



大眾金融控股有限公司
PUBLIC FINANCIAL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability) Stock Code: 626

**ENVIRONMENTAL, SOCIAL
AND GOVERNANCE REPORT**

2024





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ABOUT THIS REPORT

In strict compliance with the requirements under Appendix C2 “Environmental, Social and Governance (“ESG”) Reporting Code” (“ESG Code”) and the “Comply or Explain” provision of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“SEHK”) (“Listing Rules”) issued by Hong Kong Exchanges and Clearing Limited (“HKEX”), Public Financial Holdings Limited (“PFHL”) and its subsidiaries (collectively, the “Group”, “Our” or “We”) are pleased to present the Group’s ESG Report for the financial year ended 31 December 2024 (the “Report”) to demonstrate the Group’s approach and performance in terms of its ESG management and corporate sustainable development.

Reporting Boundaries

This ESG Report covers the Group’s major operations in Hong Kong including 3 of its subsidiaries with offices and branches:

- Public Bank (Hong Kong) Limited (“PBHK”)
- Public Finance Limited (“PFL”)
- Winton Financial Limited (“Winton”)

The scope of the Report differs from that of the 2023 Environmental, Social and Governance Report, as Public Securities Limited ceased operations on 31 December 2023, its business activities are excluded in the Report.

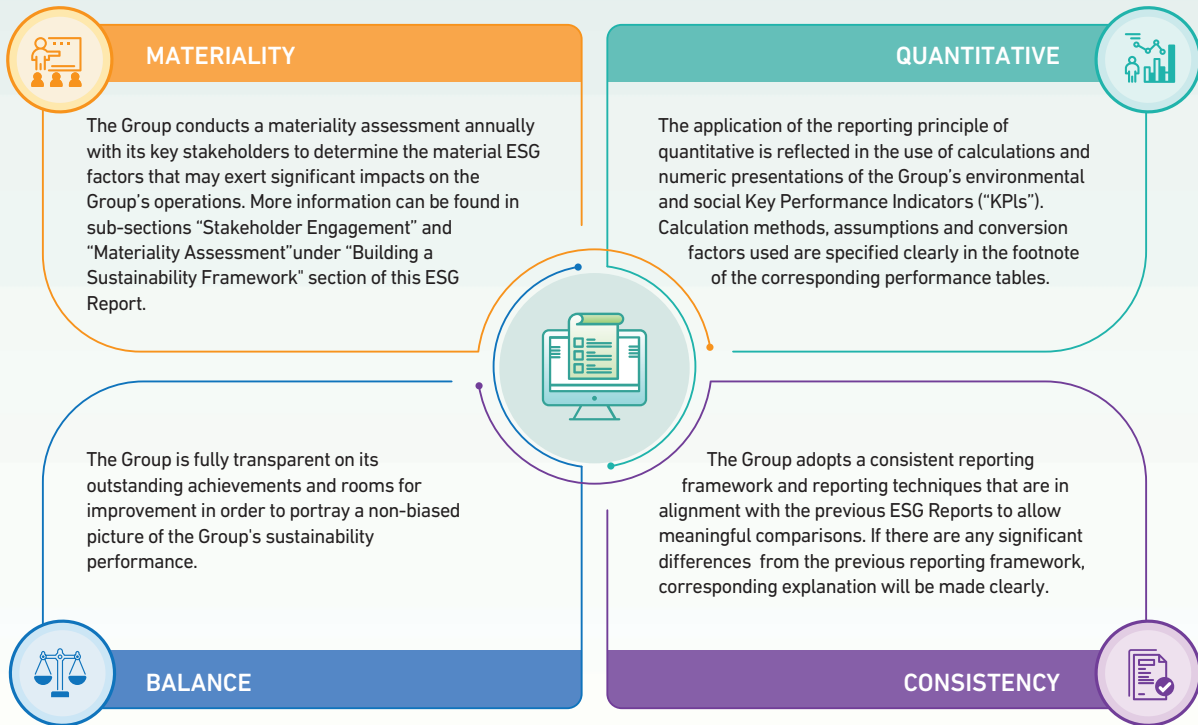
The reporting period of this ESG Report is from 1 January 2024 to 31 December 2024, which is the same as the reporting period covered in PFHL’s 2024 Annual Report, unless specifically stated otherwise. For the Corporate Governance Report, please refer to PFHL’s 2024 Annual Report under “Investor Relations” section of PFHL’s website at www.publicfinancial.com.hk.

Information Disclosure

The information in this ESG Report was gathered from the official documents and statistics of the Group, the integrated information of supervision, management and operations in accordance with the relevant policies, the internal quantitative and qualitative data collected through questionnaires based on the reporting framework, and sustainability practices provided by the subsidiaries of the Group. This ESG Report was prepared in both English and Chinese and has been uploaded to PFHL’s website at www.publicfinancial.com.hk and SEHK’s website at www.hkexnews.hk. For any conflict or inconsistency, the English version shall prevail.

Reporting Principles

Given the reporting principles that underpin the preparation of ESG Report as required by the ESG Code, the content of this ESG Report is determined and summarised under the overarching reporting principles of Materiality, Quantitative, Balance and Consistency.



Approval of the ESG Report

This ESG Report was approved by the Board of Directors of PFHL (the "Board") in January 2025.

Stakeholders' Feedback

The Group greatly values comments or feedback on its ESG policies and performance to facilitate the Group's continuous improvement and striving for excellence in its sustainability performance. Should there be any suggestions, please feel free to contact the Group's Corporate Culture and Social Responsibility Department at esg@publicbank.com.hk.

ABOUT PUBLIC FINANCIAL HOLDINGS LIMITED



PFHL is an investment and property holding company, the shares of which are listed on SEHK, with stock code 626. Incorporated in Bermuda under the Companies Act 1981 on 16 August 1991, PFHL is a 73.2% owned subsidiary of Public Bank Berhad ("PBB"), the shares of which are listed on the Bursa Malaysia. The major subsidiaries of PFHL are PBHK, PFL and Winton.

PBHK is a commercial bank which provides a comprehensive suite of banking and financial services and has been a committed partner to its clients in Hong Kong and China for more than 80 years.

PFL is a deposit-taking company with its main business focused on deposit-taking, personal and commercial lending, mortgage financing, letting of investment properties and the provision of finance to purchasers of taxis.

Winton is a licensed money lender and its main businesses are the provision of personal and mortgage loans, and financing of public vehicles such as taxis and public light buses.

Employing 1,186 staff in Hong Kong, the Group strives to deliver exceptional banking and financial services with sustainable growth.

Our Mission

To be recognised and respected as one of the Hong Kong financial institutions excelling in customer service and corporate governance whilst maintaining growth in profitability and shareholder value.



Corporate Culture Statement

The Group strives to promote a sound corporate culture. Six corporate values have been set to guide our staff working attitude and behaviour. These elements largely contribute to the Group's success and help determine the Group's strategy to achieving its mission.

Corporate Culture and Values

Our culture is the foundation of who we are and how we conduct ourselves. It defines our attitudes, behaviours, and the principles that guide our actions. Our culture is built upon a strong set of values and beliefs that shape our interactions with customers, employees, shareholders, and the community. The six corporate values are "Caring", "Discipline", "Ethics & Integrity", "Excellence", "Prudence" and "Trust".

The Group has adopted the Policy of Corporate Culture and Values ("Corporate Culture Policy") to promote a sound corporate culture by setting out these six corporate values. The Corporate Culture Policy also clearly states the principles and guidelines to develop and promote sound corporate culture that guides prudent risk management and proper staff behaviour, which lead to positive customer outcomes and high ethical standards in the Group. These standards are beyond the minimum legal requirements, demonstrating the Group's commitment to strong corporate culture and governance.

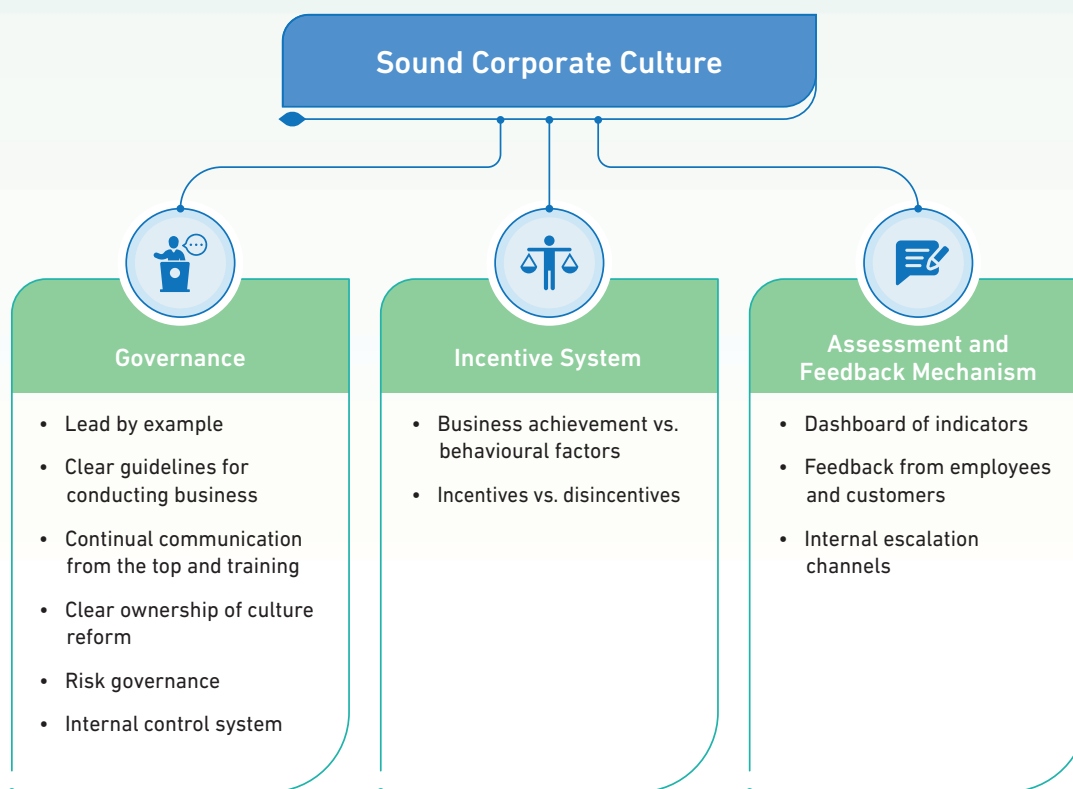
Our Corporate Values



Establishing a Sound Corporate Culture Framework

We understand the significance of a robust governance structure in shaping our corporate culture. The Board, with the assistance from the Bank Culture and Sustainability Committees of PBHK and PFL, establishes behavioural standards and encourages responsible risk-taking. Additionally, the Group has implemented effective mechanisms to promote cultural values that are understood and embraced by all staff.

To foster a strong corporate culture, the Group has adopted a framework that focuses on three key pillars: Governance, Incentive System, and Assessment and Feedback Mechanism. Each pillar is supported by clear guidance and measurable targets, and new employees receive culture related training during onboarding. These pillars facilitate the effective implementation of the Corporate Culture Policy, motivate employees to embody corporate values in daily operations, and drive long-term success for the Group.





Contribution to United Nations' Sustainable Development Goals

The Group aligns its ESG principles with the United Nations' Sustainable Development Goals ("UNSDGs") to connect its business practices with global sustainable development agenda. This alignment acknowledges the connection between its operations and broader societal and environmental challenges. Integrating ESG principles with the UNSDGs enables the Group to strategically address areas of impact and strive for specific sustainable development targets.

Our ESG Principles		UNSDGs
 Business Ethics	<ul style="list-style-type: none"> • Create a positive impact on the society while doing business • Maintain high standards of ethical behaviours in all business units within the Group • Demonstrate its strong sense of responsibility to the society 	 
 Workplace Practices	<ul style="list-style-type: none"> • Behave ethically and endeavour to improve the quality of life of the employees, their families as well as the society • Respect human rights and provide a fair, healthy and safe working environment 	  
 Community Engagement	<ul style="list-style-type: none"> • Respect cultural and social differences, and prohibit all forms of discrimination • Have a positive impact on people and the community, focus on supporting the elderly, children and young people • Establish partnerships with Non-Governmental Organisations ("NGOs") and encourage employees to participate in volunteer services 	   
 Environmental Responsibilities	<ul style="list-style-type: none"> • Raise environmental awareness among our employees and the society by implementing inhouse environmental initiatives, such as holding green talks, affixing green labels, launching recycling campaigns and conveying messages regarding environmental protection in newsletters and Green Tips for Office Practices • Participate in activities organised by green groups and/or relevant government departments 	   
 Stakeholders	<ul style="list-style-type: none"> • Respect fair business practices and human rights • Exercise sound and fair corporate practices to earn the trust of stakeholders • Maintain effective and timely communication with stakeholders 	  

Corporate Values X ESG

A good corporate culture constantly reduces and prevents systemic conduct risks, including those related to ESG issues. By aligning our core values with ESG objectives, we could not only incorporate sustainability, responsible practices and positive societal impacts into every aspect of our operations, but also effectively tackle global challenges such as climate change, social inequality and ethical governance, while generating long-term value for our stakeholders. Moreover, it encourages employees to report misconduct and enhance enforcement outcomes, thereby reducing risk exposure across the Group.

Our ESG Objectives and Principles

		Business Ethics	Workplace Practices	Community Engagement	Environmental Responsibilities	Stakeholders
Our Corporate Values and Behaviours	Caring	Create a positive impact	Improve the quality of life of employees and their families	Respect cultural and social differences		
	Discipline	Being self-controlled and cooperative	Behave ethically		Strictly abide by all environmental policies	Ensure a high standard of business compliance to protect all stakeholders' rights
	Ethics & Integrity	Doing the right thing, being honest and fair, and having actions and words			Incorporate environmental considerations into the decision-making process	Respect fair business practices and human rights
	Trust	Demonstrate a strong sense of responsibility to society	Provide a fair, healthy, and safe working environment	Encourage active participation in volunteer services		
	Excellence			Have a positive impact on people and the community	Raise environmental awareness among employees and society	Exercise sound and fair corporate practices to earn the trust of stakeholders
	Prudence		Foster a two-way communication with employees		Implement in house environmental initiatives	

By connecting our corporate culture and values with ESG objectives, we commit to responsible banking, sustainable growth and contributing to a better future. This approach creates shared value for our customers, employees, shareholders and communities, driving the Group's success and guiding its strategic mission.



Sustainability Awards and External Charter

Television Broadcasts Limited ("TVB") ESG Awards

This award is an acknowledgment for companies which perform to a high standard in ESG practices, as well as to create a transparent platform for companies to showcase their contribution in ESG against peers.



In 2024, PFHL was awarded "ESG Special Recognition Award - Merit" from TVB in recognition of its contribution and proactive efforts put into various ESG aspects.

Social Enterprise Supporter Award Scheme 2023

The "Social Enterprise Supporter Award Scheme" is launched by the Fullness Social Enterprises Society (FSES) which aims to promote collaboration between social enterprises and corporates to achieve Corporate Social Responsibility ("CSR") and Creating Shared Value.

As nominated by our social eco-enterprise partner, Green Ladies & Green Little of St. James' Settlement, PBHK is honoured to receive the 2023 award in March 2024 which recognised our efforts in ethical consumption and social enterprise support in Hong Kong and our commitment to driving positive social change.



Caring Company

The Caring Company Scheme is launched by The Hong Kong Council of Social Service aiming to promote good corporate citizenship and create collaboration opportunities for cross-sector community projects that focus on the needs of the community.



Since 2018, PBHK and PFL have been recognised as Caring Companies. Winton has also been recognised as a Caring Company for 8 consecutive years. We are grateful to our community partners for their recognition and support in developing a sustainable society with us.

Employees Retraining Board ("ERB") Manpower Developer Award Scheme

The award is launched by the ERB to recognise organisations which demonstrate outstanding achievements in manpower training and development as Manpower Developers ("MDs").

PBHK has been awarded to "Super MD" by the ERB in recognition of its demonstration of outstanding achievements in manpower training and developments as MD for 14 consecutive years since 2011.



Wastewi\$e Certificate

The Wastewi\$e Certificate of the Hong Kong Green Organisation Certification ("HKGOC") acknowledges companies and organisations that demonstrate dedication and actions towards environmental protection by reducing waste and/or promoting recycling.

In 2024, HKGOC awarded the Wastewi\$e Certificate in Good Level to PBHK to recognise its contribution to environmental protection.





Racial Diversity and Inclusion Charter for Employers

Striving to promote racial diversity and inclusion at workplace, PBHK and PFL have signed the Racial Diversity and Inclusion Charter for Employers organised by The Equal Opportunities Commission in 2024. Being the Charter holder, we pledge to cultivate an inclusive environment where every individual is accorded equitable treatment, irrespective of their races.



Charter on External Lighting

To put forth our best efforts in mitigating the problems of light nuisance and energy wastage caused by external lighting, 53 of our branches have participated in the "Charter on External Lighting" scheme organised by the Environment and Ecology Bureau. Our branches have received the Platinum Award under this scheme upon fulfilling the pledge to switch off the external lighting installations from 11 p.m. to 7 a.m. on the following day.



MESSAGE FROM MANAGEMENT



Mr. Chong Yam Kiang

*Executive Director and Chief Executive
Chairman of Bank Culture and
Sustainability Steering Committee*

On behalf of the Group, I am pleased to present our annual ESG Report, demonstrating the Group's unwavering dedication to sustainable development throughout the year 2024.

As a responsible banking institution, we have remained steadfast in our commitment to advancing sustainable practices across our operations. Our focus on sustainable development has not faltered, and we have made significant progress in our ESG initiatives. Recognising the importance of integrating ESG factors, we actively oversee the Group's ESG development and have implemented measures to embed sustainability principles into our business strategies and operations.

This Report highlights our systematic approach to ESG management. We diligently assess material ESG-related issues, engage stakeholders to align our sustainable development practices with their concerns and actively seek their feedback to establish relevant policies. This collaborative approach drives ongoing sustainability enhancements.

Strengthening Governance

We have clearly set out the sustainability responsibilities to the Board, and the Board is actively reviewing the governance for sustainable development of the Group. We have formulated a robust governance structure that chaired by the Board, and comprises of the Bank Culture and Sustainability Committees, the Bank Culture and Sustainability Steering Committee, the Bank Culture and Sustainability Working Group and Climate Change Working Group. Since the establishment of this "4-tier" governance structure, the Board and the aforesaid Committees and Working Group have been collaborating smoothly on evaluating and managing ESG-related issues, as well as implementing ESG-related initiatives across all subsidiaries, departments and branches. We believe a well-defined governance structure is crucial to promote our ESG performance in striving for excellence towards a more sustainable future.



Generating Green Finance Business Opportunities

In view of the thriving green finance market, we see the increasing interest and demand from our customers who are looking for more diverse green finance options. To meet their needs as well as to keep abreast of the market, we continued launching our Green Financing Programme during the year. We believe these products and services transformation would facilitate our customers in adapting to the gradual transformation of business models towards low-carbon development by serving them with green finance products and services. Details of the “Green Financing Programme” of the Group are set out in “Our Environment” section of this ESG Report.

Finding Opportunities in Climate Change

In our dedication to sustainable development, we place strong emphasis on climate risk resilience. We recognise the urgent need to address the challenges posed by climate change and its potential impacts on our operations, the community we serve, and the broader economy. This year, we have conducted in-depth assessments on climate-related risks, opportunities, and their financial impacts to the Group. We have also adopted the Climate Related Strategy Policy by our head office in Malaysia. Currently, we are developing a robust transition plan with a comprehensive framework to align internal resources and processes for effective climate change response. By proactively identifying and addressing climate risks and opportunities, we aim to enhance our resilience and ensure the long-term sustainability of our business. By prioritising climate risk resilience, we strive to protect the interests of our stakeholders and contribute to a more sustainable and resilient future.

Joining Hands Together

As a responsible corporate citizen, we have long been engaging in philanthropy activities and staying in good partnerships with different charities. In 2024, we carried out a series of charity projects related to health, elderly care, youth support, environmental protection and carbon reduction. Over 220 staff members joined these activities and raised approximately HK\$73,300 donations, both monetary and in-kind, for those in need during the year, demonstrating our devotion to CSR.

Looking Ahead

Our commitment to sustainability is not a separate layer that sits above our daily operation. Following the lead of our head office in Malaysia, we are establishing a decarbonisation plan to further reduce our environmental impact and align with global climate goals. Through the effective implementation of our sustainability framework, together with our affirming leaders, our dedicated staff and our enthusiasm for building a sustainable future with our stakeholders, we will continue to take the initiative and embrace the transformation towards a green tomorrow.

We extend our gratitude to our valued customers, employees, shareholders, and other stakeholders for their continued support and collaboration on our ESG journey. Together, we will continue to build a more sustainable and resilient future.

Chong Yam Kiang

Executive Director and Chief Executive

Chairman of Bank Culture and Sustainability Steering Committee



BUILDING A SUSTAINABILITY FRAMEWORK





BUILDING A SUSTAINABILITY FRAMEWORK

Board Statement

The Board oversees and has the ultimate responsibility towards the Group's ESG management approach, strategy, and performance. The Board assumes accountability for reviewing the Group's significant ESG topics, endorsing ESG policies and targets, and approving the Group's ESG Reports.

The Group has established the dedicated Bank Culture and Sustainability Steering Committee that regularly hold meetings to review the Group's sustainable development performance, improve the Group's management in ESG-related risks and opportunities, and provide recommendations on relevant issues to the Board. The Board then further examines the recommendations and endorses them for departments/business units to enhance their ESG performance.

The Board also undertakes the overall responsibility for overseeing the development and implementation of the Group's climate-related strategy and sustainability management through appointing executives, approving policies, setting goals, monitoring performance and managing risks. The Board cultivates a risk culture that embeds climate-related considerations into business activities and decision-making processes, while ensuring appropriate resources, processes, and systems and controls are in place to support the implementation of the climate-related strategy.

As part of the systematic ESG management approach, the Bank Culture and Sustainability Steering Committee evaluates, prioritises and manages ESG issues objectively through regular stakeholder engagement and materiality assessment. The corresponding findings are then discussed and finalised with a list of material ESG issues delivered to the Board for review and endorsement. Details regarding the evaluation and prioritisation on material ESG-related issues can be found under sub-sections "Stakeholder Engagement" and "Materiality Assessment" of this section.

To better manage the Group's material ESG issues and create long-term benefits for stakeholders, as well as imposing positive impacts to the environment and society, the Board discusses, reviews and adjusts the Group's strategies, action plans, risk management policies, annual budgets and business plans regularly. The Board, by such means, formulates organisational performance goals and with the assistance from the dedicated committees, monitors the implementation and execution of such plans and policies.

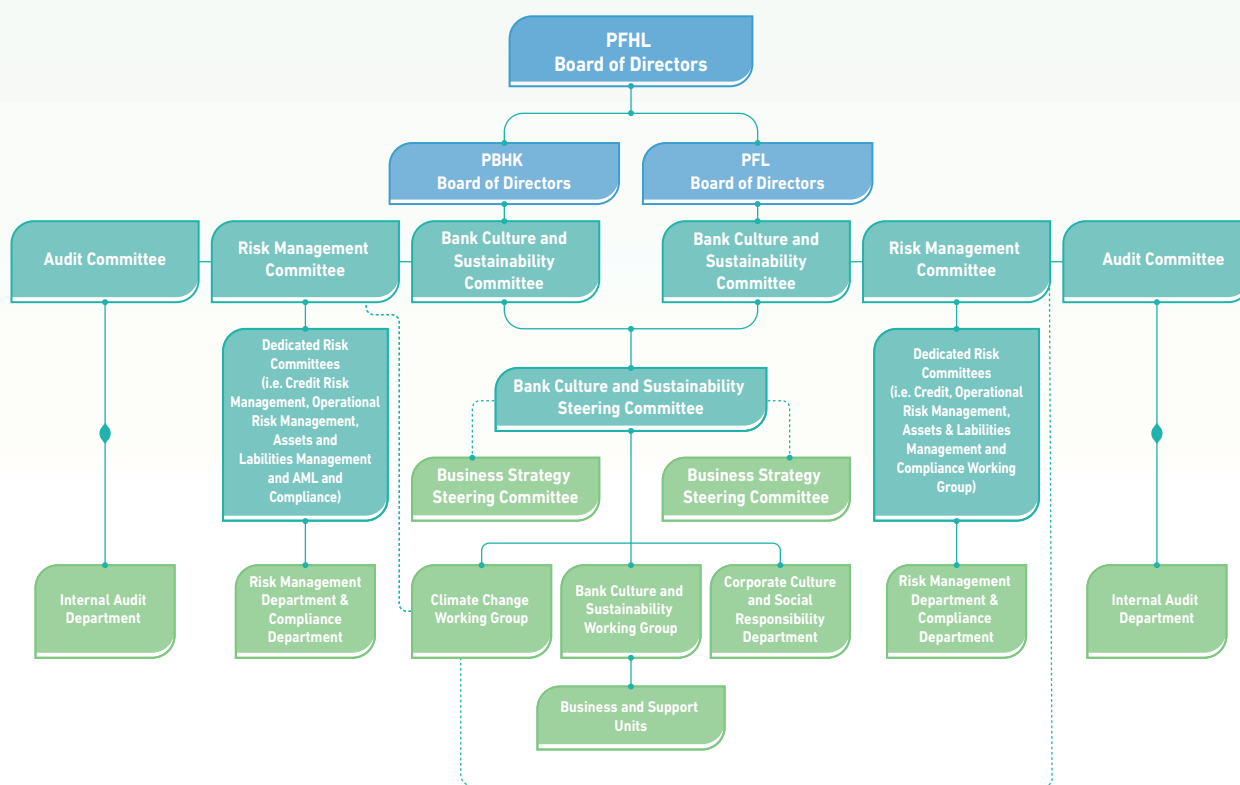
In view of its business nature and the increasing trend in green operations, the Group has set a series of environmental targets regarding the reduction of its emissions and use of resources. The implementation progress and performance of these targets will be monitored by the Board and reviewed on an annual basis. The Group is committed to driving sustainability throughout the organisation by integrating ESG into its daily practices, while actively exploring the opportunities to set up further goals in the near future.

Governance Structure

In 2024, the Group reinforced its commitment in sustainable development through its efforts devoted by the Board, Senior Management and employees. Aligned with internal standards, the Group effectively evaluated and managed ESG-related issues to ensure strict compliance with the relevant laws and regulations.

A robust governance structure is crucial for achieving sustainability targets. Through a “Top-down” management mechanism, the Boards of Directors of PBHK and PFL actively engage in identifying, assessing, and managing ESG-related risks and opportunities, while the Bank Culture and Sustainability Committees, the Bank Culture and Sustainability Steering Committee, the Bank Culture and Sustainability Working Group, the Climate Change Working Group, and representatives from different departments/business units hold well defined responsibilities and roles across strategic planning, execution, and review in ESG-related matters.

The following governance structure outlines the key roles in driving the Group’s CSR development and managing its ESG efforts.



Note:

----- Reporting of climate-related risk matters



Top Management Oversight

Boards of Directors of PFHL, PBHK and PFL

- Provide strategic guidance and evaluate the Group's internal controls
- Ensure alignment with the Group's social responsibility objectives and compliance with applicable rules and regulations
- Monitor corporate governance practices and maintain effective risk management and internal control systems
- Concur or approve ESG Report, Corporate Culture Policy, CSR Policy and ESG budget
- Oversee the development and implementation of the Group's climate-related strategy and sustainability management through appointing executives, approving policies, setting goals, monitoring performance, and managing risks
- Ensure appropriate resources, including building capacity, processes and systems and controls to support the implementation of the climate-related strategy

Bank Culture and Sustainability Committees of PBHK and PFL

- Advise and assist the Board on corporate culture and ESG-related matters and develop a framework for integrating sound culture and embed sustainability for the Group
- Manage ESG risks and explore opportunities within the Group's operations, review and assess culture and ESG initiatives and annual statements on the Group's behavioral standards
- Translate annual statements into policies and procedures, and review and recommend revisions, if any, for the Board's approval
- Ensure resources, systems, and process are in place for effective ESG management, budgeting and allocating resources for ESG activities
- Oversee ESG Code implementation and recommend the ESG Report for the Board's approval

Bank Culture and Sustainability Steering Committee

- Establish regular communication to share examples of behaviours, misconduct, and discipline, and promote an open dialogue on bank culture and behavioral standards
- Develop and implement a clear ownership structure for core risks, including ESG risks and cultural reform initiatives
- Prepare and analyse a dashboard of indicators to assess and monitor the Group's cultural changes over time
- Identify material ESG subject areas, aspects and KPIs, and engage stakeholders periodically to gather their views
- Review the Corporate Culture Policy and the CSR Policy regularly to ensure that the policies align with corporate culture objectives and the high standard of ethical behaviours of the Group, and recommends the revisions on the policies, if any
- Review and recommend budgeting for ESG activities to ensure proper resource allocation
- Oversee compliance with relevant rules, regulation and ESG Reporting requirements
- Assist the Board in overseeing, reviewing, and assessing climate-related issues while monitoring progress on related initiatives and performance

Top Management Oversight

Business Strategy Steering Committees of PBHK and PFL

- Formulate and deliberate on key initiatives and Interim Metrics as well as tracking and monitoring the progress
- Steer, coordinate and facilitate the integration of sustainability into the Group's day-to-day operations and implement climate-related key initiatives approved by Bank Culture and Sustainability Steering Committee
- Provide update on effectiveness of the climate-related key initiatives in achieving the Overarching Targets and Sub-Targets to Bank Culture and Sustainability Steering Committee

Management and Operational Support

Bank Culture and Sustainability Working Group

- Manage ESG issues and implement ESG initiatives
- Provide recommendations, monitor the implementation and evaluate the effectiveness of the ESG-related initiatives

Climate Change Working Group

- Assist and support the Bank Culture and Sustainability Steering Committee in its oversight function on sustainability, strategies, priorities and targets
- Assess and manage of climate-related risks regularly
- Provide continuous training and capacity building programmes to upskill staff in the areas of sustainability and management of climate-related risk
- Provide regular and timely updates to the Bank Culture and Sustainability Steering Committee on the progress towards achieving the Group's sustainability targets and Risk Management Committee on any material information on climate-related risk and opportunities

Corporate Culture and Social Responsibility Department

- Promote internal participation and public awareness of CSR and bank culture related matters

Business and Support Units

- Implement and integrate CSR practices into daily business operations and practices



Sustainability Related Policies

The Group has formulated sustainability related policies, manuals and procedures in various aspects of business so as to guide all members of the Group to work together and create a sustainable environment for all.

CSR Policy

The Group's CSR Policy guides its efforts in integrating the sustainability elements into its business practices. The CSR Policy is approved by the Board and is applicable to all directors and staff of the Group. Through setting out the Group's key principles for promoting sustainable development in the CSR Policy, the Group aims to formalise its sustainability philosophy and integrate it into its business operations.



Stakeholder Engagement

Understanding that stakeholders' opinions are crucial for our business strategies development, we maintain regular and open communication with key stakeholders through various channels to gain a deeper understanding of their concerns and expectations. The Group ensures material ESG issues are addressed in its policies and approaches, figures out appropriate solutions and enhances ESG performance by actively seeking opinions from stakeholders.

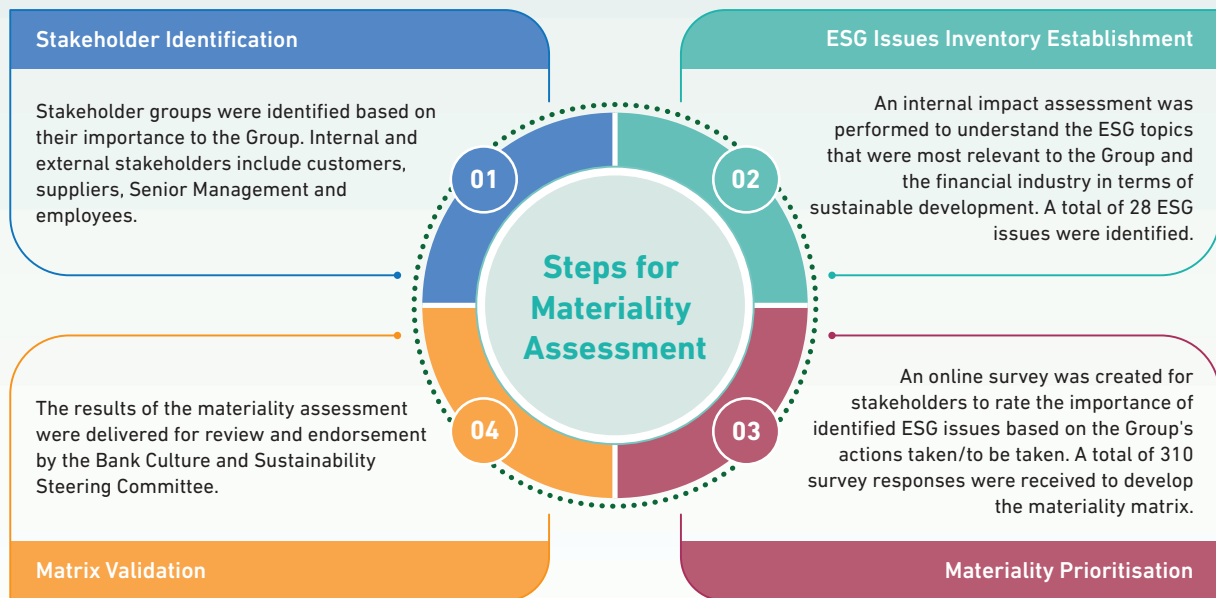
We highly value the feedback from stakeholders and take initiative to foster an intimate and reciprocal relationship through various communication channels as listed below.

Key Stakeholders	Expectations and Concerns	Communication Channels
External Stakeholders		
 Government and Regulators	<ul style="list-style-type: none"> – Compliance with laws and regulations – Sustainable development 	<ul style="list-style-type: none"> – Routine reports – General liaison
 Suppliers	<ul style="list-style-type: none"> – Fair and open procurement – Win-win cooperation – Stable relationship 	<ul style="list-style-type: none"> – Open tendering – Suppliers Code of Conduct – Supplier Review – Business meetings
 Customers	<ul style="list-style-type: none"> – High-quality products and services – Protection of customer rights and personal data – Compliance with laws and regulations – Sustainable development 	<ul style="list-style-type: none"> – Corporate websites – Customer feedback surveys and suggestion forms – Customer service hotline and email – Complaint hotline – Barrier-free banking services
 Shareholders, Investors and Analysts	<ul style="list-style-type: none"> – Return on investments – Corporate governance – Business compliance – Environmental protection 	<ul style="list-style-type: none"> – Corporate websites – General meetings – Financial reports – Announcements and notices
 General Public and Media	<ul style="list-style-type: none"> – Involvement in communities – Compliance with laws and regulations – Environmental protection awareness 	<ul style="list-style-type: none"> – Corporate websites – Media enquires – Public welfare activities
 NGOs	<ul style="list-style-type: none"> – Involvement in communities 	<ul style="list-style-type: none"> – Collaborative projects – Staff volunteering
Internal Stakeholders		
 Employees	<ul style="list-style-type: none"> – Employees' compensation and benefits – Career development – Occupational Safety and Health ("OSH") – Internal Dispute Reporting Mechanism 	<ul style="list-style-type: none"> – Staff newsletters – Regular meetings – Employee culture survey – Email receiving staff feedback – Employee engagement activities – Business Forum



Materiality Assessment

The Group highly values stakeholder opinions for shaping and adjusting business and sustainable development strategies, and assessing the effectiveness of the Group's ESG disclosure initiatives. The Group has engaged a third party ESG consultant in establishing the ESG issues inventory and conduct an annual materiality assessment in identifying matters that may impact both the stakeholders and the Group's business, prioritising them for future strategies.



List of Materiality Issues

Aspects	ESG Issues
Environment	<ol style="list-style-type: none"> 1. Greenhouse Gas ("GHG") Emissions 2. Resource Management 3. Water and Wastewater Management 4. Solid Waste Stewardship/Management 5. Climate Change Mitigation and Adaptation 6. Green Financing
Employment	<ol style="list-style-type: none"> 7. Labour Practices 8. Employee Remuneration and Benefits 9. Occupational Safety and Health 10. Employee Development and Training 11. Diversity and Inclusion
Supply Chain Management	<ol style="list-style-type: none"> 12. Green Procurement 13. Engagement with Suppliers 14. Environmental and Social Risk Management of Supply Chain
Service Responsibility	<ol style="list-style-type: none"> 15. Service Quality 16. Customer Privacy Protection and Data Security 17. Marketing and Promotion 18. Responsible Lending Practice 19. Digital Transformation*
Anti-corruption	<ol style="list-style-type: none"> 20. Business Ethics and Anti-corruption 21. Internal Dispute Reporting Mechanism
Community Relations	<ol style="list-style-type: none"> 22. Community Involvement 23. Financial Inclusion and Accessibility
Leadership & Governance	<ol style="list-style-type: none"> 24. Business Model Adaptation and Resilience to Environmental, Social, Political and Economic Risks and Opportunities 25. Management of the Legal and Regulatory Environment 26. Critical Incident Risk Responsiveness 27. Systemic Risk Management (e.g. Financial Crisis) 28. Sustainable Investment

* New ESG issues introduced in the materiality assessment for the financial year ended 31 December 2024.



2024 ESG Issues – Stakeholder Engagement Materiality Matrix



Matrix Validation and Sustainability Strategy

According to the materiality matrix, “Business Ethics and Anti-corruption”, “Customer Privacy Protection and Data Security”, “Labour Practices”, “Employee Remuneration and Benefits”, “Occupational Safety and Health” and “Service Quality” are the six most important ESG issues to both internal and external stakeholders. The results were delivered for review and endorsement by the Bank Culture and Sustainability Steering Committee.

This assessment allowed the Group to highlight the material and relevant ESG aspects to align with stakeholders’ expectations and provide the Bank Culture and Sustainability Steering Committee with insights in identifying and controlling ESG-related risks that would be reflected in corporate policies and initiatives for further deliberation by the Bank Culture and Sustainability Committees.

OUR ENVIRONMENT





OUR ENVIRONMENT

From reducing our carbon footprint through energy-efficient operations to promoting sustainable practices among our employees and stakeholders, we are dedicated to making a positive impact on the planet. Embracing innovation and leveraging technology, we strive to minimise our environmental impact while promoting a culture of sustainability. Integral to our efforts is the cultivation of a green office culture, where employees are encouraged to adopt eco-friendly habits ranging from energy conservation and waste reduction to responsible use of resources.

Law Compliance

In 2024, the Group strictly complied with the relevant applicable local environmental laws and regulations and was not in violation of any laws or regulations relevant to air and GHG emissions, discharges into water and land, and the generation of hazardous and non-hazardous waste, including but not limited to:

- *Waste Disposal Ordinance (Cap. 354 of the Laws of Hong Kong);*
- *Noise Control Ordinance (Cap. 400 of the Laws of Hong Kong); and*
- *Motor Vehicle Idling (Fixed Penalty) Ordinance (Cap. 611 of the Laws of Hong Kong).*

The Group's CSR Policy clearly states the principles of environmental protection which guide staff members to fulfil their responsibilities.

Green Financing Programme

In view of the rapid development of green financial markets, the Group has continued to enrich its green finance products and services to influence and help its customers' transition to a greener future.



Environmental Activities

To nurture environmental awareness amongst staff members, the Group organised a series of internal activities and participated in external events organised by various organisations, which are highlighted below:

Activity	Objectives and Details	Organiser/Facilitator
Recycle of Plastic (all year round)	Staff working at Public Bank Centre participated in this all year round campaign to collect plastic recycles for easing burdens of landfills.	Fong Chung Resources Management Co., Limited
Promotion of Electronic Red Packet (Jan 2024)	30 branches of PBHK participated in this campaign to encourage the general public to use electronic red packets during Chinese New Year.	Hong Kong Monetary Authority ("HKMA")
Unused Laisee Packet Recycling Campaign (Jan – Feb 2024)*	The Group took initiatives to collect laisee packets (red packets) that were unused and in good condition for recycling. These packets were sent to Mil Mill.	Corporate Culture and Social Responsibility Department
Earth Hour (Mar 2024)	On 23 March 2024, 30 branches of PBHK, 40 branches of PFL and 3 branches of Winton turned off the external lighting of branches for an hour to save energy.	World Wide Fund for Nature – Hong Kong ("WWF")
Green Low Carbon Day (Jun 2024)*	The Green Low Carbon Day charity activity aimed to raise funds for green-related projects and promote sustainable, low-carbon living. A total of 16 staff members supported this green initiative.	The Community Chest of Hong Kong (the "Chest")
Green Month (Jul 2024)*	As a Group based event, this event aimed to promote green messages and raise the awareness of Sustainable Tourism, Green Well-being, Eating Habits and Sustainable Fashion of all staff.	Corporate Culture and Social Responsibility Department
Dress Green, Act Green Day (Jul 2024)*	Staff are encouraged to wear green or earth tone colours to work on the last day of the Green Month Campaign. Nearly 220 staff joined this event and took group photos to demonstrate their ways of sustainability lifestyle.	Corporate Culture and Social Responsibility Department
Clothes Donation (Jul 2024)*	The Group participated in this event to donate second-hand ladies and children clothing to a social enterprise of St. James' Settlement to achieve environmental and social change through fashion reuse and for women capability enhancement.	"Green Ladies & Green Little" of St. James' Settlement



Activity	Objectives and Details	Organiser/Facilitator
Mooncakes Collection (Sep 2024)	Aiming to donate mooncake coupons and mooncakes for the elderly in celebration of Mid-Autumn Festival, a total of approximately 120 pieces of mooncakes were collected from staff members during this event.	Saint Barnabas' Society and Home
Corals Exploration (Nov 2024)*	Staff participated in an educational activity to explore Hong Kong's coral species. They learned about coral nurseries, conservation efforts and sustainable practices.	WWF

* Details of the activities held can be found on the following pages.

Promoting e-Laisee and Recycling of Unused Laisee Packet

Laisee giving is a traditional practice during the Lunar New Year. Amidst exchanging blessings, the Group has gone one step further by advocating for environmental conservation through the promotion of e-Laisee on our PBHK website and PBHK Digi. Moreover, four laisee packet collection boxes were placed at designated office premises and successfully collected 10 boxes of laisee packet, encouraging our staff to embrace eco-friendly practices while celebrating.



Green Low Carbon Day

According to the research conducted by the United Nations, the transportation sector stands as the primary contributor to global carbon emissions. In a strategic move to bolster eco-friendly transportation practices, the Group engaged in “Green Low Carbon Day” charity event organised by the Chest in June 2024. This initiative sought to gather funds for green projects and advocate for sustainable and low-carbon lifestyles. Employees were incentivised to donate HK\$85 or more, and they could receive a commemorative ticket for unlimited MTR rides on 16 and 17 June 2024. The collective effort of 16 staff members resulted in a total donation of HK\$2,480 towards supporting green endeavors.



Corals Exploration

In November 2024, around 20 staff members embarked on a coral exploration expedition at Hoi Ha Wan, organised by WWF. This immersive experience allowed participants to explore diverse array of coral communities, enhancing their understanding and appreciation of Hong Kong's marine life, thereby fostering a deep commitment to marine ecosystem conservation.



Staff members also visited the Hoi Ha Marine Life Centre, where they learned about coral nursery projects and other marine conservation efforts by WWF. Before the tour concluded, staff participated in an educational talk that included interactive games, providing in-depth knowledge about coral habitats and sustainable practices to protect marine life. These practices included choosing sustainable seafood and using reef-sunscreens that do not contain harmful substances to the ocean. Participants not only gained new knowledge but also formed stronger bonds among colleagues, promoting a shared dedication to environmental awareness and conservation within the Group.



Green Month Campaign

To promote green messages and raise the awareness of green in our daily life, the Group has launched the Green Month for the whole month of July 2024 by organising a series of activities with different weekly themes of sustainability trends.

Sustainable Tourism

The Green Month kick-started in the first week with the theme of sustainable tourism. Our Corporate Culture and Social Responsibility Department shared green tips on responsible and sustainable travel practices, encouraging employees to minimise their carbon footprint while traveling.

Green Well-being

In the second week, the theme of Green Well-being was introduced through the Zentangle and yoga workshop, with 30 and 23 employees took part respectively. Activities were designed to promote mental and physical relaxation among staff.



Waste Reduction

As a hallmark event of the Green Month, the “Clothes Donation” activity was revitalised. Group staff donated over 60 clothing items which have been forwarded to the “Green Ladies & Green Little” of St. James’ Settlement, advocating waste reduction while supporting those in need.

Changing Our Eating Habits

For the third week, tips on sustainable eating habits were shared, encouraging employees to minimise food waste and carbon footprint through acting sustainably, including the use of reusable cups, opting for organic local products and making wise choices while shopping.

Dress Green Day

For the fourth week, the theme of Dress Green Day was introduced of which nearly 220 employees dressed in green and earthy tones, symbolising our dedication to a sustainable future. Participating staff also wrote their green pledges and downloaded the “Plastic-Free Rewards Mobile App” and “GREEN\$ Mobile App” from Environmental Protection Department, strengthening their engagement in eco-conscious practices and initiatives.





The Environment and Natural Resources

Our commitment to environmental stewardship includes the vigilant monitoring and responsible management of natural resource consumption and GHG emissions. Although our operations typically have minimal environmental impact, our annual materiality assessment has identified GHG emissions and waste disposal as key concerns for 2024.

Efficient Use of Resources

In 2024, the major resources used by the Group included electricity, water and paper. Details of the resources consumed in 2024 can be found in the “Performance Data Summary” section of this ESG Report.

Energy

The Group consumed both direct and indirect energy in the reporting year. While direct energy consumption of diesel was minimal, we mainly focus on efficient fossil fuel use by minimising unnecessary travel. Electricity, our largest energy consumption source, is primarily used in daily office operations. To improve energy efficiency and reduce GHG emissions, we have implemented several practices to monitor and save power:

- Install automatic timers in the Group’s distilled water dispensers to stop continuous water boiling after office hours;
- Upgrade to energy-saving systems/equipment;
- Replace obsolete lighting fixtures with Light-emitting Diode (“LED”) lights;
- Organise internal programmes and participate in external energy saving schemes;
- Switch off lights and signboards at branches from 10:30 p.m. to 8:00 a.m. everyday; and
- Introduce and actively use electric vehicles.



Emissions Management

In 2024, the Group’s emissions included air and GHG emissions, commercial wastewater discharges and solid waste disposal.



Air and GHG Emissions

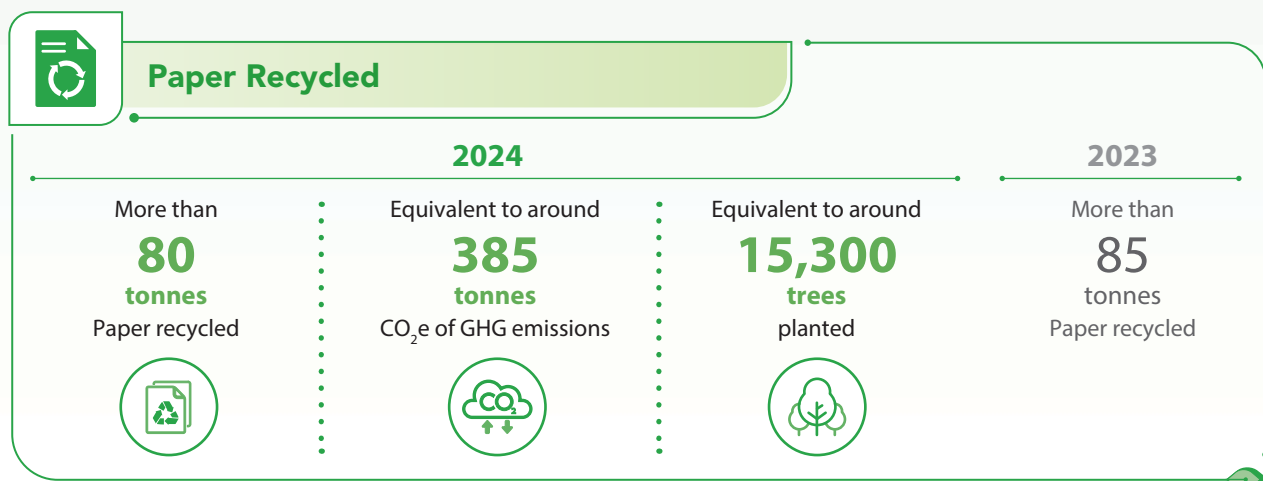
In 2024, diesel consumption was the primary source of the Group’s air emissions. Although emissions were not significant, we will explore alternatives to reduce the level (e.g. purchasing vehicles with Euro VI engines). In view of our business nature, Scope 2 (energy indirect) emissions dominated our GHG profile. Since this kind of emissions is linked to electricity use, we are committed to reducing energy consumption in daily operations. More details on implemented measures will be provided in the next section.



Paper

The use of paper is unavoidable given the Group's business nature. In line with its waste management principles, the Group has taken the following measures to reduce the consumption of paper:

- Joint monitoring of departmental paper usage by Premises and General Affairs Department and Corporate Culture and Social Responsibility Department and reward those departments or branches which met the reduced usage target;
- Green office tips including paper usage are shared to remind colleagues on how to use paper wisely:
 - o Check the page margin before printing to avoid wastage;
 - o Encourage employees to adopt double-sided printing; and
 - o Recycle printed non-confidential documents.



Internal Energy Saving and Paper Usage Reduction Scheme

To combat climate changes, the reward scheme on electricity usage and paper consumption introduced by our Corporate Culture and Social Responsibility Department utilised data compiled during the Year 2024 and over the past 3 years. This data was used to identify departments and branches that reached their target energy saving and paper consumption rate as compared to the previous year. In 2024, we expanded the scheme from PBHK to the entire Group, including PFL and Winton.

The successful winners that managed to achieve the electricity reduction rate of 3% and paper consumption rate of 5% received gift vouchers as a token of appreciation for their contributions to environmental conservation.

For branches/departments that exceeded their targeted electricity or paper usage, Corporate Culture and Social Responsibility Department worked closely with them to understand their challenges and develop solutions to help them meet the targets.

Waste

In 2024, the Group's non-hazardous waste primarily consisted of office commercial wastewater and solid waste. The hazardous wastes such as ink cartridges, fluorescent tubes, batteries and LED light tubes were properly collected, handled and recycled. Wastewater was discharged directly into sewage systems, and solid waste was managed by office property management. To reduce water consumption, which affects wastewater volume, the Group has implemented specific measures detailed in the next section.

The Group has also established an effective waste management system, incorporating recycling and waste reduction initiatives, reflecting our strong environmental responsibility. The following practices illustrate our commitment:

- Maintain high recycling rate of used ink cartridge by collecting and returning all used ones to recycling agents;
- Raise employees' awareness of waste reduction;
- Collaborate with the GREEN@COMMUNITY recycling network to properly handle recyclables, including newspapers, non-confidential documents, plastics, metals, electrical appliances and printer toners; and
- Install a general waste monitoring scale at PBHK head office to record waste generated from the office operations.



Water

The Group will continue to identify rooms for improvement and discover solutions to enhance water utilisation efficiency. Below are some of the initiatives that the Group has formulated and implemented:

- Place signs next to water faucets to remind staff of water conservation; and
- Fix dripping water taps in time to prevent further leakage.



ESG E-learning Programme






To cultivate a sustainable culture, Corporate Culture and Social Responsibility Department has introduced an ESG E-learning programme to the Group's staff in the third quarter of 2024. This initiative provides a deep dive into crucial ESG concepts, highlighting the environmental and financial impacts of climate change, and examining emerging ESG trends. Through this programme, we aim to empower employees to integrate sustainability principles into their day-to-day responsibilities. In 2024, all staff have participated in these training sessions to ensure a comprehensive understanding of ESG principles throughout the Group.



Review of Our 2024 Goals

The Group understands its responsibility in contributing to a sustainable future. Despite the fact that the Group's business operations did not cause any significant impacts on the environment during the year under review, the Group is committed to setting up specific environmental targets in fulfilling the increasing demand and expectations from the regulatory authorities and various stakeholders.

Regarding to our goals set for the year 2024, we have made substantial progress in achieving our environmental goals. The key accomplishments are summarised below:

Areas	2023 Baseline	2024 Target	2024 Achievement ¹
 Air and GHG Emissions	Total air emissions: 5.47 kg	Same level	↑ 60.00%, 8.75 kg
	Total GHG emissions: 1,975.44 tCO ₂ e	↓ 3%	↑ 9.8%, 2,169.95 tCO ₂ e
 Solid Waste	Non-hazardous solid waste: 13.62 tonnes	Same level	↑ 138.40%, 32.47 tonnes ²
	Paper procured: 79.57 tonnes	↓ 2%	↓ 5.10%, 75.51 tonnes
 Water and Wastewater	Water and wastewater intensity: 3.41 m ³ /FTE	Same level	↑ 13.20%, 3.86 m ³ /FTE ³
 Electricity	3,884.84 MWh	↓ 3%	↑ 1.82%, 3,955.51 MWh
 Other Energy Resources	Diesel & gasoline intensity: 0.05 MWh/FTE	Same level	↓ 39.78%, 0.03 MWh/FTE

Notes:

1. For detailed performance data, please refer to the "Performance Data Summary" section of this ESG Report.
2. Due to the renovation work carried out at the PBHK head office this year, construction waste was generated in addition to the general office waste. As a result, the total amount of waste has increased compared to 2023.
3. Due to the renovation work carried out at the PBHK head office this year, the overall water and wastewater intensity have increased compared to 2023.



Addressing Climate Change

We are committed to taking proactive steps to mitigate our environmental impact and enhance our climate resilience. By leveraging innovation, technology, and collaboration, we aim to contribute to a sustainable future while ensuring the long-term success and resilience of our operations. With reference to the Task Force on Climate Disclosure (TCFD) framework, and Supervisory Policy Manual on Climate Risk Management issued by the HKMA, we have implemented Climate Risk Management Policy to monitor and manage climate-related risks effectively.

Climate Governance

The Climate Change Working Group discussed the framework of climate-related strategies and initiatives within the Group, focusing on how they can contribute to reducing the impact of climate-related risks while seizing the opportunities that arise as the Group slowly transits to a low-carbon economy. For more information on the Group's governance structure, and its risk management system, please refer to sub-sections "Governance Structure" and "Sustainability Related Policies" under "Building a Sustainability Framework" section of this ESG Report.

Climate Risk Identification and Management

Having participated in the HKMA's Pilot Banking Sector Climate Risk Stress Test, the Group recognises the importance of climate resilience, and systematically embedded climate considerations throughout our strategic planning process. We have adopted a multi-faceted approach to enhance identifying and assessing the impact of climate-related risks and opportunities across corporate, business and operational levels. This enables us to effectively position our business in the low-carbon transition landscape while capturing emerging opportunities. Three Intergovernmental Panel on Climate Change ("IPCC") AR6-adapted climate scenarios (Shared Socioeconomic Pathways ("SSP") 1-2.6, SSP2-4.5 and SSP5-8.5), each of them representing distinct potential climate futures, as well as Network for Greening the Financial System (NGFS) scenario frameworks, are deployed in the analysis.

The following table summarises the risks and opportunities faced by the Group across the time horizons of short-term (1-3 years), medium-term (4-5 years) and long-term (beyond 5 years).

Risk Variables	Description	Impact Time Horizon	Current and Anticipated Financial Implication
Physical Risk - Chronic			
Temperature Extremes	<ul style="list-style-type: none">• Increase frequency and intensity of temperature extremes and heatwaves	Short/ Medium term	<ul style="list-style-type: none">• Increase in operational cost due to higher air-conditioning usage
		Long term	<ul style="list-style-type: none">• Decrease in revenue due to business disruption from temporary closure of branch offices• Increase in capital cost for additional cooling adaptation requirements and maintenance
Physical Risk - Acute			
Flooding and Strong Wind	<ul style="list-style-type: none">• Flooding driven by extreme precipitation or from streams and natural water-flow networks within the basin, resulting in infrastructure damage and threats to life• Typhoon with intense winds and intense rainfall, resulting in infrastructure damage, potential flooding risks and threats to life	Short term	<ul style="list-style-type: none">• Decrease in revenue due to temporary closures or reduced operational capacity during and immediately after acute events
		Medium term	<ul style="list-style-type: none">• Increase in expenses for repairing structural damage and cleaning up after climate extreme event• Increase in capital cost in climate adaptation measures (e.g. floodgate installation)
		Long term	<ul style="list-style-type: none">• Increase in capital cost due to write-offs and early retirement of existing assets• Increase in insurance cost for properties damage and business interruption• Induce relocation cost of assets for business continuity



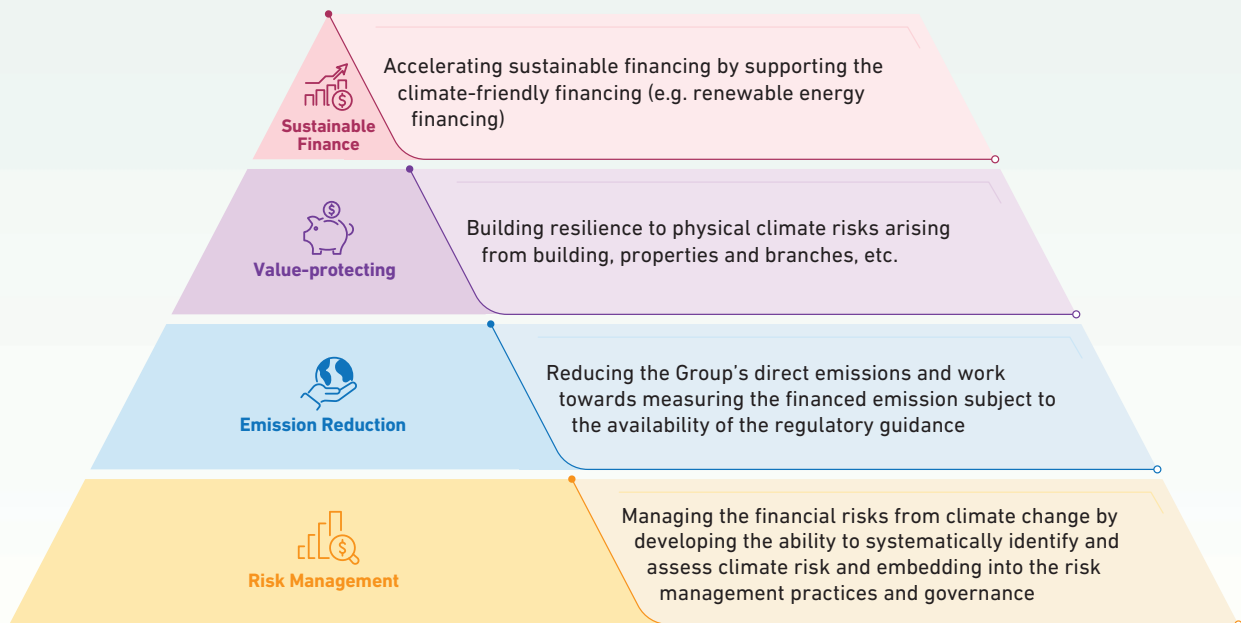
Risk Variables	Description	Impact Time Horizon	Current and Anticipated Financial Implication
Transition Risk			
Shifting Preference in Market and Customer	<ul style="list-style-type: none"> Talent attraction and retention of staff interested in sustainable practices 	Short term	<ul style="list-style-type: none"> Increase in human resources cost and resources for recruitment and onboarding Business operational disruptions from productivity decline and potential loss of business opportunities
	<ul style="list-style-type: none"> Public perception of sustainability management performance can influence the reputation Potential discrepancy between the environmental targets and actual reduction performance 	Medium/ Long term	<ul style="list-style-type: none"> Increase in investment in marketing and operational adjustments to highlight green initiatives Increase in direct legal cost related to legal fines, settlements, and rectifying public image
	<ul style="list-style-type: none"> Rising stakeholders' expectations and customer preferences in the transition to a lower-carbon economy 	Short term	<ul style="list-style-type: none"> Higher cost of capital in developing green finance products and climate-related green finance investment
	<ul style="list-style-type: none"> Market operational obstacles due to insufficient climate-related management 	Medium/ Long term	<ul style="list-style-type: none"> Inadequate risk premiums and potential increases in non-performing loans by underestimating climate risks Increase in operational costs due to higher insurance expenses
Policy and Regulation Transition	<ul style="list-style-type: none"> Risk of non-compliance with existing and emerging climate-related legal regulations and policies 	Short/Medium/ Long term	<ul style="list-style-type: none"> Increase in contingent liability and operating cost for potential carbon pricing mechanism, including taxes or offset requirement Increase in operating cost from regulatory penalties in climate related regulation compliance
Technology Development	<ul style="list-style-type: none"> Growing trends of technology investment in the transition to a lower-carbon economy 	Medium/ Long term	<ul style="list-style-type: none"> Decrease in revenue due to the incapability to accommodate investors' and other stakeholders' needs

Risk Variables	Description	Impact Time Horizon	Current and Anticipated Financial Implication
Opportunities			
Products and Services	<ul style="list-style-type: none"> Develop sustainable financial products and services to enhance competitiveness amidst shifting consumer preferences towards sustainable finance 	Short term	<ul style="list-style-type: none"> Increase in revenues from new green financial products and services for clients Decrease in operating costs through digitalisation and paperless banking
Resilience	<ul style="list-style-type: none"> Enhance the development of adaptive capacity to respond to climate change to better manage the associated risks and seize opportunities 	Medium/ Long term	<ul style="list-style-type: none"> Lower capital cost from holistic climate related risks management in loan portfolio Increase in revenue through green investment products in diversifying financial services Reduce operating cost of unplanned downtime from better managing the risks
Market	<ul style="list-style-type: none"> Capture new market opportunities or new types of assets to better position for the transition to a lower-carbon economy 	Short/ Medium term	<ul style="list-style-type: none"> Increase in market share and revenue growth from sustainable finance products Maintain relationship with existing and new climate-conscious consumers for retention
Resources Efficiency	<ul style="list-style-type: none"> Improve efficiency (energy, water, materials and waste) across the business operation etc. 	Short/ Medium term	<ul style="list-style-type: none"> Decrease in operating cost due to improved resource efficiency, reduced supplies and waste management
Energy Sources	<ul style="list-style-type: none"> Shift energy consumption to low-emissions sources leading to potential savings on annual energy costs 	Medium/ Long term	<ul style="list-style-type: none"> Decrease in operating cost due to utility bill reduction Initial premium over market rates on renewable energy procurement



Climate Strategy and Decision-making

The Group aims to measure and manage financial and non-financial risks from climate change, and reduce emissions from its activities and customer financing. This aligns with PBB Group's commitment to achieve carbon neutrality for Scope 1 and Scope 2 by 2030, and net zero carbon by 2050. Our climate strategy considers the Group's contribution to climate change and exposure to related risks while supporting PBB Group's goals. We adopt a top-down and bottom-up approach, with strategic goals implemented across corporate, business and operational levels based on the Board's direction.



The actions for risk mitigation/adaptation and opportunity capitalisation are formulated surrounding the strategic objectives, and the current and anticipated financial implications across multiple time horizons are provided as below.

Strategic Objective	Current and Anticipated Financial Implication	Impact Time Horizon	Opportunity Capitalisation
a) Risk Management	<ul style="list-style-type: none"> Improve portfolio risk profile Initial setup costs offset by reduced risk provisions Increased system investment outflows, reduce loss payouts 	Short/ Medium term	<ul style="list-style-type: none"> Expand the climate impact assessment to a broader range of risk and opportunity types
b) Emission Reduction	<ul style="list-style-type: none"> Enhance property value from stranding risks Lower regulation compliance costs Increase capital expenditure for retrofit but reduce utility payments 	Short/Medium/ Long term	<ul style="list-style-type: none"> Undertake energy efficiency measures and practices Enhance Scope 3 emissions management
c) Value-protecting	<ul style="list-style-type: none"> Increase asset resilience value Higher investments in business continuity expenses Lower maintenance outflows and insurance expenses 	Short/Medium/ Long term	<ul style="list-style-type: none"> Review Business Continuity Plans with adequate measures identified for different climate risks Conduct staff training on emergency response procedures
d) Sustainable Financing	<ul style="list-style-type: none"> Growth in green products and improve portfolio profile New sustainable finance revenue streams, enhancing profit margins despite initial product development costs Increase green lending outflows, compensated by growing interest and fee income 	Short/ Medium term	<ul style="list-style-type: none"> Expand sustainability financing portfolio and products to enrich our green finance services

To ensure effective execution of our strategy objectives, the Group is developing a robust transition plan with a comprehensive implementation framework through the alignment of internal resources and processes. Our implementation plan focuses on five key areas:

01 Enhancing organisational structure and processes for cross-unit coordination

02 Aligning business policies with climate goals

03 Integrating climate-related considerations into remuneration frameworks

04 Ensuring sufficient resource allocation (both financial and non-financial) and conducting vendor assessment

05 Strengthening data collection system



Targets and Actions

The Group is devoted to making its utmost efforts to build a greener future. The Group is committed to enhancing its methodology for monitoring and reviewing emissions and investigating target metrics development. To ensure the realisation of targets, the Board oversees the implementation progress and performance of climate-related targets by conducting annual reviews. Target setting is subject to Board approval to ensure regular high-level scrutiny of the Group's climate-related progress. The table below summarises our future targets and actions.

Areas	Targets	Actions
Air and GHG Emissions	Taking 2022 as the baseline year, the Group targets to maintain its amount of air emission at the same level, while reduce GHG emissions by 3% in 2025.	The Group will continue to improve its scientific and standardised system to monitor and review its emissions.
Solid Waste	<p>Taking 2022 as the baseline year, the Group targets to maintain the intensity of non-hazardous solid waste generated in 2025 within the same scope at the same level.</p> <p>Specifically, the Group targets to reduce paper procured by 2% by 2025 when compared to 2024.</p>	<p>The Group will continue its commitment to minimising the generation and disposal of unnecessary waste management policies.</p> <p>Besides, the Group will discover alternatives to replace paper-dominated workflows in creating a paperless office.</p>
Water and Wastewater	Taking 2022 as the baseline year, the Group targets to maintain the intensity of water consumption and wastewater discharged in 2025 within the same scope at the same level.	The Group will continue with its commitment in water saving by adopting water-saving equipment in its business operation and searching for applicable solutions.
Electricity	Taking 2022 as the baseline year, the Group targets to reduce electricity consumption by 3% in 2025.	Apart from electricity saving measures, the Group will continue to improve its energy efficiency by raising the awareness of energy conservation among employees.
Other Energy Resources	Taking 2022 as the baseline year, the Group targets to maintain the intensity of petrol and diesel consumption in 2025 within the same scope at the same level.	The Group will continue to optimise its operating procedures aiming to lower its fuel usage.



OUR PEOPLE





OUR PEOPLE

In today's dynamic business landscape, our employees stand at the heart of our success and innovation. We are committed to fostering a work environment that prioritises the well-being and professional growth of our staff. We have established a comprehensive approach to ensure that every employee feels supported, valued and empowered.

Law Compliance

In 2024, the Group complied with the relevant laws and regulations in relation to compensation and dismissal, recruitment and promotion, working hours and rest periods, equal opportunity, diversity, anti-discrimination, welfare and other benefits that have a significant impact on the Group.

The Group's human resources policies strictly adhere to the applicable employment laws and regulations in Hong Kong and other jurisdictions where the Group operates to protect its employees' interests.

A People-Oriented Workplace

Recognising employees to be its most valuable assets, the Group is committed to fostering a harmonious and friendly working environment. This commitment is guided by the Human Resources Policies Manual, Code of Conduct for Staff, Whistleblowing Policies and Procedures, and Code of Ethics. To promote staff training and development, uphold high ethical standards and ensure workplace health and safety, Human Resources Department regularly reviews and updates relevant company policies in line with the latest laws and regulations.

As at 31 December 2024, there were a total of 1,186 employees working for the Group in Hong Kong, with a gender ratio of 42:58 (male to female). For more details on the Group's employment information, please refer to the "Performance Data Summary" section of the Report.

Talent Attraction and Retention

We are dedicated to attracting and nurturing talent by offering rewarding career development opportunities. Our recruitment and selection procedures follow principles outlined in the Human Resources Policies Manual, ensuring fairness, non-discrimination, and compliance with laws and regulations and industry best practices. To meet our business development needs, we use diverse recruitment channels, such as referrals, agencies and job fairs to recruit talents. We continually enhance our recruitment strategies to attract candidates who align with the Group's values and contribute to its long-term success.

The Group emphasises equal and unbiased promotion opportunities through a transparent process outlined in the Human Resources Policies Manual and Remuneration Policy. We use performance appraisals and competency assessments to evaluate employees, providing a reliable basis for retention and promotion decisions.

Shining “PB Stars” as Corporate Culture Ambassadors

The Group places a high emphasis on recognising employees’ contribution and dedication. In 2024, the Group continues to launch the “PB Star - Corporate Culture Ambassador” Scheme.

This initiative aims to acknowledge and honour the exceptional contributions and performances of staff members who consistently embody the Group’s corporate culture and values in their attitude and behaviour at work.

Out of the numerous deserving candidates from PBHK, PFL and Winton, a total of 5 winners are selected. These individuals are recognised for their unwavering dedication to achieving work excellence and professionalism in delivering high-quality services to internal and external customers. Moreover, they are commended for the efforts in fostering a friendly and inclusive working environment. As Corporate Culture Ambassadors, these winners serve as exceptional role models, inspiring others to uphold the Group’s corporate values in the workplace.

Termination and Dismissal

We have established internal policies that govern the procedures for employee dismissals, and strictly prohibit any form of unfair or unreasonable dismissals. For employees who are found guilty of misconduct, or have seriously violated the Group’s policies, or whose performance are unsatisfactory, the employment relationship with the relevant individuals may be terminated with or without prior notice.

Remuneration and Benefits

The Group offers a comprehensive and competitive remuneration package that exceeds statutory requirements. This includes performance bonuses, overtime allowances, staff housing and personal loans, medical benefits, insurance coverage, and preferential interest rates on savings and fixed deposit accounts, aiming to enhance our staff’s quality of life.

We strictly comply with local laws regarding working hours and rest periods. Employees are entitled to annual leave, statutory holidays, and additional leave benefits such as marriage, maternity, paternity and consolation leave. Human Resources Department regularly reviews the remuneration packages to remain competitive and support the physical, mental and financial wellness of our employees.



Promoting Employee Well-Being

Employee Care

We understand the significance of work-life balance and implement a range of comprehensive staff support programmes and initiatives, which are designed to align with our corporate values and contribute to retaining our talented workforce.

Throughout the year 2024, we organised a number of staff activities to foster a positive and inclusive work environment, for example, festival celebrations, team building, workshops, and sports and leisure activities. These initiatives not only provided opportunities for our staff to relax, connect, and promote their well-being, but also boosted staff morale and promoted a caring corporate culture.

Chinese New Year Red Couplets Writing Activity

In celebration of the festive joy and blessings of Lunar New Year, the Group organised a “Red Couplets Writing Activity” in January 2024, inviting a Chinese calligrapher to craft customised red couplets for our staff. With nearly 60 staff attended this engaging event, we exchanged heartfelt blessings, fostering a sense of unity and cultivating a warm, familial atmosphere within the workplace.



New Year Bowling Competition 2024

As part of our New Year celebration, we organised the annual Bowling Competition in January 2024. With an overwhelming participation of over 125 staff and their family members, attendees experienced a thrilling evening brimming with cheers and applause. This event not only provided a valuable chance for staff to relax and exercise, but also highlighted the message of being “ONE Big Happy Family of the Public Bank Group”.



Enhance Staff Wealth Management Skills

In May 2024, a hybrid “MPF and Wealth Management Talk” was organised to emphasise the significance of wealth management and retirement planning, with a total of 42 staff members attended this event. Through the introduction to new digital tools, such as digital platforms for managing Mandatory Provident Fund (“MPF”) and MPF AI advisory services, staff were empowered to tailor their investment portfolios to align with their financial objectives, thereby enhancing their financial well-being.



World Mental Health Day

In view of the World Mental Health Day on 10 October 2024, Corporate Culture and Social Responsibility Department hosted a workshop on 24 October 2024, emphasising workplace mental health. The workshop, led by the Methodist Epworth Village Community Centre, offered staff therapeutic activities like breathing exercises and scented candle making to enhance mental wellness. With over 60 participants, the event underscored our dedication to nurturing a supportive workplace culture that prioritises mental health.





Protecting Labour Rights

In 2024, the Group strictly abided by the relevant laws and regulations in relation to the prevention of child and forced labour, including the *Employment Ordinance (Cap. 57 of the Laws of Hong Kong)* and the *Employment of Children Regulations (Cap. 57B of the Laws of Hong Kong)*.

With the Group's commitment to human rights extended to the value chain, suppliers are required to commit to protecting the rights of their employees and complying with all relevant laws and regulations in the areas where they operate. The Group's endeavours regarding human rights issues are communicated to the engaged suppliers via their acceptance of the Group's Supplier Code of Conduct ("SCoC"). Suppliers must sign their undertakings to comply with the SCoC before formal engagement.

Under the SCoC, all of our suppliers are required to:

- Respect and protect the human rights of their labour
- Not engage in or support human trafficking
- Prohibit the use of all types of forced labour and child labour

The Group follows strict recruitment procedures to prevent child and forced labour. We verify the valid identity documents of job applicants to ensure they are lawfully employable prior to the confirmation of any employment. Employees have the right to terminate their employment contract with the Group in accordance with internal policies. In the event of any incidents violating labour standards, it will result in immediate termination of the employment contract according to laws and regulations.

In 2024, the Group was not in violation of any of the relevant laws and regulations in relation to the prevention of child and forced labour.

Employee Communication

The Group recognises the importance of fostering effective two-way communication to cultivate a healthy working environment. Multiple communication channels, including employee culture survey, staff newsletters, working groups, committee meetings and management meetings, are employed to facilitate smooth communication between general staff and Senior Management. These platforms enable information sharing and updates on organisational initiatives, and provide staff members to voice their opinions and concerns. To further support open communication, designated email address such as staffsuggestion@publicbank.com.hk is provided for staff members to send their feedback directly to Senior Management.

Diversity, Equity and Inclusion

We firmly believe that Diversity, Equity and Inclusion (“DEI”) are integral to our success. As we integrate DEI principles into our core corporate values of “Caring”, “Ethics and Integrity” and “Trust”, we aim to foster an environment where every individual feels valued, respected and empowered. By aligning these values with DEI, we strive to create a workplace that celebrates diversity, ensures ethical practices and builds strong relationships based on trust. To attract diverse applicants from various backgrounds to join the Group, the Group employs a programmatic and leader-led approach. In 2024, Human Resources Department adopted a Diversity, Equality and Inclusion Policy that covers recruitment and placement, talent development, remuneration, recognition and reward, a safe and conducive working environment, and human and labour rights. In the same year, PBHK and PFL signed the Racial Diversity & Inclusion Charter for Employers organised by the EOC to further showcase our commitment in advocating DEI.



Trust	Ethics and Integrity	Caring
<ul style="list-style-type: none"> Be open-minded and reliable Treat others with dignity and respect 	<ul style="list-style-type: none"> Do the right thing Be honest and fair Have actions and words in line with moral principles 	<ul style="list-style-type: none"> Ensure safety and well-being Listen and understand Serve the community



The Group's commitments are reflected and integrated into our key people practices and processes as follows:

- Fair and equal access to all developmental and career advancement opportunity;
- Ensure safety, health and well-being of staff;
- Fair and equitable remuneration, recognition and rewards;
- Transparent and fair performance appraisal system;
- Compliance with fair labour practices, uphold freedom of association, right to collective bargaining and minimum wage; and
- Embed supportive and inclusive culture through women empowerment in support of equal rights for women.

Promoting Diversity and Equal Opportunity

The Group is committed to creating an inclusive working environment for all employees, which in line with the Human Resources Policies Manual and Code of Conduct to prohibit discrimination, harassment, or prejudice on any grounds of nationality, race, religion, age, gender, pregnancy, family status, disability, or any other non-job-related factors. To maintain diversity in our workplace, we have ongoing monitoring on our diversity mix. As at 31 December 2024, we have a gender balance of 58% women and 42% men for full-time employees across the Group.



Zero Tolerance for Discrimination and Harassment

Our organisation strictly adheres to a Code of Conduct that prohibits all forms of discrimination and harassment. Staff are expected to fully comply with the laws and regulations outlined in the Discrimination Ordinances, ensuring an open and diverse environment that is free from unlawful acts.

We have implemented an Anti-Sexual Harassment Policy which aligns with the *Sex Discrimination Ordinance (Cap. 480 of the Laws of Hong Kong)* and the Code of Practice on Employment under *Sex Discrimination Ordinance*. We are committed to maintaining a safe and respectful work environment, free from any form of sexual harassment, including verbal, non-verbal, visual, psychological and physical harassment.

We take a zero-tolerance approach towards any acts of sexual harassment. Dedicated reporting channels are in place for staff to report suspicious cases. All reports are taken seriously and in strict confidentiality. Subsequent investigations and disciplinary procedures will be conducted accordingly.

In 2024, there are no concluded cases pertaining to discrimination or harassment involving the Group or employees.

Occupational Safety and Health

The Group is committed to providing a safe and healthy workplace for its employees. The Group's Guidelines on Occupational Safety and Health are in place for identifying and managing OSH risks associated with its daily operations.

In 2024, the Group was in compliance with the relevant laws and regulations in relation to providing a safe working environment and protecting employees from occupational hazards that have a significant impact on the Group, including the *Occupational Safety and Health Ordinance (Cap. 509 of the Laws of Hong Kong)*.

PBHK provides a Fire Safety Handbook to departmental Fire Safety Officers, which outlines their responsibilities and provides them with preventive measures and contingency plans in case of a fire accident. Fire drills are conducted annually and monitored by Premises and General Affairs Department. Training and sharing sessions regarding safety and health are also arranged for staff regularly to raise their awareness on protecting themselves from occupational hazards.

In 2024, the Group recorded 1 work-related injuries and 32 lost workdays due to injury incidents. No work-related fatalities were recorded in the past four years including the reporting year.



Promoting Staff Development

The Group places great importance on staff training and development, valuing the professional growth and improvement of our employees. To empower staff at all levels and enhance their capabilities, we are dedicated to arranging diverse learning opportunities that benefit both employees and the Group. Our Training and Development Policies and Guidelines are regularly reviewed and updated to remain relevant and effective. These policies guide our effort in offering tailored training and development opportunities that directly align with current job positions.

Training and Development Department conducts Training Needs Analysis annually to identify the skills, knowledge and attitude required for business growth and enhance staff's competency. This assessment helps optimise training content and outcomes, ensuring our training initiatives effectively address the needs of our workforce.

In 2024, 100%* of the Group's employees received training with a total of 42,459 hours, equipping them with the latest market trends/regulatory requirements and enhancing their knowledge and competency.

* The percentage of employees received training includes the number of employees employed and resigned in the year 2024.

To comply with HKMA's guidelines, the Group incorporates the "Training-for-Competency ("TFC") Approach" to reiterate the importance of competence and ethical behaviour of staff of all levels. The TFC Approach encourages a more active partnership between Training and Development Department, Human Resources Department and all functional units in monitoring, developing and maintaining the competence levels and ethical behaviour of staff.

According to the Training Manual developed by Training and Development Department, various training and development schemes are available to staff members, including:

Internal Training Programme

Staff will be provided with practical and job-related training and development programmes which are designed and implemented by Training and Development Department and/or line departments to help them meet the company goals, and to ensure that they perform their jobs in the most competent and efficient manner.

In addition, Anti-Money Laundering and Counter-Financing of Terrorism ("AML/CFT") and other compliance trainings will also be provided to all full time staff.

External Training Sponsorship Scheme

Staff who have a direct and immediate job need will be nominated to attend courses, seminars, conferences or workshops so as to upgrade their performance, update professional or market knowledge, and prepare them for taking up additional duties. Reimbursement and subsidies will be given to encourage the continuous trainings of all staff members.

Publicly Recognised Professional Examinations Sponsorship Scheme

Staff who would like to acquire professional status or qualification to further their career development may sit for external examinations recognised by the public and the Group and should relate to the present job position. For example:

- Certified Banker Programme by Hong Kong Institute of Bankers (HKIB)
- The Association of Chartered Certified Accountants (ACCA)
- Hong Kong Institute of Certified Public Accountants (HKICPA)
- Chartered Governance Qualifying Programme by The Hong Kong Chartered Governance Institute (HKCGI)



Enhanced Competency Framework ("ECF") Sponsorship Scheme

The ECF is a set of common and transparent competency standards established by the HKMA together with the banking sector and relevant professional bodies in raising and maintaining the professional competence of relevant practitioners within functions in authorised institutions.

Full-time confirmed staff members who are performing specific job roles within the functions of "Relevant Practitioners ("RP") and nominated by their respective Business Unit/Department Heads are eligible to this sponsorship. Reimbursement will be obtained upon satisfactory examination results.

For instance, Training and Development Department provides staff training and development programmes focusing on sustainability and climate-related risk management. Through the ECF Sponsorship, RPs involved in sustainability and climate risk management receive specialised training through the ECF on Green and Sustainable Finance (Core-Level), to support analysis, development and execution of climate risk management framework, guidelines, policies and procedure.

Online Learning Subscribed by PBB

PBB has subscribed to courses under "Coursera", a global platform for online learning and career development, and extended to staff of the Group. The Group would sponsor staff who apply for the online access to education that are relevant to their job function in order to upscale themselves.

Overseas Training Programme

PBB Head office in Malaysia regularly organises management seminars or sales conventions, in which suitable staff members of the Group are nominated to attend to foster the knowledge exchange and experience sharing between Malaysia headquarters and our Hong Kong office.



OUR COMMUNITY





OUR COMMUNITY

Our vision for community investment is to foster inclusive and thriving communities. We aim to uplift and support vulnerable groups, nurture future generations and enhance overall community well-being. We strive to create an impact and shared value for all stakeholders, reinforcing our commitment to social responsibility and sustainable development.

Community Investment

Guided by the Group's CSR Policy, the Group's community investment strategy focuses on the following four aspects:



We encourage the participation of staff in various community service events throughout the year. The PB We Care Team (the "Team"), established in 2016 by dedicated staff volunteers, has actively participated in over 25 community service programmes in 2024. Through partnerships with charitable organisations and social service groups, the Team has made valuable contributions to various communities.

• Supporting the Elderly Living in Poverty

Our initiatives for supporting the elderly living in poverty aim to address their needs. Partnering with organisations dedicated to elderly welfare, we deliver services to enhance the well-being of elderly individuals.

Mid-Autumn Festival – Visit the Elderly and Deliver Care Packages

During the Mid-Autumn Festival in September 2024, the PB We Care Team embraced the spirit of compassion by organising community initiatives. Staff joined forces with Saint Barnabas' Society and Home, a non-profit organisation aiding the impoverished and homeless in Hong Kong, in various heartwarming activities. Over 100 mooncakes were donated, each accompanied by personalised messages expressing genuine well wishes. Nearly 20 dedicated volunteers gathered to pack 110 gift bags, which were later delivered during a lantern-making elderly visit, spreading joy and warmth to those in need. This collaborative effort truly exemplifies the staff's generosity and kindness during the festive season.



• Nurturing Children and Young People

A good foundation is crucial for a person's holistic development. We focus on providing educational opportunities, mentorship programmes and essential resources to support the growth and development of children and young people. Our efforts aim at empowering the next generation to reach their full potential and become contributing members of our community.



Summer Internship for University Students

Since 2018, PBHK has been partnering with the University of Hong Kong (“HKU”) to offer summer internship positions to university students. We offer students with social sciences background, and those who are interested in banking industry an opportunity to work in PBHK and be exposed to experiential learning.

In 2024, two students from the Faculty of Social Science of HKU participated in this programme and had the opportunity to work alongside and learn from our knowledgeable staff at PBHK in navigating our ESG journey. We believe in nurturing young talents and providing them with a platform could expand their skills and knowledge in a professional setting which will be rewarding in the long run.



DIY Mother’s Day Flower Bouquet

Winton continued their support to “CLAP@JC”, a youth-led project funded and created by The Hong Kong Jockey Club Charities Trust. In April 2024, a team of 20 Winton employees and their families volunteered at the “DIY Flower Banquet” workshop in collaboration with the Jockey Club Yau Tong Children & Youth Integrated Services Centre. The handmade flower bouquets were then passed to children receiving after-school care services, which sent as gifts to their mothers in celebration of Mother’s Day. By giving donations and actively engaging in volunteer work, Winton has also demonstrated their endorsement to The Boys’ and Girls’ Club Association of Hong Kong.



Christmas Donation Drive

The Group partnered with the Family Resource Centre of the Hong Kong Family Welfare Society (HKFWS), a charitable non-governmental social welfare organisation, to hold a Christmas donation drive during 2 to 12 December 2024. This fundraising campaign for gifts and monetary donations was conducted within the Group to promote love and support for children from separated and divorced families in the festive season.

A total donation of HK\$17,300 was received, all proceeds were used to purchase toys, stationery sets, sports equipment sets, snack packs, and books on personal development for beneficiaries. The Group strives to explore collaborations with our non-profit community partners and infuse positive energy into the society.





Promoting Community Development

We enthusiastically engage in fundraising activities and community service projects, which demonstrate our commitment to promoting community development. By joining hands in these initiatives, we help address local needs and strengthen the bonds within the community where we operate.

Supporting the Community Chest of Hong Kong

To demonstrate our commitment in contributing to the society, we actively support the Chest. In January 2024, 26 staff members and their families took part in the 55th Anniversary Walk for Millions, donated a total of HK\$21,700 by completing the 6-kilometer route in. The entire fund was donated to bolster the Chest's social welfare member agencies in fortifying "Family and Child Welfare Services".

The Group also engaged in the "Skip Lunch Day 2024" in March 2024, with 25 staff participated in the event and each donated lunch fees of HK\$38 or more. The donations raised were all donated to support the "Services for Street Sleepers, Residents in Cage Homes and Cubicles" provided by the Chest's member agencies.



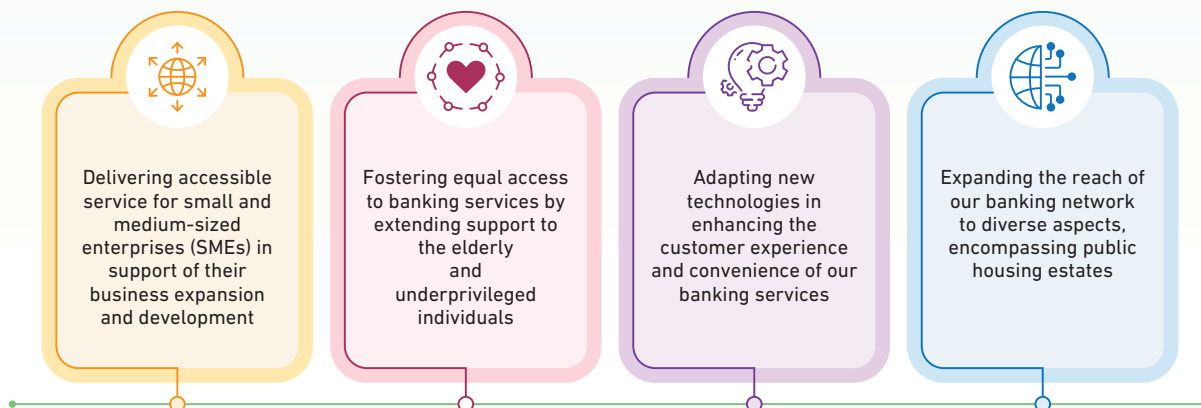
Promoting Social Inclusion

We are dedicated to fostering a culture of social inclusion among our staff members. In March 2024, 17 staff members embarked on a guided tour of the Hong Kong Seeing Eye Dog Services, where they had the opportunity to interact closely with professional trained service dogs. This experience not only deepened their understandings for the needs of the visually impaired people but also inspired them to deliver more tailor-made services to fit different customers' needs in our operations.



Financial Inclusion and Accessibility

Upholding the Group's customer-centric philosophy and also aligning with HKMA's initiative to promote financial inclusion, the Group is dedicated to providing convenient and inclusive financial services to individuals from all walks of life in the community in support of their financial needs. A range of initiatives in improving the financial products and services accessibility is as follows:





PBHK has launched six upgraded all-in-one automated teller machines (“ATM”) to create a seamless and convenient banking experience for our customers. With inclusive design elements like intuitive touchscreens, optimised displays for readability and sufficient space for easy access by wheelchair users, we ensure that all individuals can comfortably access and utilise our ATM services, exemplifying our dedication to providing barrier-free and customer-centric banking facilities. The upgraded all-in-one ATMs are located at:





OUR SUPPLY CHAIN MANAGEMENT





OUR SUPPLY CHAIN MANAGEMENT

We are dedicated to partnering with suppliers who share our commitment to ethical standards, environmental responsibility and social equity. By implementing SCoC and integrating green elements into our procurement processes, we strive to minimise our environmental footprint, and foster resilient and sustainable supply chain.

Supplier Engagement and Supply Chain Risk Management

During the supplier selection and tender process, potential suppliers are evaluated on quality, operational standards, delivery capabilities and price. To ensure open and fair competition, we invite at least three parties to submit their quotations for each project. These engagement processes help maintain a sustainable, stable and resilient supply chain.

To minimise environmental and social risks, we strictly implement our SCoC which aligned with the United Nations ("UN") Universal Declaration of Human Rights, UN Guiding Principles for Business and Human Rights and International Labour Organisation conventions. Suppliers must adhere to our requirements in these areas.

We encourage suppliers to exceed compliance in their environmental and social performance. If a supplier violates the mandatory items of SCoC, we will collaborate on an improvement plan with the supplier to meet the requirement. Supplier's continued non-compliance may result in contract review or termination. The following areas are the Group's requirements that supplier should comply with:

Compliance and Fair Competition	Data Privacy and Security	Ethical Standards of Conduct
We ensure equal opportunities for all suppliers and require our suppliers to adhere to relevant laws and regulations, including but not limited to, <i>the Competition Ordinance (Cap. 619 of the Laws of Hong Kong)</i> and the rules or regulations issued by the SEHK and HKMA to prevent anti-competitive practices such as price fixing, bid rigging, or any form of bribery.	Keep the data safe and confidential as well as comply with data protection regulations including <i>the Personal Data (Privacy) Ordinance ("PDPO") (Cap. 486 of the Laws of Hong Kong)</i> . Notify the responsible person of the Group if there is any leakage or unauthorised use of our data.	To avoid conflict of interest and ensure the quality of the product/service is up to standard. To support fair trade and commit to eliminate employment barriers.
Employment Practice	Occupational Safety and Health	Environmental Protection
We expect our suppliers to respect and protect human rights of their employees. They should provide a fair working environment and ensure the rights of the employees are complied with the relevant laws and regulations.	It is important to us that our suppliers provide a safe working environment and support the health of their employees with a set of policies and procedures.	The Group has set out the standards, practices, and principles on environmental protection under our CSR Policy and we hope our suppliers can work with us to protect the environment actively.

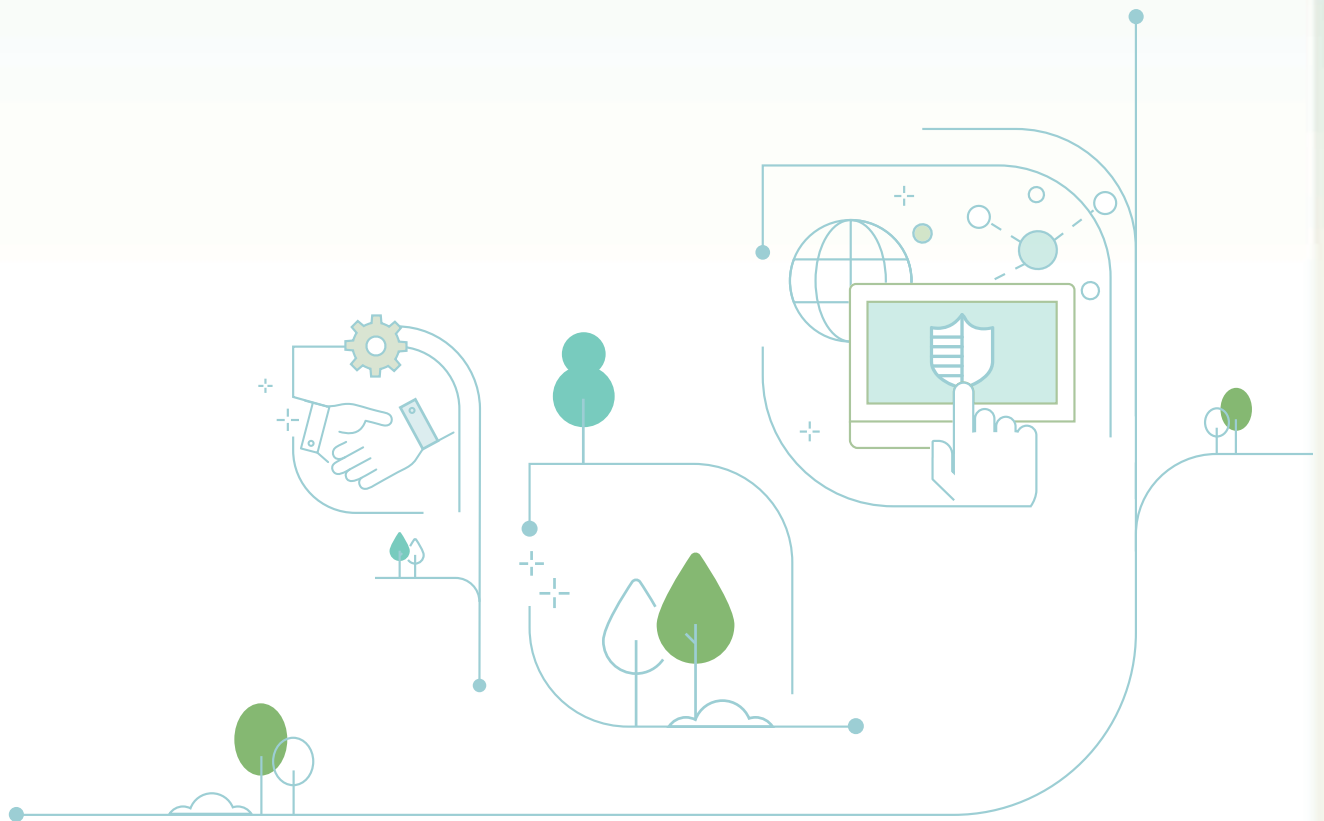


Green Procurement

The Group's supplier engagement and management policies applied to all of its key suppliers and are implemented by the departments during procurement with oversight from Corporate Culture and Social Responsibility Department. In addition to a comprehensive supplier selection and engagement procedure, the Group is committed to promoting green procurement practices during operations by taking the following actions:

- Forest Stewardship Council (FSC) certified paper is used for the Group's publications and reports whenever possible; and
- Electrical appliances such as refrigerators and microwaves with Grade 1 Energy Label are prioritised during procurement.

In 2024, the Group collaborated with a total of 152 suppliers which are all located in Hong Kong. Working with local suppliers not only supports the local economy but also reduces transportation emissions due to shorter delivery distances. By fostering strong relationships with local suppliers, we can collaboratively develop sustainable solutions and contribute in reducing carbon footprint.





OUR RESPONSIBLE BUSINESS PRACTICE





OUR RESPONSIBLE BUSINESS PRACTICE

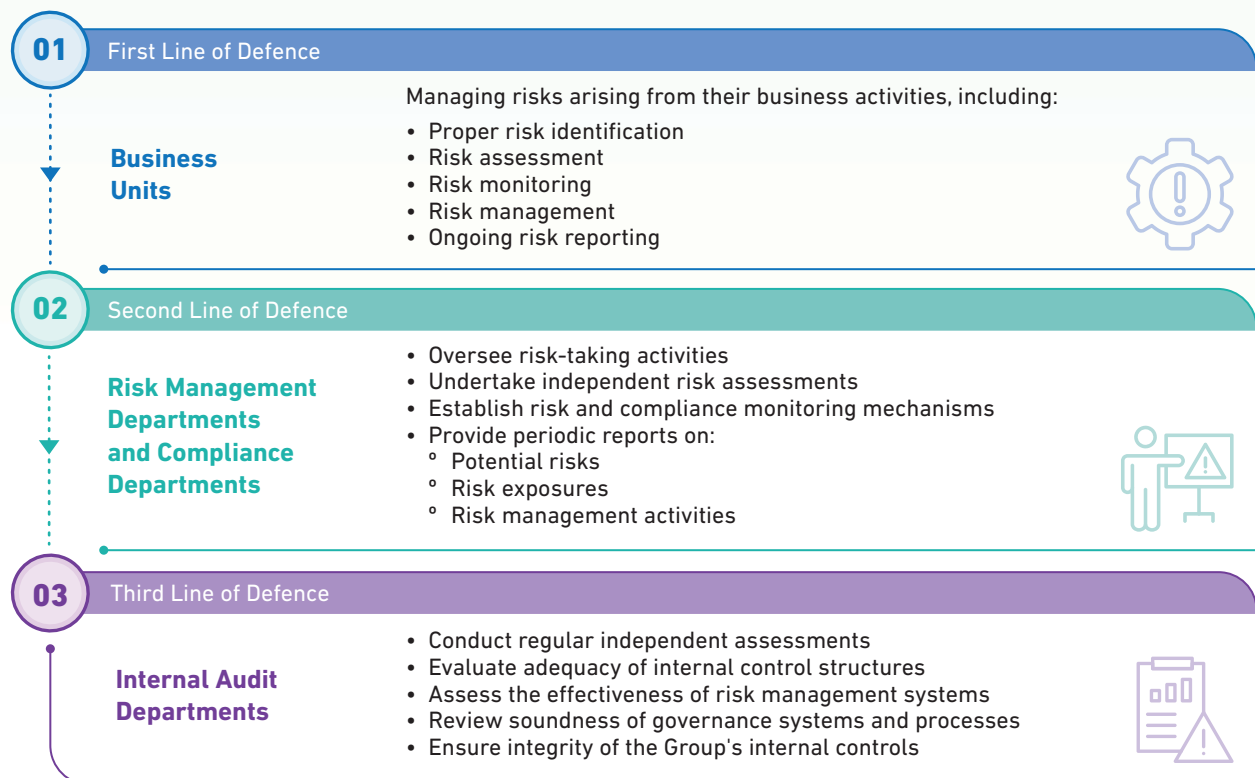
Our responsible business practices focus on robust compliance, risk management and business integrity. We maintain strict adherence to regulatory requirements, implement effective financial crime prevention measures and uphold high ethical standards. These efforts foster trust with stakeholders, protect our customers and contribute to the overall stability of the financial system.

Law Compliance

In 2024, the Group complied with the relevant laws and regulations on health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. There were no reported cases of non-compliance with the relevant laws and regulations as aforementioned.

Risk Management Policy Manual/Framework

The Risk Management Policy Manual of PBHK and Risk Management Framework of PFL guide the Group's risk management and internal control systems, which adopt a three-line defence framework to define roles and responsibilities when managing risks to ensure the effectiveness of its processes.



For more details on the responsibilities of committees within our risk management and internal control frameworks, please refer to the Corporate Governance Report in PFHL's 2024 Annual Report.

Climate Risk Management

The Group realises the importance of evolving climate risks and has formalised the Climate-related Risk Management Policy to integrate climate risk considerations into the overall risk management process. We are progressively integrating climate assessment, including scenario analysis into our existing Group Risk Management framework to enhance climate impact evaluation, ensuring that climate-related risks and opportunities are properly identified, assessed, monitored and reported to the Board and dedicated committees. Our risk appetite framework is being reviewed annually to ensure alignment with evolving business strategies, changes in the operating environment and emerging regulatory requirements.

Compliance and Business Integrity

The Group's credibility stems from operational integrity, ethical standards and effective risk management. Upholding strong corporate governance, the Group enforces internal policies such as Employee Handbook, Code of Conduct for Staff, Code of Ethics, Social Media Policy, Policy on Staff Conduct and Discipline and Important Note on Employee's Conduct and Behaviour. These accessible internal policies outline the principles for appropriate and ethical business conduct. In addition, we conduct related trainings regularly for employees to uphold the Group's corporate culture and values while Business Unit/Department Heads are responsible for informing staff of the latest update on the relevant laws, regulations and industry standards through internal emails to ensure employees are aware of and adhere to them.

Moreover, the annual staff performance assessment of the Group considers non-financial factors such as risk management, compliance and ethical behaviour, which may take precedence over outstanding financial performance.

Financial Crime Prevention

The Group acknowledges its responsibility to safeguard the interest of itself, customers and the community, as well as to protect the integrity of the financial system. To prevent financial crime, the Group has in place the "Policies and Procedures for Anti-Money Laundering, Countering Financing of Terrorism and Targeted Financial Sanctions" and reviews the policies and procedures at least annually against the relevant laws and regulations in relation to anti-bribery, extortion, fraud and money laundering that have a significant impact on the Group, including but not limited to:

- *Prevention of Bribery Ordinance (Cap. 201 of the Laws of Hong Kong);*
- *Guideline on Anti-Money Laundering and Counter-Terrorist Financing issued by HKMA; and*
- *Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Cap. 615 of the Laws of Hong Kong).*



To effectively manage money laundering and terrorism financing (“ML/TF”) risks and to detect suspicious transactions, the Group has adopted a risk-based approach and established a comprehensive scoring and classification system for customer risk profiling. Supported by an internal reporting channel for any suspicious transactions, the Group has appointed AML/CFT Compliance Officers (“AMLCOs”) and Money Laundering Reporting Officers (“MLROs”) to monitor and review the effectiveness of the Group’s financial crime prevention system.

The Group has set the roles and responsibilities for each department and employee in combating financial crimes, in which a four-stage approach is put in place for employees to effectively identify any suspicious transaction and report to the AMLCOs and/or MLROs. The Group continuously enhances the compliance awareness of the employees by providing trainings and refresher courses to them.

PBHK’s Digital Transformation Department has developed a Regulatory Technology (Regtech) in AML/CFT and Customer Due Diligence Solution (the “CDD Solution”) in hope to digitalise the related ML/TF assessment to increase efficiency. We are committed to preventing financial crimes and investing in digital transformation. Leveraging the development of new technology, the improving process of customer onboarding using the CDD Solution is a step forward for PBHK.

Anti-corruption

The Group has zero tolerance to all forms of bribery or corruption. We commit to fostering a bribery and corruption free business environment. We put up specific measures to ensure all employees uphold the highest standard of integrity and accountability. Our “Anti-Bribery and Anti-Corruption Policy” (“ABAC Policy”), which is reviewed at least annually, outlines management’s roles, anti-bribery and anti-corruption principles, and penalties for breaches.

To ensure transparent and effective risk and compliance management, the Board oversees anti-bribery and anti-corruption efforts, with support from the Risk Management Committee and the Audit Committee. The Operational Risk Management Committee is responsible for implementing the risk management and compliance framework as well as maintaining the ABAC Policy.

To ensure staff’s understanding of our approach on anti-corruption, all new joiners of the Group will be provided with the Code of Conduct for Staff upon joining, which includes guidelines on gift acceptance. Staff must adhere to this code and seek approval from the Code of Conduct Supervising Committee of PBHK and/or the Human Resources Committee of PFL when applicable.

The Group regularly conducts anti-corruption training for directors and staff to complement regulatory compliance training. In 2024, all staff and 2 directors participated in the training sessions, covering topics such as anti-corruption, business ethics, integrity and whistleblowing.

In 2024, no concluded legal case regarding corrupt practices was brought against the Group or its employees.

Whistleblowing Policy and Procedures

The Group's Whistleblowing Policies and Procedures provide confidential channels for reporting fraudulent and/or unethical conduct, non-compliance cases with laws and regulations and/or the Group's internal policies that could significantly impact the Group financially, legally or reputationally. Stakeholders can report concerns anonymously through protected email channels of PFHL, PBHK, PFL and Winton without fear of reprisals. Only respective Heads of Internal Audit of PBHK and PFL can access the email accounts, and follow-up actions will be undertaken as appropriate.

For cases related to improper conduct, a bi-monthly report will be made to the respective Audit Committees of PFHL, PBHK and PFL for record keeping and/or further action. If the Head of Internal Audit is involved in any reported cases, such cases will be escalated to a designated Non-Executive Director to handle.

Understanding Our Customers

The Group maintains a customer-centric approach, actively seeking feedback from customers through various channels to ensure high-quality services and identify areas for improvement. Channels include bi-annual customer feedback surveys, quarterly Mystery Shopper Programme ("MSP"), bi-annual Mystery Calling Programme ("MCP") and complaint reviews.

Mystery Shopper Programme and Mystery Calling Programme

To identify areas of improvement and develop enhancement measures, the results of MSP and MCP are reviewed by the Group's Senior Management. Training and Development Department of PBHK and Complaint Department of PFL contact the branches with the lowest overall score respectively and provide staff with refresher training courses which aim to enhance and improve their professional skills and knowledge.

In 2024, PBHK conducted 60 visits and made 360 calls to its branches, with 60 calls to Customer Hotlines via the MSP. PFL conducted 76 calls to its branches via the MCP.

Feedback and Complaints from Customers

The Group values customer feedback for identifying areas to improve product and service quality. PBHK and PFL conduct bi-annual customer feedback surveys, summarising results for review by the respective Bank Culture and Sustainability Committees. All feedback from our customers and the survey result are analysed by Training and Development Department of PBHK and Complaint Department of PFL to identify any training needs for the staff. To handle complaints promptly and responsibly, the Group follows the established procedures which outlined in the Procedural Guidelines on Handling Customer Complaints, and the General Policies and Guidelines on Handling Complaints. These policies/guidelines specify the timeframe, procedures and rules for timely and proper resolution on complaint.



• Recognition of Our Excellent Service

In 2024, the Group received 116 banking/financial service-related positive responses from customers (2023: 46 cases), recognising our staff efforts in providing excellent services.

• Channels

Customer can reach the Group through various channels, including direct communication with branch staff of PBHK, PFL and Winton. We also offer a variety of communication channels for customers to share their comments and suggestions.



• Complaints Handling

Confidentiality	Time	Independency
<p>Any information pertaining to the complaint should be regarded as confidential and must be handled by the relevant staff members strictly on a “need-to-know” basis.</p> <p>The information should be kept private in compliance with the PDPO.</p>	<p>A written acknowledgement should be sent within 7 calendar days upon receipt of the complaint and verbal acknowledgment of telephoned complaints should be provided to the complainant during the conversation.</p>	<p>When investigating complaints, it is important that the assigned staff member is not involved in the matter.</p> <p>In cases where complaints are serious and critical, they should be promptly escalated to Senior Management for immediate attention.</p>

In 2024, the Group received 22 banking/financial service-related complaints from customers regarding its services and other general issues (2023: 15 cases). The Group always values customers’ suggestions and proactively reviews its business operations to meet their expectations.



Sharing of Experience

To raise staff awareness regarding the service quality and professionalism, and to encourage them to strive for zero complaints, an internal newsletter named “Customer First” has been published regularly since 2020. Customers complaints, handling methods and recommended actions are summarised in the internal newsletter for educating the frontline staff to better understand the needs of customers and inspiring the staff to improve their service quality.

Customer Privacy and Data Security

Securing customer privacy and sensitive data is crucial for the Group’s reputation. In 2024, the Group complied with PDPO and other regulations set out by HKEX, HKMA and the Securities and Futures Commission. The Group’s internal policies provide clear guidance on proper data collection and usage, including the Code of Conduct for Staff and Staff Dealing Policy, ensuring compliance with regulatory requirements. All staff members are required to follow the internal guidelines in handling customer data in a safe and secure manner, and adopting authorised and restricted access to reports on a “need to know” basis.

All personal data collected strictly adhere to the following principles:

- Only the necessary personal data directly related to application for any goods or services or to enquiries, comments or suggestions will be collected;
- Personal data held by the Group will not, without customers’ prior consent, be used for other purposes for which they were collected. The Group will deliver marketing materials to its customers only after obtained their consent; and
- Customers can contact and inform the Group at any time that they do not wish to receive further marketing materials.

Managing Information Security

We recognise the importance of safeguarding sensitive information and protecting the privacy of our customers, employees and stakeholders. To achieve this, we have implemented comprehensive information security management systems and measures to mitigate risks and ensure the confidentiality, integrity and availability of data assets.

Our Clean Desk Policy requires staff to secure confidential documents when leaving the office. Access to the Group’s systems is regularly reviewed based on job functions, and staff are reminded not to recycle papers containing confidential information.



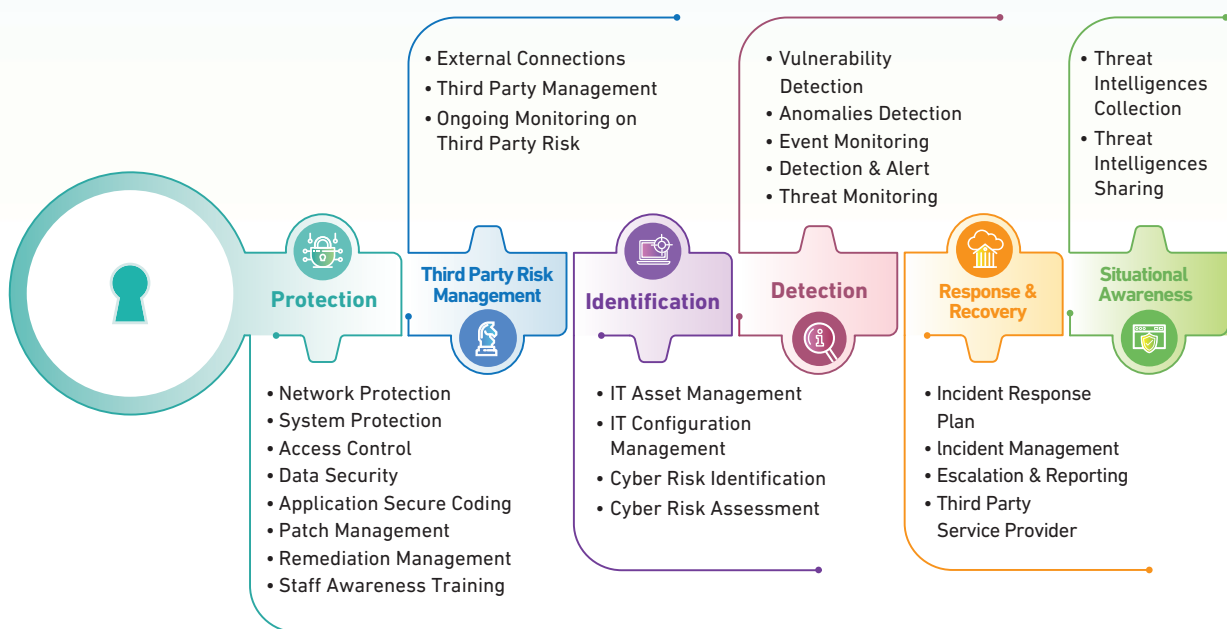
To further protect data assets, the Information Security Working Group is responsible for interpreting, reviewing and updating relevant policies such as Information Security Policy, Information Security Guidelines, and PDPO General Guidelines and Handling Procedures. They also conduct training and user awareness programmes for staff. Information Security Officers from different departments are responsible for ensuring the appropriate development, review, approval and implementation of information security policies, guidelines, standards and control procedures.

Cyber Security

In today's digital landscape, managing cyber security risk and improving cyber resilience are increasingly critical. To address the growing risk posed by cyber threats, we have implemented robust cyber security control strategy encompassing technology, processes and procedures, people, and training which are designed to enhance cyber resilience and ability to effectively mitigate and respond to the cyber risks.

The Board oversees cyber resilience management and ensures the effective implementation of the cyber security strategy, supported by the Risk Management Committee, Board Executive Committee, Operational Risk Management Committee and Information Technology Steering Committee. These committees are responsible for reviewing the strategy.

To achieve a strong cyber security defence line, we have established six main functions of Cyber Resilience Process to help prevent, detect and react to the potential risks.





Intellectual Property Rights

Being a responsible banking group, the Group acknowledges its responsibility of protecting intellectual property rights. The Code of Conduct for Staff strictly prohibits installing or copying any unlicensed software into company's computers. The Group strictly complies with the *Intellectual Property (Miscellaneous Amendments) Ordinance*, any staff found to be in breach of the regulations will be subject to disciplinary action and may be liable to legal prosecution.

Marketing and Promotion

The Group adheres to internal policies that ensure clear and transparent information in marketing and advertising materials for its products and services. These policies ensure compliance with relevant laws and provide customers with accurate information to make informed decisions. By maintaining transparency, the Group aims to build trust and uphold its commitment to ethical communication.

The internal policies for marketing and promotion set out the procedures for pitching and launching new or revamp products to provide comprehensive information and materials for marketing purpose. The Group ensures responsible promotion of products by requiring product owners to submit a Request for Product Promotion Advertisement for all product marketing materials. Prior to the request, the launch, revision of features and promotion of general products must be approved by the Senior Management. For other products, product due diligence and assessment must be conducted.

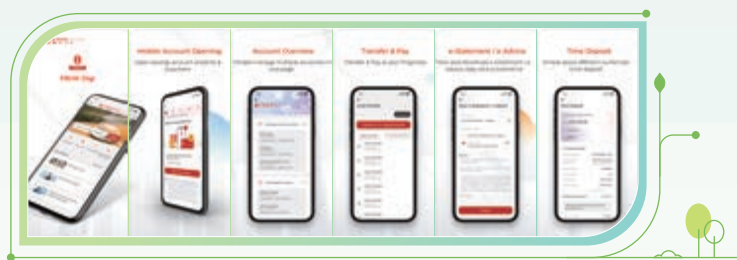
There was no material non-compliance concerning marketing and promotion by the Group during the reporting period.



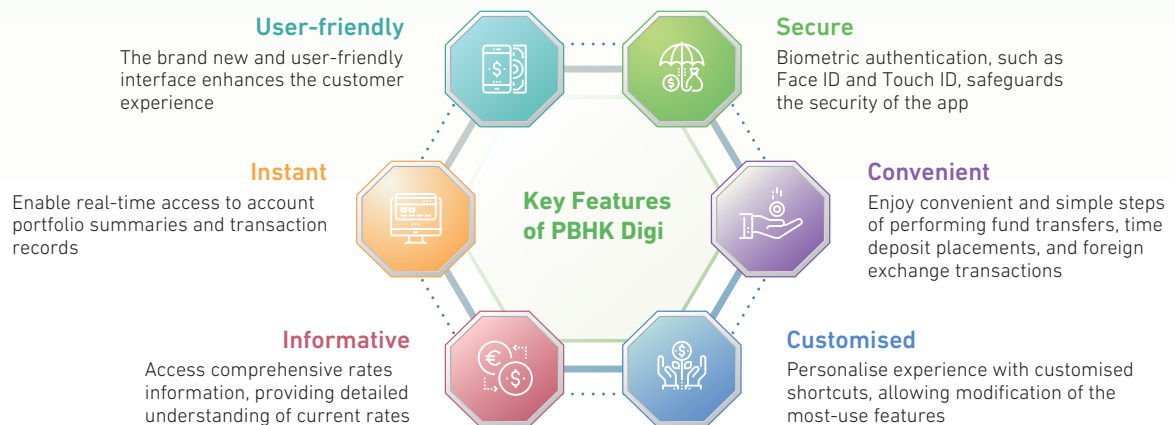
Digitalisation of Services

In the rapidly evolving financial industry, digitalisation has become a transformative force, reshaping operations and offering numerous benefits to both financial institutions and clients. To enhance customer experience and stay abreast of digital trends, the Group is committed to adopting new technologies and integrating them with sustainability. This approach addresses evolving customer demands and improves overall satisfaction. The Group has launched and provided a series of electronic banking services including Net Banking Online Services to streamline operations and advance its digital transformation journey.

• Digital Banking Mobile Application



PBHK Digi is our mobile application, designed to provide a secure and user-friendly digital banking experience. The app features an enhanced interface that allows seamless fund transfers, time deposit placements and foreign exchange transactions, ensuring utmost convenience and ease. It also offers comprehensive information on interest rates and other features to meet customer needs, all within a single platform.



In December 2024, new features were launched on PBHK Digi, demonstrating our commitment to enhancing the mobile banking experience. The Mobile Savings Account Opening feature enhances convenience for customers while reducing administrative work for our frontline staff. To ensure security, the Mobile Token acts as an additional layer of authorisation for high-risk Net Banking transactions. A 6-hour cooling-off period is implemented following mobile device registration, during which low-risk transactions can still be conducted.

With the Fintech 2025 Three-Year Plan, PBHK will work on launching more features and services in the application to continue providing excellent digital customer services.



- **E-Statement and E-Advice**

Integrating digitalisation with sustainability, our e-Statement and e-Advice services are available via Net Banking and the PBHK Digi. These e-Services allow customers to manage their statements more easily while providing an eco-friendly option. Accessible free of charge, these services eliminate the need for hardcopy statements, offering a user-friendly interface, language selection options, live chat support and online access to monthly statements.

- **E-Loan Service**

With an unwavering dedication to streamlining and enhancing customers' financial journeys, PFL has unveiled its latest mobile application, the "PFL eLoan App". PFL eLoan App stands as a testament to our commitment to excellence in the era of digitisation, offering customers an additional channel for accessing a comprehensive and convenient online loan service. By embracing technology, we aim to provide a seamless and efficient experience for our customers, empowering them to manage their financial needs with ease.



PERFORMANCE DATA SUMMARY

ESG Indicators		Unit	2024	2023
A. Environmental Indicators				
A1	Emission			
A1.1	Type of emissions and respective emissions data			
	Nitrogen oxides	Kg	7.97	5.01
	Sulphur oxides	Kg	0.06	0.09
	Particulate matter	Kg	0.72	0.37
	Total air emissions^b	Kg	8.75	5.47
A1.2	Direct (Scope 1), energy indirect (Scope 2) and other indirect (Scope 3) GHG emissions and intensity			
	GHG emissions (Scope 1) ^{b,e}	tCO ₂ e	9.98	15.68
	GHG emissions (Scope 2) ^{c,e}	tCO ₂ e	2,156.49	1,957.29
	GHG emissions (Scope 3) ^{d,e}	tCO ₂ e	3.48	2.47
	Total GHG emissions	tCO ₂ e	2,169.95	1,975.44
	GHG emissions intensity^a	tCO ₂ e/FTE	1.83	1.76
A1.4	Total non-hazardous waste/wastewater produced			
	Total non-hazardous waste produced ^f	Tonne	32.47	13.62
	Total non-hazardous waste intensity ^a	Tonne/FTE	0.03	0.01
	Total non-hazardous wastewater discharged ^g	m ³	4,583.50	3,824.82
	Total non-hazardous wastewater intensity ^a	m ³ /FTE	3.86	3.41
Others	Total hazardous/non-hazardous waste recycled			
	Total hazardous wastes recycled	Piece	1,202.00	1,288.00
	Electrical appliances	Piece	1	2.00
	Ink cartridges	Piece	462.00	797.00
	LED light tubes	Piece	120.00	169.00
	Fluorescent tubes	Piece	618.00	320.00
	Batteries	Piece	1.00	—
	Total non-hazardous wastes recycled	Tonne	80.30	85.65
	Paper	Tonne	80.30	85.58
	Plastic	Tonne	—	0.07

ESG Indicators		Unit	2024	2023
A. Environmental Indicators				
A2	Use of resource			
A2.1	Direct and/or indirect energy consumption by type in total and intensity			
	Direct energy consumption ^h			
	Diesel consumption	MWh	6.71	4.90
	Gasoline consumption	MWh	29.98	52.74
	Indirect energy consumption			
	Electricity consumption	MWh	3,955.51	3,884.84
	Total energy consumption	MWh	3,992.20	3,942.48
	Total energy consumption intensity ^a	MWh/FTE	3.37	3.52
A2.2	Water consumption in total and intensity			
	Water consumption ^g	m ³	4,583.50	3,824.82
	Water consumption intensity ^a	m ³ /FTE	3.86	3.41
Others	Paper consumption in total and intensity			
	Paper consumption ⁱ	Tonne	75.61	79.57
	Paper consumption intensity ^a	Tonne/FTE	0.06	0.07

Notes:

- a Intensity was calculated by dividing the amount of air, GHG and other emissions respectively by the Group's total number of full-time employees ("FTE") in Hong Kong of 1,186 in 2024 (2023: 1,122 FTE in Hong Kong).
- b The Group's air emissions and Scope 1 emissions are generated from combustion of gasoline and diesel at the Company's vehicles.
- c The Group's Scope 2 emissions are generated from the purchase of electricity from the Hong Kong electricity suppliers, and the electricity purchased is mainly used for daily offices and branches operations.
- d The Group's Scope 3 emissions are generated from the electricity used for processing fresh water and sewage by government departments and business travelling by airplane.



Performance Data Summary



- e The methodology adopted for reporting on GHG emissions, as described above, was based on the following references: "How to Prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs" issued by HKEX, The GHG Protocol: A Corporate Accounting and Reporting Standard, and the 2006 IPCC Guidelines for National Greenhouse Gas Inventories.

The emission factors used for calculating Scope 2 emissions were referenced to the CO₂e emissions intensity of electricity sold by CLP Power Hong Kong Limited ("CLP") and The Hong Kong Electric Company Limited ("HKE"), as reported in the Sustainability Report, with CLP at 0.39 kg/kWh (2023: 0.39 kg/kWh) and HKE at 0.66 kg/kWh (2023: 0.68 kg/kWh).

The emission factors used for calculating Scope 3 emissions were referenced to the Territory-wide default value of purchased electricity, which is specified in the "How to Prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs" issued by HKEX, with a value of 0.7 kg/kWh.

- f The amount of non-hazardous waste produced in 2024 is estimated based on general waste disposal records sampled twice a week. The data for non-hazardous waste produced includes PBHK, PFL and Winton for the year 2024. Due to the renovation work carried out at the PBHK head office this year, construction waste was generated in addition to the general office waste. As a result, the total amount of waste has increased compared to 2023.
- g The total amount of wastewater generated by the Group was primarily determined through direct measurement, supplemented by appropriate estimations. In cases where accurate recording of the wastewater amount was challenging, it was assumed that 100% of the fresh water consumed by the Group would directly enter the buildings' sewage system. Due to the renovation work carried out at the PBHK head office this year, the overall water and wastewater intensity have increased compared to 2023.
- h The energy conversions were calculated based on the conversion factors as stated in the "How to Prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs" issued by HKEX.
- i The paper consumption in 2024 was calculated based on the actual records of the quantity of paper ordered from the suppliers.

ESG Indicators		Unit	2024	2023
B. Social Indicators				
B1	Employment ^a			
B1.1	Total workforce by gender, employment type, age group, employee category and geographical region			
	Total number of employees	Person	1,186	1,122
Gender	Male	Person	497	474
	Female	Person	689	648
Age group	below 30 years old	Person	143	130
	30-50 years old	Person	654	640
	above 50 years old	Person	389	352
Region	Hong Kong	Person	1,186	1,122
Employee category	Senior Management	Person	13	12
	Middle Management	Person	303	272
	General Employees	Person	870	839
Employee type	Full-time	Person	1,169	1,121
	Part-time	Person	17	1
B1.2	Employee turnover rate by gender, age group and geographical locations			
	Total employee turnover rate	Percentage	17.90%	26.20%
Gender	Male	Percentage	17.21%	25.32%
	Female	Percentage	18.39%	26.85%
Age group	below 30 years old	Percentage	38.36%	63.85%
	30-50 years old	Percentage	18.06%	26.25%
	above 50 years old	Percentage	9.87%	12.22%
Region	Hong Kong	Percentage	17.90%	25.31%



Performance Data Summary



ESG Indicators		Unit	2024	2023
B. Social Indicators				
B2	Health and safety ^a			
B2.1	Number and rate of work-related fatalities			
	Number of work-related fatalities ^c	Case	0	0
	Rate of work-related fatalities ^c	Percentage	0	0
B2.2	Lost days due to work injury	Working day	32	257
B3	Development and training ^a			
B3.1	Percentage of employees trained by gender and employee category ^b			
	Number of employees trained	Person	1,377	1,239
	Percentage of employees trained	Percentage	100%	100%
Gender	Male	Percentage	43.14%	43.10%
	Female	Percentage	56.86%	56.90%
Employee category	Senior Management	Percentage	0.87%	0.97%
	Middle Management	Percentage	24.62%	28.89%
	General Employees	Percentage	74.51%	70.14%
B3.2	Average training hours completed per employee by gender and employee category			
Gender	Male	Hour	30.19	22.14
	Female	Hour	31.32	20.00
Employee category	Senior Management	Hour	42.23	23.36
	Middle Management	Hour	38.01	31.77
	General Employees	Hour	28.33	17.30
B5	Supply chain management			
B5.1	Number of supplier by geographical region			
	Hong Kong	Supplier	152	108
B6	Product responsibility			
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons ^d	Percentage	N/A	N/A
B6.2	Number of products and service-related complaints received	Case	22	15

ESG Indicators		Unit	2024	2023
B. Social Indicators				
B7	Anti-corruption			
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period			
	Number of corruption lawsuits	Case	0	0
	Total hours of anti-corruption training provided to directors and employees	Hour	300	Not disclosed
B8	Community investment			
B8.2	Resources contributed to the focus area			
	Total volunteer servicing hours	Hour	132	115
	Volunteer opportunities	Time	73	83
	CSR Programmes	Programme	25	25
	Number of partnering NGOs	Entity	7	11
	Number of beneficiaries	Person	186	143

Notes:

- a The employment data (B1, B2) were obtained from the Group's Human Resources Department, based on the employment contracts between the Group and its employees. The data includes employees who are directly employed by the Group in accordance with local laws and regulations, and workers whose work and/or workplace is under the control of the Group within the reporting scope.

The training information (B3) was obtained from the Group's Training and Development Department. This includes vocational training attended by the Group's employees within the reporting scope in 2024.

The methodology used to report the employment data (B1, B2) and training information (B3) mentioned above are based on the "How to Prepare an ESG Report – Appendix 3: Reporting Guidance on Social KPIs" issued by HKEX, unless otherwise specified.

- b B3.1 percentage of employees trained by gender and employee category includes the number of employees employed and resigned in the year 2024.
- c During the reporting period, the Group did not experience any work-related fatality cases, nor did it have any such cases in the years 2023 and 2022.
- d The Group's main business involves providing banking and financing services to customers. As a result, there are no products sold or shipped, and therefore, B6.1, which measures the percentage of total products subject to recalls for safety and health reasons, is not applicable to the Group's operations.



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Head Office and Principal Place of Business

2/F, Public Bank Centre, 120 Des Voeux Road Central, Central, Hong Kong

Telephone: (852) 2541 9222

Facsimile: (852) 2815 9232

Website: www.publicfinancial.com.hk