



四海國際集團有限公司

**Cosmopolitan**  
International Holdings Limited

(Incorporated in the Cayman Islands with limited liability)  
(Stock Code : 120)

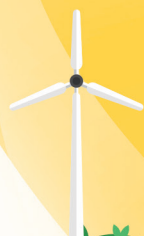
2022

ENVIRONMENTAL, SOCIAL  
AND GOVERNANCE REPORT



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## ABOUT THIS REPORT

### Reporting Standard

This report has been prepared in accordance with the Environmental, Social and Governance Reporting Guide (the “ESG Reporting Guide”) in Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “Listing Rules”).

### Reporting Principles

In the preparation of the report, the Group adopted the four fundamental reporting principles to facilitate effective communication and constructive decision making:

- **Materiality:** A materiality assessment was conducted to identify our environmental, social and governance (“ESG”) priorities among the 19 material ESG issues which are also addressed by our industry peers.
- **Quantitative:** Data about environmental and social responsibility were collected and reviewed to evaluate the effectiveness of environmental and social responsibility initiatives.
- **Balance:** All achievements and improvement plans were disclosed in this report in a transparent and balanced manner to provide an unbiased view on our ESG performance.
- **Consistency:** Consistent reporting methodologies are adopted to present an effective year-on-year performance comparison. Any changes in the methodologies and reporting scope are explained in remarks for stakeholders’ reference.

### Reporting Scope and Boundary

This is the seventh annual standalone ESG report of Cosmopolitan International Holdings Limited (“Cosmopolitan” or the “Company”, and together with its subsidiaries, the “Group” or the “Cosmopolitan Group”). This report covers the performance on ESG issues that are material to the Group’s ongoing property development projects in Mainland China.

### Reporting Period

Unless otherwise stated, this report presents the highlights of our progress and performance on material ESG issues for the period from 1 January 2022 to 31 December 2022.

### Accessibility of the Report and Feedback

An electronic copy of this report can be accessed on Cosmopolitan’s website at [www.cosmoholdings.com](http://www.cosmoholdings.com). Should you have any enquiries about the report or opinions regarding Cosmopolitan’s ESG performance, please feel free to contact us via [info@cosmoholdings.com](mailto:info@cosmoholdings.com).

### Board Approval

This report was reviewed and approved by the Board of Directors of the Company (the “Board”) on 26 April 2023.





## ABOUT COSMOPOLITAN

### Our Business

The Cosmopolitan Group was established in 1991 and is listed on the Main Board of the Stock Exchange, with the Group's core businesses focused on property development, property investment, financial investment and other investments. As a subsidiary of the Century City International Holdings Limited ("Century City", and together with its subsidiaries, the "Century City Group"), Cosmopolitan focus on property development projects in Mainland China. We are involved in large-scale property development projects, including upmarket residential properties, top-grade offices, high-class hotel and shopping centers in Mainland China.

At Cosmopolitan, we strive to create long-term values for our stakeholders. We are progressing unwaveringly with major property projects, which contribute to creating economic benefits and promoting the long-term development of the communities in which they are situated.

The Group aligns with its parent company group Century City, considering sustainability as the cornerstone of our successful development and we follow the parent company group's direction to incorporate sustainable practices into our operations. We are aware of the environmental impact of our operation; thus we are devoted to operating in a both environmentally and socially responsible way, which includes minimising environmental impact during operation, participating in charitable events and social welfare programmes to contribute to the community.

### Our Presence

Headquartered in Hong Kong, the business of Cosmopolitan principally comprises two composite property development projects in Chengdu and Tianjin in Mainland China.

#### Chengdu Project – Regal Cosmopolitan City

Located in the Xindu District in Chengdu, Sichuan Province, the project is a mixed-use development consisting of residential, hotel, commercial and office components, with an overall total gross floor area of approximately 495,000 square meters (5,330,000 square feet). Further details of the project are set out in the Company's Annual Report for 2022 (the "2022 Annual Report").



Casa Regalia (Phase 1 and Phase 2), Regal Cosmopolitan City







## ABOUT COSMOPOLITAN



Regal Xindu Hotel, hotel development at Regal Cosmopolitan City



Commercial/office towers of Regal Cosmopolitan City (\*)

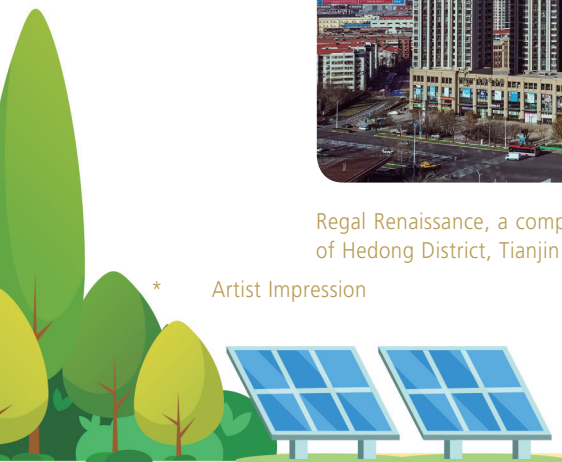
### Tianjin Project – Regal Renaissance

Located in the Hedong District in Tianjin, this project is a mixed-use development comprising residential, commercial and office components with total gross floor area of about 145,000 square meters (1,561,000 square feet). Further details of the project are set out in the 2022 Annual Report.



Regal Renaissance, a composite commercial/office/residential development in a prime location of Hedong District, Tianjin

\* Artist Impression





## OUR ESG APPROACH

Upholding the core values of sustainability, the Group is devoted to integrating sustainable considerations into daily operations whenever possible, aligning with the Century City Group's sustainable principles and operating in a sustainable manner.

### Board Statement on ESG Matters

The Board of Cosmopolitan is responsible for oversight of the ESG matters of the Group's operations. The Board has the responsibilities in guiding the development of the Group's ESG values, approaches, strategies and policies, reviewing the identification, evaluation and management of ESG matters. In addition, the Board is also responsible for reviewing and monitoring the progress made against ESG related goals and targets. The preparation of the ESG Report is delegated to the executive committee to ensure balanced disclosure of ESG performance and compliance with all applicable Listing Rules.

The Group identifies, assesses and prioritises the ESG matters and their importance to Cosmopolitan and its internal and external stakeholders through stakeholder engagement under the guidance of the Board. In this report, we have reported our development of ESG initiatives and measures and the implementation in accordance with the assessed materiality of various ESG matters. Please refer to "Stakeholder Engagement" section of this Report for details of the stakeholder engagement process and the results of the materiality analysis.

### Corporate Governance

Cosmopolitan is committed to maintaining a high standard of corporate governance system as one of our key business operation principles. The Group has comprehensively complied with the Code Provisions in the Corporate Governance Code as set out in Appendix 14 of the Listing Rules, which outlines the best practices of corporate governance. The Group has a strong and robust corporate governance structure in place. The Board is supported by three board committees, namely, the Audit Committee, the Remuneration Committee and the Nomination Committee. The board committees are mainly responsible for overseeing and regularly monitoring corporate governance practices to ensure compliance. New policies and measures are implemented whenever necessary.

### Sustainability Governance

Cosmopolitan has prioritised sustainability as one of the Group's key objectives. The Group highly values the views of our stakeholders and is committed to establishing sustainability strategies that integrate into our daily operations and balancing their interests with our goals.

Our Group has a sustainability governance framework in place to ensure an effective sustainability management. The Board is responsible for overseeing and regularly evaluating the sustainability performance of the Group. The Executive Directors, with the assistance of senior managers from key divisions, are delegated with responsibilities of implementing the Group's sustainability planning under three major objectives: environmental sustainability, social sustainability and economic sustainability. The sustainability plan will then be executed by different operating divisions of the Group, with the aim of achieving the goals and priorities set.





## OUR ESG APPROACH

### Stakeholder Engagement

To understand the opinions and needs of different stakeholder groups, different transparent and diverse channels have been established to facilitate meaningful interactions. We ensure their views are effectively collected and well considered. Through the regular communication and engagement exercises, the Group gathers and understands their expectations on our sustainability performance. The major engagement channels for each stakeholder group are listed as follows:

Stakeholder Group Engaged		Methods of Engagement <sup>1</sup>
Internal Stakeholders	Management	<ul style="list-style-type: none"> <li>Regular meetings</li> </ul>
	General Employees	<ul style="list-style-type: none"> <li>Regular meetings</li> <li>Orientation activities</li> <li>Notice boards</li> <li>Annual appraisal meetings</li> <li>Employee engagement activities</li> </ul>
External Stakeholders	Customers	<ul style="list-style-type: none"> <li>Guest satisfaction surveys</li> <li>Corporate website</li> <li>Day-to-day communication with front-line employees</li> <li>Customer feedback mechanism</li> <li>Hotlines</li> </ul>
	Investors/Shareholders	<ul style="list-style-type: none"> <li>Analyst briefings</li> <li>Investor meetings</li> <li>General meetings</li> <li>Annual and interim reports</li> <li>Press releases/announcements</li> </ul>
	Media	<ul style="list-style-type: none"> <li>Press releases</li> <li>Corporate website</li> </ul>
	Industrial Associations	<ul style="list-style-type: none"> <li>Industry forums</li> </ul>
	Suppliers/Contractors/ Business Partners	<ul style="list-style-type: none"> <li>Regular meetings</li> <li>Progress meetings</li> </ul>

<sup>1</sup> Due to the pandemic and social distancing restrictions, most events involving physical gatherings have been temporarily suspended during the reporting year.





## OUR ESG APPROACH

### Materiality Assessment

Cosmopolitan regularly reviews the sustainability issues related to the sustainable development and performance on the Group. A three-step materiality assessment was adopted to identify the relevant ESG topics that are important to our business. The materiality assessment results also align with the Group’s strategies and the expectations of the stakeholders. The prioritisation of the material topics follows the principles defined in the ESG Reporting Guide, and the steps are summarised as follows:







## OUR ESG APPROACH

The Group has identified the following 19 topics that are considered material based on the results of the materiality assessment. The topics are discussed in detail throughout this report:





## ENVIRONMENTAL RESPONSIBILITY

Inevitably, the Cosmopolitan Group's core business activities impact the environment in the locations where it operates, thus we are committed to reducing environmental impacts and building a green community for a better future. With this vision in mind, Cosmopolitan upholds the commitments and undertake responsibilities to minimise our environmental impacts and help construct a resilient community.

The Group abides by the Environmental Protection Law of the People's Republic of China and other environmental protection laws on country and city levels, and strictly implements energy conservation, land conservation, water conservation, material conservation and environmental protection regulations and design standards during project development, construction, operation and maintenance stages. Once an environmental issue is spotted, timely measures will be taken to respond quickly to reduce the negative impact.

During the reporting year, we complied with all relevant laws and regulations<sup>2</sup> relating to our air and greenhouse gases emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.

### Environmental Management

Cosmopolitan has established environmental policies applicable to all property development projects. It outlines our approach in creating minimal environmental impacts while delivering quality products and services. In our office operation, energy-saving and environment-friendly facilities, equipment and stationery are selected, distributed, reused and disposed according to the Group's guideline. To ensure our environmental objectives and requirements are met, we review our performance and update the policies regularly to keep up with the tightening regulations and changing industrial practices.

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<sup>2</sup> The environmental laws and regulations that might be significant to Cosmopolitan include Environmental Protection Law, Water Pollution Prevention and Control Law, Atmospheric Pollution Prevention and Control Law, the Law on the Prevention and Control of Environment Pollution Caused by Solid Wastes and the Emission Standard of Environment Noise for Boundary of Construction Site of the People's Republic of China.





## ENVIRONMENTAL RESPONSIBILITY

### Environmental Targets

In light of the increasing importance of renewable energy and carbon reduction, Cosmopolitan aligns with the China's goal to be carbon neutral by 2060 and continues to align with the established short and mid-term environmental targets, focusing on emissions, energy and waste.

Each department of the Group integrates the environmental goals into their day-to-day work plans to achieve specific goals. The Board will also closely monitor the progress and drive continuous improvements in environmental performance.

Key Aspects	Targets	Details	Status/Action Plan
Greenhouse Gases Emissions	Mid-term	Increase the number of parking spaces with electric vehicles (EVs) chargers.	Will continue to increase parking spaces with EV chargers.
	Short-term	Have at least 10 parking spaces with EV chargers in its current projects.	Reserved EV parking slots with 1,250 KVA in the Chengdu Project.
		Reduce GHG emission of AB tower and its associate buildings, commercial street and residential buildings in its Tianjin Project by 3% using 2022 as baseline.	Daily inspection is carried out and supervised by the customer service department and property management department. Construction and maintenance of our projects related to emissions are strictly implemented, in which our Acceptable Quality Level (AQL) reaches 95%.
Energy Efficiency	Mid-term	Reduce energy consumption intensity by 3-4% using 2022 as baseline.	Use of energy-saving office furniture and equipment. Restrict usage of office vehicles unless necessary.
Water Management	Short-term	Reduce water consumption intensity by at least 1% using 2022 as baseline.	Water consumption has reduced drastically during 2022.
Waste Management	Short-term	Reduce the use of non-recyclable materials with 100% waste handled by qualified third parties in compliance with relevant government regulations.	Office waste is cleaned up and transported by cleaning personnel in time.







## ENVIRONMENTAL RESPONSIBILITY

### Our Response to Climate Change

Cosmopolitan acknowledges that, as a property developer, our business is exposed to climate change risks, which can possibly affect the Group's business operations as well as valuations of our properties. Monitoring and managing climate risks has become one of the Group's focuses in terms of environmental management. The Board is committed to taking actions to mitigate and adapt to the risks across the business units.

In terms of climate transition risks, policy and legal risk is considered as the most material risk to Cosmopolitan. To be in line with China's 14th Five-Year Plan and its blueprint for sustainable development of the country, the local authorities implemented some measures to achieve its carbon emissions targets and carbon neutrality goal. In our construction projects, retrofitting equipment and enhanced facilities are used and adopted, which may result in higher operating costs in the medium term. We continue to actively monitor and respond to the regulatory changes related to our business operations.

Regarding our physical risk exposure, strong winds, tropical cyclones and coastal flooding are considered as material to our business operations given its geographical characteristics. To achieve better resilience, the Group has integrated mitigation and adaptation measures to our new development projects and construction activities. For instance, Tianjin Project has established procedures for flood risk mitigation, including regular inspection of sewage pumps and pipes to maintain efficient drainage. They have also arranged routine inspection on building facades, signal lamp, etc. to ensure resilience of properties toward extreme weather events. In Chengdu, the project mainly focuses on formulating a plan for flood control and safety during rainy season, a construction plan for winter under low temperature, and a plan for heat prevention and cooling during summer.

### Energy Efficiency and Emissions

Cosmopolitan is dedicated to lowering greenhouse gases emissions resulting from construction site and building energy use. A series of measures are adopted to mitigate the risks and minimise energy consumption and greenhouse gases emissions.

The design of both Tianjin and Chengdu Projects follows the Design Standard for Energy Efficiency of Public Buildings and the Design Standard for Energy Efficiency of Residential Buildings of the national GuoBiao (GB) Standards, as well as standard for water saving design in civil building. These national standards set out the energy efficiency requirements in terms of lighting, heating, ventilation and cooling with the aid of structural design and the use of materials. For example, energy-efficient heating, ventilation and air-conditioning systems, such as Variable Water Volume (VWV) system, Variable Speed Driver (VSD) chillers and Variable Refrigerant Flow (VRF) system, are applied in our projects to maintain optimal energy consumption.

We have also advanced our use of materials and component parts and designs to comply with energy efficiency requirements. Our construction materials and component parts are certified with Construction Energy Efficiency Performance Labelling Certificates. We have achieved energy consumption reduction in the operational phase of our projects. For example, we have deployed LED lighting and other energy efficient equipment to achieve energy savings in the operational phases. With the help of building automation systems, restrictions targeting at energy-intensive equipment such as air-conditioners are set to avoid energy wastage caused by excessive use.





## ENVIRONMENTAL RESPONSIBILITY

We have deployed the following energy efficient measures in our projects:

- Installed motion sensors in the lift lobbies of some of our residential towers. Lights are dimmed to basic level when there is no resident in the lobby area. Lighting in the lift is switched off when it is not in operation.
- Used Low-e glass for the residential towers to strengthen insulation and lower energy demand for air conditioning.
- Introduced natural ventilation to some of our underground car parks by installing louver outlet in our landscaping area in the residential component to reduce the demand for mechanical ventilation and electricity consumption.
- Heat generated from the cooling chiller for hot water supply is recycled by the chiller system deployed for the hotel in the Chengdu Project to avoid over usage of energy for boiling water in the hotel operation.
- Water pumps with different power ratings are installed to cater for various needs of the residential buildings. The system switches to pump with smaller power rating to save energy during off-peak usage period.
- Bridge-cut aluminum is used in the Tianjin Project to provide thermal insulation to avoid thermal bridging which leads to heat loss. This can reduce energy consumption of air-conditioning.
- EVs are used to reduce energy consumption and air emissions and we have reserved space in the underground carpark for EV charging system. Use of low carbon transport by residents is also encouraged to promote low carbon lifestyle.
- During quality assurance, maintenance and construction stage, we strictly comply with the environmental protection regulations and design standards related to emissions, and construct according to the design drawings to ensure that the AQL is reached, and to ensure that the construction is safe, reliable, and environmentally friendly. The construction and maintenance of our projects related to emissions are strictly implemented, in which our AQL reaches 95%, ensuring 100% zero pollution discharge.
- Daily inspections of residential and commercial operation environments are carried out, and the discharge of domestic waste and greenhouse gases, wastewater and waste are immediately treated. These are supervised by the customer service department and property management department, and the emission indicators are implemented by the property company. 100% of abnormal discharge of greenhouse gases, wastewater and waste affecting residential and commercial operations is fixed in a timely manner.
- In daily office operation of the company, we use energy-saving office furniture and equipment. We also synchronise the operating time of the furniture and equipment with office hour. We count and maintain the conditions of the furniture and equipment, and limit operation on holidays to save energy. We restrict usage of office vehicles unless necessary, and office waste is cleaned up and transported by cleaning personnel in time.





## ENVIRONMENTAL RESPONSIBILITY

We have implemented multiple control measures to prevent air pollution, especially dust which is the major pollutant emitted from our construction and operation activities. In the Chengdu Project, construction materials are cautiously selected to produce less pollutants including dusts. We also utilise landscaping of the projects to absorb air pollutants. To manage and reduce generation of dust, we regularly spray water over the construction sites and apply dust cloth to cover dust waste during our construction phases. Real-time dust monitoring is used to ensure the dust concentration is controlled within acceptable level. Construction work would be suspended if the site is exposed to high concentration of dust and the dust level exceeds acceptable level, which will only be resumed after the dust level returns to normal. In addition to the control measures, vehicles are required to drive through a washing bay before leaving the construction sites to ensure that the dust attached is removed and not polluting the surrounding environment.

In response to the severely polluted weather, we comply strictly with the local emergency response plan for heavy pollution weather and implement various mitigation measures to minimise the impacts on our operations. When the air pollution level reaches the "serious level", we require our construction sites to halt or restrict construction processes, such as earthworks and cement grinding processes, to avoid additional adverse impact on the environment and public health.

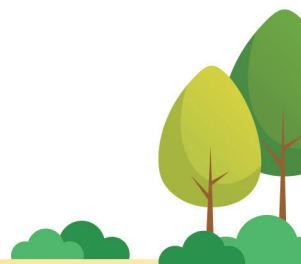
### Water Management

Water accounts for a crucial part of our daily life and we are committed to treasuring the water resources we have. At Cosmopolitan, water conservation initiatives are implemented and monitored regularly to improve water management practice.

Our projects follow the Design Standard for Energy Efficiency of Public Buildings and Standard for Water Saving Design in Civil Building. We have taken a top-down approach to engage with employees and tenants, and through strengthening their awareness on water conservation, the properties will be able to better manage the usage of water in the long run. To reduce water consumption and avoid water leaks in advance, we utilise drought-resistant plants and drip irrigation in the landscaping of our projects, as well as corrosion-resistant, long-lasting water pipes.

Tianjin Project has pledged to reduce water usage intensity by 1% in the coming year comparing with its usage in 2022. It therefore has carried out transformation projects to meet the environmental targets defined. For example, water meters were installed to record and collect data of water consumption. We constantly observe data trend on water usage, especially for water-usage-intensive facilities such as showering, and will contact the users and arrange investigation in case of data abnormality observed. Water seepage tests are also conducted periodically to minimise such risks and water supply pipe networks and water facilities are inspected on daily basis to prevent incident of water leakage. In the Chengdu Project, a 493m<sup>3</sup> rainwater cistern is installed to fulfil the vision of Sponge City and reduce the use of water by recycling and reusing rainwater.

We treat wastewater discharge properly and cautiously by applying stringent treatment process to protect water quality and reduce contamination to the water bodies and the environment. We strive to collect and handle wastewater in an on-site water treatment tank before discharging effluent into the municipal sewage system while reusing wastewater where possible. We comply with the relevant standards to ensure the quality of the effluent and water.







## ENVIRONMENTAL RESPONSIBILITY

### Waste Management

At Cosmopolitan, we strive to reduce waste in our construction and operation activities of our properties. We have put into practice our waste management policies to reduce and recycle waste. Our engineering functions focus on monitoring and improving waste recycling performance.

The first step yet the most effective way is waste management. Waste reduction measures are implemented in our projects to improve overall waste performance. In the Chengdu Project, we strictly comply with the requirements of the 14th Five-Year Construction Industry Development Plan issued by the Ministry of Housing and Urban-Rural Development, and the entire project uses ready-mix concrete and ready-mix mortar to reduce material waste. We strictly control the discharge of construction waste to no more than 300 tons per 10,000 m<sup>2</sup>. Besides, we use brick formwork for the foundation instead of traditional construction waste to reduce the use of disposable materials and avoid excessive generation of construction waste. A prototype guidance system is also adopted such that construction only takes place after prototypes are approved by relevant departments. During the construction in Chengdu Project, wood and packaging cartons on site were centralised and collected to facilitate recycling by paper mills. Scrap steels were collected and recycled by steel production enterprises, while bricks were mainly used for backfilling of roadbeds. Aligned with the government's initiatives on "Circular Economy", we have also incorporated waste diversion as a KPI for performance assessment in the coming year. Tianjin Project is working with stakeholders along different departments to divert waste of residential and commercial buildings from landfills and incineration facilities where possible.

We have implemented high standard procedures to handle construction waste that are non-recyclable and non-reusable. General waste is gathered in the garbage chambers in every building and transported to collection points daily. Construction waste, including building debris and waste engine oil, is handled by qualified service vendors regularly. Sludge is also cleared and transported to landfills regularly. We continue to improve the waste classification and garbage transportation to responsibly dispose waste.

### Noise Control

Noise pollution from construction and operation activities is also a major concern to the nearby area. As such, we strictly comply with relevant laws and regulations. We have identified powered mechanical equipment, machines and vehicles as the main sources of noise pollution from our operations and an acoustic consultant is appointed to reduce noise pollution and maintain a low standard of impact.

During construction, we cautiously place our noise-generating equipment and maintain appropriate distance from nearby residence. We have also built green buffer zone surrounding the construction sites to lower noise levels. Honking and night-time construction works are strictly prohibited. Other measures implemented in the Chengdu Project. The air conditioning systems and other fixed noise producing machines in the Chengdu Project are situated on the underground level to minimise noise levels to the building occupants, while the water pump room is installed with soundproofing features to reduce noise. Cooling towers are positioned on the roof with noise reduction measures in place.





## SOCIAL RESPONSIBILITY

In addition to monitoring the environmental impact of operations on the surrounding environment, as a participant in the real estate industry, the Group recognises our obligation as a participant in the real estate business to monitor how our operations influence the surrounding community, as the matter is also critical for us to uphold our brand reputation.

Our communities are integral to our operations, which is why we are devoted to embracing local culture and enhancing the areas where our properties are situated. Our companies rely on the resources, infrastructure, and markets that they operate in. In turn, we seek to produce a good long-term effect that adds shared and enduring value for everyone. To promote a peaceful and inclusive community in Chengdu and Tianjin, and to demonstrate our concern and support for the impoverished and the elderly, Cosmopolitan aspires to contribute to community wellbeing.

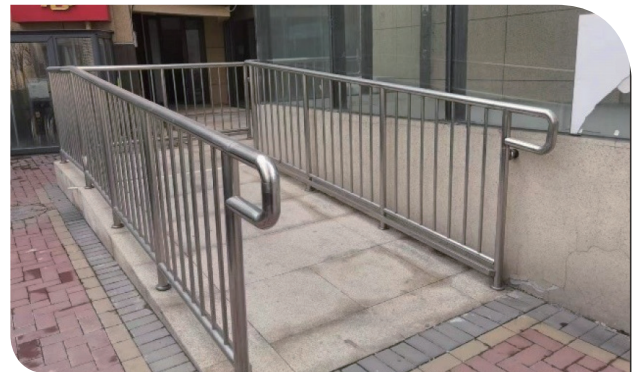
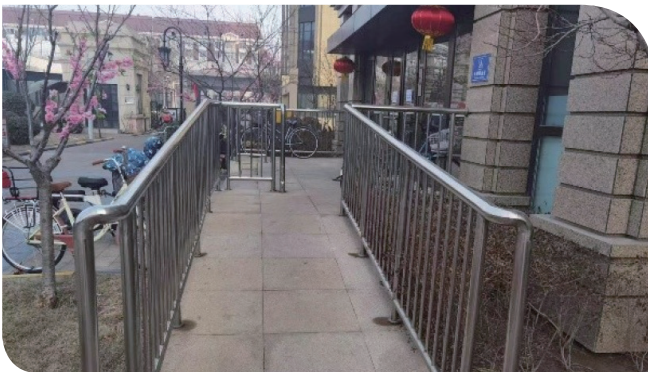
During the reporting year, a variety of social activities were organized to support the young, elderly and underprivileged members of our communities. On the Group level, we allocated budget to support community initiatives and provided necessary resources to organisers. We also encouraged employee participation in volunteer programs. As each community is distinct, we entrusted our property managers with the responsibility of developing their own community investment strategies to support their neighbourhoods.

### Fostering Community Engagement

At Cosmopolitan, we actively support and participate in programmes that advocates social welling, especially during the era of pandemic. To fulfil our responsibility, we strive to support the community and help shaping a better future for everyone in the society by organising events that advocate public health. Tianjin office actively cooperated with neighborhood to hold sports competition in the operating community during the reporting year. We assisted to improve the awareness of health through sponsoring fitness equipment and providing comprehensive fitness programmes. We also worked with commercials such as Amway and Furen Dental, to carry out activities to promote healthy eating and dental health care.

### Social Inclusion

We are committed to fostering an inclusive community by ensuring equal access for all people. To provide a comfortable and enjoyable living environment for residents of all ages and abilities, we have embedded inclusive features and elements into our development projects. For example, ramps are installed for the convenience of disabled persons and elderlies. In our Tianjin Project, we created an accessible environment for wheelchair users by designing spacious barrier-free restrooms, lowering buttons of lifts, and accessible parking spaces. We also increased the coverage of greenbelt to enhance the concern over environmental protection. Through these inclusive designs, we helped to build an inclusive community with pleasant environment.





## SOCIAL RESPONSIBILITY

### Care for the Community

In addition to our business operation, we care about the local communities and are ready to offer help to the underprivileged. We invited our employees to donate voluntarily and actively volunteer to elderly and disabled people in the community, such as assisting the neighborhood committee to set up a canteen especially for elderly in the community. Chengdu Project also showed our gratitude and made in-kind donations to the households enjoying five guarantees in the local communities.

As a property developer, the Group is fully aware of our impacts on local communities during our operations. We actively engage with the local community to further understand their needs and concerns while continuing to explore the possibilities and opportunities of serving the underprivileged and creating shared value in the society.







## ECONOMIC RESPONSIBILITY

Cosmopolitan is committed to maintaining a fair and equitable business environment, protecting the Group's interests, inheriting and developing the Company's value of honesty and integrity, and minimising the Company's operational risks, all while preserving the Company's reputation in the industry, society and the world. We are also committed to providing our stakeholders with superior goods and services. We aspire to provide a safe, healthy, and equitable working environment for our employees with promising career development, as the foundation of our provision of excellent customer service. We strive to source ethically and sustainably, and we feel that our sourcing choices reflect our values and closely match with our environmental, social, and ethical criteria.

We expect that our efforts to economic responsibility will have a beneficial impact on our value chain, including our shareholders, customers and operating communities.

### Caring for Our Employees

We believe that our employees and their professionalism are one of our most important assets that contribute to delivering quality products and services for our customers. Hence, we have dedicated efforts to attract and retain talents to achieve a sustainable business development. We have established a comprehensive human resources management system to safeguard the rights and interests of employees in recruitment, remuneration, benefits, promotion, leave and resignation. We prohibit child and forced labour in all aspects of our business. As such, we have formulated a series of policies such as the "Compilation of Human Resources Systems", "Compilation of Administrative Systems", "Employee Handbook and related tools", "Reward and Punishment Management System", "Recruitment Management System" and "Attendance Management System". With the aim to improve our employees' living quality, we focus on supporting their career and personal growth, and safeguarding their physical well-being as well as occupational health and safety. Cosmopolitan strictly abides to the laws and regulations<sup>3</sup> relating to employment and labour issues. During the reporting year, there was no case of non-compliance regarding employment and labour issues, including recruitment, compensation, training, promotion, equal opportunity, diversity, anti-discrimination, provision of benefits and welfare, safe working environment, and child and forced labour.

### Recruitment, Retention and Benefits

We strive to promote effective collaboration and mutual respect among employees by fostering a diverse and equal working environment. We strictly forbid any form of discrimination including gender, age and background on recruitment and promotion. To ensure a fair recruiting process, we only consider factors including ability, expertise and experience of candidates during recruitment. Further elaborations of acceptable and unacceptable workplace behaviors are illustrated in our Employee Handbook.

The Group offers competitive remuneration package and other benefits for our employees to attract and retain talents. To recognise the contributions of our employees and enhance their motivations for day-to-day working, employees are entitled to benefits such as monetary rewards on major holidays and birthdays, job security insurance, and special leave like parental and wedding leave.

<sup>3</sup> The employment and labour laws and regulations that might be significant to Cosmopolitan include Labour Law, Labour Contract Law, Employment Promotion Law and Social Insurance Law of the People's Republic of China.





## ECONOMIC RESPONSIBILITY

### Learning and Career Development

The Group also recognises that having a team of dedicated employees is essential to sustaining our business development and achievements. To align our employees' personal and career development with the Group's business directions, Tianjin office has established a set of training system that encompasses training management, course, teaching and implementation based on the "Training Management Regulations". The system provides information on the guidelines related to the qualifications of trainers and the execution procedures of the training programmes. All-rounded trainings are provided to employees to support their professional and personal development. We have a set of internal training programmes that allows employees to develop the essential skills and equip them for daily work and future career development. In addition, we fully support employees to participate in courses organised by external parties which are relevant to their profession.

In Tianjin, trainings were offered to employees on topics of formal policies and operating procedures to enhance their knowledge on their daily execution of duties. Similar trainings in Chengdu office were suspended during the year due to the COVID-19 pandemic.

### Employee Well-being

The Group prioritises employees' health and well-being and organises different employee activities to enhance their physical health and mental wellness. Apart from the provision of mandatory medical check-ups, we used to organise various sports activities, including basketball games and outward development activities to promote physical exercise while strengthening the bonding of employees. To further enhance the team's sense of belonging and to have relaxing time with colleagues outside working hours, we organised gatherings and celebrations during birthdays and different festivals. However, due to the widespread impact of COVID-19, most of the activities were suspended during the year.

The Group has implemented a number of initiatives to demonstrate our care to employees, including presenting birthday cards and gifts. The Group is devoted to enhancing relationships between employee and management through diverse engagement, to cultivate a caring culture where all employees feel included and that their opinions and concerns are valued.



### Workplace Health and Safety

The Group strives to ensure employees' safety and health through providing a safe working environment. We have a Safety Construction Management Policy in place along with other relevant guidelines, including safety procedures in case of natural disasters or other incidents of emergency. Our operations fully comply with the occupational health and safety related laws and regulations<sup>4</sup> in Mainland China. Our effort placed on maintaining health and safety of employees has been recognised by the Ministry of Housing and Urban-Rural Development of the People's Republic of China and the Tianjin Municipal People's Government.

During the reporting year, no non-compliance case of occupational health and safety was observed in our operations.

<sup>4</sup> The occupational health and safety laws and regulations that might be significant to Cosmopolitan include the Law on the Prevention and Control of Occupational Diseases, Work Safety Law, Regulation on Work-Related Injury Insurance and Measures for the Administration of Occupational Health Examination of the People's Republic of China.





## ECONOMIC RESPONSIBILITY

To safeguard the health and safety of our employees, the Group is committed to minimising health and safety related risks through regularly identifying and monitoring material safety issues or risks in our offices and construction sites. In case of any deficiencies discovered, remedial actions will be carried out to ensure proper execution of our safety measures. We carried out multiple occupational safety trainings for employees in our Tianjin office, achieving a coverage rate of 100% for occupational safety trainings. Workers are not eligible to work on-site unless being qualified in passing our safety trainings. In addition to safety trainings, we utilise different engagement channels to remind employees of safety precautions by distributing safety leaflets and placing warning signs with preventive measures about operating vehicles and machines, accidents, fire, and other major hazards. We also actively engage with our contractors through meetings, workshops and training, requiring them to provide compulsory safety training to ensure all new workers are equipped with safety knowledge before working on-site.

Fire safety is also one of our safety concerns within our operations. The Group has set up a fire-prevention system which fully complies with relevant legal requirement in Mainland China. The system is reviewed and maintained regularly by qualified professionals. We have carried out multiple fire and gas leak evacuation drills in our Tianjin office to help employees to familiarise with safety procedures in case of emergency.

In addition, we strive to enhance the indoor air quality in our offices to improve our employees' health. Monitoring of volatile organic compounds (VOC)'s concentration level and formaldehyde is carried out regularly. We have appointed qualified personnel for removal of such substances effectively whenever necessary.

### Protecting our employees under the pandemic

During the reporting year, the Group continues to implement preventive measures to safeguard our employees' health amidst the COVID-19 pandemic. To lower their risk of infection, employees are required to measure their body temperature on a daily basis and to always wear masks at work while also maintaining appropriate social distance in workplace to avoid close contact. We also provide employees with anti-pandemic supplies, including medical masks and alcohol sanitisers to ensure they maintain good personal hygiene. We aim to maintain a safe workplace while providing appropriate support to our employees during this challenging period.

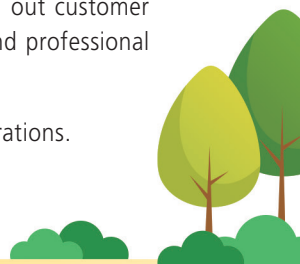
### Caring for Our Customers

The Group prioritises customers' needs and interests by providing quality living spaces where customers feel comfortable and warm. Operation practice related policies are formulated to ensure quality products and services are provided to our customers. Our operations are in compliance with all applicable laws and regulations regarding health and safety, advertising, labelling, and customer privacy. During the reporting year, no case of non-compliance was observed in our operations regarding health and safety, advertising, labelling and customer privacy.

### Product and Service Quality

For our property development projects, we have implemented strict quality assurance and monitoring systems to ensure our product and service quality. We operate in accordance with the Law of the People's Republic of China on Construction, Quality Management of Construction Projects in Mainland China and the Law of the People's Republic of China on Management of Urban Real Estate to maintain the order of the real estate market, protect the legitimate rights and interests of real estate rights holders, and promote the healthy development of the real estate industry. To further understand and respond to our customers' needs, we actively engage with customers through multiple communication channels regularly and collect their feedback for continuous improvement. During the year, we have carried out customer satisfaction surveys, which covers a wide spectrum of aspects including employee attitude, technical skills and professional quality. We further analyse the survey results and formulate plans in key areas for continuous improvement.

During the reporting year, no non-compliance cases of product and service quality were observed in our operations.







## ECONOMIC RESPONSIBILITY

To ensure building quality, we have implemented a quality management approach which is divided into four phases, covering the period from pre-construction to post-handover. Through the implementation of this comprehensive strategy, we ensure that each project will be managed with a high level of safety and quality standards.

Our Quality Management approach:

Pre-construction phase	Building plans and construction materials are the main focus of our quality control. Building plans are reviewed, construction sites are examined and project developments are monitored by architectural, geologic hazard and construction professionals. All issues identified in the plans are properly addressed before progressing to the next stage. To ensure the stability and safety of the construction site, construction materials including steel bars, concrete and cement are chosen cautiously through checking the compliance certificates assessment reports of construction materials.
Construction phase	We closely monitor the structural work and ensure alignment against construction drawing for all developing projects to ensure high quality of our products. We closely monitor whether the materials and equipment used meet the technical requirements of the contract and ensure our developing projects align with the construction drawing. Our standard on product quality exceeds the requirements of national standards, to create safe and satisfying products for our customers. Weekly site visit is paid to construction units with issues identified, to examine whether rectification is completed to address quality issues.
Post-construction phase	Comprehensive quality inspection is carried out based on a set of evaluation criteria formulated by the building plan designers and senior engineers, to guide the rectification work before the official hand-over and acceptance.
Post-handover phase	After property handover, relevant parties are notified to carry out following up actions and rectification according to the quality problems raised by the property owners.

### Customer Privacy

The Group fully respects the privacy of our customers' personal data. The collection and handling of customers' information fully comply with applicable laws and regulations<sup>5</sup> concerning personal data privacy in Mainland China. We secure confidential information of our customers through implementing various security measures such as setting passwords to all electronic files. Employees are required to sign a confidentiality agreement to accept the accountability of legal responsibility in unauthorised use or disclosure of internal and personal information, such as trade and customer information. We also require our employees to comply with all internal guidelines regarding the collection, processing, transfer, retention and deletion of customer personal data.

<sup>5</sup> The personal data privacy laws and regulations that might be significant to Cosmopolitan include the Personal Data (Privacy) Ordinance of Hong Kong Special Administrative Region, Cybersecurity Law of the People's Republic of China and General Data Protection Regulation.





## ECONOMIC RESPONSIBILITY

### Advertisement

The Group is dedicated to deliver transparent and precise product and service information for our customers. We comply with all applicable advertisement laws and regulations. Any dishonest and misleading selling techniques are strictly prohibited. To allow customers to make informed and carefree purchasing decision, we have provided training on professional sale practices to our employees, to ensure that they offer sale and/or leasing services to customers professionally. All publicity materials of the Group are prepared and reviewed carefully to prevent publishing misleading information.

In the Chengdu Project, standardised sales promotion materials are provided for our salespersons to avoid delivering deviated sales information. In case of any misconducts such as utilising inappropriate selling tactics, the relevant salesperson will be subject to penalty according to the disciplinary procedures. Remedial actions will be undertaken once any inaccuracy in the sale process is observed. To raise employees' awareness in delivering appropriate selling services, debriefings will be given to salespersons after the close of business each day to ensure that the expectations of the employees and the Company align.

### Supply Chain Management

The Group is devoted to maintaining our sustainable business operations and supply chain management while upholding business ethics. We strongly support our suppliers and contractors to adhere to high ethical standards to align with the Group's policies. The Group has implemented the "Supplier Management Policy" to manage the potential risks brought by the extended supply chain. We also prioritise suppliers that share our commitments to promote and construct a fair and competitive business environment whenever practicable.

We dedicate efforts to ensure procurement and tendering procedures are carried out in an open and fair manner. We adopt a holistic approach to decentralise the tendering management and decision-making tasks. Multiple levels and groups are responsible for different assigned tasks involved in managing the supply chain, with attentive coordination among the different functions. The cost control functions at different operating levels act as the key communicators of the management system. Close cooperation among all departments is required to monitor financial policies and maintain a well-organised and transparent tendering process.

To promote and enhance fair and effective operating practices, the Group closely monitors and actively engages with our supply chain through a three-stage assessment system, comprising qualifying assessment, on-going assessment and post-performance assessment, respectively, from the procurement stage until the end of the business partnership. During the reporting year, our procurement management strategy continued to uphold our core ESG responsibility principles. All purchasing items are subject to tender invitations in compliance with our relevant environmental and social policies and procedures.





## ECONOMIC RESPONSIBILITY

The qualifying assessment is an examination of the access conditions of new suppliers which aims to review the background and performance of contractors and suppliers prior to their qualification in our supplier database. Tianjin office strictly implements the “Supplier Management Policy” for supplier qualification assessment. In the early stage of bidding, we apply our supplier selection criteria to examine supplier’s information, such as quality, performance and financial statements, and on-site inspection to determine whether the supplier qualifies for bidding. We ensure the suppliers we endorse are capable of offering high standard products that suit our customers’ needs. Qualified suppliers who are licensed by the government and equipped with certified management system, such as ISO 9001 and ISO 14001, are prioritised and selected. Qualified contractors and suppliers will undergo regular reviews by the Group on their business operation and sustainability performance as a record for consideration in future tendering processes. To ensure the high standards of safety and quality, assessments on the contractors and suppliers’ compliance to regulatory requirements are carried out by the Engineering Department. In addition, the Group prioritises local enterprises in the tendering process, as local sourcing can reduce carbon footprints from logistics, while creating job opportunities for the local community and boosting economic development.

Process assessment includes quarterly evaluation and complaint investigation. During the process assessment, we closely monitor our engaged suppliers and contractors to evaluate their work attitude and ensure the quality and integrity of their operations during the partnership. We ensure all raw materials are up-to-standard for our construction projects. Through establishing long-term engagement and supervision systems, we maintain close contact and effective communication with our suppliers and contractors on our concerns.

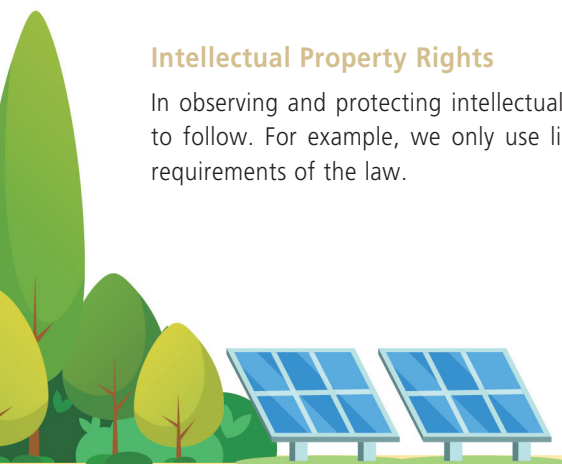
To monitor and evaluate the suppliers’ performance, post-performance assessment will be carried out after completing the contracts through a quantitative scoring mechanism, with aspects such as working attitude and work quality to be evaluated. Suppliers will then be provided with a final rating. Suppliers with higher ratings are prioritised in the procurement process.

The Group prioritises business ethics and integrity of our suppliers and contractors. There is no tolerance of any forms of corruption and misconduct. To avoid any corruption or misconduct during business collaboration, all our suppliers and contractors are required to attest to our Supply Chain Management Procedure and Honesty Agreement. To further avoid any cases of misconduct, a targeted total transaction value or targeted unit value is predefined for internal reference before the tendering process. Apart from that, all our partners are required to respect and protect the intellectual property rights of others. As written on the contracts, suppliers are required to guarantee that their products do not infringe third party’s intellectual property rights, trademark rights or industrial design rights. If the intellectual property rights are not owned by the supplier, the Group will require the supplier to provide supporting documents for our inspection.

We strive for continuous improvement of our procurement management. Hence, we welcome all suggestions, complaints, and whistleblowing from suppliers and contractors. We have set up a feedback mechanism and a telephone hotline to receive any feedbacks. During the reporting year, there was no material incident of corruption related to our supply chain reported.

### Intellectual Property Rights

In observing and protecting intellectual property rights, we have established policies and procedures for all business units to follow. For example, we only use licensed software and technology to ensure that our business operations meet the requirements of the law.







## ECONOMIC RESPONSIBILITY

### Business Ethics

Adhering to a high standard of business ethics is of fundamental importance to our operation. We see anti-corruption and anti-bribery behaviours as one of the core operating principles of the Group. Anti-corruption policies are established based on the compliance with applicable laws and regulations<sup>6</sup>, which require strict adherence to bidding process to prevent the risk of non-compliance.

The Group requires all employees to maintain a high standard of integrity and honesty in their day-to-day duties, which is illustrated in the Code of Conduct of Workplace in the Employee Handbook. Employees should adhere to legal and proper work ethics in their dealings with affiliated units. We strictly forbid any forms of violation of the code of conduct and inappropriate behaviors, such as bribery and other unethical means to obtain benefits.

To raise employees' awareness of work ethics, during the reporting year, we provided trainings on fair competition, ethical conduct and anti-corruption to all employees, as well as trainings relevant to Anti-Unfair Competition Law of the People's Republic of China. Also, all newly appointed leaders of the Tianjin company are required to undergo a pre-employment conversation with the human resources administration manager to familiarise with the office's requirement on business ethics.

We have established a number of communication guidelines and channels for employees to help identify employees with tendencies violating legal requirements. In case of any suspected misconduct and malpractice being observed within the Group, employees are encouraged to raise their concerns through numerous channels established. All subsidiaries, departments, business units, and projects are subject to rigorous control mechanisms. During the reporting year, no non-compliance case relating to bribery, extortion, fraud or money laundering in our operations was observed.

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<sup>6</sup> The anti-corruption laws and regulations that might be significant to Cosmopolitan include the Criminal Law of the People's Republic of China, Anti-Unfair Competition Law of the People's Republic of China, Interim Provisions on Prohibition of Commercial Bribery established by the State Administration for Industry and Commerce of the People's Republic of China, Integrity Cooperation Agreement.





## APPENDIX I – PERFORMANCE TABLES

### Environmental Responsibility Performance<sup>7</sup>

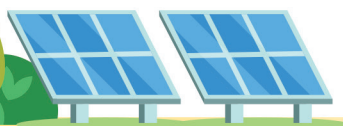
	Units	Performance in 2021	Performance in 2022 <sup>8</sup>
<b>Air Emissions</b>			
Nitrogen oxide (NOx)	kg	1.04	2.94
Sulphur oxide (SOx)	kg	0.05	0.04
Particulate matters (PM)	kg	0.08	0.22
<b>Greenhouse gas (GHG) emissions</b>			
Total GHG emissions	tonnes of CO <sub>2</sub> equivalent (tonnes CO <sub>2</sub> e)	113	30
Direct GHG emissions (Scope 1) <sup>9</sup>	tonnes CO <sub>2</sub> e	46	8
Indirect GHG emissions (Scope 2) <sup>10</sup>	tonnes CO <sub>2</sub> e	67	23
GHG emission intensity	kg CO <sub>2</sub> e/m <sup>2</sup>	0.22	0.09
<b>Energy consumption</b>			
Total energy consumption	GJ	449	254
Electricity	kWh	92,323	39,417
Liquefied petroleum gas	GJ	12	9
Petrol	GJ	105	103
Energy intensity	GJ/m <sup>2</sup>	0.0009	0.0007

<sup>7</sup> The environmental performance data only covers the operations in the Chengdu Project and the Tianjin Project.

<sup>8</sup> The environmental performance data reduced drastically due to Tianjin Project moving on to the next stage of construction.


<sup>9</sup> Direct GHG emissions are generated from fuel consumption, including petrol consumption for transportation in 2021 and 2022, and liquefied petroleum gas consumption in the staff canteen in the Chengdu Project in 2021 and 2022, the staff canteen has ceased operation from October 2022 onwards.

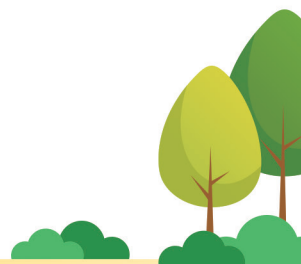
<sup>10</sup> Indirect GHG emissions are generated from electricity consumption. The emission figures in 2022 is calculated with reference to the 2022 National Power Grid average emission factor.





## APPENDIX I – PERFORMANCE TABLES

	Units	Performance in 2021	Performance in 2022 <sup>8</sup>
<b>Water consumption</b>			
Total water consumption	m <sup>3</sup>	11,775	545
Water intensity	m <sup>3</sup> /m <sup>2</sup>	0.020	0.002
<b>Waste disposal</b>			
General waste disposed	tonnes	0	25
<b>Waste recycled</b>			
Wood	kg	1,500	0
Metals	kg	1,200	3,500
Old concrete	kg	3,500	0
Paper	kg	80	100
Glass	kg	0	6,800
Other construction materials	kg	20,000	0
<b>Hazardous waste disposed</b>			
Filler	kg	0.5	0
Filler, paint and solvent containers	pieces	74	0






## APPENDIX I – PERFORMANCE TABLES

### Economic Responsibility Performance<sup>11</sup>

#### Employment Practice

	Units	Performance in 2021	Performance in 2022
<b>Total workforce by employment contract</b>			
Permanent	number of people	53	72
Contract	number of people	56	21
Trainee	number of people	0	0
Total workforce	number of people	109	93
<b>Total workforce by gender</b>			
Male	number of people	66	56
Female	number of people	43	37
<b>Total workforce by age group</b>			
Under 25	number of people	1	0
25 – less than 40	number of people	56	45
40 – less than 55	number of people	46	42
55 or above	number of people	6	6
<b>Total workforce by employment category</b>			
Senior management	number of people	1	8
Middle management	number of people	30	24
General employees	number of people	78	61
<b>Employee turnover by gender</b>			
Male	%	14	38
Female	%	5	30
<b>Employee turnover by age group</b>			
Under 25	%	0	0
25 – less than 40	%	13	42
40 – less than 55	%	9	29
55 or above	%	0	17


<sup>11</sup> The economic responsibility performance data covers the Hong Kong corporate office, Shenzhen corporate office, the Chengdu Project, the Tianjin Project and the Xinjiang Project.






## APPENDIX I – PERFORMANCE TABLES


## Occupational Health and Safety

	Units	Performance in 2021	Performance in 2022
Total number of work-related fatalities	number of people	0	0
Total number of lost days <sup>12</sup> due to work injuries	number of days	0	0

Development and Training<sup>13,14</sup>

	Units	Performance in 2021	Performance in 2022
<b>Percentage of employees trained by gender</b>			
Male	%	26	0
Female	%	26	0
<b>Percentage of employees trained by employment category</b>			
Senior management	%	0	0
Middle management	%	33	0
General staff	%	23	0
<b>Average training hours by gender</b>			
Male	number of hours	2	0
Female	number of hours	2	0
<b>Average training hours by employment category</b>			
Senior management	number of hours	0	0
Middle management	number of hours	3	0
General employees	number of hours	2	0

## Supply Chain Management

	Units	Performance in 2021	Performance in 2022
<b>Number of suppliers by geographical region</b>			
Mainland China	number of suppliers	206	215
Number of products and service-related complaints received	number of complaints	0	0

<sup>12</sup> Lost days refer to sick leave due to all types of work-related injuries.


<sup>13</sup> For the purpose of disclosure in this report, senior management excludes the corporate general managers and directors.

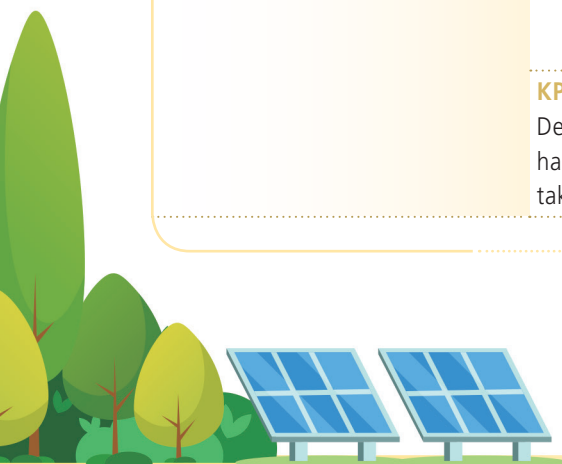
<sup>14</sup> Training was suspended in 2022 in accordance with social distancing regulation during the COVID-19 pandemic.





## APPENDIX II – THE STOCK EXCHANGE OF HONG KONG LIMITED’S ESG REPORTING GUIDE CONTENT INDEX

Indicators		Section/ Statement
<b>A. Environmental</b>		
<b>Aspect A1: Emissions</b>	<p><b>General Disclosure</b> 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.</p>	Environmental Management; Energy Efficiency and Emissions; Water Management; Waste Management
	<p><b>KPI A1.1</b> The types of emissions and respective emissions data.</p>	Environmental Responsibility Performance
	<p><b>KPI A1.2</b> Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).</p>	Environmental Responsibility Performance
	<p><b>KPI A1.3</b> Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).</p>	Environmental Responsibility Performance
	<p><b>KPI A1.4</b> Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).</p>	Environmental Responsibility Performance
	<p><b>KPI A1.5</b> Description of emissions target(s) set and steps taken to achieve them.</p>	Environmental Management; Energy Efficiency and Emissions; Water Management; Waste Management
	<p><b>KPI A1.6</b> Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.</p>	Waste Management





## APPENDIX II – THE STOCK EXCHANGE OF HONG KONG LIMITED’S ESG REPORTING GUIDE CONTENT INDEX

Indicators		Section/ Statement
<b>A. Environmental</b>		
<b>Aspect A2: Use of Resources</b>	<b>General Disclosure</b> Policies on the efficient use of resources, including energy, water and other raw materials.	Environmental Management; Energy Efficiency and Emissions; Water Management
	<b>KPI A2.1</b> 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).	Environmental Responsibility Performance
	<b>KPI A2.2</b> Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Environmental Responsibility Performance
	<b>KPI A2.3</b> Description of energy use efficiency target(s) set and steps taken to achieve them.	Energy Efficiency and Emissions
	<b>KPI A2.4</b> 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.	Water Management; Environmental Targets
	<b>KPI A2.5</b> Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable to the core business of Cosmopolitan





## APPENDIX II – THE STOCK EXCHANGE OF HONG KONG LIMITED’S ESG REPORTING GUIDE CONTENT INDEX


Indicators		Section/ Statement
<b>A. Environmental</b>		
<b>Aspect A3: The Environment and Natural Resources</b>	<b>General Disclosure</b> Policies on minimising the issuer’s significant impact on the environment and natural resources.	Environmental Management; Noise Control
	<b>KPI A3.1</b> Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environmental Management; Noise Control
<b>Aspect A4: Climate Change</b>	<b>General Disclosure</b> Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Our Response to Climate Change
	<b>KPI A4.1</b> Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Our Response to Climate Change
<b>B. Social</b>		
<b>Employment and Labour Practices</b>		
<b>Aspect B1: Employment</b>	<b>General Disclosure</b> 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.	Caring for Our Employees
	<b>KPI B1.1</b> Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Economic Responsibility Performance
	<b>KPI B1.2</b> Employee turnover rate by gender, age group and geographical region.	Economic Responsibility Performance







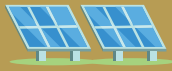
## APPENDIX II – THE STOCK EXCHANGE OF HONG KONG LIMITED’S ESG REPORTING GUIDE CONTENT INDEX

Indicators		Section/ Statement
<b>B. Social</b>		
<b>Employment and Labour Practices</b>		
<b>Aspect B2: Health and Safety</b>	<p><b>General Disclosure</b> Information on:</p> <ul style="list-style-type: none"> <li>(a) the policies; and</li> <li>(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.</li> </ul>	Caring for Our Employees
	<p><b>KPI B2.1</b> Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.</p>	Economic Responsibility Performance
	<p><b>KPI B2.2</b> Lost days due to work injury.</p>	Economic Responsibility Performance
	<p><b>KPI B2.3</b> Description of occupational health and safety measures adopted, and how they are implemented and monitored.</p>	Caring for Our Employees





## APPENDIX II – THE STOCK EXCHANGE OF HONG KONG LIMITED’S ESG REPORTING GUIDE CONTENT INDEX

Indicators		Section/ Statement
<b>B. Social</b>		
<b>Employment and Labour Practices</b>		
<b>Aspect B3: Development and Training</b>	<b>General Disclosure</b> Policies on improving employees’ knowledge and skills for discharging duties at work. Description of training activities.	Caring for Our Employees
	<b>KPI B3.1</b> The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Economic Responsibility Performance
	<b>KPI B3.2</b> The average training hours completed per employee by gender and employee category.	Economic Responsibility Performance
<b>Aspect B4: Labour Standards</b>	<b>General Disclosure</b> 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.	Caring for Our Employees
	<b>KPI B4.1</b> Description of measures to review employment practices to avoid child and forced labour.	Caring for Our Employees
	<b>KPI B4.2</b> Description of steps taken to eliminate such practices when discovered.	Caring for Our Employees





## APPENDIX II – THE STOCK EXCHANGE OF HONG KONG LIMITED’S ESG REPORTING GUIDE CONTENT INDEX

Indicators		Section/ Statement
<b>B. Social</b>		
<b>Operating Practices</b>		
<b>Aspect B5: Supply Chain Management</b>	<b>General Disclosure</b> Policies on managing environmental and social risks of the supply chain.	Supply Chain Management
	<b>KPI B5.1</b> Number of suppliers by geographical region.	Economic Responsibility Performance
	<b>KPI B5.2</b> Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Supply Chain Management
	<b>KPI B5.3</b> Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply Chain Management
	<b>KPI B5.4</b> Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply Chain Management





## APPENDIX II – THE STOCK EXCHANGE OF HONG KONG LIMITED’S ESG REPORTING GUIDE CONTENT INDEX

Indicators		Section/ Statement
<b>B. Social</b>		
<b>Operating Practices</b>		
<p><b>Aspect B6: Product Responsibility</b></p>	<p><b>General Disclosure</b> 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.</p>	Caring for Our Customers
	<p><b>KPI B6.1</b> Percentage of total products sold or shipped subject to recalls for safety and health reasons.</p>	There are no products sold or shipped subject recalled for safety and health reasons in the reporting year.
	<p><b>KPI B6.2</b> Number of products and service related complaints received and how they are dealt with.</p>	Economic Responsibility Performance
	<p><b>KPI B6.3</b> Description of practices relating to observing and protecting intellectual property rights.</p>	Intellectual Property Rights
	<p><b>KPI B6.4</b> Description of quality assurance process and recall procedures.</p>	Caring for Our Customers
	<p><b>KPI B6.5</b> Description of consumer data protection and privacy policies, and how they are implemented and monitored.</p>	Caring for Our Customers







## APPENDIX II – THE STOCK EXCHANGE OF HONG KONG LIMITED’S ESG REPORTING GUIDE CONTENT INDEX

Indicators		Section/ Statement
<b>B. Social</b>		
<b>Operating Practices</b>		
<b>Aspect B7: Anti-corruption</b>	<p><b>General Disclosure</b> 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.</p>	Business Ethics
	<p><b>KPI B7.1</b> 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.</p>	Business Ethics
	<p><b>KPI B7.2</b> Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.</p>	Business Ethics
	<p><b>KPI B7.3</b> Description of anti-corruption training provided to directors and staff.</p>	Business Ethics
<b>Community</b>		
<b>Aspect B8: Community Investment</b>	<p><b>General Disclosure</b> 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.</p>	Social Responsibility
	<p><b>KPI B8.1</b> Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).</p>	Social Responsibility
	<p><b>KPI B8.2</b> Resources contributed (e.g. money or time) to the focus area.</p>	Social Responsibility



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