is supplied by the building, water consumption is calculated based on the data regarding the average water consumption of each floor and average daily water consumption provided by the property management company of the building.



### Environmental Protection Education and Promotion

We actively promote environmental awareness to our employees through different channels, and encourage them to develop environmental protection habits and practice of environmental protection in daily life. Employees have been instructed to implement environmental protection measures in office premises, and dedicated personnel are assigned to conduct regular inspections to ensure that employees comply with established environmental requirements while developing good environmental protection habits. In addition, we provide reusable tableware in staff leisure areas and encourage our employees to avoid using disposable tableware. In the future, we will proactively explore opportunities to organise employees to participate in environmental protection activities, thereby further encouraging employees to practice environmental protection.

### Waste Disposal and Recycling

During the Reporting Period, the Group has been in strict compliance with the Waste Disposal Ordinance of Hong Kong, and the hazardous and non-hazardous waste generated from office operations were disposed in accordance with the relevant regulations. The hazardous waste generated in our office premises mainly includes discarded computer screens, fluorescent light tubes and waste toner cartridges. In hope of making the best use of all resources, we give priority to recycling the hazardous waste. Instead of directly discarding the hazardous waste, we donate all discarded computer screens to charitable organisations for reuse. We also arrange for suppliers to collect the used toner cartridges on a regular basis, so as to ensure appropriate treatment of the hazardous waste and avoid environmental pollution. In addition, waste sorting and recycling bins are placed in the office premises for collection of non-hazardous waste such as waste paper, aluminum cans and plastic bottles, which will subsequently be put into the central recycling bins of the office building for collective collection. In actively response to the government's policy initiatives, we introduce initiatives in the office premises for waste reduction from the source to reduce waste generated from office operations. During the Reporting Period, we effectively implemented waste reduction measures without any irregularity.



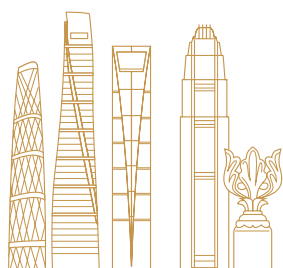
## Hong Kong office areas — Waste generation

Class	The amount generated in 2020	The intensity generated in 2020	The amount generated in 2019	The intensity generated in 2019
<b>Hazardous waste</b>				
Waste fluorescent light tubes	40 tubes	0.01 tube/m <sup>2</sup>	45 tubes	0.0086 tube/m <sup>2</sup>
Waste toner cartridges	150 cartridges	0.61 cartridge/person	166 cartridges	0.65 cartridge/person
Computer screens	54 screens	0.22 screen/person	0 screen	0 screen/person
<b>Non-hazardous waste</b>				
Waste paper <sup>11</sup>	2,050.73 kg	8.40 kg/person	2,166.73 kg	8.50 kg/person
Computer cases	0 case	0 case/person	66 cases	0.26 case/person

<sup>11</sup> The amount of the waste paper was estimated based on 30% of our paper consumption.

## Promoting Low-carbon Operation and Emission Reduction to Combat Climate Change

The Group proactively implements energy-saving and low-carbon measures to reduce greenhouse gas emissions generated from its operation, making contribution to the global transition to a low-carbon economy. In order to understand and monitor the greenhouse gas emissions from our business operation, we regularly calculate the greenhouse gas emissions of the Hong Kong office areas. Greenhouse gas emissions of the Hong Kong office areas can be divided into direct emissions (Scope 1) and indirect emissions (Scopes 2 and 3). The sources of greenhouse gas emissions under each scope are: fuel used by vehicles (Scope 1), electricity consumption during business operations (Scope 2), and employees' business travels by air and waste paper disposed at landfills (Scope 3).



## Hong Kong office areas – Greenhouse gas emissions

Greenhouse gas emissions scope	Volume of emissions in 2020	Volume of emissions in 2019	Unit
Scope 1 <sup>12</sup> :	18.02	36.11	tonnes
Scope 2 <sup>13</sup> :	664.26	680.14	tonnes
Scope 3 <sup>14</sup> :	20.11	135.08	tonnes
Total volume of greenhouse gas emissions (Scopes 1, 2 & 3)	702.38	851.33	tonnes
Intensity of greenhouse gas emissions (Scopes 1, 2 & 3)	0.15	0.18	tonne/m <sup>2</sup>
	2.88	3.34	tonnes/person

<sup>12</sup> The computation method and relevant emission factors of greenhouse gas emissions (Scope 1) are based on: the Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong (2010 Edition) jointly issued by the Electrical and Mechanical Services Department and the Environmental Protection Department. Due to the outbreak of the COVID-19 pandemic, the Group has reduced visits to and from business partners, so as to guarantee the safety of our employees. Accordingly, the greenhouse gas emissions caused by use of official vehicles for 2020 was significantly lower than that recorded for the previous reporting period.

<sup>13</sup> The computation method and relevant emission factors of greenhouse gas emissions (Scope 2) are based on: the “Carbon Emissions Calculator” by HK Electric Investments Limited and the 2019 Sustainability Report by CLP Power Hong Kong Limited.

<sup>14</sup> The computation method and relevant emission factors of greenhouse gas emissions (Scope 3) are based on: Appendix 2: Reporting Guidance on Environmental KPIs of the Stock Exchange, and the Carbon Emissions Calculator of the International Civil Aviation Organisation (<https://www.icao.int/environmental-protection/CarbonOffset/Pages/default.aspx>). Due to the outbreak of the COVID-19 pandemic, the Group has reduced business travels by its employees, so as to guarantee their safety. Accordingly, the greenhouse gas emissions from business travels for 2020 was significantly lower than that recorded for the previous reporting period.

Given our greenhouse gas emissions are mainly generated from electricity consumption in the office and business travels by employees, we have put in place measures to reduce such emissions. We encourage employees to save energy and reduce electricity consumption, and to turn off all lighting and electrical appliances outside office hours, thereby reducing the greenhouse gas emissions caused by energy consumption. Meanwhile, we implement the practice of “green procurement” and give priority to electrical appliances with grade 1 energy labels, with the aim of improving energy efficiency. In addition, we also advocate employees to replace business travels with phone calls or video conferences to reduce greenhouse gas emissions caused by business travels. During the Reporting Period, we have effectively implemented the above-mentioned energy-saving and emission-reduction measures. However, as we significantly reduced office attendance and business travels due to the impact of the COVID-19 pandemic, it was impossible to calculate the accurate results of such emission reduction measures.





In addition to the practice of low-carbon operations, we place increasingly greater emphasis on the impact of climate change on business operations, and we plan to develop response policies and measures to mitigate the risks brought by climate change. The Group has formulated the Administrative Measures on Business Continuity (《業務連續性管理辦法》) to address operation disruptions caused by typhoons and other extreme weather conditions, so as to ensure rapid recovery of smooth business operations and strengthen our capability in combatting climate change, thereby reducing operational risks. Meanwhile, we have drafted the Administrative Measures on Addressing Climate Change Related Issues (《應對氣候變化相關事宜管理辦法》) during the Reporting Period, which (among others) specifies the duties and responsibilities of the Task Force, identifies the impact of climate change issues on operation premises, and sets out specific measures for the management of climate change-related issues in terms of monitoring, risk management and planning, with an aim to control the potential impact of climate change on the Group.

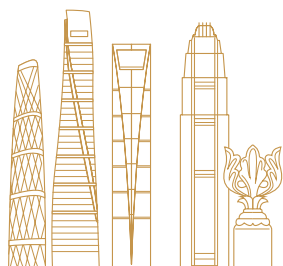


Besides, we also value the impact of other air pollutants on the local environment. During the Reporting Period, we have strictly complied with the Air Pollution Control Ordinance of Hong Kong and managed our sources of air pollutant emissions in accordance to the relevant regulations, which were mainly from the six official vehicles over which the Group has operational control in the Hong Kong office areas.

#### Hong Kong office areas – Air pollutant emissions

Types of air pollutant emissions <sup>15</sup>	Volume of emissions in 2020	Volume of emissions in 2019	Unit
NOx emissions	2.50	5.46	kg
SOx emissions	0.10	0.20	kg
CO emissions	22.49	49.08	kg
PM2.5 emissions	0.06	0.12	kg

<sup>15</sup> The computation method and relevant emission factors of the air pollutant emissions are based on: the EMEP/EEA Air Pollutant Emission Inventory Guidebook — 2016 issued by the European Environment Agency. Due to the outbreak of the COVID-19 pandemic, the Group has limited visits to and from business partners, so as to guarantee the safety of our employees. Therefore, the air pollutant emissions caused by use of official vehicles for 2020 was significantly lower than that recorded for the previous reporting period.



### Green Finance

In order to enhance the sustainability and competitiveness of our business model, we proactively promote the development of green finance business by making good use of our business nature and capitalising on market demands and trends. We give priority to green environmental protection projects and combine green investment with sustainable development needs, so as to facilitate the development of green industries and promote our principle of sustainable development.

#### ***Negative Screening Strategy***

In conducting project assessments, we eliminate projects involving high pollution and high energy consumption businesses. For investment projects with the same return rate, we give priority to green projects. In addition, in the post-investment management stage, we keep close attention over counterparties for any negative media reports. Upon occurrence of an event on the part of a counterparty with a significant negative social impact, we will issue a risk alert to the front office business department and procure the business department to adopt an appropriate response strategy.

#### ***Green Bonds***

We make active efforts to facilitate the issuance of green bonds, with the aim of promoting the development of green and innovative industries. During the Reporting Period, we completed the issuance of three green bonds in total. On 19 February 2020, acting as a joint global coordinator, we again assisted Modern Land (China) Co., Limited to issue green bonds with a principal amount of US\$200 million. The proceeds from the issuance of such green bonds shall be used to refinance the qualified green assets, so as to promote the development of green real estate business. On 28 July 2020, acting as a joint bookrunner, we assisted China Construction Bank Corporation to issue two green bonds with a principal amount of US\$500 million and US\$700 million respectively. The proceeds from the issuance of these two green bonds shall be used to support the development of clean transportation sector, and these green bonds were certified by the Climate Bond Initiative prior to their issuance, demonstrating their contribution in addressing the climate change. Our efforts in assisting corporates to issue green bonds responds to the international capital market's focus on green finance, and also demonstrates our commitment to implementing the green finance development strategy and our dedication in promoting the development of green economy.



## CARE FOR THE COMMUNITY, COOPERATION FOR WIN-WIN DEVELOPMENT

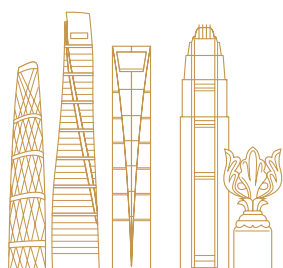
As a socially responsible enterprise, the Group pays close attention to the demand for the sustainable development of the community while pursuing its business development, in hope of leveraging its influence to boost community development to create win-win opportunities. At the beginning of the outbreak of the COVID-19 Pandemic, we took the lead in making donations to the community to support the community in the spirit of mutual help. Meanwhile, we proactively joined hands with various charities and organised our employees to participate in a variety of public welfare activities. We have worked with the Hong Kong Community Chest for many consecutive years by participating in “Walk for a Million” and making donations to support the communities in need.



In early 2020, after witnessing the rampant spread of the COVID-19 Pandemic across Mainland China, we were determined to serving our motherland with patriotism and took the lead to donate RMB1 million to the Hubei Charity Federation, in an effort to support the epidemic prevention and control work. Furthermore, we played an active role in providing material assistance to elderly homes and other community organisations in Hong Kong, demonstrating the spirit of mutual support and our commitment to fulfilling corporate social responsibility. In addition, our employees volunteered to donate materials with a total value of HK\$382,800, and further donated 3,000 medical masks to the Central Hospital of Wuhan amidst shortage of anti-epidemic materials.



On 5 January 2020, we again organised our employees' participation in the “Hong Kong & Kowloon Walk for Millions” charity walk, and donated HK\$10,500 to support family and child welfare services of the Community Chest.

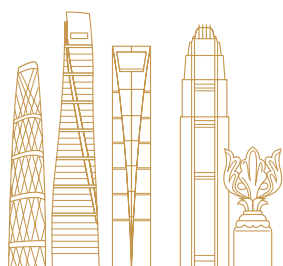


## APPENDIX: INDEX OF THE GUIDE OF HKEX

Aspect	Index	Content Index	Relevant Sections/Notes
A. Environmental			
A1: Emissions	General Disclosure	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	The Contents Relating to Discharges Into Water and Land Were Not Applicable to Our Principal Activities. The Others Were Disclosed in the Sections Headed Promoting Low-carbon Operation and Emission Reduction to Combat Climate Change and Waste Disposal and Recycling
	A1.1	The types of emissions and respective emissions data	Promoting Low-carbon Operation and Emission Reduction to Combat Climate Change
	A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Promoting Low-carbon Operation and Emission Reduction to Combat Climate Change
	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Waste Disposal and Recycling
	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Waste Disposal and Recycling
	A1.5	Description of measures to mitigate emissions and results achieved	Green Office Measures, Promoting Low-carbon Operation and Emission Reduction to Combat Climate Change
	A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved	Waste Disposal and Recycling



Aspect	Index	Content Index	Relevant Sections/Notes
A2: Use of Resources	General Disclosure	Policies on efficient use of resources including energy, water and other raw materials	Green Office Measures
	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)	Green Office Measures
	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility)	Green Office Measures
	A2.3	Description of energy use efficiency initiatives and results achieved	Green Office Measures
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved	Green Office Measures
	A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced	Not Applicable, Product Manufacturing and Packaging were not Involved in Our Principal Activities
A3: The Environment and Natural Resources	General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources	Caring For the Environment and Green Operations
	A3.1	Description of the significant impacts of activities on the environment and natural resources and actions taken to manage them	Caring For the Environment and Green Operations

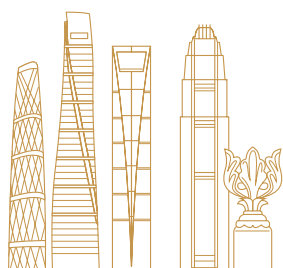


Aspect	Index	Content Index	Relevant Sections/Notes
<b>B. Social</b>			
B1: Employment	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare	Taking Care of Employees and Nurturing Talents
	B1.1	Total workforce by gender, employment type, age group and geographical region	Taking Care of Employees and Nurturing Talents
	B1.2	Employee turnover rate by gender, age group and geographical region	Taking Care of Employees and Nurturing Talents
B2: Health and Safety	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards	Occupational Health and Safety
	B2.1	Number and rate of work-related fatalities	Occupational Health and Safety
	B2.2	Lost days due to work injury	Occupational Health and Safety
	B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	Occupational Health and Safety
B3: Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work and description of training activities	Employee Training and Development
	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management)	Employee Training and Development
	B3.2	The average training hours completed per employee by gender and employee category	Employee Training and Development



Aspect	Index	Content Index	Relevant Sections/Notes
B4: Labour Standards	General Disclosure	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	Taking Care of Employees and Nurturing Talents
	B4.1	Description of measures to review employment practices to avoid child and forced labour	Taking Care of Employees and Nurturing Talents
	B4.2	Description of steps taken to eliminate such practices when discovered	Taking Care of Employees and Nurturing Talents
B5: Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain	Supplier Management
	B5.1	Number of suppliers by geographical region	Supplier Management
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	Supplier Management
B6: Product Responsibility	General Disclosure	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	The Contents Relating to Product Health and Safety, Labelling Were not Not Applicable to Our Principal Activities. The Others were Disclosed in the Sections Headed Protecting Cybersecurity and Privacy of Clients, Maintain and Protect Intellectual Property Rights and Regulate Marketing Management
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	Not Applicable to Principal Activities
	B6.2	Number of products and service related complaints received and how they are dealt with	Optimise Financial Services
	B6.3	Description of practices relating to observing and protecting intellectual property rights	Maintain and Protect Intellectual Property Rights
	B6.4	Description of quality assurance process and recall procedures	Not Applicable to Principal Activities
	B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	Protecting Cybersecurity and Privacy of Clients





Aspect	Index	Content Index	Relevant Sections/Notes
B7: Anti-corruption	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering	Anti-Money Laundering and Counter-Terrorist Financing, Anti-corruption, Bribery and Financial Crime
	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-Money Laundering and Counter-Terrorist Financing, Anti-corruption, Bribery and Financial Crime
	B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	Anti-Money Laundering and Counter-Terrorist Financing, Anti-corruption, Bribery and Financial Crime
B8: Community Investment	General Disclosure	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	Care for The Community, Cooperation for Win-win Development
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)	Care for The Community, Cooperation for Win-win Development
	B8.2	Resources contributed (e.g. money or time) to the focus area	Care for The Community, Cooperation for Win-win Development