



2021
ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE REPORT



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

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



CONTENTS

About This Report	2
About Public Financial Holdings Limited	3
Message from Management	6
1 Building a Sustainability Framework	7
2 Our COVID-19 Response Efforts	18
3 Our Responsible Business Practice	21
4 Our Community	27
5 Our People	32
6 Our Supply Chain Management	39
7 Our Environment	41
Performance Data Summary	46
HKEx ESG Reporting Guide Content Index	50

ABOUT THIS REPORT

REPORTING STANDARD, SCOPE AND BOUNDARY

This annual Environmental, Social and Governance ("ESG") Report (the "Report") was prepared by Public Financial Holdings Limited ("PFHL") and its subsidiaries (collectively, the "Group") in accordance with Appendix 27 "ESG Reporting Guide" ("ESG Guide") of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited issued by Hong Kong Exchanges and Clearing Limited ("HKEX"). This Report reflects the Group's strategies, management approach and efforts on ESG governance, continuous responses to the COVID-19 pandemic, community engagement, human capital, business services, supply chain management and environmental protection, for the period from 1 January 2021 to 31 December 2021 ("Reporting Period").

The scope and boundary of this Report cover the Group's major operations in Hong Kong including four of its subsidiaries with offices and branches. The names of the four subsidiaries are detailed below:

- Public Bank (Hong Kong) Limited ("PBHK")
- Public Finance Limited ("PFL")
- Public Securities Limited ("PSL")
- Winton Financial Limited ("Winton")

There are no significant changes in reporting scope and boundary between this Report and the 2020 ESG Report published on 17 May 2021.

For more information about the Group's corporate governance practices, please refer to our 2021 Annual Report which is available under the "Investor Relations" section of PFHL's website at www.publicfinancial.com.hk.

APPROVAL OF THE REPORT

This Report was approved by the Board of Directors of PFHL (the "Board") in May 2022.

YOUR VALUABLE FEEDBACK

We greatly value any comments or feedback received regarding this Report or the Group's ESG performance. Any suggestions can be sent directly to the Group's Corporate Culture & Social Responsibility Department at esg@publicbank.com.hk.

ABOUT PUBLIC FINANCIAL HOLDINGS LIMITED



PFHL is an investment and property holding company listed on The Stock Exchange of Hong Kong Limited, 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, the shares of which are listed on the Malaysian Stock Exchange. The major subsidiaries of PFHL are PBHK, PFL, PSL 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 Greater 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.

PSL provides a range of securities services in Hong Kong. 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. Employing around 1,200 staff in Hong Kong, we strive to deliver exceptional banking and financial services with sustainable growth.

CORPORATE CULTURE AND VALUES

A strong corporate culture is integral to the Group's long-term organisational sustainability and success. The aims of our Policy of Corporate Culture and Values ("Corporate Culture Policy"), adopted since 2018, are to promote sound governance measures to formulate internal assessment and feedback mechanisms that both facilitate the reduction of misconduct and guide prudent risk management. The internal cultural alignment helps to maintain our organisational commitment to achieving the Group's objectives and long-term success.

The Group reviews its Corporate Culture Policy annually. It was concluded in the current year review that the governance structure and processes of the policy ought to be further enhanced. The annual review shall be concurred by the Bank Culture Committees, the delegated Board-level Committee, and then recommended to the Board for approval.

Corporate Culture Statement

The Group is committed to promoting a sound corporate culture by setting out six corporate values. These values guide our staff working attitude and behaviour which contribute to the success of the organisation, and help determine the Group's approach to achieving its mission.

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.



SUSTAINABILITY AWARDS

Caring Company:

PBHK and PFL have received the Caring Company Logo issued by The Hong Kong Council of Social Service ("HKS") under its Caring Company Scheme for three consecutive years. Winton has also been a Caring Company for five years under the same scheme. The award shows the Group's achievement in meeting HKS's holistic criteria of caring for the community, employees and the environment.



ERB Manpower Developer Award:

PBHK has been rewarded as a Manpower Developer by Employees Retraining Board ("ERB") for eleven consecutive years.

MESSAGE FROM MANAGEMENT



I have the pleasure to present the PFHL's ESG Report for 2021 and share the Group's progress in the implementation of this critical pillar of our business.

In 2021, we once again faced up to multiple socio-economic challenges due to the ongoing COVID-19 pandemic. Despite these challenges, at PFHL we have remained resilient and built on our previous commitment to achieving sustainable development through our multifaceted ESG strategy. Indeed, the importance of connecting sustainability and business objectives has never been clearer.

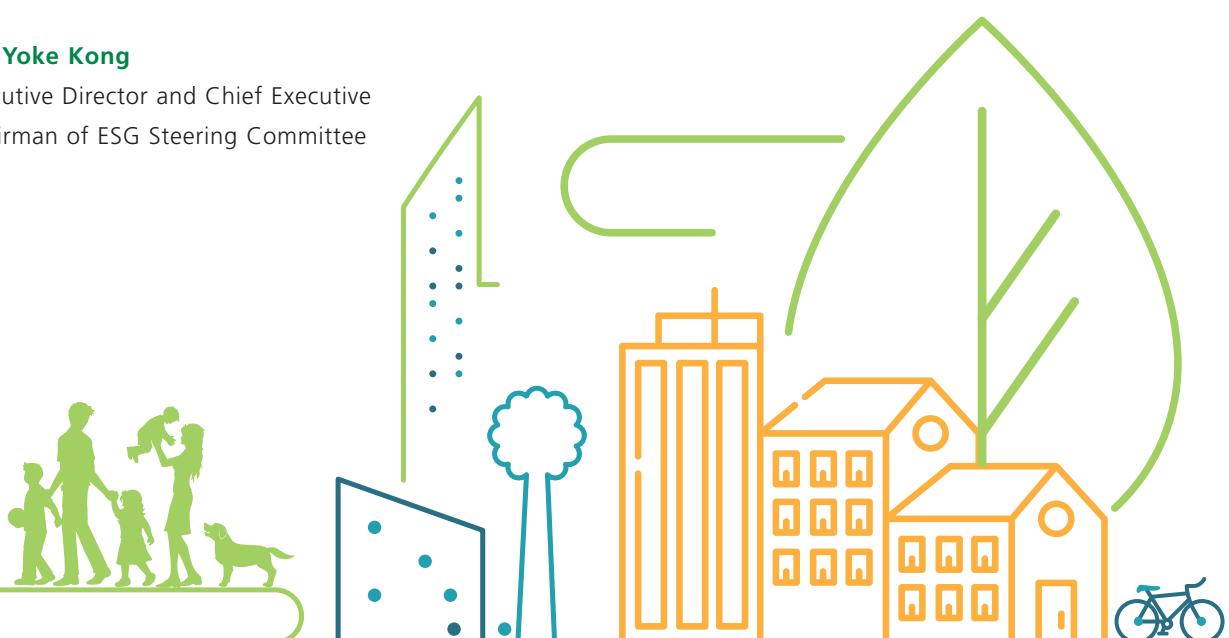
Over the past twelve months, the ESG Steering Committee and the Board have again provided strategic inputs on the evaluation and management of ESG-related issues. Our dedicated ESG Reporting Working Group, alongside all other departments and branches, have again collaborated to implement initiatives that further drive our ESG performance and journey towards a more sustainable future. Lessons learned during the pandemic have also proven invaluable in this process.

We are constantly identifying opportunities to further enhance our performance across the Group's sustainability-related initiatives. Our six corporate values, namely, caring, discipline, ethics & integrity, excellence, prudence and trust – direct us in delivery of excellent customer service, uphold our business ethics, protect our environment and contribute to our community. We firmly believe that this internal cultural alignment will allow us to deliver our sustainability objectives and long-term success.

Looking ahead, we are excited to build on progress in partnering with our stakeholders to create a more sustainable world together.

Tan Yoke Kong

Executive Director and Chief Executive
Chairman of ESG Steering Committee



BUILDING A SUSTAINABILITY FRAMEWORK

BOARD STATEMENT

The Board holds the overall accountability for the Group's ESG management approach, strategy and performance. The Board's responsibilities include reviewing the Group's material ESG topics and endorsing the ESG related policies and targets. The Board also reviews and approves PFHL's ESG Reports. To support the Board's oversight and systematic management of the ESG issues, we have set up a ESG Steering Committee. The members of the Committee are appointed by the Board. Chaired by the Chief Executive, the ESG Steering Committee meets regularly to review the performance of the Group's sustainable development and provide recommendations on relevant ESG matters to the Board. The recommendations are examined and endorsed by the Board for various departments to drive ESG performance accordingly.

Through regular stakeholder engagement and materiality assessment, we identify, prioritise and validate ESG issues. Relevant findings are discussed by the ESG Steering Committee to finalise a list of material ESG issues which are reviewed and endorsed by the Board for report disclosure. Progress of environmental target setting and implementation are discussed, reviewed and endorsed by the Board as part of material ESG issues.

We will continue our commitment to driving sustainability in every aspect of our operations as we integrate sustainability into daily operations.

SUSTAINABILITY GOVERNANCE STRUCTURE AND OVERSIGHT RESPONSIBILITIES



From the outset, the Group has set high standards for sustainable development. Guided by strategic policies and principles integrated across all levels of the organisation, the Group effectively evaluates and manages ESG-related issues as well as ensures compliance with relevant laws, regulations, policies and guidelines.

From strategic planning to execution and review, the ESG Steering Committee, ESG Working Group and representatives from various business units hold distinct responsibilities and roles across ESG. The following governance structure shows these key roles with well-defined responsibilities for driving our Corporate Social Responsibility ("CSR") development and managing our ESG-related efforts:

Top Management Oversight



The Board

- Provides strategic guidance and continually evaluates PFHL's internal controls to uphold our commitment to sustainable development. This ensures that our social responsibility objectives are aligned and go beyond the minimum legal requirements.
- Monitors Group-level corporate governance practices and procedures, as well as maintains appropriate and effective risk management and internal control systems to ensure compliance with applicable rules and regulations.
- Approves the ESG Report, CSR Policy and ESG budget.



ESG Steering Committee

- Identifies and continually enhances our ESG management approach, strategies, priorities and objectives.
- Engages stakeholders to identify and prioritise material ESG-related aspects and Key Performance Indicators ("KPIs") that are relevant to the Group and its stakeholders.
- Reviews and reports the scope of and approach to defining or calculating material KPIs, and reports any differences or reasons for changes to the aforementioned (if any).
- Reviews and recommends the budget for ESG activities to the Board or as delegated, the Bank Culture Committee.
- Reviews and recommends the allocation of adequate facilities and resources to the ESG Reporting Working Group to accomplish the tasks as approved by the Board or as delegated, the Bank Culture Committee.
- Reviews the status reports submitted by the ESG Reporting Working Group.
- Oversees the Group's implementation of ESG Guide and reviews the ESG Report for recommending to the Board for approval.
- Identifies and evaluates ESG-related risks to ensure that appropriate and effective ESG risk management and internal control systems are in place.
- Ensures the Group is in compliance with relevant laws, regulations, policies and guidelines on ESG reporting as required by the relevant regulatory bodies.
- Enhances brand value and public image of the Group.
- Approves and engages the external ESG consultant for ESG Report.
- Reviews the CSR Policy regularly and recommends the revisions on the policy, if any, to the Board for approval.

Managing CSR Issues and Implementing CSR Initiatives

- Provides recommendations, monitors the implementation and evaluates the effectiveness of various ESG-related initiatives.
- Reports ESG-related issues and progress to the ESG Steering Committee in a timely manner.

ESG Reporting Working Group

- Promotes internal participation and external awareness of CSR and bank culture related matters.

Corporate Culture & Social Responsibility Department

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

Departments and Branches

SUSTAINABILITY RELATED POLICIES

CSR Policy

Our CSR Policy guides our efforts to incorporate sustainable vision into our business practices. Approved by the Board, our CSR Policy applies to all directors and staff of the Group. Through the CSR Policy, we aim to reinforce our formalised and longstanding sustainability practices throughout our operations.



Risk Management Policy Manual

The Group's Risk Management Policy guides the Group's enterprise risk management and internal control system, which utilises three lines of defence to ensure the effectiveness of its processes, including:

First line of defence: All business units are responsible for managing risks arising from their business activities, including proper risk identification, assessment, monitoring, management and reporting on an on-going basis;

Second line of defence: Risk Management Department and Compliance Department are responsible for overseeing risk-taking activities, undertaking risk assessments independently and establishing risk and compliance monitoring mechanism. Periodic reports on the state of potential risk, risk exposures and risk management activities are regularly deliberated and reviewed by the Risk Management Committee and dedicated Risk Committees (i.e. Assets and Liabilities Management Committee, Operational Risk Management Committee and Credit Committee of PBHK and PFL, and Credit Risk Management Committee of PBHK); and

Third line of defence: Internal Audit Department regularly conducts independent assurance to assess the adequacy, effectiveness, soundness and integrity of the Group's internal control structures, risk management, governance systems and processes.

For more details on the responsibilities of committees within our risk management and internal control framework, please refer to the Corporate Governance Report in PFHL Annual Report 2021.

ANTI-BRIBERY AND ANTI-CORRUPTION

One of our CSR objectives is to uphold high standards of ethical behaviour. Consequently, our staff-related policies, including Employee Handbook, Code of Conduct for Staff, Code of Ethics, Important Note on Employee's Conduct and Behaviour, as well as relevant policies and procedures on Anti-Money Laundering and Counter-Terrorist Financing Ordinance all provide a clear set of principles and guidance for our employees to conduct business in an appropriate and ethical manner.

Our Whistleblowing Policy and Procedures includes provision of confidential channels to receive reports from whistle-blowers related to fraudulent and/or unethical conduct, non-compliance cases with laws and regulations and/or the Group's internal policies which could have significant adverse financial, legal or reputational impacts. All stakeholders may report grievances, if any, in strict confidence and without risk of reprisals through a protected email channel, under PBHK and PFL respectively. The email accounts can only be accessed by the respective Heads of Internal Audit of PBHK and PFL who will undertake follow-up actions as appropriate. A bi-monthly report on all cases received in relation to improper conduct shall be tabled to the respective Audit Committees of PBHK and PFL for record keeping and/or further action, if any. Reported cases involving the Head of Internal Audit will be escalated to a designated Non-Executive Director.

The Group has zero tolerance of all forms of bribery or corruption and it fully complies with laws and regulations¹ relating to kickbacks, improper gratuities, duty or power in return for favourable treatment, extortion, fraud and money laundering.

During the Reporting Period, there were no concluded legal cases regarding corrupt practices brought against the Group or its employees.

ADVOCATING A COMPLIANCE CULTURE

We take specific measures to ensure employee integrity. Upon hiring, all new joiners are provided with the Code of Conduct for Staff. Human Resources Department has further enhanced the Performance Assessment Forms for all staff so that risk management, compliance and ethics or conduct-related behaviours are incorporated as one of the major factors in the annual staff performance assessment.

To avoid violating the Prevention of Bribery Ordinance, stringent guidelines are also in place in relation to gift acceptance from customers or any external stakeholders. Staff are required to strictly adhere to the Code of Conduct for Staff and must seek approval from the Code of Conduct Supervising Committee of PBHK and/or Human Resources Committee of PFL whenever applicable. We regularly provide anti-corruption training to our staff and directors. During the Reporting Period, 185 staff and 2 directors joined anti-corruption training sessions delivered by the Hong Kong Independent Commission Against Corruption. Training topics included anti-corruption, business ethics and integrity as well as whistleblowing which further support training and development on regulatory compliance.

¹ Including but not limited to the Prevention of Bribery Ordinance (Cap. 201).

STAKEHOLDER COMMUNICATIONS

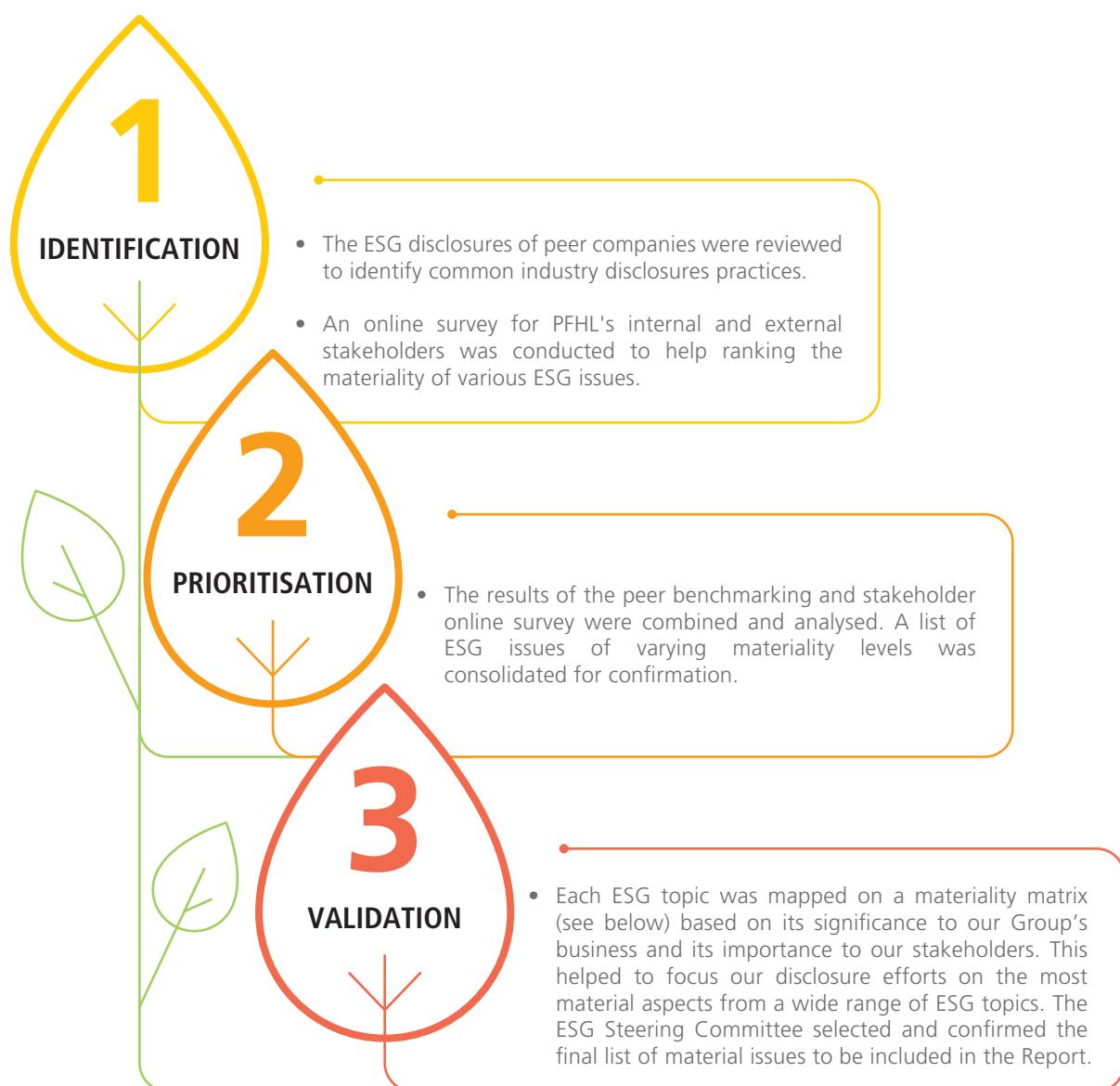
We value stakeholders' feedback and maintain continuous communication with them through a number of channels:

Key Stakeholders	Channels
External Stakeholders	
 Government and Regulators	<ul style="list-style-type: none">General liaison
 Suppliers	<ul style="list-style-type: none">Supplier Code of ConductSupplier Review
 Customers	<ul style="list-style-type: none">Corporate websitesCustomer feedback surveysCustomer suggestion formsCustomer hotlineComplaint hotlineBarrier-free banking servicesESG reports
 Shareholders, Investors and Analysts	<ul style="list-style-type: none">MeetingsGeneral meetingsAnnual / interim financial reports and ESG reportsHKEX websiteCorporate websites

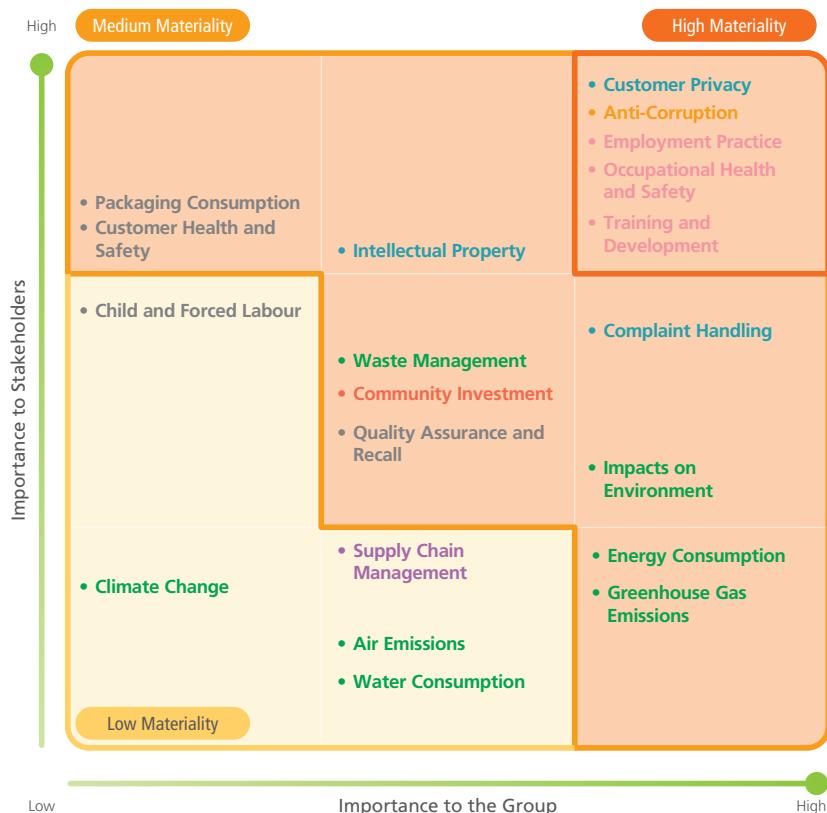
Key Stakeholders	Channels
 Community and Media	<ul style="list-style-type: none"> • Activities • Corporate websites • Media enquiries
 Non-Governmental Organisations ("NGOs")	<ul style="list-style-type: none"> • Staff volunteering • Collaborative projects • ESG reports
Internal Stakeholders	
 Employees	<ul style="list-style-type: none"> • Dedicated email for receiving staff feedback • Staff newsletters • Regular committee / management meetings • Employee culture survey • ESG reports • Annual Business Forum

STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT FOR ESG REPORT

To determine the most material ESG topics to be disclosed in this Report, the Group has again appointed an independent consultant to conduct a comprehensive stakeholder engagement and materiality assessment, as detailed below. It has been critical to engage these stakeholders and understanding their expectations on our ESG performance, as well as our management decision to validate the relevant KPIs.



Materiality Matrix 2021



The ESG topics included in the Materiality Matrix 2021 are presented to illustrate the varying levels of materiality. The detailed determination of materiality for the purposes of this Report was conducted through the aforementioned three-step process – Identification, Prioritisation, Validation – with results confirmed by the ESG Steering Committee. For more information regarding each material ESG topic, please refer to the HKEX ESG Guide Content Index included in this Report.

The ESG Steering Committee has considered and confirmed a final list of material ESG topics as follows:

Material ESG Topics

- Anti-corruption
- Complaint Handling
- Intellectual Property
- Customer Privacy
- Community Investment
- Employment Practice
- Occupational Health and Safety
- Training and Development
- Supply Chain Management
- Greenhouse Gas Emissions
- Waste Management
- Energy Consumption
- Water Consumption
- Impacts on Environment
- Climate Change

Reference in the Report

- | |
|--|
| Building a Sustainability Framework |
| Our Responsible Business Practice |
| Our Community |
| Our People |
| Our Supply Chain Management |
| Our Environment |

OUR COVID-19 RESPONSE EFFORTS



For a second year, COVID-19 pandemic has continued to bring significant social and economic disruption. Our Business Continuity Committee ("BCC") and Crisis Management Team ("CMT"), which comprise different department heads and representatives from branches, have continued to lead the Group to fight the impact of the pandemic.

Attributed to the collective endeavour, we have practiced effective management to minimise the impact of COVID-19 pandemic on our workplaces and branches. We also provided relief measures for our customers to ease their stress and financial burden in another difficult year.

Recognising the urgency to mitigate socio-economic impacts on local communities, we again made donations and provided essential supplies to the communities in need. Together with our employees and stakeholders, we will get through these unprecedented times.

In 2021, our Group took the following measures for COVID-19 response:

EMPLOYEES

- In June 2021, the Group launched a “Vaccination Promotion Campaign” for staff as part of the Hong Kong SAR Government campaign to encourage COVID-19 vaccination. The campaign encouraged staff to get inoculated to protect themselves and their families and friends from the COVID-19 infection. Those who had taken two vaccination doses by 31 August 2021 were entitled to receive a cash reward of HK\$500 and enter a lucky draw.



● Senior Management presenting the lucky draw prizes

“

“It is my pleasure to be one of the winners of the lucky draw and be able to enjoy the complimentary Lunch at Peninsula Hotel. I will take my lovely daughter to enjoy it. Thank you the Group for this prize.”

- Mandy Chan in Kowloon City Branch

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- The BCC and CMT identify potential risks that may significantly impact the Group and provide mechanisms that safeguard our interest, reputation and business activities. Meetings are held frequently to ensure the continuation of critical business functions in the event of disruptions and minimise its effect by taking preventive measures to control the event.
- All staff were again provided with surgical masks, hand sanitiser and other anti-viral protection and prevention, valued at approximately HK\$300,000.

- Provided dog pattern surgical masks to all staff and to support Hong Kong Seeing Eye Dog Services.
- Implemented work-from-home, flexible working hours and split work arrangements.
- Reminded staff to maintain good personal hygiene.
- CSR Department staff had undergone the Community Health Ambassador Programme organised by Hong Kong Quality Assurance Agency (HKQAA) and shared the workshop summaries to all staff to refresh their public health knowledge.

CUSTOMERS

- All our branches are equipped with thermal checking capabilities. Customers are advised to visit our branch on another day if their display body temperature is above 37.3° C.
- The Group extended financial support measures for customers given the impact of COVID-19 pandemic on the overall economy and local business activities. To assist customers in relieving their short-term financial problems, and to ease their stress and financial burden in difficult times, customers for individual and corporate mortgage loans and taxi/public light bus hire purchase loans could apply to repay interest only and benefit from a "Principal Repayment Holiday".
- Throughout the Reporting Period, the branches remained in close contact with customers to understand their evolving needs and offer case-specific solutions to meet their financial requirements.
- Customers should maintain a safe distance and wear masks in our branch area.
- Hand sanitiser is available at our branches.
- Our branches provide a QR code for the "Leave Home Safe" app for customers to record their visit history.

COMMUNITIES

- Donated face masks, hand sanitiser, food items, supermarket/bakery coupons, and other essential supplies to charities and organisations including Yang Memorial Methodist Social Service, Foodlink Foundation and Food Grace.



OUR RESPONSIBLE BUSINESS PRACTICE

Our commitment to providing customer-centric services enables us to build mutual trust and long-term relationships with our customers. To deliver product and service excellence, we are guided by internal policies and our Service Enhancement Workgroup which conducts regular reviews and makes adjustments as necessary to further enhance our products and services. We also ensure that we comply with all relevant laws and regulations.

PROTECTING CUSTOMER DATA PRIVACY AND INTELLECTUAL PROPERTY RIGHTS

Protecting customer data confidentiality is fundamental in upholding our corporate reputation and ensuring our long-term business success. The Group's annual review on information security assured that all departments and branches are guided by the Information Security Policy, Information Security Guidelines and the Group's Personal Data (Privacy) Ordinance General Guidelines and Handling Procedures. It is the company policy to safeguard and keep confidential the personal data of all our customers. At all times we observe and ensure that our staff strictly adhere to all the requirements of the Personal Data (Privacy) Ordinance.

COLLECTION AND USE OF PERSONAL DATA

Personal data will not be collected from a customer who is browsing our website. The information of the number of visitors will be used by us only for preparing general statistics on the visit of our website.

All the personal data collected by us will strictly adhere to the following principles according to our policy and the requirements of the Personal Data (Privacy) Ordinance:

- 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 us will not, without customers' prior consent, be used for other unrelated purposes for which they were collected. We may deliver marketing material to our customers.
- Our customers can contact us at any time and inform us that they do not wish to receive further marketing material from us.

ACCURACY AND RETENTION OF PERSONAL DATA

All practicable steps will be taken to ensure that the personal data collected are accurate and up-to-date. Personal data will not be kept longer than they are necessary for our purposes and will be destroyed according to our internal policy.

SECURITY OF PERSONAL DATA

All practicable steps have been taken to ensure that personal data held by the Group are protected against unauthorised or accidental access, processing, deletion or other use. Personal data will not be disclosed unless otherwise permitted by law.

ACCESS AND CORRECTION OF PERSONAL DATA

Customers have the right to check whether the Group holds data about them and of access to and correction of personal data.

The Group also adopts a Clean Desk Policy that requires staff to lock up all important and confidential documents before staff leaving the office. The Group regularly reviews the "access authority" of the Group's systems according to the needs and job functions of the designated staff. Our staff are also reminded not to recycle papers that contain confidential information, such as information of our customers and business partners.

The Code of Conduct for Staff and Staff Dealing Policy provide guidance on the use and management of data and information in accordance with relevant regulatory requirements². All staff members are obliged to adhere to these internal guidelines to handle customer data in a safe and secure manner, and to adopt authorised and restricted access to computer reports on a "need to know" basis.

Understanding the need to protect intellectual property rights as a responsible financial institution, the Code of Conduct for Staff strictly prohibits the installation or copying of any unlicensed software onto company computers. Any employee found to be in breach of the Intellectual Property (Miscellaneous Amendments) Ordinance will be subject to disciplinary action and/or be liable to legal prosecution.

During the Reporting Period, there were no reported cases of non-compliance with relevant laws and regulations relating to customer health and safety, advertising, labelling and privacy matters in relation to products and services provided and methods of redress.

² Including but not limited to the Personal Data (Privacy) Ordinance (Cap. 486) and other regulations set out by HKEX, Hong Kong Monetary Authority, and the Securities and Futures Commission. To ensure compliance with such laws and regulations, the Group's internal policies set out guiding principles of responsibilities in protecting customer data privacy and intellectual property rights and protecting people with disability against discrimination.

IMPROVING CUSTOMER SERVICE QUALITY AND SATISFACTION

Embracing our customer-centric philosophy, we gather customer feedback through various engagement channels. This year, PBHK again continued to conduct the quarterly Mystery Shopper Programme ("MSP") to analyse service quality of our frontline staff in four areas, namely, staff professionalism, teller service, telephone etiquette and selling practices.

Mystery Shopper Programme

The MSP results were reviewed by PBHK Training and Development Department and our Senior Management respectively, to identify improvement areas and develop enhancement measures. Branches which obtained the lowest overall score were contacted by Training and Development Department to facilitate staff training on refresher courses to enhance and improve their professional skills and knowledge. Our District Insurance Specialists also contacted these branches for further coaching of the staff.

In 2021, PBHK conducted 192 visits and 384 calls to its branches, 40 calls to Customer Hotlines via the MSP, while PFL conducted 82 calls to its branches via the Mystery Calling Programme. In general, the mystery shoppers observed excellent practices of our branch staff with good product knowledge, and providing customers with courteous and efficient service both over the counter and on phone. Their services were also observed to be in compliance with the Code of Banking Practice and regulatory requirements on selling practices.



Certificate of Achievement was presented to the staff of winning branch in recognition of their good practices in promoting the Group's corporate values of Caring, Discipline, Ethics & Integrity, Excellence, Prudence and Trust

Customer Feedback

The Group highly values customer feedback as it helps us to identify improvement opportunities for our products and services. Every year, PBHK and PFL conduct surveys to collect customer feedback across all branches. Results of the survey are tabled at the Bank Culture Committees of PBHK and PFL for review and action. Customers are also welcome to express their opinions in the form of enquiries, comments, suggestions or complaints, through direct communication with our branch staff, or by filling and returning designated forms via postage mail, email or fax. Customers who provide feedback may remain anonymous if they wish to do so.

Complaint Handling

PBHK's Procedural Guidelines on Handling Customer Complaints and PFL's General Policies and Guidelines on Handling of Complaint outline our complaint handling procedures, which ensure we adequately address customer concerns in a consistent and efficient manner. Upon receipt of a written complaint, an acknowledgment letter will be sent to the complainant within 7 days. At PBHK, a complaint handling staff member who is not directly involved in the subject matter will be appointed to conduct a thorough investigation regarding the complaint case, while the Complaint Officer will review the results of the investigation and follow up on the progress of remedial actions. A similar mechanism is in place at PFL where the Complaint Officer will conduct a review or investigation and prepare a final report for the Executive Director and Chief Executive. A final response would be sent to the complainant within 60 days. All complaints received, regardless of forms or communication channels, will be lodged in the Complaint Register for internal record.

During the Reporting Period, we received a total of 32 banking/financial service-related complaints from customers regarding to our customer service as well as other general issues. We will continue to identify opportunities to enhance our service quality.

SHARING OF LESSONS LEARNT

Starting from 2020, an internal newsletter named "Customer First" has been issued with an aim to raise staff awareness of achieving the goal of zero customer complaint. Complaint cases filed by our customers are published in this periodic newsletter with summaries of the lessons learnt as well as the recommended actions for future encounters. This newsletter helps our staff to understand the complaint cases nature and the root causes in order to enhance customer service quality.



ENHANCING FINANCIAL SERVICES

Responding to rising customer demand for digital banking services, our "Public Bank (Hong Kong) Pay" mobile application was launched to allow fund transfers (in Hong Kong dollars and Renminbi) from PBHK to other local banks without an additional charge. Customers can arrange the transfers by simply either inputting the payee's mobile phone number, e-mail address, Faster Payment System identifier, bank account number or scanning a QR code.



**CUSTOMER
FIRST**



PRACTISING FINANCIAL INCLUSION

Our extensive local service network locates across different districts in Hong Kong, Kowloon and the New Territories. A total of 32 PBHK branches, 42 PFL branches and 3 Winton branches are easily accessible to provide convenient and quality services to different sectors of the society.

Our diverse customer base includes senior citizens, individuals with disabilities, and other customers with specific needs. To make our financial products and services accessible to all our valued customers, we are constantly exploring ways to improve our services and facilities.

Serving Customers with Special Needs

Barrier-free facilities such as portable ramps and customer service tables for wheelchair users are provided for the disabled. 26 out of 32 PBHK branches have installed desks for wheelchair users to use when they meet our branch staff.

CUSTOMER COMPLIMENTS

Recognising staff efforts in providing excellent service is a key driver behind our strong corporate culture at Public Bank Group. Throughout 2021, customers shared their opinions via Customer Suggestion Forms or in formal writing to the Office of the Complaint Officer regarding the excellent banking service they received from the Bank staff complimenting their behaviour and/or attitude in the following areas:

- Friendly and polite
- Understanding customer needs with patience and respect
- Flexible
- Efficient and accurate
- Knowledgeable and professional
- Thoroughly following up my customer request

CUSTOMER COMPLIMENTS

In 2021, the Group
received

47 customer
compliments
cases

6.82%

In 2020, the Group
received

44 customer
compliments
cases

In 2021, the Group received 47 customer compliments with a 6.82% increase as compared with 2020 (44 cases).



OUR COMMUNITY

VOLUNTEER SERVICING HOURS

2021

50³
hours

2020

191.5
hours

We are dedicated to contributing to the communities we serve and offer opportunities for our staff to participate in volunteering activities throughout the year. In 2021, guided by our CSR Policy, our CSR efforts came together to support the elderly living in poverty, children and young people, community development and collaborative partnerships with NGOs.

³ Due to the COVID-19 pandemic and social distancing requirements, face-to-face engagements were avoided. Many of our community programmes aimed to provide health relief support by donation, and the number of volunteer hours and active volunteers decreased.

**ACTIVE
VOLUNTEERS**

2021 2020
20³ volunteers 63 volunteers

**CSR
PROGRAMMES**

2021 2020
27 programmes 24 programmes

**NUMBER OF
PARTNERING NGOs**

2021 2020
14 organisations 17 organisations

COMMUNITY SERVICE HIGHLIGHTS IN 2021

Our PB We Care Team was established by staff volunteers in 2016 and five years on, served in 27 community service programmes, working in collaboration with charitable organisations and social service groups. The programmes below show some of the remarkable efforts contributed by the PB We Care Team.

Chinese New Year Activities

In 2021, Public Bank Group continued to help the underprivileged and support the environment through the donation of food items and the collection of unused lai see packets at Chinese New Year.

With many low-income families facing unemployment and financial hardship, Food Grace organised a series of food donation projects, benefiting over 1,000 families: grassroots workers, tenants from sub-divided flats or recipients of the Comprehensive Social Security Assistance Scheme.

Our staff were encouraged to donate Chinese New Year gift packs with staples such as noodles, rice, dried Chinese mushrooms, Chinese sausages and nuts, as well as supermarket coupons offered.



Staff donated 31.7 kg of unused lai see packets under the "Lai See Reuse and Recycle Program 2021" organised by Greeners Action. They were re-distributed to the general public and NGOs for use in 2022. This year, the Group also helped the environment by promoting electronic lai see and producing 30% less packets than in 2020.



Dragon Boat Festival Donation

In collaboration with the Yang Memorial Methodist Social Service, a Dragon Boat Festival donation brought joy to elderly in Wong Tai Sin district. The Group's donation was used for the purchase of 365 festive gift packs containing traditional rice dumplings, face masks and hand sanitisers. Although our staff were unable to visit the elderly's homes to deliver them the gift packs in person this year due to the pandemic, staff of Yang Memorial Methodist Social Service who distributed the staff love and caring to the elderly were sent through the gift packs to the elderly on behalf of the Group. The initiative reconfirmed the Group's care for the community, especially the beloved seniors.



Mid-Autumn Activities

Staff volunteers participated in three elderly care themed activities in celebration of Mid-Autumn Festival. For "Decorate Decoupage Bags and Show Care with Message Cards", staff designed and created 100 bags that were donated to the elderly to bring them festive cheers.

The second activity involved staff being encouraged to donate their mooncake coupons or mooncakes for the elderly. Collection boxes were placed in several office locations within the Group and 100 mooncakes were collected in total.

The final Mid-Autumn activity was a workshop targeted for carers of the elderly, facilitated by a speaker from Caritas Jockey Club Resource and Support Centre for Carers. The talk aimed at sharing ways to relieve neck and shoulder pains in carers when taking care of elderly family members.



Christmas Activity

The Group organised a "Christmas Gifts for Children" activity for the bereaved children who are undergoing counselling services provided by The Comfort Care Concern Group ("CCCG"). The Group staff were invited to support this charitable activity through monetary or gift donation. A total of 24 Group staff supported this activity with HK\$11,500 donation raised.

Corporate Culture & Social Responsibility

Department used this donation to purchase 80 gifts for CCCG's distribution to the bereaved children in the Christmas festive season. The gifts items purchased ranged from books, stationery sets, sports/art crafts to educational toys.



The Community Chest of Hong Kong

Support for The Community Chest of Hong Kong ("the Chest") came as staff donated their lunch fees to the Chest's fundraising campaign "Skip Lunch Day 2021". The campaign aimed to raise funds to enhance the Chest's services for street sleepers, residents in cage homes and cubicles. A total of 52 staff generously donated their lunch fees to the campaign, raising HK\$5,700 for the needy.

At the same time, the Group also invited staff to participate in the "Virtual Walk for Millions 2021". 72 staff walked and each participant recorded 10,000 steps.



Green Low Carbon Day, co-organised by the Chest and MTR Corporation, supported environment related initiatives from different social welfare agencies across Hong Kong. Staff raised donations to support food redistribution and resources to the needy.

Staff raised funds for very worthwhile causes, while also helped to nurture a caring culture towards the community in the Group.



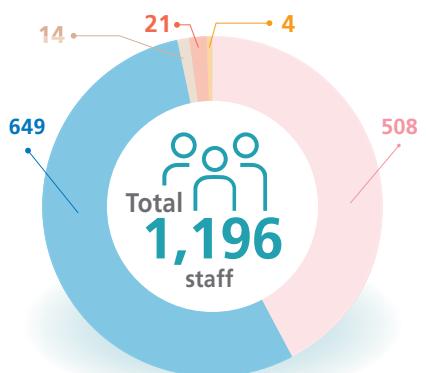
Green Power Hike

The Group staff once again took part in the "Green Power Hike" in support of the charity's "Leave-No-Trace" approach to environmental education. Participants hiked the trails of Hong Kong and learnt much about respect for nature, coming away with a better understanding of acting to support the environment. The staff team were awarded the "Green Merit Award" for achieving a total of 248 km hiked in the Bank Cup Challenge.



OUR PEOPLE

NUMBER OF FULL-TIME STAFF IN PFHL AND ITS SUBSIDIARIES IN HONG KONG



● PBHK ● PFL ● PSL ● Winton ● PFHL

Our employees are the driving force of our business and the Group's most important assets. We remain committed to providing a diverse, inclusive, safe and harmonious work environment to empower our employees' career growth and allow them to achieve career satisfaction. Our management approach to human resources matters is guided by the principles set out in Human Resources Policies Manual, Code of Conduct for Staff, Whistle-blowing Policy and Procedures and Code of Ethics.

Our approach also reflects the objectives of the CSR policy, namely to uphold the spirit of social responsibility, maintain high standards of ethical behaviours when doing business, promote staff training and development and maintain the highest standards of health and safety.

CREATING A COMPETENT AND DIVERSE WORKFORCE

The Group remains committed to building a workplace where our team of approximately 1,200 professionals in Hong Kong feel consistently supported and motivated. We strive to create a work environment without any prejudice or discrimination based on nationality, race, religion, gender, age, physical abilities, pregnancy or family status. In line with our Human Resources Policies Manual, equal opportunity principles are integrated into the processes of recruitment, dismissal, promotion and any other staff movement. Our employees are also rewarded with remuneration packages and welfare benefits based on factors including professional competence and work performance.

Throughout 2021, we strictly complied with the relevant local laws and regulations⁴ in relation to employment and labour practices. These include:

- Employment Ordinance (Cap. 57);
- Sex Discrimination Ordinance (Cap. 480);
- Disability Discrimination Ordinance (Cap. 487);
- Race Discrimination Ordinance (Cap. 602);
- Family Status Discrimination Ordinance (Cap. 527);
- Employees' Compensation Ordinance (Cap. 282);
- Inland Revenue Ordinance (Cap. 112);
- Mandatory Provident Fund Schemes Ordinance (Cap. 485);
- Minimum Wage Ordinance (Cap. 608);
- Occupational Retirement Schemes Ordinance (Cap. 426);
- Personal Data (Privacy) Ordinance (Cap. 486); and
- Occupational Safety and Health Ordinance (Cap. 509).

Employee commitment and loyalty are the imperatives of business success. We had 662 long-serving staff members in 2021:

Year of Service	Number of Staff				
	PFHL	PBHK	PFL	WINTON	PSL
31 years and above	0	23	21	1	0
21 years – 30 years	3	45	82	0	3
11 years – 20 years	0	120	70	1	4
5 years – 10 years	0	91	185	8	5
Sub-total	3	279	358	10	12
Grand total			662		

⁴ To ensure compliance with such laws and regulations, the Group's Human Resources Policies Manual, Code of Conduct for Staff and Code of Ethics set out guiding principles of responsibilities in human resources matters.



Senior Management presented the Long Service Award to recipient

TALENT DEVELOPMENT

In a fast-paced business environment, upholding staff competency is essential to maintain industry leadership. We regularly update our Training and Development Policies and Guidelines to equip our staff with the latest professional knowledge and provide training and development opportunities, tailored to different staff levels of seniority.

Our external training sponsorship initiative supplements the internal training offerings and is available to all full-time permanent staff, following approval from the Head of Training and Development and Senior Management. In 2021, the Group delivered a total of 578 internal training sessions to equip our employees in Hong Kong with the latest market trends and to enhance their knowledge and competency.

Training Categories	Number of Training Sessions
Induction for New Recruits & Officer Trainees	55
Products, Operations & Systems	45
Regulatory, Compliance & Risk Management	261
Sales & Marketing	12
Customer Service	15
Bank Group Culture	110
Personal & Team Effectiveness	35
Supervisory/Leadership/Management Development	35
ESG	6
Employee Wellbeing	3
Others	1

For more than a decade, PBHK has been rewarded as a Manpower Developer by ERB to recognise our outstanding achievement in staff training and development. We are proud to be consistently recognised by ERB for our commitment to staff career growth and development and will continue to foster a corporate culture that is conducive to life-long learning.

1

Internal Training Programmes

Internal Training Programmes are applicable to full-time staff members and are categorised as follows:

- Orientation / Induction
- Product Knowledge
- Regulatory and Compliance – All staff also participate in Anti-Money Laundering / Counter-Financing of Terrorism and other Compliance training
- Bank Culture
- Customer Services and Selling Skills
- Leadership and Management Skills

2

External Training Sponsorship Scheme

Staff members with direct and immediate job needs are nominated to attend external courses, seminars, conferences or workshops in order to upgrade their performance, update professional or market knowledge, and prepare them for additional duties.

3

Publicly Recognised Professional Examinations Sponsorship Scheme

Staff members seeking to acquire professional status or qualification to further his/her career development are supported in sitting for external professional examinations recognised by the public and the Group.

Examples included:

- Certified Banker programme organised by Hong Kong Institute of Bankers
- The Association of Chartered Certified Accountants – Qualification Programme
- Hong Kong Institute of Certified Public Accountants – Qualification Programme
- The Hong Kong Chartered Governance Institute

4

Enhanced Competency Framework (“ECF”) Sponsorship Scheme

The ECF is a collaborative effort between the Hong Kong Monetary Authority and the banking sector to establish a set of common and transparent competency standards to raise and maintain the professional competence of relevant practitioners within functions in authorised institutions.

To enhance on-going professional development of banking practitioners, ECF focuses on eight professional work streams:

1. Anti-Money Laundering and Counter-Financing of Terrorism
2. Cybersecurity
3. Credit Risk Management
4. Treasury Management
5. Retail Wealth Management
6. Operational Risk Management
7. Private Wealth Management
8. Fintech

AVERAGE TRAINING HOURS
PER EMPLOYEE



16.05
hours

PERCENTAGE OF RELEVANT
EMPLOYEES RECEIVED TRAINING



97.91%

2021 Social Innovation Internship Programme

Since 2018, PBHK has participated in the “Social Innovation Programme” organised by The University of Hong Kong (“HKU”). In this programme, PBHK empowers the younger generation by offering internship placements for students to gain working experience. In 2021, interns including Ms. Carmen Ng, a year-three student from Faculty of Social Sciences, earned valuable experience in organising CSR and bank culture reform initiatives, as she explained:

“I would like to express my sincerest gratitude to PBHK and HKU for this precious internship opportunity. During these eight weeks of internship, not only did I gain a better grasp of the ESG and corporate culture of the Group, but I also had the opportunity to liaise with different internal and external parties in organising different CSR activities this summer, which has greatly enhanced my workplace communication skills.”



OCCUPATIONAL SAFETY AND HEALTH (“OSH”)

We make every effort to ensure that our workplaces are safe and healthy for our employees. In 2020, we established the Guidelines on Occupational Safety and Health for identifying and managing OSH risks associated with our daily operations.

At PBHK, the Fire Safety Handbook outlines the responsibilities of departmental Fire Safety Officers and describes the preventive measures and contingency plans in case of a fire incident. To ensure our staff are fully familiarised with workplace fire safety, we organised e-training sessions on fire safety at the workplace.

In addition to the Employees’ Compensation Insurance, PBHK offers the following health measures / benefits to permanent employees:

1. Medical Insurance
2. Personal Accident Insurance
3. Term Life and Total & Permanent Disability Insurance

During the Reporting Period, there were no reported cases of non-compliance with applicable occupational health and safety laws and regulations that have a significant impact on the Group.

EMPLOYEE COMMUNICATION

Maintaining effective employer-employee communication is critical in creating a positive work environment. In order to facilitate smooth communication between general staff and Senior Management, we employ multiple communication channels such as an employee survey, staff newsletters, work group, committee meetings and management meetings. Staff can also raise any feedback to the Senior Management via a dedicated email.

CARING FOR STAFF

As part of our efforts to care for our employees' physical and mental health, we undertake initiatives including provision of medical benefits for family members of employees. The Group works to strengthen our staff wellbeing through a wide variety of recreational activities. Our Sports and Recreation Club, chaired by the Executive Director and Chief Executive of PBHK, regularly coordinates events for staff and their family members. In view of the COVID-19 pandemic, all activities such as annual dinner and staff outings were suspended in 2021.

DRESS CASUAL DAY

The Group participated in "Dress Casual Day", a fund-raising annual activity organised by the Chest with the slogan "We Wear Wear". This activity encouraged working adults and students to donate HK\$70 or above to wear their favorite casual wear to work on that day for a worthy cause.

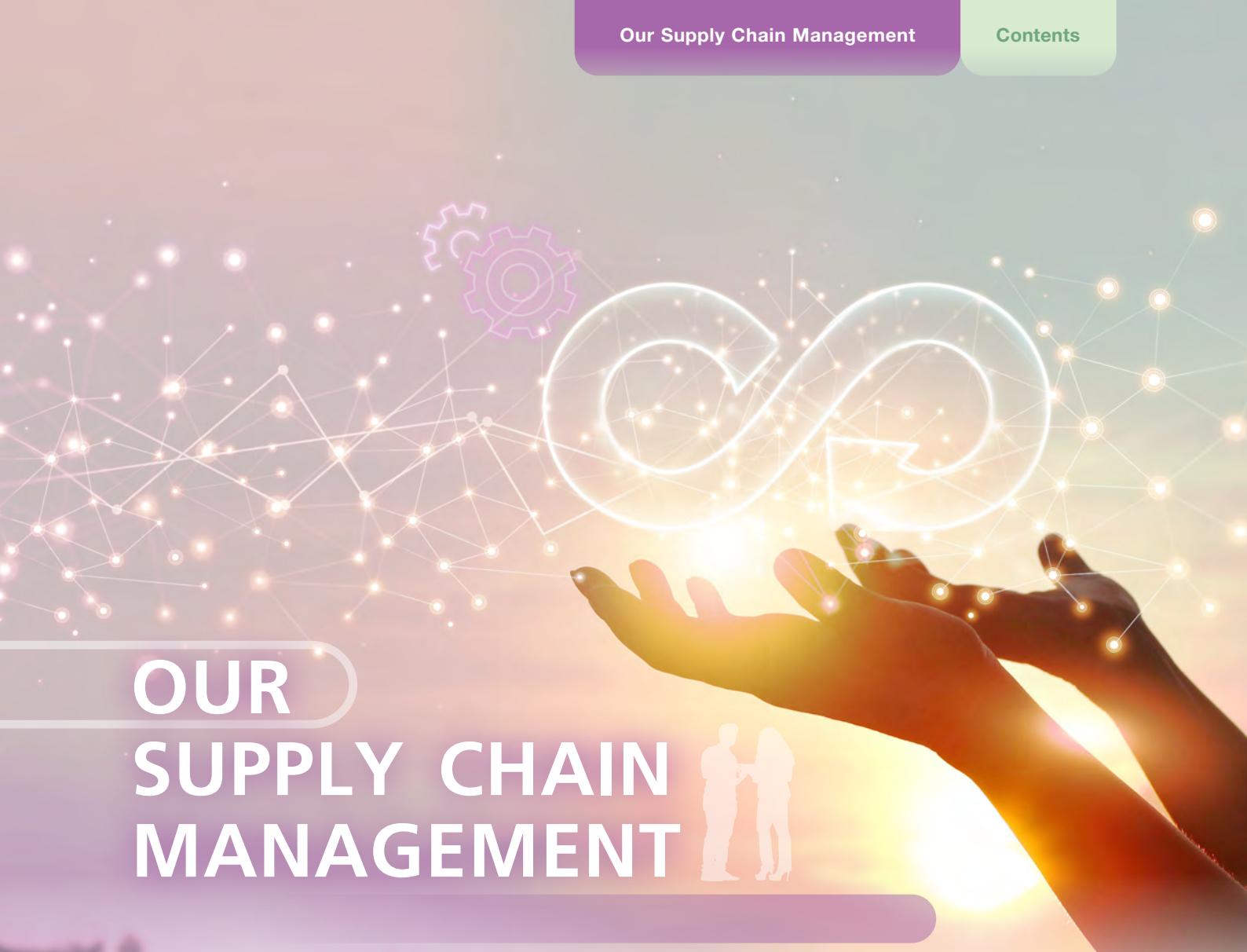


There were 90 staff from PBHK and PFL participated in the activity, raising a total of HK\$10,430. All proceeds were allocated to support the Chest's 165 social welfare services, without any deduction for administration costs.

In addition to fundraising for local social welfare agencies, the activity enabled staff to further nurture the Group's caring culture towards the community.

STAFF RECOGNITION

Our programme "Corporate Culture Ambassador" was an appreciation scheme for staff who demonstrated outstanding behaviours in line with PFHL's corporate culture and values. Staff were encouraged to nominate their colleagues who had demonstrated exceptional behaviours and/or attitudes in implementing the Group's corporate culture and values in their day-to-day work. Winners were selected by the judging panel comprised of the Senior Management. In July 2021, ambassadors from each of PBHK, PFL and Winton were selected.



OUR SUPPLY CHAIN MANAGEMENT

SUPPLIER ENGAGEMENT

As a responsible financial institution, we remain committed to upholding the highest standards of quality, integrity and social responsibility in our dealings with our suppliers. Guided by our Supplier Code of Conduct ("SCoC"), our suppliers and contractors are likewise actively encouraged to adopt sustainable activities and uphold ethical business practices.

Our supplier-related policies ensure that the Group extends sustainability considerations along the supply chain. Consequently, the SCoC sets out the standards we expect from our suppliers to prevent regulatory, environmental and social risks. The SCoC also aligns with the values and principles of the United Nations Universal Declaration of Human Rights, the United Nations Guiding Principles for Business and Human Rights and the fundamental conventions of the International Labour Organisation. Our suppliers also need to comply with our requirements in the following areas:

- Ethical Standards of Conduct
- Employment Practice
- Occupational Safety and Health
- Environmental Protection

We also encourage suppliers to enhance environmental and social performance beyond compliance. The SCoC is available under the "Supplier Code of Conduct" section of PFHL's website at www.publicfinancial.com.hk.

During the supplier engagement and tender process, our evaluation criteria include factors such as product and service quality, business operation standards, delivery capabilities and price. With respect to competitive fairness, for new supplier engagement, we invite two or more parties to submit their quotations under normal circumstances.

As at the end of 2021, the Group had a total of 499 suppliers of which 99.60% are based in Hong Kong.



GREEN PROCUREMENT

Aside from selecting and engaging our suppliers from an all-round perspective, the Group seeks to promote green procurement practices in our operations. We have taken the following actions:



Using Forest Stewardship Council (FSC) certified paper for our publications and reports whenever possible.



Purchasing diesel vehicles (light goods vehicle) that fulfil Euro VI standards.

OUR ENVIRONMENT

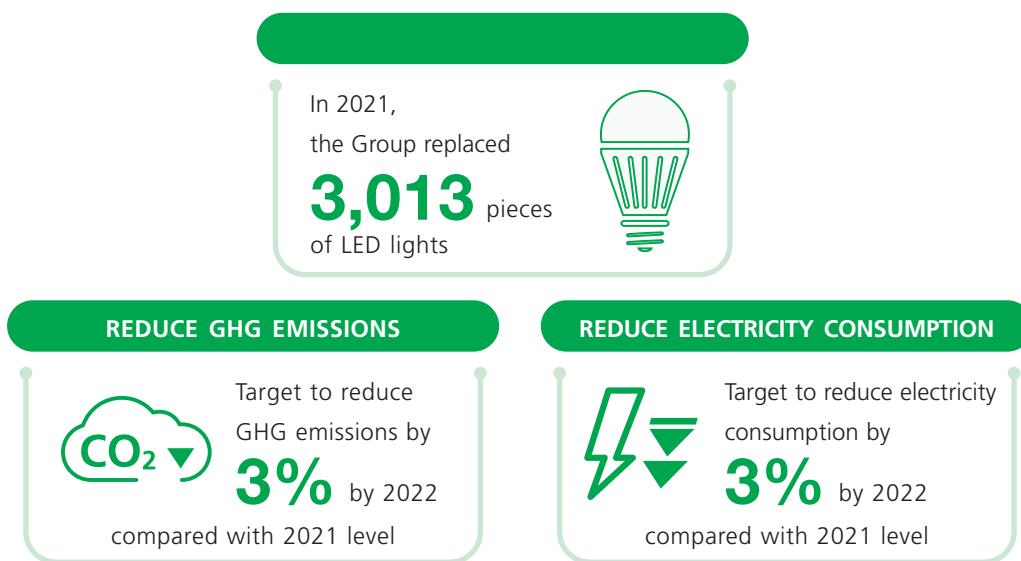


The Group is dedicated to minimising the environmental footprint generated from our operations. Our CSR Policy and Green Office Practices documents set out guiding principles of our responsibilities in environmental protection. Our efforts mainly focus on minimising the environmental impacts from office operations as well as nurturing environmental awareness amongst staff members.

During the Reporting Period, we complied with all applicable legal and regulatory requirements⁵ regarding environmental protection and there were no non-compliance cases relating to air and greenhouse gas ("GHG") emissions, discharges into water and land, and the generation of hazardous and non-hazardous wastes.

REDUCING ENERGY CONSUMPTION

Our energy reduction efforts focus on upgrading efficient energy-saving systems, monitoring energy consumption and promoting staff environmental awareness. This year, we have set emissions and energy reduction targets to echo the Hong Kong SAR Government's call for decarbonisation. To achieve so, we continue to replace obsolete lighting fixtures with LED lights and install automatic timers in our distilled water dispensers to stop continuous water boiling after office hours. To minimise light nuisance and electricity consumption during non-business hours, our branches switch off lights from 10:30 p.m. to 8:00 a.m. every day.

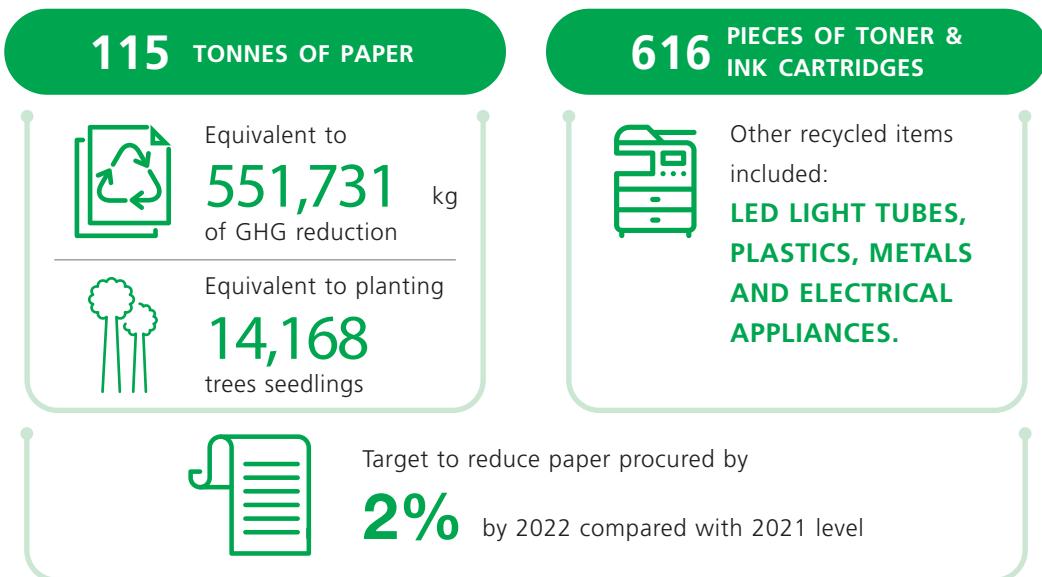


EFFECTIVE WASTE MANAGEMENT

Our strong sense of environmental responsibility is demonstrated through maintaining resource efficiency in our operations. In line with waste management principles, we reduce waste generation by encouraging employees to adopt double-sided printing and reuse paper whenever possible. Our waste recycling practices cover the recycling of newspapers, non-confidential documents, plastics, metals, electrical appliances, printer toners and ink cartridges. In addition, our recycling partner donated to a local environmental charity "The Green Earth" for every ink cartridge collected, meaning that HK\$2,067 was donated in 2021. We also installed a scale at PBHK headquarters to monitor general waste created from our office operations. We will continue to identify waste reduction opportunities and implement effective measures in the future.

⁵ Including but not limited to Waste Disposal Ordinance (Chapter 354) and Noise Control Ordinance (Chapter 400). To ensure compliance with such laws and regulations, the Group's CSR Policy sets out guiding principles of responsibilities in environmental protection.

OUR RECYCLING PERFORMANCE IN 2021



BUILDING RESILIENCE TO CLIMATE CHANGE

We recognise that managing climate-related risks effectively are critical to our long-term financial sustainability and our relationship with the natural environment. As such, we are incorporating climate risk management into our risk management governance framework and are formulating climate risk management policy to effectively monitor and manage the climate-related risks.

In support to the industry-wide enhancement of capabilities on climate risk management, PBHK participated in the Pilot Banking Sector Climate Risk Stress Test ("the exercise") led by the Hong Kong Monetary Authority throughout 2021. The exercise aimed at evaluating the climate risk profile of the banking sector, and to encourage timely actions taken by financial institutions in managing climate-related risks. Building on the momentum of the exercise, the Group has gained valuable insights and is undertaking plans to support the improvement of our climate resilience. For instance, we are planning on the launch of green loan or sustainability-linked loan products to support our customers in transitioning to a low-carbon business – at the same time better managing the risk exposure of our loan portfolios.

Regarding to the physical risk arising from climate and weather-related events, as we operate over 75 offices and branches in Hong Kong, we are aware that our vulnerability to the increasingly frequent extreme weather events should be properly managed – so as to minimise the associated impacts to our business, properties, as well as the safety of our staff. As such, we have stepped up on the preparation for minimising disruption and damage during typhoon season in the event of severe flooding, and other extreme weather events by having a sound risk management and internal control system in place. These preparations included risk transfer via insurance policies, as well as having a comprehensive business continuity management.

NURTURING A GREEN OFFICE CULTURE

To create an environmentally friendly office culture, we have introduced Green Labels and Green Tips for Office Practices to enhance our employees' environmental awareness. We provide internal notices to encourage our employees to conserve energy, water and other resources in office operations. Employees are also welcome to identify potential energy saving opportunities and report all water leakage for immediate remedial actions.

Green Month

Green Month was held in July 2021 to encourage staff to adopt a greener lifestyle: "Eat Green, Shop Green and Go Green" and thereby help to protect the environment. Weekly activities and sharing of green tips encouraged reflection on areas including:

The consumption of natural resources, tips about food choices with ideas on organic, gluten-free, and vegetarian lunches. The aim was to enhance employee health by promoting environmental sustainability to reduce meat consumption and the emission of GHG.

A clothes donation campaign was held in support of the "Green Ladies and Green Little" of St. James' Settlement, a social eco-enterprise of second-hand fashion. Staff were encouraged to recycle unworn clothes in order to prevent a waste of resources.

A "Green Hiking Photos Collection" was held to encourage staff to submit entries of stunning photos taken during their hikes. It encouraged staff to appreciate the beauty of Hong Kong nature trails, promoted the "Leave No Trace" culture and drew attention to the degradation of hiking trails caused by irresponsible behaviours.



In the final week, four mobile phone wallpapers and two desktop wallpapers were emailed to staff. An action checklist was also enclosed as a day-to-day reminder to act green anytime and anywhere with reference to the content of the previous weeks.

Through participating in Green Month, staff took small steps to make a big difference to the environment and became more conscious of environmental conservation in the process.

ENVIRONMENTAL ACTIVITIES

Promoting environmental stewardship in the community is important to sustainable development. Every year, we look for like-minded charitable organisations to support their meaningful initiatives by different means, hoping to contribute to a green world for our future. In 2021, over HK\$6,500 has been donated by the Group or raised by our staff to support the environmental events organised by the Green Power and the Chest, for instance. Apart from fundraising and monetary donation, we actively support and participate in different environmental campaigns together with our staff volunteers. In 2021, 11 environment-related programmes were organised in partnership with 9 charity and social service groups. Programme highlights include:

Organisation	Programme	Details
Greeners Action	Lai See Packet Reuse and Recycling Campaign 2021	Our staff donated over 30kg of lai see packets that were in good condition for recycling or redistribution to the general public for reuse next year.
Food Grace	Chinese New Year Food Recycling Campaign 2021	Our staff donated unopened and surplus food items to the underprivileged and reduced food waste.
Food Grace	Online Soup Residue Upcycling Workshop	Around 20 staff participated in the workshop and learnt several tips to upcycle the leftover with a view to cutting down domestic food wastage.
WWF Hong Kong	Earth Hour 2021	PBHK, PFL and Winton switched off the external lights of all of their branches to call attention to climate change.
The Chest	Green Low Carbon Day	We made donations to this fundraising campaign to promote low-carbon lifestyle.
"Green Ladies & Green Little" operated by St. James' Settlement	Clothes Donation Campaign	Our staff donated 2 carton boxes of second-hand clothes of which 28 pieces of them were put for sales at Green Ladies & Green Little shops to support the concept of reuse. We contributed to over HK\$1,700 net profits for their meaningful works on women empowerment and helping the needy families.

PERFORMANCE DATA SUMMARY



HKEx KPI	Unit	2021	2020
Environmental			
A1.2 Greenhouse gas emissions in total and intensity			
Scope 1 emission	Tonnes of CO ₂ e	13.12	14.36
Scope 2 emission	Tonnes of CO ₂ e	2,705.08	2,849.08
Scope 3 emission	Tonnes of CO ₂ e	2.46	6.57
Total GHG emissions (Scope 1+2+3)	Tonnes of CO ₂ e	2,720.66	2,870.01
Intensity (Scope 1+2+3)	Tonnes of CO ₂ e/FTE ⁶	2.27	2.21
A1.3 Total hazardous waste recycled and intensity			
Empty Ink Cartridges (Recycled)			
– Total	Pieces	616	740
– Intensity	Pieces/FTE	0.52	0.57
LED Light Tubes (Recycled)			
– Total	Pieces	3,013	1,659
– Intensity	Pieces/FTE	2.52	1.28
A1.4 Total non-hazardous waste produced/recycled and intensity			
General Waste ⁷ (Disposed)			
– Total	Tonnes	21.03	27.73
– Intensity	Tonnes/FTE	0.02	0.02
Paper (Recycled)			
– Total	Tonnes	114.94	94.69
– Intensity	Tonnes/FTE	0.10	0.07
Plastic (Recycled)			
– Total	Tonnes	0.10	0.03 ⁸
– Intensity	Tonnes/FTE	–	–
Electrical Appliances (Recycled)			
– Total	Pieces	1,223	– ⁹
– Intensity	Pieces/FTE	1.02	–

⁶ FTE refers to full-time equivalent.

⁷ The amount of general waste disposed is an estimation based on general waste disposal record sampled two times a week. The figures for general waste disposal only apply to PFHL, PBHK and PFL.

⁸ The 2020 figure has been restated following an internal database review.

⁹ 38 pieces of electrical appliances were recycled in 2020.

PERFORMANCE DATA SUMMARY



HKEx KPI	Unit	2021	2020
Environmental			
A2.1 Direct and indirect energy consumption by type and intensity			
Total Direct Energy Consumption			
– Total	'000 kWh	44.49	48.71
– Intensity	'000 kWh/FTE	0.04	0.04
Diesel Oil			
– Total	'000 kWh	5.05	6.13
– Intensity	'000 kWh/FTE	0.004	0.005
Petrol			
– Total	'000 kWh	39.44	42.58
– Intensity	'000 kWh/FTE	0.03	0.03
Total Indirect Energy Consumption (Purchased Electricity)			
– Total	'000 kWh	4,170.91	4,232.96
– Intensity	'000 kWh/FTE	3.49	3.27
A2.2 Water consumption in total and intensity			
– Total	m³	4,154	4,444 ¹⁰
– Intensity	m³/FTE	3.47	3.43

¹⁰ With reference to the figure extracted from 2020 ESG Report, water data of PBHK and Winton include the period from August 2019 to December 2020.

PERFORMANCE DATA SUMMARY



HKEx KPI	Unit	2021			2020		
Social							
B1.1	Total workforce by employment type and gender		Male	Female		Male	Female
Full-time	No. of staff	495	708		556	740	
Part-time	No. of staff	6	1		7	1	
	Total workforce by employment type and age group	Under 30	30-50	Above 50	Under 30	30-50	Above 50
Full-time	No. of staff	173	713	317	221	775	300
Part-time	No. of staff	1	0	6	1	0	7
	Total workforce by employment type and geographical region¹¹	Hong Kong			Hong Kong		
Full-time	No. of staff	1,196			1,296		
Part-time	No. of staff	7			8		
B1.2¹²	Employee turnover rate by gender		Male	Female		Male	Female
	%	26.18	19.52		14.93	12.97	
	Employee turnover rate by age group	Under 30	30-50	Above 50	Under 30	30-50	Above 50
	%	44.77	22.58	9.00	36.20	9.29	9.00
	Employee turnover rate by geographical region	Hong Kong			Hong Kong		
	%	22.24			13.81		

¹¹ The scope of this report includes solely our operation in Hong Kong. As such, the data of our 64 and 67 full-time staff employed in the mainland China operation in 2021 and 2020 respectively are not covered in this report.

¹² Part-time staff is excluded from turnover rate calculation.

PERFORMANCE DATA SUMMARY



HKEx KPI	Unit	2021	2020
Social			
B2.1	Number and rate of work-related fatalities	2021	2020
By number	No. of staff	0	0
By rate	%	0	0
B2.2	Lost days due to work injury		
	Days	12.5	36.5
B3.1	The percentage of employees trained by gender		
Male	%	97.75	99.46
Female	%	98.30	99.05
The percentage of employees trained by employee category			
Senior Management	%	83.33	100
Middle Management/ Managerial Staff	%	97.67	100
General Staff/ Non-managerial Staff	%	98.29	99.13
The average training hours completed per employee by gender			
Male	Hour	15.85	11.04
Female	Hour	16.40	10.13
The average training hours completed per employee by employee category			
Senior Management	Hour	26.19	15.00
Middle Management/ Managerial Staff	Hour	21.53	13.33
General Staff/ Non-managerial Staff	Hour	15.40	10.15
B5.1	Number of suppliers by geographical region		
Hong Kong	No.	497	421
Overseas	No.	2	3
B6.2	Number of products and service related complaints received		
Complaints	No.	32	36
B7.1	Number of concluded cases regarding corrupt practices brought against the Group and its employees		
Concluded cases	No.	0	0

HKEX ESG REPORTING GUIDE CONTENT INDEX



Aspect	HKEx KPI	Description	Section/Remarks
A. Environmental			
A1 Emissions	A1	General Disclosure	Our Environment
	A1.1	The types of emissions and respective emissions data	As a banking group, the Group's operations do not have significant impacts on emitting air pollutants.
	A1.2	Greenhouse gas emissions in total and intensity	Performance Data Summary
	A1.3	Total hazardous waste produced and intensity	Performance Data Summary
	A1.4	Total non-hazardous waste produced and intensity	Performance Data Summary
	A1.5	Emissions target(s) set and steps taken to achieve them	Our Environment
	A1.6	How hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them	Our Environment
A2 Use of Resources	A2	General Disclosure	Our Environment
	A2.1	Direct and/or indirect energy consumption by type in total and intensity	Performance Data Summary
	A2.2	Water consumption in total and intensity	Performance Data Summary
	A2.3	Energy use efficiency target(s) set and steps taken to achieve them	Our Environment
	A2.4	Whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them	Our Environment
	A2.5	Total packaging material used for finished products	As a banking group, the Group's operations do not generate or deploy significant amount of packaging materials.
A3 The Environment and Natural Resources	A3	General Disclosure	Our Environment
	A3.1	Significant impacts of activities on the environment and natural resources and actions taken to manage them	Our Environment
A4 Climate Change	A4	General Disclosure	Our Environment
	A4.1	Significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them	Our Environment



Aspect	HKEx KPI	Description	Section/Remarks
B. Social			
B1 Employment	B1	General Disclosure	Our People
	B1.1	Total workforce by gender, employment type, age group and geographical region	Performance Data Summary
	B1.2	Employee turnover rate by gender, age group and geographical region	Performance Data Summary
B2 Health and Safety	B2	General Disclosure	Our People
	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year	Performance Data Summary
	B2.2	Lost days due to work injury	Performance Data Summary
	B2.3	Occupational health and safety measures adopted, and how they are implemented and monitored	Our People
B3 Development and Training	B3	General Disclosure	Our People
	B3.1	Percentage of employees trained by gender and employee category	Performance Data Summary
	B3.2	Average training hours completed per employee by gender and employee category	Performance Data Summary
B4 Labour Standards	B4	General Disclosure	Our People
	B4.1	Measures to review employment practices to avoid child and forced labour	Due to the business nature of the Group, this issue is considered not material, therefore our management decided not to disclose this issue
	B4.2	Steps taken to eliminate such practices when discovered	Due to the business nature of the Group, this issue is considered not material, therefore our management decided not to disclose this issue
B5 Supply Chain Management	B5	General Disclosure	Our Supply Chain Management
	B5.1	Number of suppliers by geographical region	Our Supply Chain Management, Performance Data Summary
	B5.2	Practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	Our Supply Chain Management
	B5.3	Practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored	Our Supply Chain Management
	B5.4	Practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored	Our Supply Chain Management



Aspect	HKEx KPI	Description	Section/Remarks
B. Social			
B6 Product Responsibility	B6	General Disclosure	Our Customers
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	Due to the business nature of the Group, this issue is considered not material, therefore our management decided not to disclose this issue Our Customers, Performance Data Summary
	B6.2	Number of products and services related complaints received and how they are dealt with	Our Customers
	B6.3	Practices relating to observing and protecting intellectual property rights	Our Customers
	B6.4	Quality assurance process and recall procedures	Due to the business nature of the Group, this issue is considered not material, therefore our management decided not to disclose this issue
	B6.5	Consumer data protection and privacy policies, and how they are implemented and monitored	Our Customers
B7 Anti-corruption	B7	General Disclosure	Building a Sustainability Framework
	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases	Performance Data Summary
	B7.2	Preventive measures and whistle-blowing procedures, and how they are implemented and monitored	Building a Sustainability Framework
	B7.3	Anti-corruption training provided to directors and staff	Building a Sustainability Framework
B8 Community Investment	B8	General Disclosure	Our Community
	B8.1	Focus areas of contribution	Our Community, Our Environment
	B8.2	Resources contributed (e.g. money or time) to the focus area	Our Community, Our Environment



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