



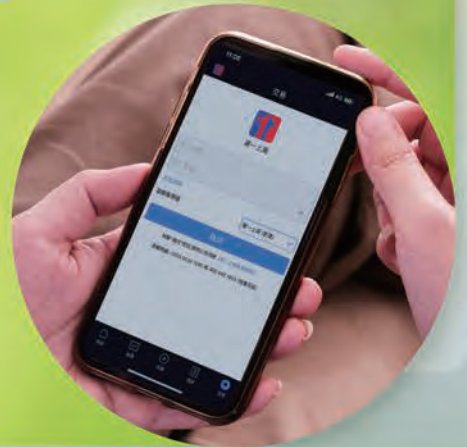
First Shanghai Investments Limited

Stock Code: 227



2022

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE REPORT



CONTENTS

ABOUT FIRST SHANGHAI	2
ABOUT THIS REPORT	3
MESSAGE FROM THE CHAIRMAN	5
SUSTAINABILITY APPROACH AND BOARD STATEMENT	6
STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT	7
PROFESSIONAL AND COMPLIANT OPERATION	10
PEOPLE-ORIENTED PHILOSOPHY	15
ENVIRONMENTAL PROTECTION	20
GIVING BACK TO THE SOCIETY	27
APPENDIX	28

ABOUT FIRST SHANGHAI

First Shanghai Investments Limited (the “Company”) and its subsidiaries (together “First Shanghai” or the “Group”) are engaged in integrated businesses with years of operational experience, whose core business is in financial services, property development, property investment and hotel and other businesses, offering professional products and services for customers in Hong Kong, Mainland China and overseas.



As the global economy gradually recovers from the COVID-19 pandemic continuing to be controlled, the social and economic turmoil caused by COVID-19 reflects the importance of sustainable development. Meanwhile, the emergence of environmental issues such as climate change and extreme weather conditions led to higher sustainability standards being set by national and international communities. Countries and local governments worldwide are setting sustainability targets such as carbon neutrality and carbon peaking to align with the international sustainability target of holding the rise of an average global temperature rise of 1.5° C. The Group incorporates the philosophy of sustainability into its business operations and management while maintaining a stable business development, and is committed to maintaining the growth and quality of its business and services with professional products and services. The Group implements the philosophy of sustainability in areas such as professional and compliant operations, people-oriented philosophy, environmental protection, and giving back to the society, and continues to maintain good environmental, social and governance (ESG) performance.

ABOUT THIS REPORT

With the increasing importance of various sustainability-related issues, investors pay more attention to the ESG performance of the enterprises. The Group recognizes stakeholders' concerns on the ESG-related progress and direction of its business operation, as well as reviews and discloses its own policies, measures and performance through this ESG Report (the "Report"), with an aim to boosting the stakeholders' confidence in the Group's operation. The Report has been prepared in both Chinese and English and is available on the website of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and the Group's website (www.firstshanghai.com.hk).

SCOPE OF THE REPORT

The Report presents the Group's ESG performance during the year from 1 January 2022 to 31 December 2022 (the "Year"). The scope of the Report comprises the Group's places of business of the financial services, property and hotel sectors in Hong Kong, Wuxi and Paris, France ("Each Place of Business"). As the Group's medical and healthcare business which are included in other businesses were affected by the COVID-19 pandemic, in order to make full use of its available resources, the management decided to terminate the operation of the medical centre in April 2022 and sell most of the assets of the medical centre. Therefore, the Report in this year does not include medical and healthcare business. In addition, since the revenue of other businesses accounted for less than 5% of the Group's total revenue, the Report in this year does not cover such business segment. The Group will regularly review the scope of the Report in accordance with the principle of materiality to ensure comprehensive and accurate information is provided to all stakeholders.

Financial Services Sector

- The Group's headquarter office in Hong Kong ("Hong Kong Headquarter").

Property and Hotel Sector

- The "First Shanghai Plaza" developed by Wuxi Sunshine Real Estate Limited ("Wuxi Property Investment Office") of the Group, which is located in Wuxi, Jiangsu Province, PRC and comprises the DoubleTree by Hilton Hotel Wuxi ("Wuxi Hotel"), the operation of which is entrusted to the Hotel Manager by the Group.
- A boutique hotel – M Gallery ("Golf Hotel") as well as a golf course and a clubhouse ("Gold Club and Golf Course") are operated by the Group in L'Isle Adam, Paris, France (collectively referred to as "L'Isle Adam, Paris").

ABOUT THIS REPORT

REPORTING STANDARDS

The Report is prepared in accordance with the four reporting principles (materiality, consistency, quantitative and balance) as set out in the “Environmental, Social and Governance Reporting Guide” (the “Guide”) in Appendix 27 to the Listing Rules issued by the Stock Exchange, which have been used as the basis of preparation of the Report.

Materiality

During the Year, the Group invited the directors and employees to take part in a questionnaire survey and rate the ESG issues relevant to the Group's operation, so as to identify the issues which are significant to the Group.

Consistency

Unless otherwise specified, the Group adopts the statistical methodologies consistent with that used for the previous reports to maintain its consistency and comparability.

Quantitative

The Group measures its environmental and social performance in a quantitative manner, and discloses the relevant data as well as the standards and methodologies, where possible.

Balance

With the preparation principles of objectiveness and balance, the Group gives a clear picture of the positive and negative impacts and the opportunities and challenges faced during the Year.

CONFIRMATION AND APPROVAL

The information disclosed herein is sourced from the Group's official documents and statistics, and has been reviewed and approved by the Board of Directors (Board) of the Group on 24th March 2023.

OPINION AND FEEDBACK

The Group values the opinions of all stakeholders and believes that feedbacks from different perspectives would help improving its operation performance. If you have any questions or recommendations on the content of the Report or other matters related to sustainable development, please contact us via the following methods:

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MESSAGE FROM THE CHAIRMAN

COVID-19 pandemic gradually comes under control and there are signs of economic recovery globally in the post-pandemic era. The relaxing of public health and quarantine measures by governments around the world is resulting in societies being re-energized, and resumed business activities and tourism. First Shanghai takes advantage of its rich operating experience to actively identify market trends, and upholds its integrity in operations to provide professional and high-quality services. During the Year, sustainable development will continue to be the focus in the Group's financial services business, and property and hotel business, preparing for potential risks and challenges, and valuable opportunities to be discovered.

Given the targets of carbon neutrality and carbon peaking, the Group is actively preparing and implementing a green and low-carbon transition plan. First Shanghai has always paid attention to climate change issues. In response to climate change and the strategic targets set by international, national and local governments and organizations, the Group has set out mitigation measures in different areas, strategically enhancing the monitoring of operation in the hope of minimizing negative impacts to the environment. The Group plans to set out sustainability strategies and targets to ensure the implementation and development of low-carbon operation in the business.

As a conglomerate company, the Group is committed to providing customers with professional and high-quality services and products, as well as maintaining compliance and integrity in business operations to achieve long-term and stable development. In addition, as a socially responsible corporation, the Group also incorporates sustainability in supply chain management, ensuring the implementation of green supply chains and contributing to the green development of upstream and downstream industries.

In addition, First Shanghai understands that talent is an important element for the Group's operation and development. The Group is committed to creating a suitable working environment for employees, providing training and development opportunities to help them unleash their potential and improve their job performance. Besides, the Group pays attention to the health and safety of its employees, strives to create a safe and healthy working environment, and mitigates the possibility of emergency incidents and potential risks.

Looking forward to the future, the Group will supervise its business operations with a sincere management attitude, implement sustainable development principles, and ensure the effective implementation of ESG risk management measures. The Group will also educate the employees on the philosophy of sustainability development and maintain close communication with stakeholders to meet the public's expectations of the ESG performance and further enhance its sustainability performance.

LO Yuen Yat
Chairman
First Shanghai Investments Limited

SUSTAINABILITY APPROACH AND BOARD STATEMENT

Governments and regulatory agencies around the world continue to raise their standards on corporate ESG performance; investors and stakeholders are also showing concerns towards sustainability in corporations. Mainland China's "The Outline of the 14th Five-Year Plan for National Economic and Social Development of the People's Republic of China and the Long-Range Objectives Through the Year 2035" (referred to as the "14th Five-Year Plan") emphasizes the promotion of a comprehensive green transition of economic and social development, setting targets to reduce energy consumption and achieve carbon peaking and carbon neutrality, and submitting documents such as "China's Achievements, New Goals and New Measures for Nationally Determined Contributions" to the United Nations, detailing specific climate strategies related to carbon peaking and carbon neutrality to international stakeholders. Meanwhile, the Hong Kong government has proposed long-term environmental plans such as the "Hong Kong's Climate Action Plan 2050" and the "Clean Air Plan for Hong Kong 2035", aiming to achieve carbon neutrality by 2050.

In response to the trend of sustainable development, the Group has implemented a systematic sustainability governance to lay the foundation for long-term and steady development in the future. The Board will act as the leader in the ESG management and development, and review the relevant policies, measures, risk management approaches and targets on a regular basis, with an aim to achieve stable development. In addition, the board of directors will be fully responsible for managing ESG issues in operations and monitoring the work of all departments, as well as approving ESG reports.

As different ESG issues arise, the board of directors actively participates in setting out corporate sustainable development strategies and monitors various departments' assessment and management of environmental and social risk, also reviews ESG policies and collects feedbacks to further improve relevant policies and measures to maintain quality corporate governance. By maintaining effective communications with stakeholders, and adhering the principles of sustainable development, the Board will constantly review and improve the Group's sustainability policies, and will establish relevant strategies and goals in a timely manner to further enhance operational performance and continuously improve the Group's ESG performance.

RISK MANAGEMENT

Under the oversight of the Board, the audit committee will regularly review the risk management and internal control system and will complete annual reports. The risk committee will also hold regular meetings to review and improve the risk management framework and report to the audit committee to further ensure the effectiveness and implementation of the system. At the same time, our group has established systematic risk management procedures, with senior management in each operating department responsible for identifying and evaluating significant risks and formulating mitigation strategies and measures to ensure the stability of daily operations.

During the Year, the Group's risk management and internal control system has been proven to be effective. Within the existing risk identification framework, the Group has taken into consideration, including but not limited to, the ESG-related factors to formulate relevant management policies and measures, in an effort to comprehensively mitigate the Group's operational risks.



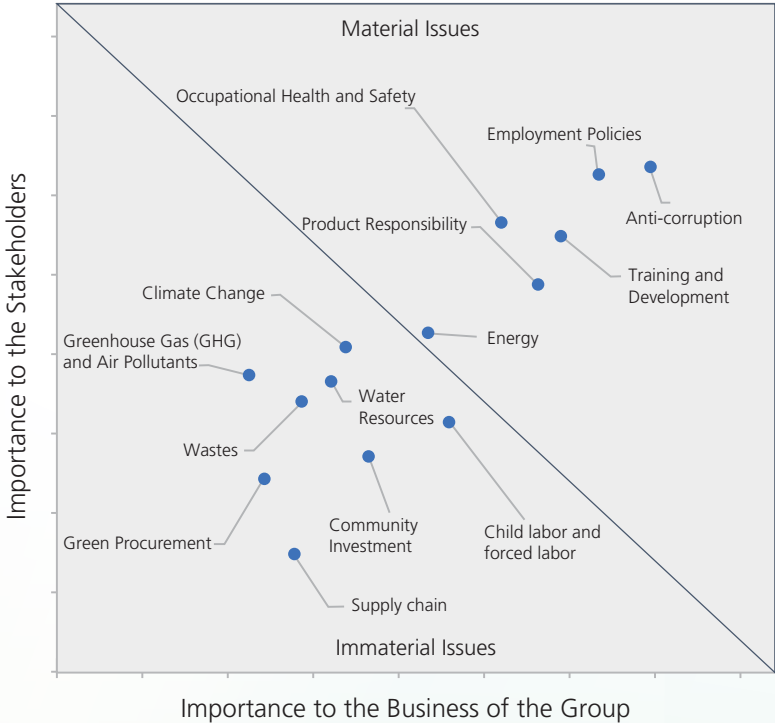
STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

First Shanghai attaches importance to stakeholder engagement, proactively create close connection and strives for providing them with high-quality and professional services and products. Through regular communications, the Group wishes to have an understanding of the concerns of different stakeholders on its sustainability, and to enhance its comprehensiveness and stability of operation. During the Year, the Group continued to communicate with various stakeholders via diverse manners to collect their opinions on a regular basis and maintain a positive and close relationship with them.

Stakeholders group	Communication channels
Investors and shareholders	<ul style="list-style-type: none"> • Annual general meeting • Company's website • Announcements and notices • Annual and interim reports • ESG report
Directors and employees	<ul style="list-style-type: none"> • Internal communication • Employee activities • Board meetings • Symposium • Dining with management • Company's email and other social platforms • Performance evaluation
Suppliers	<ul style="list-style-type: none"> • Routine review mechanism of suppliers • Regular communication and meetings • Bidding and procurement process
Business partners	<ul style="list-style-type: none"> • Regular reports on hotel business by hotel management • Seminar for industry players
Customers	<ul style="list-style-type: none"> • Customer's opinion collection box and complaint mechanism • Questionnaire • Regular meetings with customers service agents • Investment seminars • Customer service hotline
Regulators	<ul style="list-style-type: none"> • Lectures • Regular reporting
Non-governmental organizations	<ul style="list-style-type: none"> • Award scheme and charter • Sponsorship and donation
Communities	<ul style="list-style-type: none"> • Volunteer activities • Company's website

STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

During the Year, the Group carried out a materiality assessment and invited the Board members and employees to take part in a questionnaire survey. Based on their ratings on fourteen ESG issues, the Group tried to understand the ESG issues under four categories namely “environmental protection”, “employment and labor practice”, “operating practice” and “community” that are significant to them and to assist First Shanghai in formulating more focused sustainability strategies. In order to ensure the independence of these material issues, the Group engaged an independent consultancy firm to collect and analyze the feedbacks from the internal stakeholders, and identified six major issues covering the four categories. The materiality matrix and a list of the material issues identified for the Year are set out as follows:



	Material issues	Corresponding chapter
1	Anti-corruption	Professional and compliant operation
2	Employment policies	People-oriented philosophy
3	Training and development	People-oriented philosophy
4	Occupational health and safety	People-oriented philosophy
5	Product responsibility	Professional and compliant operation
6	Energy	Environmental protection

Compared with last year, “energy” has been identified as a new material issue by the Group for the Year while the other material issues remained unchanged, highlighting the overall consistency in the sustainability issues raised by the stakeholders of the Group and indicating greater emphasis on “energy”. The Report will provide deep-dive disclosures of the aforesaid material issues to reflect the requirements of materiality principle by the Stock Exchange.

SUSTAINABILITY PERFORMANCE AT A GLANCE

Professional and Compliant Operation		
Zero corruption lawsuit against the group or its employees	“Best Research Securities Team” of the Third and the Fourth Golden Central Award by Zhitong Finance	The 7th Quam IR Awards – Sustainable Development Category – Bronze
People-oriented Philosophy		
426 employees	72% of employees received training	Zero work-related fatality
Environmental Protection		
GHG Intensity 0.005 tonnes of CO ₂ e/m ²	Energy Intensity 0.01 MWh/m ²	Water Consumption Intensity 0.1 m ³ /m ²
Giving Back to the Society		
Support and participate in community activities in the following key areas and contribute 149 hours of volunteer service for:		
Environmental Conservation	Physical or Mental Disabled	Youth Education

PROFESSIONAL AND COMPLIANT OPERATION

As a conglomerate with financial services, property and hotel and other businesses as its core businesses, First Shanghai strives to provide professional and high-quality products and services. Therefore, the Group places great emphasis on professional and compliant operations, and complies with the laws and regulations of the countries and regions in which the Group operates, as well as relevant internal policies and procedures, in order to meet customers' expectations. The Group strictly complies with relevant laws and regulations such as the "Personal Data (Privacy) Ordinance", "Prevention of Bribery Ordinance" and "Anti-Money Laundering and Counter-Terrorist Financing Ordinance". Besides, the Group has formulated various policies for each place of business and business segment, including the "Prevention of Bribery and Anti-Money Laundering Policy", "Prevention of Fraud and Blackmail Policy", "Supply Chain Management Policy", "Supply Chain Policy relating to Environmental Risk Management" and "Responsible Procurement Policy". During the Year, no reported instance of non-compliance with the relevant laws and regulations by the Group was noted. The Group is dedicated to maintaining its professional standard and integrity, and providing high-quality services and products by implementing stringent internal control procedures, and managing and overseeing its operations in good faith.

OPERATION CONDUCT OF COMPLIANCE AND INTEGRITY

The Group attaches great importance to the ethical conduct of the Group and employees, adheres to the operating principles of compliance and integrity, and adopts a zero-tolerance attitude towards any bribery, extortion, blackmail, fraud and money laundering. In order to maintain the operational compliance of its business, the Group has developed and specified corresponding rules and regulations for each place of business according to their respective operation characteristics and approaches, requiring all directors and employees to be responsible for their conduct, and raising the awareness of compliance and integrity of all members of the Group. Therefore, the Group has formulated the "Compliance Manual" which serves as the comprehensive guidelines for employees in performing their daily duties, and strictly prohibits employees from soliciting or accepting benefits, in order to ensure operational compliance. In addition, as financial service is one of the Group's core businesses, the Group complies with the business guidance of the Hong Kong Securities and Futures Commission (the "SFC") and strictly prohibits unethical business conducts such as bribery and money laundering, to keep the Group's reputation and corporate image of integrity. Meanwhile, the Group has established complaint and anonymous whistle-blowing channels and corresponding mechanisms according to the policies and regulations such as the "Prevention of Fraud and Blackmail Policy", which specify the ways of overseeing the professional conduct of internal personnel to strengthen its monitoring over operational performance. Regardless of the genuineness of the complaint, the Group will keep the personal information of the whistle-blowers and information relating to the case confidential, to ensure their personal safety and fair investigation, as well as to protect our people who sincerely contribute to the development of the Group.

Reporting

- If an employee discovers any suspected non-compliant or corruption cases, he/she may report to the head of the department.

Investigation

- Such department or the head of the department shall collect the reported case and related information and then submit the same to the management and the compliance department for detailed investigation.

Whistle-blowing

- If the reported case is proven to be true, the Group will take disciplinary actions or report to the competent law enforcement department according to the severity of the case and findings of the investigation.

PROFESSIONAL AND COMPLIANT OPERATION

In order to enhance employees' awareness of the operating principles of compliance and integrity, First Shanghai organizes relevant trainings and activities every year. In view of the characteristics of the financial service business, the Group provides training on anti-money laundering and counter-terrorism financing for its employees. In addition, the Group regularly distributes relevant information via internal communications to enhance the understandings of all employees, and practice on the operating principles of compliance and integrity. Thanks to stringent control and training activities, the Group did not receive any non-compliance cases or corruption lawsuits against the Group or its employees during the year. The Group is committed to maintaining integrity and compliant operation while providing reliable and professional services.

HIGH-QUALITY PRODUCTS AND PROFESSIONAL SERVICES

First Shanghai is committed to providing customers with high-quality professional products and services based on the principle of customer-orientation and service-first. It has established corresponding monitoring measures and procedures for different businesses and operations, and established a comprehensive management system. The Group complies with the laws and regulations, such as the "Trade Descriptions Ordinance", "Prevention of Copyright Piracy Ordinance", "Personal Data (Privacy) Ordinance", "Securities and Futures Ordinance", "Code of Conduct for Persons registered with the Securities and Futures Commission", and sets out explicit requirements and standards regarding each area according to a series of policies, including the "Environmental, Social and Governance Customer Policy", "HACCP Food Safety Procedures Manual" and "Product Supervision and Management Policy".

Product and service safety	<ul style="list-style-type: none">• Each place of business has set out policies on management and control of food safety and service quality, which specified food safety standards and preparation process, providing explicit guidance for the relevant staff, so as to ensure the achievement of edible food safety standards and avoid potential health and safety risks.• The managers of the places of business or hotels regularly conduct random safety inspection on food and provide relevant training to employees, to avoid providing customers with substandard food or products. The Group will also make prompt responses upon identification of potential hazards in products or facilities, in an attempt to avoid or reduce adverse impact.• Each place of business carries out regular inspections and maintenance on operation facilities to avoid potential risks exposed to the customers and employees. Appropriate adjustments to operation will also be made to the operation of its golf course and other outdoor venues and facilities according to the weather conditions and other conditions, with an aim to offer customers with the safest and most professional products and services.• The Group has set out investment-related procedures and information in the "Compliance Manual" and "Operation Manual" to assist employees in explaining to customers with investment risks involved, as well as information on financial services and products such as product trading procedures, so that customers could make appropriate investment decisions. Meanwhile, the Group has set up procedures for due diligence of financial products and customer suitability assessment to provide the most suitable services and products for customers.
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PROFESSIONAL AND COMPLIANT OPERATION

<p>Promotional materials and labelling compliance</p>	<ul style="list-style-type: none"> To ensure the accuracy of the contents of the advertising and promotional materials, the Group has established corresponding internal control documents and procedures based on relevant laws and regulations, so as to ensure that all promotional materials shall be approved by relevant departments and heads of such departments before publication on websites and social media platforms. The Group arranges relevant departments and employees to conduct regular review on the compliance of promotional materials, to ensure the authenticity of relevant descriptions. If there are any promotional materials or advertisements found to be in violation of regulations or laws, the Group will immediately cease using such promotion contents and publish relevant statements. Staff from the relevant department will immediately cease purchasing goods from or cooperating with such suppliers after violation of labeling requirement being found in the assessment, so as to avoid the continued use of non-compliant products. For the financial services sector, the Group has formulated a policy on product risk disclosure based on the code of conduct and guidelines on advertising issued by the SFC, and set out the relevant review procedures in the Compliance Manual to ensure the compliance and accuracy of the services and products.
<p>Intellectual property rights</p>	<ul style="list-style-type: none"> Except for those independently developed or owned by the Group, all publications, products, music, videos and other materials may only be used and published with the approval of relevant departments and heads of such departments and consent from the intellectual property owners (if applicable). The Group prohibits the use of any products protected by intellectual property rights that are obtained by illegal means, it only uses software downloaded from legitimate sources, so as to protect the rights of intellectual property owners. The Group will conduct regular review on the implementation of relevant measures and procedures to ensure compliant operation. Upon identification of any non-compliance practice, the Group will immediately cease using such materials, and deal with the issue through established procedures and formulate improvement measures.
<p>Information privacy</p>	<ul style="list-style-type: none"> Given that our business operation involves extensive customer information and data, the Group shall collect relevant information such as personal information and bank details, only with consent from such customers. Such information obtained will be properly kept or destroyed in an approved manner after use, so as to ensure information will not be kept or used illegally.
<p>Network security</p>	<ul style="list-style-type: none"> To ensure the operation free from hackers or malware attacks, all software used by the Group shall be downloaded from legitimate and safe sources, and shall not be downloaded or used via unauthenticated or unofficial sources. To further enhance its security, the Group installs firewalls on electronic equipment and also installs physical firewalls in the server rooms of the hotels to protect its network security.

In order to better sustain our service quality and improve the procedures, First Shanghai has established a dedicated complaint platform, where external and internal stakeholders can make complaints about product and service safety, intellectual property rights, personal data privacy and other aspects. Upon receipt of any complaint, the Group will arrange relevant departments and staff to conduct investigation as soon as possible, make response and develop rectification measures based on investigation findings. Customers may also provide feedback on the products and services through telephone, email, questionnaire and other channels, thereby helping us to improve service quality.

PROFESSIONAL AND COMPLIANT OPERATION

During the Year, the Group received a total of 126 complaints from customers, which were attributable to the food and beverage services of the hotel in Paris, France. The Group has investigated and followed up on the complaints according to the established procedures, and formulated improvement measures in respect of the compliant cases to improve our services and product.

SUSTAINABLE SUPPLY CHAIN MANAGEMENT

First Shanghai adheres to the philosophy of sustainability, improves the management of and cooperation with suppliers, and strives to create a sustainable supply chain. The Group considers ESG factors as part of criteria for choosing suppliers and identifies their sustainability risks, thereby the philosophy of sustainability has been applied to supply chain management. The Group has formulated relevant internal control policies such as the "Responsible Procurement Policy", "Supply Chain Management Policy", "Supply Chain Policy Related to Environmental Risk Management" and "Supply Chain Policy Related to Social Risk Management", to improve supply chain management and maintain sound partnerships with suppliers.

Sustainable procurement evaluation criteria

1. Environmental performance assessment mechanism

- With greater energy efficiency
- utilize clean technology and/or clean fuels
- Identify products with improved recyclability, high recycled content, reduced packing and greater durability
- Emit fewer irritating or toxic substances during installation or use;
- Materials resulting in smaller production of toxic substances, or of less toxic substance, upon disposal.

2. Social performance assessment mechanism

- Enter into a confidentiality agreement to ensure security of information and privacy

PROFESSIONAL AND COMPLIANT OPERATION

Supply chain management procedures

1. Assessment

- The Group shall review the information submitted by the suppliers to assess their performance in terms of compliance, procurement practices, fair trade, human rights, animal welfare, commitments to environmental protection and other aspects.
- The Group shall take into consideration the factors such as the location of suppliers of financial services and energy efficiency of products to reduce impacts on the environment. The Wuxi Hotel Manager shall further consider factors including the products' environmental specifications and environmental labels during the assessment.

2. Selection

- The Group shall select suppliers based on the results after completion of the assessment, and include the selected suppliers into its supplier list for management and regular assessment.

3. Management

- Regularly review the performance of suppliers to ensure that their operation and products or services meet the requirements stipulated by the Group.

During the Year, the Group has cooperated with 675 suppliers in total, of which 41 product and service providers were based in Hong Kong, 278 in Mainland China and 356 in Europe and North America. The Group will continue to monitor the performance of its suppliers, regularly review and formulate improvement measures, and improve the sustainability monitoring system in the supply chain.

PEOPLE-ORIENTED PHILOSOPHY

Excellent employees are the foundations of the Group's development and success. As a corporate focusing on the sustainability, First Shanghai is committed to caring for the health and well-being of employees, formulating a clear human resources system, and providing employees with opportunities for learning, training and development, in order to enhance employees' loyalty to the Company and their competitiveness. The Group abides by the "Employment Ordinance", "Minimum Wage Ordinance", "Employees' Compensation Ordinance", "Occupational Safety and Health Ordinance", "Employment of Children Regulation", "Labor law of the People's Republic of China" and other laws and regulations. In addition, we have formulated various policies and measures such as "Staff Handbook", "Equal Opportunity Policy", "Policy on Prevention of Child Labor or Forced Labor" and "Policy on Caring the Mental and Physical Wellbeing of Employees", for employees to maximize their potential and taking care of the physical and psychological health of employees under our philosophy of people-orientation.

During the Year, the Group was not aware of any non-compliance with the laws and regulations in relation to employment, occupational health and safety and labor standards. The Group commits itself to maintaining a rigorous regulation system, reviews and assesses its operating performance on a regular basis, so as to come up with measures for improvement and refine its internal control system.

IMPROVING EMPLOYMENT SYSTEM

First Shanghai strictly complies with employment-related laws and regulations as well as internal policies and system, it is committed to providing employees with an appropriate working environment and system for them to unleash their potential and enhance their working performance. The Group has developed the clearly defined policies on recruitment and dismissal, remuneration and promotion, benefits and welfares, and improve the employment system continuously. We offer employees with attractive remuneration packages in return for their contribution to our development.

Recruitment and Dismissal

- All recruitment and dismissal procedures are carried out on the principle of fairness and impartiality, regardless of gender, sexual orientation, marital status, religion and race, etc.
- Recruit employees only through lawful ways and prohibit use of child labor. Review the identity documents of job applicants during the recruitment process to ensure their working eligibility and avoid employment of child labor by mistake.
- The human resources department, direct department supervisors, company's management and other relevant parties review the qualifications of job applicants, conduct interviews and give job offer notice to applicants. Entire recruitment process shall be formally completed only upon obtaining the applicant's consent, that is to ensure there is no forced labor.
- Should any employee leave the job either voluntarily or involuntarily, the Group shall proceed compensation or arrangement according to the established policy and provisions of the employment contract.

Remuneration and Promotion

- Provide internal development and promotion opportunities for employees, and select the most suitable talents according to their performance, qualifications and abilities.
- Regularly evaluate the work performance and attitude of employees, and make appropriate adjustments to their remunerations and positions based on the results of the evaluation and the review of remuneration packages.

PEOPLE-ORIENTED PHILOSOPHY

Benefits and Welfares

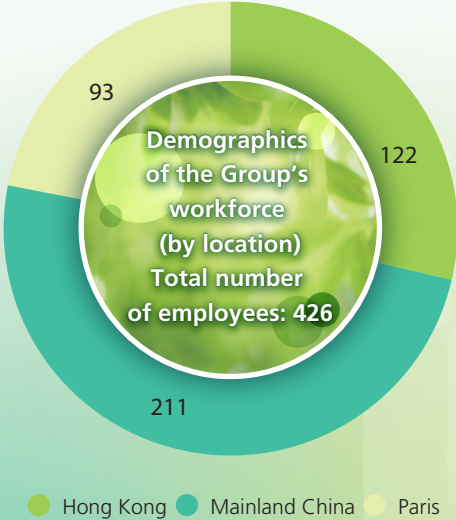
- Provide employees with appropriate benefits and welfares, including annual leave, marriage leave, sick leave, maternity and paternity leaves, examination leave and birthday leave, and other paid leaves
- Shall not coerce employees to work involuntarily during non-business hours by seizing ID documents, deceiving, threatening and other means. If overtime work is required due to the need of speeding up a job process, the Group will offer overtime allowance or compensatory leave to those who work overtime in accordance with the provisions set out in the "Staff Handbook".
- In order to taking good care of the physical and psychological health of employees, employees are entitled to access to wide healthcare coverage, including Chinese and Western medicine out-patient clinics, specialist out-patient clinics, and physical therapy. The healthcare coverage is also provided to the spouses and children of employees, so as to take care of the physical and psychological health of their relatives.

Anti-discrimination and equal Opportunities

- Strictly forbid any form of discrimination, sexual harassment or unequal treatment.
- Recruitment, dismissal, promotion and other procedures are not affected by factors such as gender, race, sexual orientation, religion, nationality and age, etc.

The Group has established procedures for complaint handling so that employees can lodge a complaint in writing or via email when they encounter any non-compliance practice. Meanwhile, the Group will make sure complaints from employees are dealt with seriously and confidentially by responsible departments, and ensure fair and impartial investigation is in place, then disciplinary actions will be imposed and rectification measures will be taken based on the findings of the investigation.

During the Year, the Group had a total of 426 employees, including 122 employees based in Hong Kong, 211 in Mainland China and 93 in Paris. In addition, the place of business in Hong Kong and Wuxi hired 20 and 1,579 other workers, respectively, to facilitate the day-to-day operation of relevant place of business. The Group continues to improve the data collecting system related to the employment, so as to facilitate the Group's review of the existing employment policy and enhance the protection for the employees' rights and welfare.



FOCUSING ON OCCUPATIONAL SAFETY AND HEALTH

First Shanghai pays attention to the health and safety of employees, and strives to create a safe and healthy working environment. For this purpose, the Group has formulated policies such as the “Occupational Safety and Health Policy” and “Policies on Concerning the Physical and Mental Health of Employees”, to provide specific and clear work safety procedures and guidelines for employees in different positions, in order to ensure the personal and property safety of our employees, as well as to reduce the probability and potential risks of unexpected emergency and accidents.

Create a sound working environment

- Regularly conduct inspections and assessments in the workplace to ensure adequate ventilation and prevent accidents in the workplace, in order to keep a clean, tidy and safe working environment.
- Provide standard desks and chairs for employees to mitigate their shoulder and back pain, and provide them with other resources such as foot rests, wrist rests, or computer screen filters to avoid muscle strain or other occupational diseases.

Ensure safety of office

- Regularly check the fire protection system to keep fire escape routes and aisles clear of clutter
- Have a first aid kit in good condition and in compliance with the law.

Occupational safety and health education

- Distribute occupational safety brochures and arrange for employees to participate in training activities and seminars organized by the Occupational Safety and Health Council.
- Participate in the fire drills organized regularly in the building, with an aim to protecting life and health of employees.
- Review the occupational safety and health policy every year and draft the content that needs to be revised, and make sure the policies are effectively performed and corresponding resources are in place.

PEOPLE-ORIENTED PHILOSOPHY

In addition, in view of the operating characteristics of the Group's property and hotel businesses, the Group has formulated policies such as the "Sites Crisis Team Manual" and other documents and provides recommended solutions for safety incidents, to ensure employees being able to take immediate response measures when an accident occurs, including injury treatment and medical needs, so that arrangement can be made to safeguard customers and employees, and maintain or restore normal conduct of business.

Five steps to crisis management	
1. Feedback and reporting	Employees report the crisis situation to relevant parties and organizations such as the crisis management team, regional managers, and the international rescue center.
2. Evaluation	The on-site crisis management team conducts an assessment, and notifies persons in charge and evacuates the on-site personnel.
3. Handover	The on-site crisis management team shall hand over the command to the relevant person in charge and the command center as soon as possible.
4. Implementation and reporting	The relevant person in charge and the command center communicate with the hotel crisis management team about their decisions and actions. Meanwhile, employees perform their duties to deal with the crisis.
5. Resolving	Continue to carry out crisis management until the relevant crisis is completely resolved, and conduct post-emergency assessment after the crisis is over.

During the period of growing pandemics, the Group complied with the anti-pandemic policy of the operating locations, requiring all employees to wear masks at work within the Company's premises. We also provide masks for in-house personnel in need at each place of business. In addition, the Group regularly cleans and disinfects our place of business, provides personal disinfection supplies and equipment and puts up posters to remind employees the importance of personal hygiene. Certain places of business, if permitted, also implement flexible or shift-based working arrangements, with an aim to cut off the chain of transmission among people and set up an additional barrier to protect the health and safety of employees.

During the Year, the Group recorded a total of 14 work-related injury cases, which resulted in a total of 530 working days lost. The Group has dealt with such cases in accordance with the established procedures and strengthened relevant trainings and measures, so as to prevent reoccurrence of similar incidents.

PROVISION OF TRAINING AND DEVELOPMENT OPPORTUNITIES

In order to ensure the provision of high-quality products and services to customers, First Shanghai pays attention to the working ability and professional skills of employees, continuously improves the talent training and development system, and provides broad spectrum training and development opportunities for employees. The Group has formulated policies such as the “Employee Training Policy” and “Employee Training and Development Policy”, to provide training opportunities and benefits for employees. In addition, the Human Resources Department regularly collects the views of employees through questionnaires to analyze what kind of trainings employees desire to take, and make arrangements accordingly. For existing and newly joined staff, the Group has established a corresponding training system to enhance their understanding and skills of their jobs and enable them to fully demonstrate their potentials.

Orientation Trainings for New Employees

- Newly joined staff will receive trainings on their posts and the operations of the Group, as well as relevant manuals so as to strengthen their knowledge on the Group and understandings of the requirements of the Group, and equip them with basic knowledge and skills necessary for the day-to-day operation and their positions.

Annual Trainings

- We work with employees to mutually develop necessary trainings and development plans for the employees based on their individual performance and career expectation, and offer in-house trainings or opportunities for project development if necessary.

Professional Skill Trainings

- We arrange licensed employees of the financial services sector to participate in professional trainings on finance and insurance businesses, and provide them with courses related to financial products, accounting and financial standards, in order to reinforce their professionalism.
- The relevant department will provide training programs covering various fields such as client relationship management, financial management, occupational skill trainings and languages, in response to the operational needs of the property and hotel business.
- Arrange employees to participate in trainings on pandemic prevention to strengthen their awareness of pandemic prevention and to ensure the safety of employees and customers.

During the Year, the Group provided various training programs for 306 employees, and employees received approximately 90.1 training hours on average, thereby developing the skills and knowledge for their undertakings or duties.

ENVIRONMENTAL PROTECTION

As time gets closer to the target time for achieving carbon neutrality, First Shanghai is actively preparing a low-carbon operation plan, and strives to contribute to the “dual carbon” goals. In order to mitigate the impacts caused by its operations on the environment, the Group strictly follows the laws, regulations and standards of where it operates, and has formulated a series of internal policies and regulatory systems based on its business nature to manage the impacts on the environment of different operating locations caused by its operations. During the Year, First Shanghai strictly abides by relevant laws and regulations such as the “Environmental Protection Law of the People's Republic of China”, as well as the internal policies such as the “Climate Change Policy”, “Water Resources Management Policy”, “Policies on Hazardous and Non-hazardous Waste Management”, “Greenhouse Gas Policy”, “Energy Management Policy”, “Paper Management Policy” and “Exhaust Gas Emission Policy”, aiming to achieve zero violation during the Year.

CLIMATE CHANGE

Climate change has far-reaching social and economic impacts and brings about a variety of risks, such as extreme weather, frequent occurrence of typhoon or rainstorm, and glacier meltdown. First Shanghai actively promotes various measures for environmental protection, energy saving and carbon reduction, reduces greenhouse gas emissions and promotes green financial services and etc, in order to cope with the challenges and effects brought about by climate change through mitigation, adaptation and strengthening resilience. In addition, in order to reduce the risks and losses caused by climate change, the Group has formulated corresponding policies and procedures, setting out the response measures and procedures when relevant events occur, strengthening supervision and continuing to review the “Climate Change Policy”, with an aim to assess the opportunities and risks that climate change brings to the Group.

Planning and Preparation

- Prepare emergency plans and lists of supplies in advance, ensure the safe evacuation zones and routes with clear direction are in place at each place of business, and assess emergency supplies such as communication equipment and batteries.

Reducing Damages

- Through prompt response measures, to make sure customers and employees are evacuated promptly and accommodated in the safe zones.
- Equipment and items that may bring potential hazards shall be kept at appropriate places, and measures shall be implemented to ensure safety.
- When personal safety is assured, relevant party shall contact local law-enforcement departments as soon as possible to ensure the safety of all people and implementation of response plans against the incident.

Post-disaster Arrangement

- The Group shall carry out inspection on the facilities at Each Place of Business in terms of their working conditions and safety and conduct repair and maintenance when it is safe to do so.

ENVIRONMENTAL PROTECTION

Apart from this, the Group strives to implement the 4R environmental protection strategy to minimize waste, and establish and implement long-term objective to reduce carbon emissions. The Group shall take into account the factors related to climate change in the procurement process, promote the use of low-carbon and energy-efficient products and materials, and minimize its carbon footprint by efficient usage of resources and implementing green office measures.

In order to strengthen the resistance and response capabilities of all places of business and operation against climate-related incidents, the Group will review relevant mechanisms and systems from time to time, and identify major impacts and formulate corresponding measures in a timely manner to achieve long-term sustainable development.



WASTE MANAGEMENT

Due to the nature of our business, the Group inevitably discharges certain amounts of wastes from its operation, which impose some impacts on the environment. In accordance with the internal control documents such as the “Policies on Disposal of Hazardous and Non-hazardous Wastes”, and based on the characteristics of each operating business, the Group develops corresponding waste reduction measures and ensure legitimate and proper treatment of such wastes, with an aim to minimize its impact on the environment.

Based on the three ways (being recycling, reusing and reducing, and proper disposal), the Group formulates corresponding measures to reduce the generation and disposal of waste, extend the overall product life, and ensure proper disposal of unavoidable waste.

Recycling

- Set up waste collection boxes at prominent location of business place to encourage recycling
- Collect and dispose the recyclable items generated during the Mid-autumn Festival and other festivals.

Reusing and Reducing

- Promote electronic operations, including reducing use of paper and setting double-sided printing as default mode of printers
- Reuse materials such as old envelopes, folders, cartons and stationery
- Use electronic greeting cards and subscribe online newspaper and magazine to gradually replace hard copies
- Reduce provision of bottled water for the customers.

ENVIRONMENTAL PROTECTION

Proper Disposal

- Wastes are sorted based on their elements and stored separately, and qualified agencies are engaged to carry out subsequent treatment and disposal.

In addition to hazardous wastes such as used light tubes and electronic wastes, waste residues, waste oil, waste chemicals and other hazardous wastes generated by the places of business of our property and hotel sector are treated according to the established procedures, while other sewage will also be subject to segregation of grease in sewage before it is discharged into the public sewage canal, so as to mitigate impact on the environment and water resources. First Shanghai will record the production of wastes on a regular basis and review the mechanism, to ensure the effectiveness of the policies and measures implemented by the Group, reduce energy consumption, and thereby mitigate the burden on the environment.

During the Year, the Group produces zero hazardous waste and it produced 307.3 tonnes of non-hazardous waste.

Wastes	2022	Unit
Total hazardous waste ¹	0	tonnes
Hazardous waste intensity (in area)	0	tonnes/thousand sq.m.
Total non-hazardous waste ²	307.3	tonnes
Non-hazardous waste intensity (in area)	0.2	tonnes/thousand sq.m.

¹ There were only small amount of hazardous waste produced by the Group in its operations.
² Non-hazardous waste includes general waste, waste paper, waste plastics, waste metals, waste wood.

For the place of business in Hong Kong, the Group undertakes to reduce the use of paper with the target of reducing the amount of paper used by at least 10% from the year 2020 to 2025, and promotes reduction, recycling, recover and reduction of waste from the source. The amount of A4 paper the Group ordered in the year 2020 to 2022 amounted to 1,635 reams, 1,285 reams and 1,015 reams, respectively. The amount of A4 paper ordered for this year decreased by 21% compared with the prior year, which leading gradually to our target of reducing paper consumption. The Group will continue to monitor the progress and review the performance regularly.

The Group will review the established objectives according to the conditions and strategies of each operating location, and expand its scope properly and timely, to further reduce the environmental impacts caused by wastes generated in our operations.

RESOURCE UTILISATION AND POLLUTANT EMISSION

As a conglomerate, the consumption of electricity and energy is a major resource usage in the daily operation of First Shanghai. According to the guidelines of the “Energy Management Policies”, “Air Exhaust Emission Policies”, the Group controls the emissions of air pollutants and GHG generated from mobile and immobile energy, and minimizes the negative impact of operations on air quality and the environment. In addition, in order to reduce energy consumption, the operating locations in Hong Kong has set a target of reducing electricity consumption by at least 5% in 2025 compared with the year 2020, with an aim to further reduce energy consumption and greenhouse gas through effective regulatory measures.

Operating Equipment

- Give priority to energy-saving appliances
- Use energy-saving light tubes and energy-saving lamps
- Replace low electric-efficient devices regularly
- Activate devices in sleep mode appropriately
- Use vehicles meeting the latest emission standards

Daily operation

- Monitor power consumption every month for the early detection and rectification of devices that consume power erratically
- Advocate the Energy Saving Charter on Indoor Temperature and maintain an average indoor temperature between 24 – 26° C to save energy
- Choose local suppliers with first priority to reduce GHG emissions during transportation
- Encourage online meetings to reduce motor vehicle emissions and emissions generated from business trip
- Turn off air conditioners, lightings and electronic products after use or before leaving the workplace to reduce energy consumption

EMISSIONS OF AIR POLLUTANTS AND GHG

During the Year, the emissions of air pollutants included 4,330.9 kg of nitrogen oxides, 92.4 kg of sulphur oxides and 318.8 kg of respiratory suspended particles, respectively. Furthermore, the Group's total GHG emissions in 2022 amounted to 8,429.0 tonnes of CO₂e. Compared with the prior year, as the increase in purchased energy consumption of the place of business in Paris and the improvement of the overall environmental data collection system, the emissions in this year increased by approximately 11.54% compared with the prior year.

Air pollutants	2022	Unit
Nitrogen Oxides	4,330.9	kg
Sulphur Oxides	92.4	kg
Respiratory Suspended Particles	318.8	kg

ENVIRONMENTAL PROTECTION

GHG emissions	2022	Tonnes
Scope 1	108.5	tonnes of CO ₂ e
Scope 2	8,200.7	tonnes of CO ₂ e
Scope 3	119.8	tonnes of CO ₂ e
Total GHG emissions	8,429.0	tonnes of CO ₂ e
GHG intensity (in area)	0.005	tonnes of CO ₂ e/m ²
GHG intensity (in revenue)	24.6	tonnes of CO ₂ e/ HK\$ million

ENERGY CONSUMPTION

During the Year, the total energy consumption of the Group was 9,826.7 MWh, with the consumption intensity of 0.01 MWh/m². Total energy consumption decreased by 39.9% compared with the prior year which was mainly attributable to the enhancement of completeness of data collected during the Year. The Group's electricity consumption during the Year decreased by 41.2% compared with the year 2021, attributable to the energy reduction target set for the operating locations in Hong Kong.

Energy Consumption	2022	Unit
Direct energy	748.2	MWh
Indirect energy	9,078.5	MWh
Total energy consumption	9,826.7	MWh
Energy intensity (in area)	0.01	MWh/m ²

WATER RESOURCE CONSUMPTION

Water is a precious resource on the earth. As a socially responsible company, First Shanghai strives to reduce the consumption of water resources to protect the environment. The Group actively promotes the philosophy of "cherish fresh water and avoid water wastage" to employees to remind them to reduce water consumption. The Group develops different policies and measures for various Places of Business and encourages all departments and employees to participate. The Group will review its established water efficiency targets regularly and develop quantified targets when appropriate to strengthen supervision of water consumption.

Reduce consumption from the source

- Post slogans at conspicuous places to encourage the employees to save water
- Install water-saving devices
- Carry out regular inspection and maintenance of water plumbing fixtures to prevent unnecessary waste of water
- Reduce possibility of water waste due to excessive water storage

Make efficient use of water

- Encourage employees to water plants with drinking water that is no longer to be used
- Encourage employees to use recycled water for basic cleansing

During the Year, total water consumption of the Group amounted to 215,999.0 m³, with a water consumption intensity of 0.1 m³/m². The Group did not encounter any problems in obtaining suitable water sources. The total water consumption increased by 22.4% as the occupancy rate in hotels rose.

Water Resources Consumption	2022	Unit
Water consumption in total	215,999.0	m ³
Water consumption intensity (in area)	0.1	m ³ /m ²

ENVIRONMENTAL PROTECTION

ENVIRONMENT AND NATURAL RESOURCES

Our operations inevitably bring impacts on the environment. As a conglomerate engaged in diversified businesses, First Shanghai has formulated mitigation measures in relation to various operation segments and processes, and established policies and regulations including the “Policies for Minimizing the Significant Impact of the Operation on the Environment and Natural Resources” and “Hazardous Waste Environmental Emergency Plan”, with an aim to reduce the impacts on the environment and natural resources due to our operations and take appropriate monitoring and management actions.

Financial Services Sector	
Preventive measures	Make the most suitable investment decisions in accordance with the investment screening policy by assessing the environmental and social risks of the investment projects and striking a balance between its operation development and environmental protection.
Approaches	Addressing to the inevitable impacts on the environment, we shall take countermeasures in accordance with local laws or internal policies.

Property and Hotel Sector	
Preventive measures	We develop response measures in advance in accordance with the “Hazardous Waste Environmental Emergency Plan” to mitigate or prevent environmental pollution issue arising from leakage and pollution accidents.
Approaches	In terms of chemical products used during the operation, the Group shall pay relevant pollution discharge taxes to the product suppliers, so as to take responsibility for the impacts brought about by the use of such products. We shall promptly take response measures upon the occurrence of leakage or pollution accidents to reduce the possibility and impacts of environmental pollution.

GIVING BACK TO THE SOCIETY

First Shanghai serves the community with honor and upholds the motto of “benefiting from the society, giving back to the society”, to make contribution to the community where it operates. The Group strives to build strong connection with the local community, maintain our leverage for developing the community, improve the life quality of the local people, and help to build a harmonious society. Through the established community investment and charity and community policies and the wide variety of community investment projects, the Group is dedicated to supporting and catering to the expectations and needs of local communities.

Donations	Volunteer activities
HK\$54,000 in total	149 hours in total

The Group provides assistance to environmental protection organizations and charitable organizations, and actively participates in related volunteer activities to promote local environmental protection and community development, so as to mitigate the impacts brought about by social and economic activities.

Environmental Conservation

- Employees participated in “Walk for Nature” organized by WWF. Under the explanation of the researcher, the employees learned that biodiversity brings endless vitality to creatures and humans, and the important relationship between the natural environment and community stability, and also inspired the public how biodiversity good for human beings and create a livable environment.

Volunteer Services

- The Group organized a 8-hour honey collecting activity with Domaine Des Trois Gouttes. By sharing beekeepers’ workloads during the busy periods and personal experience, employees understood that the food is the valuable resources and the importance of treasuring the natural resources.
- The Group organized a 100-hour volunteer activity with Le Clos du Nid (who mainly serves and takes care of people with physical or mental disabilities) to keep vegetable farm of the Group's hotel and help to plant vegetables, fruits and spices.

Education Program

- The Group is committed to supporting “Wind Under the Wings III” Program held by the Hong Kong Playground Association. Through employees serving as “Mentor” for the youth under this Growth Navigation Program, they regularly meet and communicate with educating knowledge of financial management and providing insights for life planning among the youth.

APPENDIX

OVERVIEW OF KEY PERFORMANCE INDICATORS

ENVIRONMENTAL KEY PERFORMANCE INDICATORS

	2022				2021	Unit
	Region			Total	Total	
	Hong Kong	Wuxi	Paris			
Air pollutant^{3,4}						
Nitrogen Oxides	0	3,137.1	1,193.8	4,330.9	5,474.8	kg
Sulphur Oxides	0	18.9	73.5	92.4	105.1	kg
Respiratory Suspended Particles	0	238.4	80.4	318.8	408.0	kg
Greenhouse gas⁵						
Scope 1 ⁶	0.02	85.7	22.8	108.5	200.6	tonnes of CO ₂ e
Scope 2 ⁷	161.5	5,934.6	2,104.6	8,200.7	7,337.9	tonnes of CO ₂ e
Scope 3 ⁸	–	0	119.8	119.8	18.2	tonnes of CO ₂ e
Total GHG emissions	161.5	6,020.3	2,247.2	8,429.0	7,556.7	tonnes of CO ₂ e
GHG intensity (in area)	0.01	0.8	0.001	0.005	0.004	tonnes of CO ₂ e/ m ²
GHG intensity (in revenue)	N/A	N/A	N/A	24.6	14.3	tonnes of CO ₂ e/ HK\$ million
Waste						
Total hazardous waste ⁹	0	0	0	0	4.39	tonnes
Hazardous waste intensity (in area)	0	0	0	0	0.002	tonnes/ thousand sq.m.
Total non-hazardous waste	4.8	214.8	87.7	307.3	32,565.4	tonnes
Non-hazardous waste intensity (in area)	0.3	29.9	0.05	0.2	18.5	tonnes/ thousand sq.m.

³ The calculation of air pollutant emissions was mainly referenced to the Technical Guide for Preparation of Air Pollutant Emission Inventory for Road Vehicles (trial implementation) (《道路機動車大氣污染物排放清單編制技術指南(試行)》) and the Technical Guide for Preparation of Primary Source Emission Inventory for Respirable Particulate Matter (trial implementation) (《大氣可吸入顆粒物一次源排放清單編制技術指南(試行)》) and the Non-road Mobile Source Air Pollutant Emission Inventory Preparation Technical Guide (trial implementation) (《非道路移動源大氣污染物排放清單編制技術指南(試行)》) issued by the Ministry of Ecology and Environment of the People's Republic of China. Vehicle emissions and natural gas combustion were the main sources of the emissions.

⁴ Due to the improvement in data collection and analysis, data of year 2021 have been restated.

⁵ The calculation of GHG emissions was mainly referenced to the Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong launched by the Environmental Protection Department and the Electrical and Mechanical Services Department of Hong Kong and the Guidelines for Accounting and Reporting Greenhouse Gas Emissions from Operators of Public Buildings (Trial Implementation) (《公共建築運營企業溫室氣體排放核算方法與報告指南(試行)》) issued by the National Development and Reform Commission of China.

⁶ Scope 1 represents direct GHG emissions, including mobile sources such as vehicles from offices in Hong Kong and factories in Mainland China.

⁷ Scope 2 represents energy indirect GHG emissions, including purchased electricity at all places of business.

⁸ Scope 3 represents other indirect GHG emissions, including waste paper, fresh water and sewage treatment at the place of business in Hong Kong, as well as business travel at all places of business.

⁹ The Group only generated a small amount of hazardous waste in its operations.

	2022				2021	Unit
	Region			Total	Total	
	Hong Kong	Wuxi	Paris			
Energy						
Direct energy ¹⁰	0	482.1	266.1	748.2	910.8	MWh
Indirect energy ^{11,12}	227.4	6,523.4	2,327.7	9,078.5	15,442.70	MWh
Total energy consumption	227.4	7,005.5	2,593.8	9,826.7	16,353.5	MWh
Energy intensity (in area)	0.01	0.1	0.002	0.01	0.01	MWh/m ²
Water resource						
Total water consumption	960.3	82,196.0	132,842.7	215,999.0	176,533.6	m ³
Water consumption intensity (in area)	0.05	11.4	0.08	0.1	0.10	m ³ /m ²

¹⁰ Includes petrol and natural gas.

¹¹ Includes purchased electricity and heat.

¹² Due to improvement of data collection in the current year, more accurate figures could be obtained for indirect energy.

APPENDIX

SOCIAL KEY PERFORMANCE INDICATORS

		2022				2021	
		Region			Total	Total	
		Hong Kong	Wuxi	Paris			
Number of employees¹³							
<i>Gender</i>	Male	64	94	63	221	242	
	Female	58	117	30	205	276	
<i>Age</i>	30 and below	19	70	43	132	183	
	31-40	38	41	18	97	128	
	41-50	32	51	19	102	112	
	Above 50	33	49	13	95	95	
<i>Rank</i>	Senior management	18	2	17	37	41	
	Middle management	27	77	23	127	141	
	General employees	77	132	53	262	336	
<i>Employment type</i>	Full-time	121	206	92	419	509	
	Part-time	1	5	1	7	9	
Total		122	211	93	426	518	
Number of other workers							
<i>Gender</i>	Male	12	446	0	458	Not available	
	Female	8	1,133	0	1,141		
<i>Age</i>	30 and below	1	342	0	343	Not available	
	31-40	3	506	0	509		
	41-50	4	631	0	635		
	Above 50	12	100	0	112		
總數		20	1,579	0	1,599	1,777	
New employee rate¹⁴							
<i>Gender</i>	Male	25%	44%	40%	37%	107 (44%)	
	Female	9%	39%	40%	31%	153 (55%)	
<i>Age</i>	30 and below	32%	86%	63%	70%	156 (85%)	
	31-40	29%	10%	17%	19%	50 (39%)	
	41-50	9%	24%	21%	19%	26 (23%)	
	Above 50	3%	22%	23%	16%	28 (29%)	
Total		17%	41%	40%	34%	260 (50%)	

¹³ Total number of employees at the end of the Reporting Period

¹⁴ New employee rate (in percentage) = number of new employee of the category/total workforce of the category at the end of the Reporting Period X 100%

		2022				2021
		Region			Total	Total
		Hong Kong	Wuxi	Paris		
Employee turnover rate¹⁵						
<i>Gender</i>	Male	25%	51%	41%	41%	48%
	Female	21%	38%	70%	38%	59%
<i>Age</i>	30 and below	53%	94%	60%	77%	89%
	31-40	18%	15%	72%	27%	46%
	41-50	16%	18%	26%	19%	21%
	Above 50	18%	22%	23%	21%	37%
Total		23%	44%	51%	39%	54%
Health and safety¹⁶						
<i>Number of work-related injuries</i>		2	1	11	14	11
<i>Lost days due to work-related injuries</i>		25	6	499	530	608
<i>Number of work-related fatalities</i>		0	0	0	0	0
<i>Work-related fatality rate</i>		0	0	0	0	0
Number of employees trained¹⁷						
<i>Gender</i>	Male	38 (59%)	87 (93%)	29 (46%)	154 (70%)	128 (53%)
	Female	20 (34%)	106 (91%)	26 (87%)	152 (74%)	222 (80%)
<i>Rank</i>	Senior management	8 (44%)	1 (50%)	14 (82%)	23 (62%)	41 (100%)
	Middle management	15 (56%)	75 (97%)	6 (26%)	96 (76%)	74 (52%)
	General employees	35 (45%)	117 (89%)	35 (66%)	187 (71%)	235 (70%)
Total		58 (48%)	193 (91%)	55 (59%)	306 (72%)	350 (68%)
Average training hours (hour)¹⁸						
<i>Gender</i>	Male	6.6	145.3	3.2	64.6	47.3
	Female	3.2	202.7	6.0	117.5	63.6
<i>Rank</i>	Senior management	5.8	2.0	5.8	5.6	9.9
	Middle management	7.1	139.0	1.7	86.1	47.9
	General employees	4.1	202.1	4.6	103.9	65.0
Total		5.0	177.2	4.1	90.1	56.0

¹⁵ Employee turnover rate (in percentage) = number of turnover of the category/total employees of the category at the end of the Reporting Period X 100%

¹⁶ Including employees of the Group and other workers

¹⁷ Employee trained rate (in percentage) = number of employee trained in the category/total employees of the category at the Reporting Period X 100%

¹⁸ Average training hours = total hours of training received by employees of category/total employees of the category at the end of the Reporting Period

APPENDIX

		2022	2021
Supply chain management			
<i>Region</i>	Hong Kong	41	283
	Mainland China	278	290
	Europe and North America	356	348
Total		675	921
Percentage of suppliers implementing the relevant practices	Select suppliers	13.2%	22.3%
	Identify and manage environmental risks of the supply chain	63.0%	42.9%
	Identify and manage social risks of the supply chain	63.0%	42.9%
Suppliers obtaining various system certifications	ISO 9000	3	3
	ISO 9001	7	7
	ISO 14000	0	4
	ISO 14001	1	3
	ISO 20000	2	4
	ISO 27001	7	9
	ISO 27017/27018	2	5
	OHSAS 18001	3	3
	WEEE and RoHS requirements	1	1
	Energy label verification	1	1
Total		27	40
Product responsibility			
	<i>Percentage of products sold or shipped subject to recalls for safety and health reasons</i>	0	0
	<i>Number of products and service related complaints</i>	126	60
Anti-corruption			
	<i>Number of concluded corruption cases brought against the issuer or its employees</i>	0	0

REPORT CONTENT INDEX

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT CONTENT INDEX

Aspects	Description	Page Index/ Note
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.	20
A1.1	The types of emissions and respective emission data.	22-24, 28
A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions and intensity.	23-24, 28
A1.3	Hazardous waste produced in total and intensity.	22, 28
A1.4	Non-hazardous waste produced in total and intensity.	22, 28
A1.5	Description of emission target(s) set and steps taken to achieve them.	21-25
A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction targets set and steps taken to achieve them.	21-22
A2 Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	20, 22
A2.1	Direct and/or indirect energy consumption by type in total and intensity.	24, 29
A2.2	Water consumption in total and intensity.	25, 29
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	22-23
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	24-25
A2.5	Total packaging material used for finished products and with reference to per unit produced.	This issue is not related to the operation of the Group
A3 The Environment and Natural Resources		
General Disclosure	Policies on minimizing the issuer's significant impacts on the environment and natural resource.	26
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	26
A4 Climate Change		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	20-21
A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	20-21

APPENDIX

Aspects	Description	Page Index/ Note
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.	15-16
B1.1	Total workforce by gender, employment type, age group and geographical region.	16, 30
B1.2	Employee turnover rate by gender, age group and geographical region.	31
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.	15, 17-18
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	18, 31
B2.2	Lost days due to work-related injuries.	18, 31
B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	17-18
B3 Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	19
B3.1	The percentage of employees trained by gender and employee category.	19, 31
B3.2	The average training hours completed per employee by gender and employee category.	19, 31
B4 Labor 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 or forced labor.	15
B4.1	Description of measures to review employment practices to avoid child and forced labor.	15
B4.2	Description of steps taken to eliminate such practices when discovered.	15

Aspects	Description	Page Index/ Note
B5 Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	10, 13-14
B5.1	Number of suppliers by geographical region.	14, 32
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented and how such practices are implemented and monitored.	13-14, 32
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how such practices are implemented and monitored.	13-14
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how such practices are implemented and monitored.	13-14
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.	10-12
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	32
B6.2	Number of products and service related complaints received and how they are dealt with.	11-13, 32
B6.3	Description of practices relating to observing and protecting intellectual property rights.	11-12
B6.4	Description of quality assurance process and recall procedures.	11-12
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	11-12

APPENDIX

Aspects	Description	Page Index/ Note
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.	10
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.	10, 32
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	10
B7.3	Description of anti-corruption training provided to directors and staff.	11
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.	27
B8.1	Focus areas of contribution.	27
B8.2	Resources contributed to the focus area.	27