

HENGTOU SECURITIES
2023 Environmental, Social and Governance Report

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About This Report

Hengtou Securities, a joint stock company incorporated in the People’s Republic of China with limited liability under the Chinese corporate name “恒泰证券股份有限公司” (the “Company”), and its subsidiaries (the “Group” or “we”) are pleased to publish our 2023 Environmental, Social and Governance (“ESG”) Report (the “Report”). The Report summarises the Group’s work in implementing the concept of sustainable development and fulfilling corporate social responsibility.

Reporting Standard

The Report is prepared in accordance with the Appendix C2 Environmental, Social and Governance Reporting Guide (the “Guide”) to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) of The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”). The Report has complied with all the “comply or explain” provisions and reporting principles in the Guide.

Materiality	The Report has identified and disclosed the procedures and standards for selecting the ESG factors, as well as the description of stakeholders and their participation and results.
Quantitative	The Report contains standards, methods, assumptions and/or calculation tools for the emission/energy consumption (as applicable) statistics, and the source of conversion factors, all of which are explained in the definition of the Report.
Balance	The Report provides an unbiased picture of the Company’s performance, and avoids selections, omissions, or presentation formats that may inappropriately influence a decision or judgment by the report reader.
Consistency	The Report uses consistent statistical method for disclosing the data. Changes (if any) are clearly explained in the Report.

Reporting Scope

The Report focuses on the core businesses of the Group and the overall sustainability performance from 1 January 2023 to 31 December 2023 (the “Year”). Unless otherwise specifically stated, the content covers the businesses directly controlled by the Group. For detailed information on corporate governance of the Group, please refer to the section headed “Corporate Governance Report” of annual report of the Group in 2023 or visit the Group’s official website (www.cnht.com.cn).

Reporting Languages and Access to the Report

This Report is published in Chinese and English versions which are uploaded on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Group’s official website (www.cnht.com.cn). In the event of inconsistency between the Chinese and the English versions, the Chinese version shall prevail.

Approval of the Report

The Report has been confirmed by the management, followed by the approval by the board of Directors of the Group (the “Board”).

Feedback on the Report

If you have enquiries and suggestions about the Report or the Group’s sustainability strategy, please feel free to contact us by email (dongban@cnht.com.cn).

1. Group Profile

The Company was established in 1992 and registered its address in Hohhot, Inner Mongolia Autonomous Region, the People’s Republic of China, which is a comprehensive, fully licensed securities company approved by the China Securities Regulatory Commission (中國證券監督管理委員會). The Company has more than 100 business offices and 2 branches nationwide, and has formed a layout structure that radiates to large and medium cities in China, such as Beijing, Shanghai, Guangzhou, Shenzhen and Hangzhou by leveraging on its geographical advantage in Inner Mongolia. Meanwhile, it has wholly-owned subsidiaries such as Hengtai Changcai Securities Co., Ltd. (恆泰長財證券有限責任公司), Hengtai Pioneer Investment Co., Ltd. (恆泰先鋒投資有限公司), Hengtai Capital Investment Co., Ltd. (恆泰資本投資有限責任公司) and Hengtai Futures Co., Ltd. (恆泰期貨股份有限公司), and has a holding subsidiary, New China Fund Management Co., Ltd. (新華基金管理股份有限公司).

The Company upholds the core values of “Integrity, Innovation, Pragmatism and Cooperation”, adheres to “customer-oriented”, and devotes ourselves to the transformation and upgrading of wealth management in the digital age, providing customers a full range of financial services, including brokerage transactions, wealth and asset management, margin financing, securities lending, derivatives, etc.

The awards and honours attained during the Year include:

Awarding organisation	Award or honour
Sina Finance (新浪財經)	“Top 10 Investment Advisory Teams (十佳投資顧問團隊)”
China Securities Investor Services Centre (中證中小投資者服務中心)	2022 Excellent Investor Liaison Point (2022 年度優秀投資者聯絡點)
Jiemian.com (介面新聞)	Securities Company of the Year (年度證券公司)
Inner Mongolia Securities and Futures Association (內蒙古證券期貨業協會)	Advanced Unit of Cultural Construction (文化建設先進單位)
jrj.com (金融界網站)	Outstanding Financial Technology Innovation Award (傑出金融科技創新獎)
STCN (證券時報)	Xinrui Junding Award for the First Digital Transformation of China Securities Industry (首屆中國證券業數位化轉型新銳君鼎獎)

2. Sustainability Strategy

2.1 Statement of the Board

To strengthen the management of the ESG-related tasks, we have established the ESG governance structure. The Board will be responsible for leading and supervising ESG-related tasks, in order to better handle the opportunities and risks regarding sustainability. The Board regularly deliberates and reviews ESG approach and strategies, including approval and confirmation of ESG-related targets, reviewing the progress of the target, evaluation, prioritisation, etc. We have set environment-related directional targets. In the future, we will conduct a progress review based on the Group’s ESG-related targets to monitor and improve sustainable development of our work.

2.2 ESG Governance Structure

To ensure the proper implementation of ESG-related tasks, and to assist the Board to better supervise the ESG-related tasks of the Group, the Group has established an ESG working group, forming a management structure of the Board, an ESG working group and implementation level. The details are as follows:



The Board takes full responsibility for the ESG strategy and reporting of the Group, including:

- Review and manage material ESG issues, risks and opportunities;
- Examine and approve ESG management approaches, strategies, priorities and targets;
- Regular review the progress of ESG related targets and the ESG performances;
- Examine and approve the ESG report.

The ESG working group is led by the secretary of the Board and is managed by the Board Office. Its responsibilities are as follows:

- Identify and assess material ESG issues, risks and opportunities for the Board’s approval;
- Formulate ESG management approaches, strategies, plans, annual works and targets for the Board’s approval, and promote relevant implementations;
- Engage in the preparation of the annual ESG report and maintain communication with the ESG consultant team.

The implementation level consists of the relevant departments of the Group, including the president’s office, human resources department, administration centre, compliance management department, trade union office, and new retail business head office, etc. Its responsibilities are as follows:

- Promote and implement various ESG-related tasks according to the arrangement of the Group;
- Collect and report ESG internal policies, systems and ESG-related performance indicators;
- Comply with various ESG-related policies and system.

2.3 Stakeholders Engagement

According to our business development strategy and operational characteristics, the Group actively expands the communication channels with different stakeholders throughout various processes of daily operations in order to identify any key stakeholders out of government and regulatory authorities, investors, customers, employees, suppliers and business partners, communities and the environmental organisations, together with a normalised communication mechanism with stakeholders would be established to fully listen to and respond to stakeholders’ expectations and demands.

Stakeholder	Communication channels
Investors/Shareholders	<ul style="list-style-type: none"> • Annual general meeting • Interim report and annual report • Corporate newsletter • Result announcement • Shareholder visiting activity • Establishment of investor education base • Promotional activity for investor education • Phone • Email
Customers	<ul style="list-style-type: none"> • Daily operation/communication • Customer service centre • Customer consultation group • Customer relation manager visit • Online service platform • Phone • Mailbox
Employees	<ul style="list-style-type: none"> • Performance interview/appraisal • Group discussion/meeting • Employee suggestion box • WeChat group for work • Publication/business presentation • Employee intranet
Business partners	<ul style="list-style-type: none"> • Report • Meeting • Visit • Talk

Stakeholder	Communication channels
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Suppliers	<ul style="list-style-type: none"> • Supplier management procedure • Supplier/Contractor assessment system • Tendering system and process • Meeting
Regulators	<ul style="list-style-type: none"> • Compliance report • Submission of regulatory document • Written response to public consultation • Meeting
Media	<ul style="list-style-type: none"> • Press release • Senior management visit • Result announcement • Official Website • WeChat Official Account
Professional organisations	<ul style="list-style-type: none"> • Meeting • Regular visit • Membership • Working group
Communities/Non-governmental organisations	<ul style="list-style-type: none"> • Seminar/talk/workshop • Meeting • Promotional activity for investor education

2.4 Materiality Topics

In order to further facilitate the sustainability developments of the Group during the Year, we have conducted materiality assessment. With reference to the regulatory requirements, laws and regulations, the materiality issue database of the Sustainability Accounting Standards Board, and other international standards, along with the Group's characteristics and needs, and the expectations and demands of various stakeholders, the Group identifies and determines the materiality of the following sections, which have been confirmed by the Board:

Materiality	Sections	Disclosed information in 2023
Highly material	Compliance	Detailed disclosure of implementation of various laws and regulations, and conducting compliant operation and risk control management
	Training and Development	Detailed disclosure of various measures and trainings to enhance employees' professionalism and improve their career development
Moderately material	Water Consumption and Efficiency	Disclosure of energy consumption and measures taken in energy conservation and emission reduction
	Remuneration and Welfare	Disclosure of employee benefits and compensation, and wages for attracting and retaining talent
General material	Waste Management	Disclosure of measures regarding the management of electronic wastes such as office materials and computer materials

3. Environmental Friendliness

3.1 Emission Management

As a social responsible enterprise, we actively cooperate with various national policies and measures to achieve the goal of “2060 carbon neutrality”. We implement low-carbon operations to reduce greenhouse gas emissions.

Greenhouse gases and other emissions in Scope 1 are primarily from the vehicles owned by the Group. We regularly carry out maintenance to our fleets to maintain vehicle performance, check tire wear and maintain proper tire inflation, and promptly eliminate vehicles that do not meet the environmental standards.

Greenhouse gases of Scope 2 mainly come from the Group’s purchased electricity. Please refer to the “6.2 Energy Conservation” section for energy saving measures.

We carried out greenhouse gas inventory with reference to the Greenhouse Gas Protocol (《溫室氣體盤查議定書》) developed by the World Resources Institute and the World Business Council for Sustainable Development, and to the ISO14064–1 standard from the International Organisation for Standardisation. The greenhouse gas emissions from the Group’s Hohhot office are as follows:

	Unit	Quantised Value of 2023	Quantised Value of 2022
Direct greenhouse gas emission (Scope 1)	Tonnes	51.31	28.77
Indirect greenhouse gas emission (Scope 2)	Tonnes	2,600.75	2,318.38
Total greenhouse gas emission	Tonnes	2,652.06	2,347.15
Greenhouse gas emission per capita	Tonnes/m ²	0.19	0.17

3.2 Energy Conservation

The Group’s main electricity consumption comes from lighting and air-conditioning systems in offices. We have implemented the following measures to save electricity:

Air Conditioning System	The air conditioning system is managed by the property management office, with an internal switch
	Regularly clean the filter to reduce unnecessary energy consumption
	Avoid installing air conditioners in locations that are directly exposed to the sun
	Allow employees to wear casual clothing for work in hot weather and on Fridays
Lighting System	Make full use of natural light to reduce power consumption
	Install lights with high energy efficiency
	Install independent lights in meeting rooms to avoid unnecessary long-term lighting in those areas
	Regular clean lights to maintain performance
	Develop employees’ habit of turning off when not using

We regularly monitor energy efficiency to adjust energy saving measures in a timely manner. During the Year, the total energy consumption of the Group’s headquarter office in Hohhot during operation is 4,262,833.00 kWh, and the total energy consumption intensity is 304.48kWh per square meter. Comparing to the data of 2022, the energy consumption intensity of the Group increases by 12.18% due to the addition of electromechanical equipment such as 140 Syntron servers and other ancillary humidifiers.

3.3 Water Conservation

The Group does not have any issues in sourcing water intake. We proactively take a number of measures, including applying sensor faucets to reduce water pressure to the lowest practicable level, regularly checking water meter readings to monitor abnormal water usage and perform necessary maintenance, conducting regular leak testing of concealed water pipes, using water-saving toilet tools and raising employees’ awareness of water conservation, in order to reduce the Group’s water consumption. During the Year, the total water consumption of the Group in Hohhot office was 6,896.00 cubic meters, and the water consumption intensity was 0.492 cubic meters per square meter.

3.4 Climate Change

The Group understands that climate change will have deep impacts on the environment and society, and bring risks to the financial system. Therefore, during the Year, the Group carried out climate change risk identification. With reference to international standards, relevant national rules and regulations and industry development, the Group assessed the possible impacts on business from the aspects of climate change physical risks and climate change transition risks. After the assessment, the impact of climate change on the Group’s business is relatively low. If affected by extreme weather, we will actively follow the relevant policies of the local government and make emergency plans beforehand to ensure the safety of employees. In the future, the Group will continue to monitor climate change risks and take corresponding measures.

3.5 Waste Reduction

We are committed to improving the efficiency use of resources, adhering to the principle of “reduction, harmlessness, and resource utilisation”, and encouraging employees to use reusable products as much as possible.

We will carry out stocktaking and amount of materials used, and purchase them when necessary. Our office wastes including office consumables and electronic wastes including computer consumables, have been handled in a reasonable and environmentally friendly way. We have also signed an agreement with a food waste collection service company to handle food waste professionally.

During the Year, the total amount of non-hazardous waste generated by the Group's Hohhot office was 2,360.00 kg, and the intensity of non-hazardous waste generation was 7.39 kg per employee; hazardous waste included 605 batteries and 105 used ink cartridges/used toner cartridges. Comparing to 2022, the intensity of non-hazardous waste generation of the Group is increased by 19%, which is mainly due to the frequent business contacts and the increase of process office staff in Hohhot office in 2023.

4. Employees Development

The Group strictly complies with the Law of the People's Republic of China on the Protection of Minors (《中華人民共和國未成年人保護法》), the Provisions on Prohibition of Child Labour (《禁止使用童工規定》), the Labour Law of the People's Republic of China (《中華人民共和國勞動法》), the Labour Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》), Implementing Regulations of the People's Republic of China Employment (《中華人民共和國勞動合同法實施條例》) and other laws and regulations in the operating region. We have formulated the Employee Handbook (《員工手冊》), Measures on Welfare (《福利管理辦法》), Measures on Attendance and Leave (《考勤與休假管理辦法》), and other policies relating to recruitment and promotion, compensation and dismissal, working hours, vacation, equal opportunity, diversity, anti-discrimination, welfare, bonus, etc., aiming to provide employees with an equal, inclusive, anti-discrimination and safe working environment.

4.1 Talent Acquisition

For an effective talent acquisition, we formulated the Administrative Measures for Staff Recruitment. The Group adheres to the employment principles of "careful organisation, comprehensive evaluation, fairness and justice, selection of the best", along with written tests and interviews to examine candidates from multiple dimensions such as background investigation, work experience, skills, education and conduct. Various approaches are used to acquire talents. By reviewing the applicants' identity documents, resumes and qualification documents to assess their suitability for the position to ensure that the recruited employees comply with laws and regulations and prevent the use of child labour. The qualified recruits will have to legally sign binding contracts of Labour Contract (《勞動合同》), Non-disclosure Agreement (《保密協議》) and Employee Handbook Reading Confirmation Form (《員工手冊閱讀確認表》), and other documents, protecting the rights and interests of both sides. We have listed the types of employee resignation and the resignation process in the Administrative Measures for Employee Resignation (《員工離職管理辦法》). The human resources department would conduct interviews with the personnel in key positions to understand the reasons for their resignation, and to identify and manage the resignation-related matters. Resigned employees also need to complete the job handover as per instructions and cooperate with the relevant resignation arrangements of the human resources department. To prevent forced labour from occurring, we have listed the working hours in our Employee Handbook. Once any irregularities are found, we would handle the situations based on the Employee Handbook of the Group. During the Year, the Group did not breach any relevant laws and regulations on remuneration and dismissal, recruitment and promotion, working hours, equal opportunities, diversity, anti-discrimination, prevention of child labour or forced labour, and no cases of child labour or forced labour are found in the Group.

The Company had a total of 2,117 employees as of 31 December 2023.

4.2 Talents' Benefits

The Group is concerned about the well-being of its employees and has formulated the Welfare Management Measures (《福利管理辦法》) and the Administrative Regulations on Employee Social Security and Housing Provident Fund (《員工社會保險及住房公積金管理規定》), hoping to attract and retain talents with competitive salaries and benefits. Regarding holidays, in addition to statutory holidays, employees may enjoy sick leave, work injury leave, personal leave, annual leave, marriage leave, bereavement leave, prenatal leave, maternity leave and family planning leave. Regarding subsidies, in addition to the welfare of "five social insurances and one housing provident fund", we also provide annual body check, complementary medical care, festival fees, and team activity fees, heating fees, heat stroke prevention and cooling fees, lunch subsidy, communication subsidies, off-site work subsidies, etc.

The salary of employees is determined according to their ranks and their professional qualifications, and is adjusted according to the overall performance of the year. We will also give out annual performance bonuses

and special awards to employees based on the results of performance appraisals. In order to make the assessment fairer and more equitable, during the Year, we updated the Performance Management (《绩效管理辦法》) and the Performance Management Implementation Rules (《绩效管理實施細則》). Our performance management is composed of four steps, including performance planning and goal setting, performance monitoring and guidance, performance appraisal and feedback, and performance results and application. The specific implementation steps and requirements should be based on the Performance Management Implementation Rules and the actual situation every year. The human resources department will be responsible for issuing the notice, organizing and implementing the above steps. The performance management organisational structure is composed of the company’s president’s office meeting, president office, human resources department, managers of all levels and employees.

4.3 Talent Development



Photo for the Training Group

The Group values talent development. This year marked a year in which the Company continued to promote integration and business transformation, enhance its compliance and risk control management capabilities and deepen the steady development of its business. We have formulated the 2023 Training Plan of Hengtai Securities Co., Ltd. (《恆泰證券2023年度培訓計劃》) based on the business development needs of the Company, in order to comprehensively improve the business skills and professional capabilities of employees of different positions and ranks. The training work was based on the requirements of industry regulation, the company’s strategic development and the needs of employees to enhance their capabilities, and combined with the results of a survey on the training needs of employees at all levels of the Company, the training system was implemented in the form of a project. In 2023, the trainings focused on four areas: launching specialised training for the development of employees’ business ability and investment and business promotion ability in the wealth management line of the sales department; launching offline training and rotational practice for the cultivation of management awareness and management ideas of the leadership cadres and reserve talents; launching offline training and expansion training for the rapid integration of new employees into the team; and the enhancement of vocational qualities and skills in different regions, promoting stable and sustainable development of the Group through training on interpretation of industry policies, party building culture, integrity in business practice, publicity of the system of the Group, compliance and risk control, and information security. A total of 113 various trainings were conducted throughout the Year, with a total of 151 courses developed throughout the year, forming seven major categories of courses on business, management, compliance and risk control, integrity in practice and information security. We also organised two key talent development projects for the company’s middle-level cadres, the Project Young Eagle (雛鷹計劃) and the Project Eagle (雄鷹計劃), using online and offline training camps to conduct hybrid training model and explore innovation. At the same time, we have expanded and optimised the internal trainer team, and built a classified and graded team of hundreds of internal trainers and an online course system. In addition, we have also held seminars of various types. It also revised the Training Management Measures of Hengtai Securities Co., Ltd to provide a structural basis for the commencement of the training work of the Group.

Our training performance during the Year is as follows:

	Percentage of employees Trained (%)	Average training hour
By gender		
Female	100	25
Male	100	25
By employee category		
Junior staff	100	25
Middle management	100	21.5
Senior management	100	22

Besides, we have developed career paths for our employees. Employees can choose to be promoted from low-level to high-level, or they can choose to develop across departments according to their own wishes, professional and management skills.

4.4 Health and Safety

The Group strictly complies with the Law of the People’s Republic of China on the Prevention and Control of Occupational Diseases (《中華人民共和國職業病防治法》), the Workplace Occupational Health Supervision and Administration Regulations (《工作場所職業衛生監督管理規定》), the Work Injury Insurance Regulations (《工傷保險條例》) and Occupational Safety and Health Ordinance (《職業安全及健康條例》) of Hong Kong Special Administrative Region, and other laws and regulations in the operating areas, with an aim to provide a healthy and safe working environment to employees.

We have established a series of emergency measures and a safety early warning system to provide employees with necessary protection. We have updated the Employee Social Insurance and Housing Provident Fund Management Regulations (《員工社會保險及住房公積金管理規定》) in order to provide group commercial insurance, accidental injury protection and accident, illness hospitalisation allowance and annual physical examination for employees. With a view to raise employees' safety awareness and escape ability, we also regularly hold rescue and fire drills, and occupational safety education and trainings.

During the Year, the Group did not breach any relevant laws and regulations regarding the provision of a safe working environment and protection of employees from occupational hazards, and there was no loss of working days due to work-related injuries. From 2019 to the Year, the Group has had no deaths of employees due to work-related accidents.

5. Contribution to Society

The Group understands that business development is inseparable from the support and communication of the local communities. Therefore, we try our best to make use of our existing resources and power to contribute to our society.

5.1 Contributing to Rural Revitalisation

In accordance with the work arrangement of the Organisation Department of the Inner Mongolia Autonomous Region Party Committee and the Party Committee of the Company, a party member of the Company was selected and dispatched to continue to serve as the resident secretary and the head of the task force in Shariburidugacha (沙日布日都嘎查) Jilantai Town, Alxa Left Banner. The Group actively supported the village cadres in carrying out their duties. The stationed officials have fulfilled their duties and responsibilities, and through projects such as “renovating vegetable greenhouses”, “improving the marketing of camel’s milk biscuits” and “upgrading office equipment in Shariburidugacha, we worked hard to empower rural revitalisation efforts, increase locals’ income and improve the quality of their assistance.

5.2 Social Care Delivery

The Office of the CPC Committee, in conjunction with the Financial Products Department, has actively fulfilled social responsibilities by organising a charity donation activity, in which condolences such as books, school supplies, rice, flour, grain and oil were donated to 10 households that had left out of poverty and students in Jinsu Village, Meiyuan Township, Fuping County, Shaanxi Province to convey warmth through practical actions and implement targeted assistance.

According to the arrangement of the Higher Party Committee, the Office of the CPC Committee, on behalf of the Party Committee of the Company, carried out a Party building alliance activity themed Welcoming the New Year and Send Warmth to people in Liyuan Township in which 23 condolences were sent to the community residents, which demonstrated that we have actively fulfilled our social responsibility and taken practical action to solve people’s problems. The brand image of the Group has thus been further strengthened.

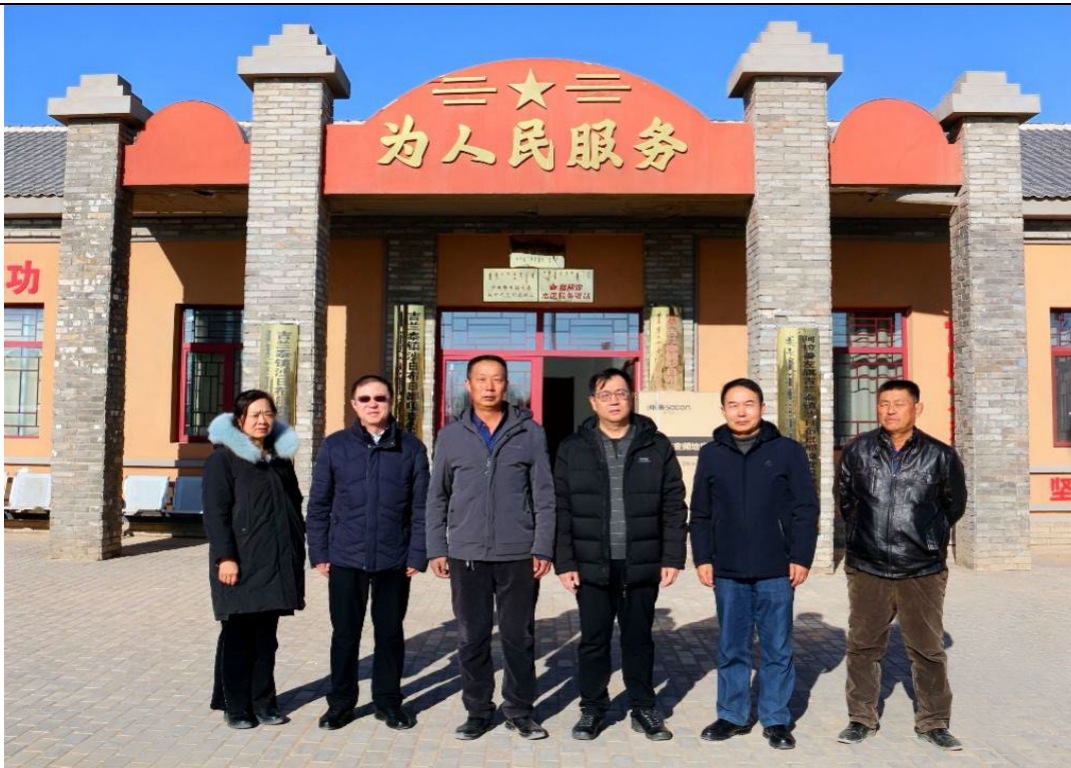
According to the arrangement of the Party Committee of the Company, in order to organise and promote the public welfare branding programme, “Healthy Children Initiative”, the Office of the CPC Committee actively collaborated with the Financial Street Holdings Co.,Ltd., the Group's Zekang Medical and Beijing Ruibao Medical Technology Co.(北京睿寶醫療科技), carefully screened and researched the relevant medical institutions to be assisted, and played an active part in promoting the implementation of the “Healthy Children Initiative” programme .



Charity Donation Activity in Shaanxi Fuping County



The Party Building Alliance Activity Themed Welcoming the New Year and Send Warmth to People



Group Photo of Company Leaders and the Two Committees of Shariburidugacha Jilantai Town, Alxa Left Banner



Photo of Voluntary Service



To fulfil social responsibility, serve and give back to society, we have established Hengtai Securities volunteer service team to carry out public welfare activities. In 2023, we organised four volunteer service activities with the theme of “Interpreting Social Responsibility with Action, Transferring Warmth and Care with Love” (“以行動詮釋社會責任，用愛心傳遞溫暖關懷”). We donated winter clothes to the elderly, wrapped dumplings and played hand-brain games with them, and listened to their stories. By promoting the traditional Chinese virtue of respecting the elderly, we fulfilled our social responsibility and put our corporate culture into practice. We also actively participated in social welfare activities, including the “Good Water in Lhasa 2023” initiative to support the economic development of Tibet.

5.3 Environmental Protection

In terms of environmental protection, in 2023, the Group’s trade union, as a member unit of the SEE Conservation (阿拉善SEE生態協會), actively participated in the Conservation’s meetings and activities and worked to implement all work that was arranged, making a significant contribution to environmental protection.

In line with the theme of environmental protection, it is everyone’s responsibility to practice energy conservation and emission reduction, and the healthy lifestyle of low-carbon travel should be advocated. Therefore, Hengtai Securities trade union held a running event with a duration of 21 days and more than 10 relevant venues. The activities involved the participation of almost 2,100 individuals and an investment of nearly RMB1 million. In doing so, the Group has made its contribution to strengthening ecological civilisation by promoting a green way of life, promoting carbon peaking and carbon neutrality, as well as contributing to high-quality development.





Photo of the Event

5.4 Employee Activities

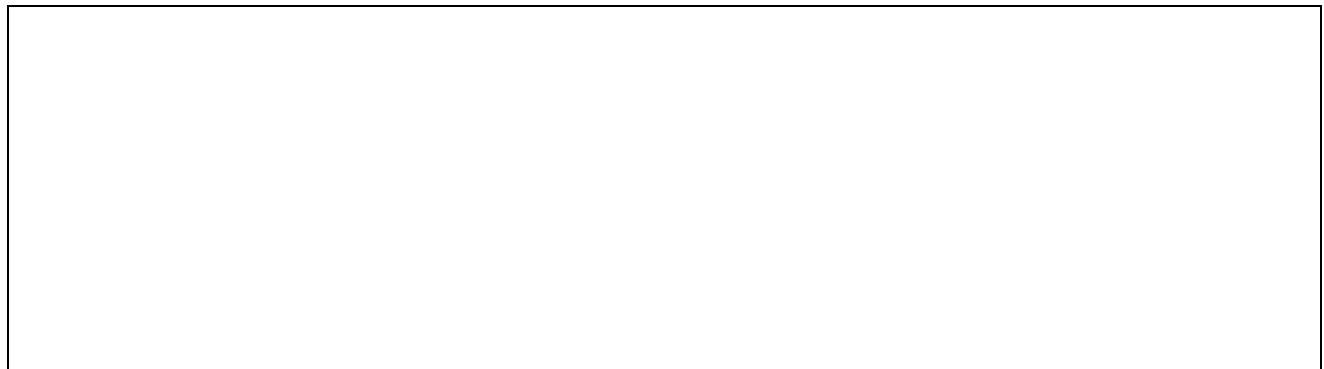
On 26 May 2023, a total of 20 employees of the Group participated in the third “Inner Mongolia Capital Market Cup” badminton competition organised by the Inner Mongolia Securities & Futures Association.





Photo of Badminton Competition

On 19 August 2023, nearly 30 employees participated in the 7th Staff Fun Games held by the Trade Union of Finance, Trade, Textile, Agriculture, Livestock, Forestry and Water Resources of the Autonomous Region(自治區財貿輕紡農牧林水工會), which was called “Remain Dedicated to the Guidance of the Party and Work Together to Embark on the New Journey”.





Fun Games

On 22 July 2023, Hengtai Securities Co., Ltd. held the Fourth of the Congress of Workers and Staff and Trade Union, which was attended by nearly 150 employees and senior management of the Company. The meeting

voted to adopt six systems, including the Corporate Accountability Management Measures; the General Meeting voted on-site to adopt the Election Methods for the First Plenary Meeting of the Fourth Congress of Workers and Staff and Trade Union (Draft), and elected members of the Fourth Committee of the Trade Union of Hengtai Securities Co. Ltd., the Funding Review Committee and the Women Workers Council.



Scene of the Congress of Workers and Staff



Group Photo of the Meeting

6. Stable Operation

6.1 Promoting the Construction of the Party

With conscientious implementation of the major decisions and deployments of the Party Committee at the higher level and the Party Committee of the Company, in-depth study and implementation of Xi Jinping Thought on Socialism Ideology with Chinese Characteristics for a New Era, the Company deepens ideological and political education of the Party members, comprehensively strengthening the standardisation of the Party Organisation at the grass-roots level and continuously enhancing the organisation, cohesion and combat effectiveness of the Party Organisation, and at the same time, focusing on the establishment of a sound and organically coordinated working mechanism of the Party's leadership and corporate governance, and driving the business development through the leadership of the party construction. With in-depth political theory learning, the Company continues to grasp the daily ideological and political education of party members, organizing and carrying out a series of thematic education and learning activities to firmly be grateful to the Party, listen to the Party and follow the Party, as well as organizing and carrying out thematic education and training for the secretary of the party branch, and guiding the party branch to carry out in-depth activities such as "make contributions based on posts", "show", "share" and "compete", which fully mobilizing the party members to take the initiative in promoting the development of the business. Adhering to the leadership of party construction and strengthening organisational guarantee, the Company successfully completed the election of the Party Committee and disciplinary committee of the Company, and at the same time, provided guidance for the by-election of the branch committee of the party branch. Establishing rules and regulations to promote effectiveness and improve the quality of party construction work, combining with the "Double Enhancement" project, the Party Committee Office optimised the workflow of party construction, formulated and issued nine systems such as the rules of procedure of the Party Committee of the Company and the management method of "Three Importance and One Large" matters decision-making, optimised the workflow of the Party Committee meetings, supervised the key issues of the Party Committee, added a new section for prior approval by the Party Committee for major issues of the Company, actively improved the authorisation management system of the Company, and promoted the establishment of a working mechanism for integrating Party Organisation into the corporate governance structure of the Company. Actively innovated the "Party Construction +" working mode, the Company empowered the party construction and business to both integrate and promote double enhancement. The Party Committee Office, together with the Investment Education Centre and the Financial Products Department, organised and carried out the activities of "doing practical things for the public", issued free publicity brochures on preventing illegal fund-raising and financial fraud for the residents around the Company, and signed the "Pairing Agreement" with the Changhai Community on the street of Haidong Road to build the "Under the Guidance of Party Construction - Unite to Create a Great Lecture Hall - Investor Education" activity platform. Regulating party affairs, strengthening the foundation of party construction, and improving the duties and responsibilities of departmental positions, the Company ensured that the affairs of Party Committee were in order, strengthened the standardisation of party branches, implemented the "Five-One" action of care and concern for party members, and organised the renovation and upgrading of party construction.

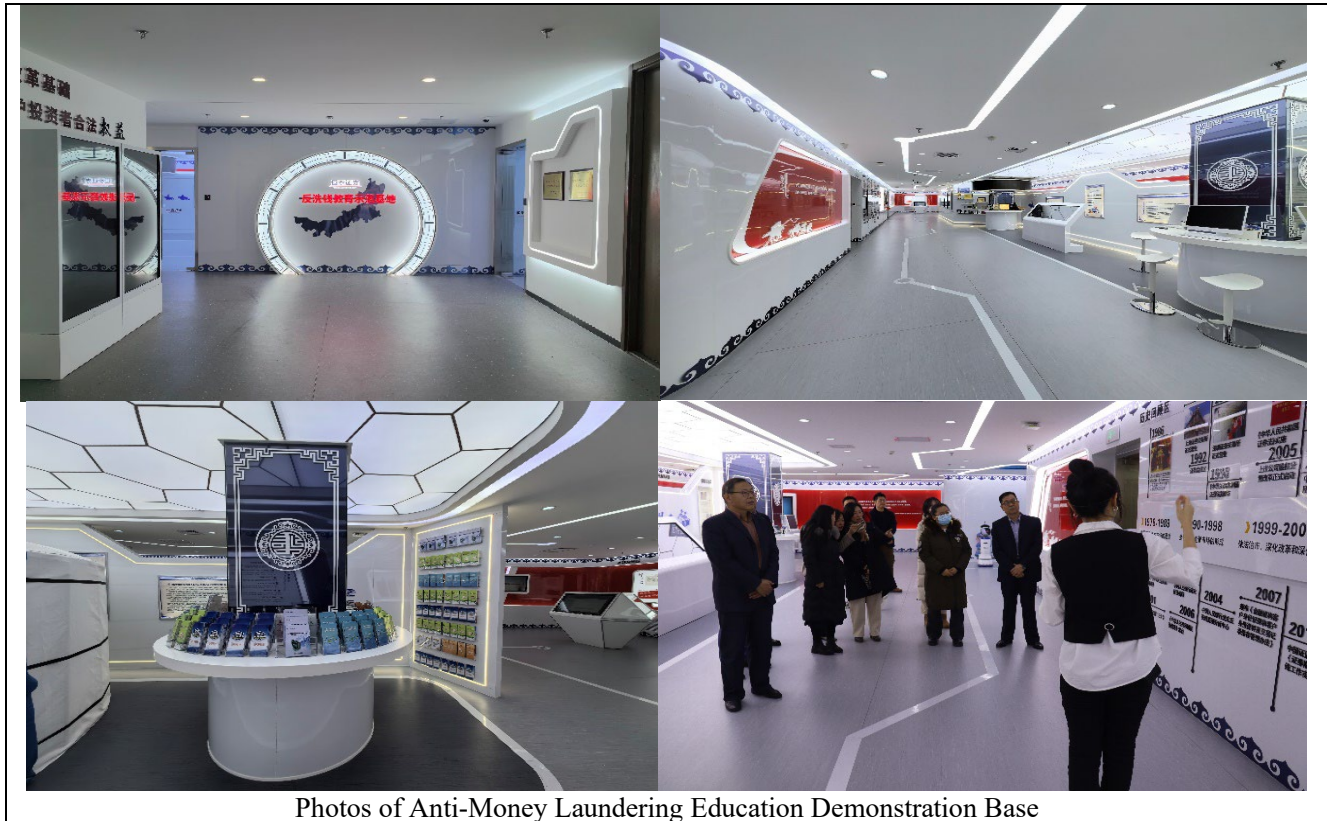
6.2 Compliance Publicity

The Compliance Management Department has effectively implemented the relevant regulatory and corporate requirements, strengthened the construction of a compliance culture, and launched compliance training and publicity at various levels and in various forms to disseminate the concept of compliance. In 2023, firstly, the Company actively participated in 11 training organised by regulatory authorities and industry self-regulation organisations to strengthen our professional knowledge reserve and enhance our ability to perform our duties in a compliant manner. Secondly, the Company organising and carrying out thematic training in multi-level and multi-dimension for a total of more than 40 issues, and strive to improve the orientation and effectiveness of training, which significantly improved the compliance awareness of all staff. Thirdly, the Company keeping up with the demand of the era of "short, frequent and fast", 235 articles on such as industry compliance weekly,

policy interpretation, regulatory case analysis, compliance Q&A were published through the enterprise WeChat account namely “Voice of Compliance”, with an increase of 42% in the number of publication compared with that of last year, and an increase of about 50% in the volume of reading and the number of people who read the articles compared with that of last year, which significantly raised the awareness of compliance among employees. The fourth is to innovate the publicity of compliance culture and publish 32 articles through the media such as WeChat Official Account and Inner Mongolia Radio, which contain the interpretation of the new rules of the system, the warning of risk cases, and the knowledge of investor protection, and launch a publicity column in conjunction with Inner Mongolia Radio to promote the knowledge of compliance through multiple channels.

6.3 Anti-money Laundering Management

In 2023, under the guidance of the Inner Mongolia regulatory bureau of China Securities Regulatory Commission and the Inner Mongolia Autonomous Region Branch of the People’s Bank of China, the Group earnestly implemented the work requirements of “Risk-Based”, fulfilled its anti-money laundering obligations, and proactively deployed and promoted various anti-money laundering efforts.



1. Implementing the “risk-based” requirement and launching a money laundering risk assessment

To comprehensively, objectively and accurately assess the money laundering risks faced by the Group, and to gradually form a working mode of self-assessment and self-management of money-laundering risks, the Compliance Management Department organised a self-assessment of the money-laundering risks of the Group for the year 2022, filling in questionnaires on the inherent risks and effectiveness of the control measures, and arriving at the final assessment results by verifying and analysing the contents of the questionnaires. The result showed that the Group’s inherent risk is low, the effectiveness of controls ranges from satisfactory to strong, and residual risk is low to moderate. Through the assessment, the Group needed to further improve the

effectiveness of the foundation and environment of its anti-money laundering internal control and the effectiveness of its money laundering risk management mechanism, and the Group will actively promote the effective resolution of the relevant issues in the next step.

2. Organised an anti-money laundering education base and actively fulfilled its social responsibility

In order to comprehensively promote the popularisation of anti-money laundering knowledge and expand the influence and effectiveness of anti-money laundering publicity, in accordance with the “Program of the Inner Mongolia Branch of the People’s Bank of China on Launching the Pilot Work of Anti-money Laundering Educational Demonstration Base”, we have actively prepared for the establishment of the anti-money laundering education demonstration base, which is the first anti-money laundering education demonstration base in its jurisdiction, and has taken the initiative of the Department in inviting the leaders of the People’s Bank of China to confer plaques on the base, and the brokerage firms of the same area to come and exchange views and learn. The anti-money laundering education demonstration base was highly praised by regulators and brokerage firms in the industry, which fully enhanced the social influence of the Group.

6.4 Integrity Business

The Group strictly guards against corrupt behaviours such as bribery, extortion, fraud and money laundering, with a zero-tolerance policy adopted towards said actions. We strictly abide by laws, regulations and industry norms, including the Supervision Law of the People’s Republic of China, Securities Law of the People’s Republic of China, Company Law of the People’s Republic of China, Securities Investment Fund Law of the People’s Republic of China, The Criminal Law of the People’s Republic of China, Regulations on Administration Supervision of Securities Company of the People’s Republic of China, Law of the People’s Republic of China on Anti-money Laundering, Regulations of Securities and Futures Business Operators and Employee Integrity Business, the Implementation Rules for Securities Business Operators and Employee Integrity Business, the Guidance on Strengthening Risk Prevention and Control of Integrity Business by Hiring a Third-Party Organisation in Investment Banking Business, Regulations for the Administration of Futures Trading, Measures for the Compliance Management of Securities Companies and Securities Investment Fund Management Companies, Notice of the Securities Association of China on Issuing the Guidelines for the Compliance Management of Securities Companies, and Notice of the People’s Bank of China on Issuing the Guidelines for the Assessment of Money Laundering and Terrorism Financing Risks and Categorized Management of Customers of Financial Institutions. The Group proactively fulfils the anti-money laundering and the financial stabilisation obligations of financial institutions.

In 2023, the Group revised and issued two fundamental systems, the Measures for the Commission for Discipline Inspection of the Communist Party of China in Hengtai Securities Co., Ltd. and the Measures for Management of Integrity Business of Hengtai Securities Co., Ltd. We established a leading group for integrity business, issued Circular on the Essence of Eight-Point Decision on Improving Party, the enhancement of business working style, and the “Ten Don’ts” of the Management Cadres, and supervised the development of more than ten supporting systems for integrity business. By doing so, we continuously improved the systematisation and standardisation of our disciplinary inspection and supervision, and integrity business.

During the Year, the Group neither received any whistle-blowing concerning corruption, bribery, extortion, fraud, nor lawsuit concerning corruption.

In 2023, the Group continued to keep open channels for supervision and whistle-blowing through letters, visits, telephone calls, emails. Additionally, by building a WeChat Work platform for supervision and whistle-blowing, we encouraged all stakeholders to report any fraud or possible fraud in the Group through the above-mentioned methods. Upon the reception of reports, the Company’s Commissions for Discipline Inspection shall strictly keep the personal information and content of the report confidential, guarantee the legitimate rights and interests

of the whistleblower and handle it promptly and fairly in accordance with the Measures for the Commission for Discipline Inspection of CPC Hengtai Securities Co., Ltd.

In 2023, the Group attached great importance to the management of integrity and upright practices, conscientiously fulfilling the responsibility of building a culture of integrity, revising and improving the general regulations for honest and upright practices, establishing a leadership team for honest and upright practices, supervising the establishment of supporting systems for honest and upright practices in various business lines and departments, organizing annual self-inspections for honest and upright practices, conducting on-site inspections for honest and upright practices, submitting annual reports on the management of honest and upright practices, and promoting all-staff education on honest and upright practices through multiple channels, such as surveys and discussions on ethical conduct.

In terms of publicity and education, starting from the ideology with a focus on self-discipline requirements, the Group adopted a model integrating online and offline, organised Hengtai Securities 2023 Warning and Educational Training Conference against Financial Corruption and Integrity Culture Development Activities and anti-financial corruption documentaries for middle and senior management and all employees. It also organised all employees to carry out “Build a Firm Occupational Bottom Line, Uphold Integrity Business” CCD open class online training, issue the Circular of Activities regarding Conducting the Learning and Implementation of the Integrity Business Implementation Rules for Securities Business Operators and Employee of the Securities Association of China. All these gave full play to the advantages of the Group’s Hengtai Online Academy, Integrity Culture and other internal platforms, and improved the working conditions of employees and awareness of integrity business risk prevention and control through multiple measures, thus strengthening integrity business management. In addition, the Group held 5 on-site publicity activities on integrity business, including Beijing, Shanghai, Changchun, Hohhot, Baotou, conducted training, issued questionnaire and held talks on integrity business for a total of more than 680 employees of 53 branches in 8 regions, including Beijing, Shanghai, Changchun, Hohhot, Baotou and through the Integrity Culture public platform, posted 22 education and publicity articles in 20 times.

In terms of cultural development, the Group actively participated in the trainings organised by the regulatory authorities and the industrial associations, earnestly fulfilled the responsibility of deepening the integrity business culture, participated in livestream courses on integrity business and party building leading cultural development organised by the Securities Association of China as required, summarised the key points of integrity business and promptly organises all staff to learn from them through the Integrity Culture public platform namely “Code of Behaviour (廉風紀語)”. It actively participated in the Cultural Development Month organised by the Inner Mongolia Bureau of the CSRC and Inner Mongolia Securities and Futures Industry Association, undertook knowledge competitions and themed lectures, produced knowledge competition question banks related to integrity business, and shot and produced The Way of Integrity, a promotional short video, to effectively penetrate the business integrity management into various aspects of business development.

6.5 Intellectual Property Protection

We understand the importance of intellectual property protection and comply with the Patent Law of the People’s Republic of China, the Implementation Rules of the Patent Law of the People’s Republic of China, and other laws and regulations in the operating region. We will continuously improve the intellectual property management system and procedures, safeguard the intellectual property rights of the Group and others, such as patent rights, trademark rights, copyrights, etc. We will also evaluate potential infringement risks and formulate corresponding countermeasures.

During the Year, the Group did not breach any laws and regulations related to advertisements and labels in relation to the services provided.

6.6 Supply Chain Management

We comply with the Tendering and Bidding Law of the People's Republic of China and other laws and regulations. We also have formulated the Management Measures for Centralised Procurement and E-platform Procurement Measures (Trial), standardizing the procurement process and risk prevention, which constantly improve the Group's sustainable supply chain management. We require both tenderers to sign the Integrity Contract. Based on the principles of fairness, impartiality, openness, economy, efficiency and effectiveness, the Group reviews the reputation, finance, compliance and social responsibility of the suppliers. We will also give priority to green products and services that are efficient in terms of resource use with eco-friendly labels. Our audit department will regularly check the procurement workflow and evaluate suppliers to ensure the selected suppliers meet various business management requirements.

Due to the nature of the Group's business, we had no major suppliers during the Year. 7. Professional Services

7.1 Safeguarding the Rights and Interests of Customers

In order to standardise the complaint handling mechanism of the Group, timely solve the problems arising in the brokerage business, and enhance the brokerage service, we have formulated the Administrative Measures for Reporting of Investor Complaints, Regulations on Handling of Reports of Investor Complaints in Brokerage Business, which lists the types of complaint, the complaint handling process, and the disciplinary actions for employees breaching the regulations. Customers may express their views and suggestions on our services in person or by telephone, fax, letter or e-mail or via our website. Upon the receipt of customer's complains, complaints would be categorised according to their type, nature, scope, frequency and severity, then the complaint acceptance staff will need to fill in the Investor Complaints and Whistle-blowing Acceptance Form, and the corresponding handling of the task will be followed. The complaint acceptance staff must track the whole process of complaint handling and give replies to the complainant as soon as possible after the process is completed. Meanwhile, the staff must understand the satisfaction of customers regarding the process, keep records of the complaint and fill in Investor Complaints Feedback Form. All materials in the process will be archived for future reference.

The call centre of the branch structure management department received a total of 142 complaint cases in 2023. Among them, there were 52 complaints received through the 956088 system, 86 complaints received through the 12386 transfer system, and 4 complaints supervised by 12386 supervision hotline. Except for one service complaint that is still being handled, all the other complaints have been properly handled.

We also comply with the Advertising Law of the People's Republic of China, Trademark Law of the People's Republic of China, and other related regulations and laws, to ensure that the truth and accuracy of our publicly disclosed information.

7.2 Safeguarding Privacy of Customers

The Group strictly abides by the laws in the operating region, including the Law of the People's Republic of China on Guarding State Secrets, the Implementation Measures of the Law on the Protection of State Secrets of the People's Republic of China, and the Detailed Rules for the Implementation of the Law on the Protection of State Secrets of the Inner Mongolia Autonomous Region, etc. We have formulated policies including the Measures for the Administration of Brokerage Business Branches of Hengtai Securities Co., Ltd., Standardisation Management Regulations for the Business Departments of Hengtai Securities Co., Ltd., File Management Regulations for Brokerage Business Branches of Hengtai Securities Co., Ltd., Information Inquiry Management Regulations for Securities Business Departments of Hengtai Securities Co., Ltd., so as to protect customers' privacy and business information.

We require the managers of each branch to educate employees on above regulations, and require employees to consciously abide by the Group's confidentiality regulations and conduct all business activities in accordance with relevant laws, regulations, and institutional requirements. We strictly control employees' application for various system permissions, with the principle of minimizing permissions, to ensure that employees obtain customer privacy and business information within a reasonable and controllable range. For employees who violate the regulations, we will impose corresponding penalties according to the situation.

During the Year, we have no major violations like breaches of customer privacy or loss of customer data, and no major risk incidents like cybersecurity.

7.3 Improve Customer Experience

1. “956088” Customer Service

In 2023, customer service operations were conducted in an orderly manner. Customer service includes a range of services such as account inquiry, fund information, assistance with trading software, requests for mobile app support, clarification of trading regulations, and guidance on account closure processes. Over the course of the year, a total of 132,541 calls were directed to the customer service team from 956088 hotline, with a commendable 95% answering rate. Furthermore, the team managed 4,374 messages through the customer service system, resolved 22,880 customer concerns via the online service platform, and processed 23,662 account closure requests.

2. Customer Follow-Up

In 2023, the calling centre coordinated customer service personnel to effectively carry out follow-up tasks related to new account openings and interrupted services as per business requirements. Additionally, staff were assigned to provide regular follow-up services to existing customers, such as conducting suitability license, private equity, and investment advisor contract follow-ups. Throughout the year, a total of 569,080 telephone follow-up tasks were completed. Specifically: 167,365 follow-ups were done for new account openings with a success rate of 71%; 32,179 follow-ups were completed for suitability license clients with a success rate of 43%; 1,181 follow-ups were performed for investment advisor contract clients with a success rate of 44%; 473 follow-ups were carried out for private equity clients with a 100% success rate; 15,408 follow-ups were conducted for interrupted service clients with a success rate of 34%; 337,543 regular follow-ups were handled for existing customers with a success rate of 22%; 9,938 follow-ups were completed for existing customers sharing the same contact address with a success rate of 9%; 4,567 spot-check follow-ups were executed for key and specialised clients with a success rate of 35%; and 426 other follow-ups were completed.

7.4 Investor Education

The Group focuses on furthering its investor education initiatives and strengthening its “soft power” in the insurance industry, which will set a strong foundation for enhancing its classification evaluation in the upcoming years.

1. To enhance the Group’s classification evaluation, we have reviewed previous experiences and organised a variety of distinctive investor education initiatives.

Throughout the Year, the Compliance Department proactively strengthened cooperation with regulatory authorities and self-regulatory organisations in the industry. By leveraging past experiences and focusing on improving classification evaluations, we improved various assessments related to investor education within the Group. We took the initiative to engage regulatory institutions such as the Inner Mongolia Securities Regulatory Bureau, Shanghai Stock Exchange, and Shenzhen Stock Exchange in joint investor education activities. During the year, we successfully executed major investor education initiatives, including events such as “Hiking with a Theme of Preventing Non-compliance”, “Entering Pastoral Areas”, and “Embarking on a New Journey to Restart Investor Education”. These activities, along with larger investor education campaigns like “Embracing Registration System and Sharing High-Quality”, underscored the collaborative efforts between regulatory authorities and self-regulatory organisations. As a result, these initiatives effectively enhanced the Group’s reputation in investor education and expanded our outreach. This led to 0.3 points increase in the classification evaluation system for the Group of the 2023.

2. Ongoing Regulatory Recognitions for Investor Education

Firstly, the Company has been awarded an A-level rating in the First-time Assessment of Securities Firms' Investor Education, a prestigious recognition jointly organised by the Securities Association of China, Shanghai Stock Exchange, Shenzhen Stock Exchange, and National Equities Exchange and Quotations. This places us among a select group of only 30 securities firms in the industry to achieve such a high rating. Secondly, our national-level entity investor education centre has received an "Excellent" rating in the annual assessment conducted by the China Securities Regulatory Commission, resulting in 0.25 points increase in our classification evaluation. Additionally, our provincial-level internet investor education centre has also received an "Excellent" rating in the annual assessment conducted by the Inner Mongolia Securities Regulatory Bureau. Moreover, we have successfully completed the "Special Evaluation of Securities Companies' Social Responsibility Performance" and the construction of the "Four-in-One" mechanism, which has led to 0.05 points increase in our classification evaluation. Lastly, our investor education initiatives have been recognised with awards such as the "Outstanding Planning and Creative Award" for our participation in the excellent investor education work exhibition activity, as well as the "Excellent Creative Award" for outstanding works in the anti-fraud and investor protection exhibition activity during the joint campaign of "5·15 National Investor Protection Publicity Day" hosted by Securities Times, in collaboration with the three exchanges in Beijing, Shanghai, and Shenzhen, as well as the China Securities Investor Services Centre.



Photos of Awards and Events

Appendix I: Summary of Sustainability Data

Environmental Aspects

	Unit	2023
Emission of Greenhouse Gases		
Direct greenhouse gas emission (Scope 1)	tonnes	51.31
Indirect greenhouse gas emission (Scope 2)	tonnes	2,600.75
Total greenhouse gas emission (Scope 1 and 2)	tonnes	2,652.06
Greenhouse gas emission density (per square meter)	tonnes / m ²	0.19
Energy Consumption		
Natural gas consumption	M ³	15,208.00
Diesel consumption	litre	100.00
Gasoline consumption	litre	5,952
Purchased electricity consumption	kWh	4,262,833.36
Purchased power consumption density (per square meter)	kWh / m ³	304.49
Water Consumption		
Total water consumption	m ³	6,896.00
Water density (per square meter)	m ³ / m ²	0.49
Waste Generation		
Total non-hazardous waste generation	kg	2,360.00
Per capita total non-hazardous waste generation	kg/capita	7.40
Hazardous waste generation (ink cartridge and toner box)	piece	105

Social Aspects

Social Aspects	Unit	2023
Total number of employees		
Total number of employees	number of people	2117
Number of employees (by gender)		
Female	number of people	1098
Male	number of people	1019
Number of employees (by employee category)		
Full time junior staff	number of people	1858
Full time middle management	number of people	244
Full time senior management	number of people	15
Number of employees (by age group)		
Aged 30 below	number of people	351
Aged between 30 and 40	number of people	1002
Aged 40 above	number of people	764
Number of employees (by geographical region)		
Inner Mongolia	number of people	900
Beijing	number of people	303
Shanghai	number of people	265
Jilin	number of people	253
Guangdong	number of people	116
Zhejiang	number of people	88
Sichuan	number of people	15
Shandong	number of people	35
Liaoning	number of people	34
Jiangsu	number of people	30
Hubei	number of people	5
Fujian	number of people	11
Tianjin	number of people	15
Shaanxi	number of people	8
Guangxi	number of people	7

Henan	number of people	5
Chongqing	number of people	7
Shanxi	number of people	9
Hunan	number of people	6
Hebei	number of people	5
Other (including Hong Kong, Macau and Taiwan)	number of people	0
Employee turnover rate ¹		
Employee	%	21.9
Employee turnover rate (by gender) ²		
Female	%	18.0
Male	%	26.1
Employee turnover rate (by age) ²		
Aged 30 below	%	41.0
Aged between 30 and 40	%	22.6
Aged 40 above	%	12.3
Employee turnover rate (by geographical region)²		
Inner Mongolia	%	10.6
Beijing	%	27.4
Shanghai	%	30.9
Guangdong	%	51.7
Zhejiang	%	27.3
Jilin	%	8.7
Sichuan	%	180.0
Shandong	%	34.3
Liaoning	%	35.3
Jiangsu	%	70.0
Hubei	%	20.0
Fujian	%	63.6
Tianjin	%	13.3
Shaanxi	%	12.5
Guangxi	%	100
Henan	%	0
Chongqing	%	14.3
Shanxi	%	44.4

Hunan	%	50.0	
Hebei	%	0	
Other (including Hong Kong, Macau and Taiwan)	%	0	
Occupational Health and Safety			
Work-related fatalities and rates	2021	number of people	0
		%	0
	2022	number of people	0
		%	0
	2023	number of people	0
		%	0
Lost days due to work injury	days	0	
Development and Training			
Percentage of employees participating in training (by gender)			
Female	%	100	
Male	%	100	
Percentage of employees participating in training (by employment category)			
Full time junior staff	%	100	
Full time middle management	%	100	
Full time senior management	%	100	
Average training hours per employee (by gender)			
Female	hours	25	
Male	hours	25	
Average training hours per employee (by employment category)			
Full time junior staff	hours	25	
Full time middle management	hours	21.5	
Full time senior management	hours	22	

¹ Employee turnover rate: turnover of employees / year-end employees

² The turnover rate of this category: the number of employees who have resigned in this category / the total number of employees in this category

Appendix II: Hong Kong Stock Exchange “ESG Reporting Guide” Content Index

Environmental Aspects			Related Section(s)
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.	6. Green Operation
	KPI A1.1	The types of emissions and respective emissions data.	6.1 Emission Management; Appendix I: Summary of Sustainability Data
	KPI A1.2	Direct and energy indirect greenhouse gas emissions and, where appropriate, intensity.	6.1 Emission Management; Appendix I: Summary of Sustainability Data
	KPI A1.3	Total hazardous waste produced and, where appropriate, intensity.	6.1 Emission Management; Appendix I: Summary of Sustainability Data
	KPI A1.4	Total non-hazardous waste produced and, where appropriate, intensity.	6.1 Emission Management; Appendix I: Summary of Sustainability Data
	KPI A1.5	Description of the measures taken to reduce emissions and the results achieved.	6.1 Emission Management;
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of the measures taken to reduce emissions and the results achieved.	6.1 Emission Management;	

A2: Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	6.2 Energy Conservation; 6.3 Water Conservation
	KPI A2.1	Direct and/or indirect energy consumption by type in total and intensity.	6.2 Energy Conservation; Appendix I: Summary of Sustainability Data
	KPI A2.2	Water consumption in total and intensity.	6.3 Water Conservation; Appendix I: Summary of Sustainability Data
	KPI A2.3	Description of energy target(s) set and steps taken to achieve them.	6.2 Energy Conservation;
	KPI 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.	6.3 Water Conservation
	KPI A2.5	Total packaging material used for finished products.	Not applicable, the Group's business does not involve packaging materials
A3: The Environment and Natural Resources	General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	6. Green Operation
	KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	6. Green Operation
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.	6.5 Climate Change
	KPI 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.	6.5 Climate Change

Social Aspects			Related Section(s)
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.	5. Caring for Employees; 5.1 Talent Acquisition; 5.2 Talent Benefits; 5.3 Talent Development
	KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	Appendix I: Summary of Sustainability Data
	KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Appendix I: Summary of Sustainability Data

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.	5.4 Health and Safety
	KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	5.4 Health and Safety; Appendix I: Summary of Sustainability Data
	KPI B2.2	Lost days due to work injury.	5.4 Health and Safety; Appendix I: Summary of Sustainability Data
	KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	5.4 Health and Safety
B3: Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	5.3 Talent development
	KPI B3.1	The percentage of employees trained by gender and employee category.	Appendix I: Summary of Sustainability Data
	KPI B3.2	The average training hours completed per employee by gender and employee category.	Appendix I: Summary of Sustainability Data
B4: Labour Standards	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	5. Caring for Employees; 5.1 Talent Acquisition
	KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	5.1 Talent Acquisition
	KPI B4.2	Description of steps taken to eliminate such practices when discovered.	5.1 Talent Acquisition
B5: Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	4.5 Supply Chain Management
	KPI B5.1	Number of suppliers by geographical region.	4.5 Supply Chain Management
	KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	4.5 Supply Chain Management
	KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	4.5 Supply Chain Management
	KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	4.5 Supply Chain Management

B6: Product Responsibility	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	4.2 Safeguarding the Rights and Interests of Customers; 4.3 Safeguarding Privacy of Customers
	KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable to the Group's business
	KPI B6.2	Number of products and service related complaints received and how they are dealt with.	4.2 Safeguarding the Rights and Interests of Customers
	KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	4.4 Intellectual Property Protection
	KPI B6.4	Description of quality assurance process and recall procedures.	Not applicable to the Group's business
	KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	4.3 Safeguarding Privacy of Customers
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.	4.1 Anti-corruption
	KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	4.1 Anti-corruption
	KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	4.1 Anti-corruption
	KPI B7.3	Description of anti-corruption training provided to directors and staff.	4.1 Anti-corruption
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.	7. Contribution to Society
	KPI B8.1	Focus areas of contribution.	7. Contribution to Society
	KPI B8.2	Resources contributed to the focus area.	7. Contribution to Society