

BAKER TILLY HONG KONG

SUSTAINABILITY

HIGHLIGHTS

REPORT

2024



Now, for tomorrow

LETTER FROM THE **MANAGING DIRECTOR**

Cynthia Lo

Managing Director



Dear Stakeholders,

As the Managing Director of Baker Tilly Hong Kong, I am proud to present our inaugural Sustainability Highlight Report, a milestone in our journey to embed environmental, social, and governance (ESG) principles into the core of our operations. This report reflects our commitment to transparency, accountability, and driving positive impact in Hong Kong and the broader Asia-Pacific (APAC) region. By sharing our progress, challenges, and ambitions, we aim to inspire trust and collaboration among our clients, employees, and communities as we work toward a more sustainable future.

The past year's events, including rising demand for robust ESG frameworks, regulatory shifts, and challenges in carbon markets, have underscored the critical need for transparency and reliable reporting in sustainable practices. At Baker Tilly Hong Kong, our strengthened ESG advisory and assurance capabilities, bolstered by our participation in the Hong Kong Stock Exchange's (HKEX) Core Climate platform, have empowered our clients to address these complexities with confidence. By providing third-party assurance for ESG reports, supporting sustainability-linked loan projects, and investing in ongoing team training, we remain committed to driving credible, data-driven solutions that foster sustainable, inclusive growth and support Hong Kong's vision as a leading green finance hub.

In this report, we outline how we harness business opportunities and address risks while emphasising our commitment to supporting sustainable development through active engagement. Specifically, we have acted as a technical support partner with the Hong Kong Small and Medium Enterprises Association and Dah Sing Bank for the SME ESG Charter. Through this collaboration, we have contributed as guest speakers at workshops and served on assessment panels for around 30 SMEs, aiding these businesses in integrating ESG principles into their governance and operations. We believe these efforts strengthen stakeholder trust and foster sustainable business relationships.

As we navigate the evolving ESG landscape, Baker Tilly Hong Kong remains steadfast in our mission to empower our clients, support our communities, and protect our planet. We invite you to explore this report to gain insight into our initiatives. Together with our stakeholders, we are confident in building a more resilient and inclusive future.

A handwritten signature in black ink, appearing to read 'Cynthia Lo', located below the main body of text.

Cynthia Lo
Managing Director

August 2025
Now, for tomorrow

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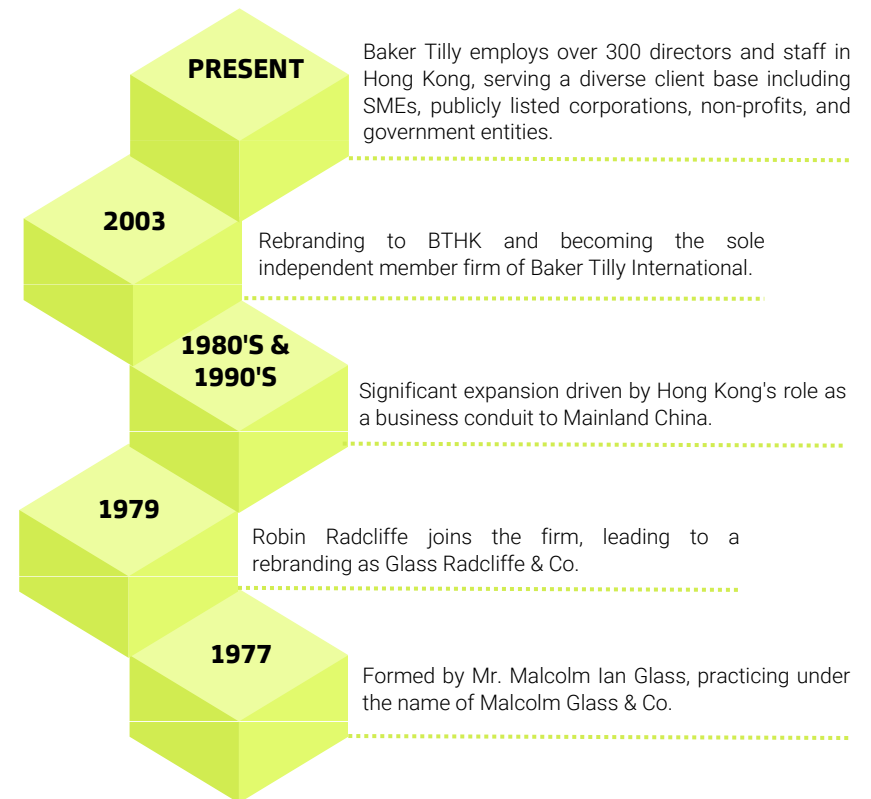
ABOUT BAKER TILLY HONG KONG

Baker Tilly Hong Kong (BTHK), a leading firm of certified public accountants and business advisors, operates as an independent member of Baker Tilly International, a global network spanning 143 territories with over 40,000 employees. We deliver tailored, innovative solutions through a team of experienced professionals and dynamic young talent, guided by integrity, objectivity, and a commitment to the communities we serve.

Our comprehensive services include accounting, audit and assurance, corporate services, corporate restructuring, recovery and insolvency, ESG and sustainability, forensic accounting, HR consultation and BPO services, litigation support, risk and financial advisory services, tax, and technical and regulatory professional services. We are dedicated to advancing sustainable development. We empower clients to achieve their financial and sustainability objectives by addressing critical issues such as climate change and fostering a transparent carbon market ecosystem. With reference to the global and local ESG frameworks, including the HKEX ESG Reporting Guide, we strive to create long-term value for clients, employees, communities, and shareholders while contributing to Hong Kong's sustainable economic growth and a green future.



Our Milestones



ABOUT BAKER TILLY HONG KONG



2024 PERFORMANCE HIGHLIGHTS

Social



Talent Management

6 recruitment workshops to attract and develop young talent

23.09 training hours per person; **~ 7619** training hours delivered

Diversity and Inclusion

30% of the Executive Director members are held by women

31% of the Senior Management members are held by women

48% of the workforce is female

Occupational Health and Safety

0 fatalities

Workplace Wellbeing

Launched **Employee Assistance Programme (EAP)** with 24/7 mental wellness hotline service

5 employee workshops (Perfume, Fluid Art, Ceramic, Leather Bracelet, and Embroidery)

Volunteer

HKD **100,000** donations

Environmental



5,543 kg of paper recycled, equivalent to saving **26,607 kg of CO₂**

Member of the **Business Environment Council**

Joined HKEX's **Core Climate** Platform, expanding our decarbonisation service

Our office is in a **WELL, BEAM Plus and LEED** certified building

AWARDS AND ACCOLADES

Hong Kong Commercial Times

Hong Kong Commercial Times Business Awards 2024 - Outstanding Corporate Advisory Service Award



Association of Chartered Certified Accountants (ACCA)

ACCA Approved Employer - Trainee Development, Platinum (2014-2027)



Business Environment Council

Certificate of Membership

CPA Australia

Recognised Employer Partner



CAPITAL CEO Entrepreneur Magazine

Financial Forensic Advisory Service Award, CAPITAL Service & Innovative Product Awards 2024

The British Standards Institution (BSI)

Certificate of Registration - Information Security Management System - ISO/IEC 27001:2013 (2022-2025)



Dah Sing Bank Hong Kong Small and Medium Enterprises Association

Certificate of Appreciation for serving as a Technical Support Partner of the SME ESG Charter 2024

PATHWAY TO SUSTAINABLE IMPACT

2024 – 2025

Launch & Foundation

- Establish a sustainability governance structure and formalise sustainability policies
- Complete emission baseline measurement from Scope 1 (direct GHG emissions), Scope 2 (indirect GHG emissions), and Scope 3 (other indirect GHG emissions)
- Publish our inaugural sustainability report, setting out our current performance and future ambitions
- Initiate internal training and awareness programs to embed a sustainability mindset across the firm

2026 – 2027

Implementation & Expansion

- Explore conducting a comprehensive stakeholder engagement and materiality assessment, including consideration of double materiality, to ensure our sustainability strategy addresses the most relevant and significant impacts
- Broaden our greenhouse gas emissions inventory to include relevant Scope 3 emissions, in accordance with the Corporate Value Chain (Scope 3) Accounting and Reporting Standard
- Launch community investment initiatives and employee volunteer programs to support local social initiatives
- Partner with clients and subject matter experts to help them set and achieve their own climate and sustainability goals
- Pursue recognition through sustainability awards and ratings to benchmark our progress

2027 – 2029

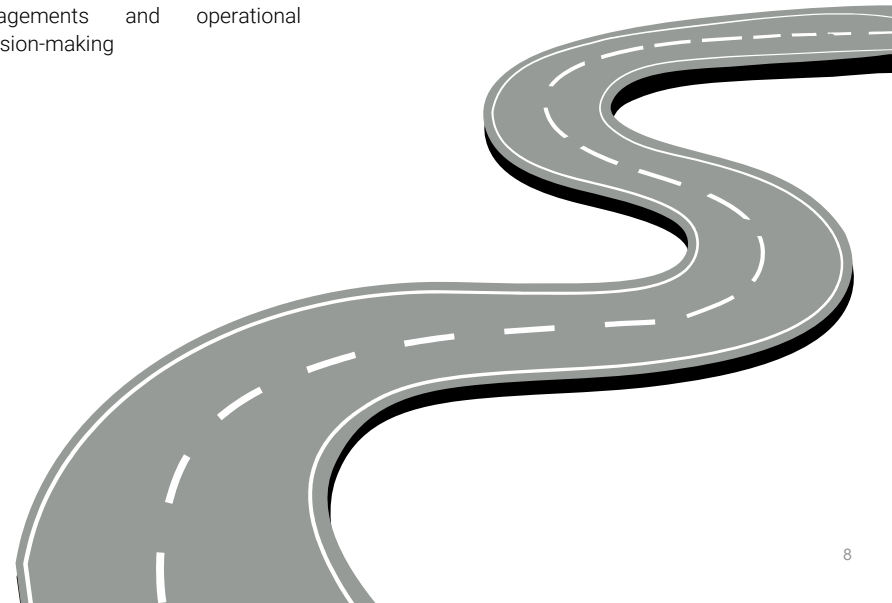
Integration & Transparency

- Enhance the collection, monitoring, and disclosure of sustainability data to ensure transparency and accountability
- Regularly publish progress updates and impact stories, demonstrating tangible results
- Deepen stakeholder engagement through ongoing dialogue and feedback mechanisms
- Integrate sustainability considerations into business engagements and operational decision-making

2030

Leadership & Long-term Impact

- Implement measurable reductions in our operational carbon footprint and demonstrate progress toward carbon neutrality
- Establish Baker Tilly Hong Kong as a leader in sustainable business practices within the professional services sector
- Continue to expand our positive impact on the community through long-term partnerships and innovative social initiatives
- Maintain a culture of continuous improvement and raise our sustainability ambitions for the future



ESG TOPICS OF FOCUS

In 2024, Baker Tilly Hong Kong undertook a thorough assessment of material ESG topics pertinent to our business. This evaluation was conducted leveraging internal expertise and resources, engaging closely with internal stakeholders and practitioners to ensure the topics' relevance and comprehensive understanding. Notably, the process was internally driven without the involvement of external consultancy services.

The primary objective of this assessment was to inform the content of our Sustainability Highlights Report. As such, the scope and inclusion criteria applied differ from those mandated by regulatory reporting standards, including the HKEX's Appendix C2 Environmental, Social, and Governance Reporting Code, as well as internationally recognised standards such as the GRI Standards.

Our materiality assessment was executed through a structured three-step methodology:

External Analysis:

We examined global prevailing ESG trends by referencing peers, international resources and industry practice, including MSCI and SASB's ESG industry materiality maps, to identify key topics.

Stakeholder Engagement:

We engaged internal stakeholders to gather valuable insights and assess the relevance and importance of the identified ESG issues by senior management.

Analysis and Prioritisation:

We prioritised ESG topics based on their significance to our business and stakeholders, followed by internal validation to finalise the list of material topics.

GOVERNANCE

- Business Ethics
- Corporate Governance

ENVIRONMENTAL

- Carbon Emissions

SOCIAL

- Privacy and Data Security
- Product Quality
- People Success and Engagement
- Diversity, Equality and Inclusion

OUR GOVERNANCE

Our Policies

- ▶ Anti-money Laundering and Counter Terrorist Financing
- ▶ Business Ethics
- ▶ Code of Conduct
- ▶ Conflict of Interest
- ▶ Practice Assurance Compliance Manual
- ▶ Prevention of Bribery

Legal and Regulatory Compliance

- Anti-Money Laundering and Counter-Terrorist Financing Ordinance
- Code of Ethics for Professional Accountants
- Companies Ordinance
- Drug Trafficking (Recovery of Proceeds) Ordinance
- Engagement Quality Reviews (ISQM/HKSQM 2)
- Organized and Serious Crimes Ordinance
- Prevention of Bribery Ordinance
- Quality Management for an Audit of Financial Statements (ISA/HKSA220 revised)
- Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements (ISQM/HKSQM 1)
- United Nations (Anti-Terrorism Measures) Ordinance

Standards Referenced

WEF IBC: Governing Purpose, Quality of Governing Body, Ethical Behaviour, Risk and Opportunity Oversight

GRI: 2-9, 2-11, 2-12, 2-13, 2-14, 2-15, 2-16, 2-17, 2-26, 102-15, 102-17, 102-22, 102-26, 205-2, 205-3, 405-1a

UN SDGs:



Faith Del Rosario



Executive Director and Head of
Risk and Financial Advisory



For me, listening is at the heart of effective leadership and client service. By truly understanding our clients' needs, ambitions, and challenges, I believe we can co-create solutions that drive meaningful and lasting impact.

At Baker Tilly Hong Kong, I am proud to be part of a leadership team that is deeply committed to the principle of "Now for Tomorrow." This guiding belief reminds me daily that while our heritage and experience form our foundation, it is our collective readiness for the future and our responsibility to prepare for it that define our purpose.

I believe that our role as advisors extends far beyond compliance. Businesses in Hong Kong and across the region are facing unprecedented challenges, from economic uncertainty to increasingly complex regulatory and sustainability requirements. I am committed to ensuring that we not only help our clients navigate these changes but also empower them to thrive. To this end, we have invested in a multidisciplinary team of experts in ESG, data analytics, internal risk management, forensic accounting, and more, so that we can deliver comprehensive, practical solutions tailored to each client's needs.

Sustainability is not simply a trend; it is a necessity. I see it as our duty and our opportunity to support Hong Kong's carbon neutrality goals and advance responsible business practices. Through partnerships, such as our ESG workshops with Dah Sing Bank and the Hong Kong Small and Medium Enterprises Association, I am dedicated to helping clients understand and implement effective sustainability strategies, whether they are large corporations or SMEs. These efforts are a core part of our firm's broader commitment to corporate responsibility.

Looking ahead, I am confident that by continuing to invest in innovation, technology, and talent, we will remain at the forefront of our industry. Together, I believe we can shape a better tomorrow for our clients, our community, and future generations.

1. Ethics and Integrity

At Baker Tilly Hong Kong, we conduct business with integrity, fairness, and professionalism. Employees must uphold these standards in all interactions, fostering compliant, mutually beneficial relationships with clients, suppliers, and partners while adhering to all Hong Kong laws.

Compliance and Anti-Corruption

We strictly prohibit bribery and corruption, requiring full compliance with the Prevention of Bribery Ordinance. Staff are forbidden from soliciting, accepting, or offering bribes or advantages to public servants or agents for favourable actions. We maintain a zero-tolerance stance on money laundering and terrorist financing, adhering to Hong Kong's Anti-Money Laundering and Counter-Terrorist Financing Ordinance and related laws, including the Drug Trafficking (Recovery of Proceeds) Ordinance, Organized and Serious Crimes Ordinance, and United Nations (Anti-Terrorism Measures) Ordinance.

Our policies, detailed in the Practice Assurance Compliance Manual, align with standards such as Hong Kong Standard on Quality Management 1 (ISQM/HKSQM 1) - Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, Engagement Quality Reviews (ISQM/HKSQM 2), Quality Management for an Audit of Financial Statements (ISA/HKSA220 revised), and the Code of Ethics for Professional Accountants issued by the Hong Kong Institute of Certified Public Accountants (HKICPA). All directors and staff are required to complete annual compliance and anti-money laundering and counter-terrorist financing training, with mandatory confirmations to ensure understanding and adherence. Suspicious transactions must be reported using the Suspicious Transaction (AML) Form, submitted to our Money Laundering Reporting Officer and the Executive Director and Head of Audit and Assurance, Edmond Chan, for review and action.

Through robust training, clear reporting mechanisms, and adherence to global and local standards, including the Global Focus Audit Methodology, Baker Tilly Hong Kong upholds the highest levels of integrity and compliance in all operations.

Ethics Reporting and Training

Our Complaint and Allegation Form, accessible via the intranet and compliance portal, allows confidential reporting of ethics or compliance concerns, with a non-retaliation policy for good-faith reports. New staff receive ethics, compliance, and independence training, with mandatory annual refreshers and compliance testing to ensure adherence to policies and regulations.

In 2024, Baker Tilly Hong Kong conducted **5 anti-corruption training sessions**, reaching approximately 283 (86%) staff members, including 259 employees and 24 directors. There were **no corruption-related lawsuits** filed or concluded against the company or its employees, underscoring our steadfast commitment to fostering a culture of integrity and compliance with Hong Kong's anti-corruption laws and international best practices.

Independence and Conflicts

The Managing Director oversees compliance to ensure independence, grounded in integrity and objectivity, fostering reliable professional opinions. Our services avoid contingent fees, significant client decision-making, or indemnification agreements. Staff are prohibited from holding material financial interests in clients, acting as creditors, or engaging in non-arm's-length business relationships with clients or their key personnel. Family or personal relationships that could compromise impartiality are forbidden. Gifts or lavish entertainment from clients are not permitted, with all staff required to complete the Receipt of Gifts and Advantages Form for any gifts received from parties with business dealings with the firm. Annual independence confirmations are mandatory for all staff.

The firm adheres to the Baker Tilly International Independence Database and Conflict Checks Functionality Specification guidelines, which provide clear instructions for staff to maintain independence and perform conflict checks. These measures, combined with rigorous compliance protocols, ensure our professional services meet the highest standards of integrity and objectivity.



2. Sustainability Governance

Our governance framework integrates ESG principles into strategic decision-making and operational execution, ensuring robust oversight of sustainability initiatives. Baker Tilly Hong Kong operates a two-tiered governance model:



Executive Directors

Comprising Executive Directors, overseen by the Managing Director.

- Oversees the management of economic, environmental, and social impacts, setting the firm's strategic direction, approving sustainability reports, and ensuring alignment with regulatory and stakeholder expectations.
- Integrates ESG risks, such as climate-related risks and opportunities and regulatory compliance, into the firm's risk management framework.
- Sets ESG priorities, approves policies, and monitors performance against sustainability targets.

ESG Project Team

The ESG Project Team reports to the Executive Directors and serves as a dedicated unit responsible for implementing, monitoring, and driving ESG initiatives across Baker Tilly Hong Kong.

- Collaborates internally across departments and externally with partners to ensure compliance with regulatory and stakeholder expectations.
- Actively advance ESG initiatives to support progress toward the company's sustainability goals.
- Responsible for monitoring Baker Tilly Hong Kong's ESG performance and stakeholder engagement.

Composition and Competencies

The Executive Directors actively engaged in strategic and operational leadership, including seasoned professionals with expertise such as audit, risk and financial advisory, tax, and sustainability consulting. This enables comprehensive oversight of economic, environmental, and social impacts. The ESG Project Team comprises specialists in carbon emissions analysis, sustainable finance, and regulatory compliance, leveraging insights from Baker Tilly International's global network to address evolving ESG challenges and ensure robust management of ESG-related risks and opportunities.

We disclose the core metrics used to assess the quality of the governing body, referencing WEF IBC:

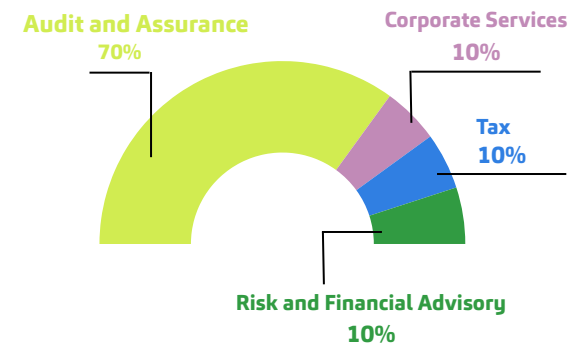
| | |
|----------------------------------|--|
| Independence | As an independent member of Baker Tilly International, the firm maintains operational autonomy, ensuring impartial decision-making in governance and ESG matters. Mechanisms to uphold independence are aligned with professional standards. |
| Tenure | Tenure of the Executive Director members is determined by the responsibilities associated with their roles and their consistent performance in fulfilling those responsibilities. |
| External Commitments | Senior leaders at Baker Tilly Hong Kong uphold the highest ethical standards and adhere to robust governance policies to ensure transparency and integrity in all business dealings. This includes implementing clear protocols for identifying, disclosing, and managing potential conflicts of interest. |
| Diversity | Our commitment to diversity, equity, and inclusion is integrated into our ESG strategy, with 30% of the Executive Directors is held by women. |
| Stakeholder Collaboration | Our governance structure fosters collaboration with clients and community partners through initiatives such as carbon market development, ensuring stakeholder perspectives inform our strategies. |

Composition of the Executive Directors

Executive Directors, by gender



Executive Directors, by professional



Enhancing Collective Knowledge

The Executive Directors' expertise is strengthened through mandatory training programs, including but not limited to ethics, regulatory compliance, financial reporting, audit and assurance techniques, tax advisory, risk management, sustainability practices, cybersecurity awareness, and independence training, with annual refreshers and compliance assessment to ensure adherence. Governance body members and staff also receive specialised ESG training to stay abreast of evolving standards, such as HKEX's New Climate Requirements, equipping them to deliver informed, compliant, and high-quality professional services across all domains.

3. Risk Management

At Baker Tilly Hong Kong, effective risk management is fundamental to sustaining our business, protecting our clients, and advancing our strategic goals. As a leading professional services firm specialising in accounting, audit, tax, sustainability consulting, and risk and financial consulting, we recognise that our principal risks and opportunities arise not just from the sector-wide challenges but also from our specific operational context in Hong Kong and the broader APAC region.

Priority and Ongoing Risks and Opportunities

| Category | Risk/ Opportunity Description | Response |
|---|---|---|
| Regulatory and Compliance Risk | Non-compliance with codes of conduct may result in penalties or reputational loss. Regulatory changes also create opportunities to support clients' sustainable transitions. | Our Professionalism |
| Cybersecurity and Data Stewardship Risk | Risk of data breaches and cyberattacks; Opportunity to enhance trust through robust data protection. | Data Privacy and Security Leadership |
| Talent and Operational Risk | Challenge in retaining talent; Opportunity to attract professionals by fostering a positive work environment. | Our People |
| Integration of Economic, Environmental, Climate and Social Issues | Economic and transition risks; Opportunity to meet rising demand for sustainable solutions and green financing. | Our People Our Environment |

OUR PEOPLE

Our Policies

- ▶ Anti-discrimination Policy
- ▶ Employee Handbook
- ▶ Equal Employment Opportunity Policy
- ▶ Occupational Health and Safety Policy
- ▶ Sexual Harassment Policy

Legal and Regulatory Compliance

- Anti-Discrimination Ordinances (Sex Discrimination Ordinance, Disability Discrimination Ordinance, Family Status Discrimination Ordinance, Race Discrimination Ordinance)
- Employment Ordinance
- Mandatory Provident Fund Scheme Ordinance
- Occupational Safety and Health Ordinance

Standards Referenced

WEF IBC: Dignity and Equality, Health and Well-being, Skills for the Future, Employment and Wealth Generation

GRI: 2-7, 401-1, 403-6, 403-9a&b, 405-1b, 404-1, 404-2, 404-3

UN SDGs:



May Ng



Director and Head of HRBPO



One of the things I admire most is how deliberate and thoughtful we are in managing talent. Every hire is made with intention, ensuring that each individual we bring on board is truly needed and aligned with the direction of the firm.

I have had the privilege of witnessing the company's evolution over nearly two decades. What stands out to me, above all, is our unwavering commitment to people - our employees, our culture, and the values that drive us forward. At Baker Tilly Hong Kong, we don't just talk about being people-first; we live it every day.

We are committed to avoiding aggressive hiring during peak periods followed by downsizing, as we prioritise long-term stability. I'm proud to say that in all my years here, we've never had to resort to mass layoffs due to economic pressures - not during the financial crisis nor any other challenging times. This consistency speaks volumes about the care and foresight of our leadership. It gives our employees a sense of security, knowing that they are valued not just as workers but as individuals.

Our culture is another aspect that I deeply appreciate. Having worked at other companies before joining Baker Tilly Hong Kong, I can confidently say that the absence of internal politics here is a breath of fresh air. Our leadership team is fully focused on growing the business and supporting the team, and that approach filters down to every level of the organisation. There's no time wasted on unnecessary distractions or power plays. Instead, we have created an environment where everyone is encouraged to focus on meaningful work. This fosters a sense of trust, collaboration, and mutual respect that makes Baker Tilly Hong Kong a genuinely enjoyable place to work.

What truly sets Baker Tilly Hong Kong apart, in my view, is the leadership's people-first mindset. I've always admired how decisions are made with employees' interests in mind. For example, our management would never compromise our people's well-being for the sake of short-term financial gain. That level of integrity is something I deeply respect. It's also why we've been able to maintain high morale and strong engagement across the firm.

Looking back on my tenure here, I feel incredibly fortunate to be part of a company where people matter. Whether it's the way we approach hiring, the trust we build within our teams, or the stability we provide during uncertain times, everything we do is guided by a genuine care for our employees. To me, that's what makes Baker Tilly Hong Kong not just a great company, but a truly special place to build a career.

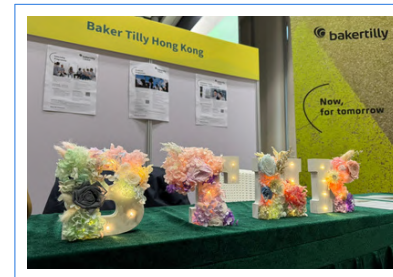
1. Professional Acquisition and Well-Being

At Baker Tilly Hong Kong, we believe that talent is the cornerstone of our success, and we are committed to fostering the growth and well-being of every individual who joins our team. Through strategic recruitment initiatives, partnerships with universities, robust onboarding processes, and impactful outreach programs, we aim to create a positive, supportive, and inclusive environment for aspiring and experienced professionals alike.

Strategic Recruitment and University Partnerships

Our recruitment strategy focuses on identifying and nurturing the next generation of accounting and business professionals. Each year, we actively participate in career fairs at leading universities, including The Hong Kong University of Hong Kong (HSUHK), Hong Kong Shue Yan University (HKSYU), and The Hong Kong Polytechnic University (PolyU). These events allow us to connect with bright, passionate students who are eager to take their first steps into the professional world.

During these career fairs, we engage with students through insightful discussions about their career aspirations, offer tips for success in the accounting industry, and introduce them to the culture and opportunities at Baker Tilly Hong Kong. For us, these events are more than just recruitment efforts - they are opportunities to inspire and guide the next generation of professionals. As we often highlight during these events, joining Baker Tilly Hong Kong is not just about landing a job; it's about embarking on a meaningful career journey.



Graduate and Internship Programmes

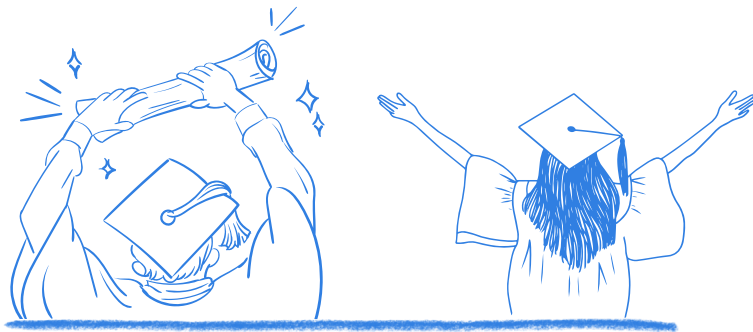
Our Graduate Programme and Internship Programme are designed to help students and fresh graduates' transition smoothly into the professional world. Both programs provide participants with hands-on exposure to the accounting profession, opportunities to work alongside experienced professionals, and access to comprehensive training programs.



Internship Programme: Available in spring and summer, our internship program immerses participants in real-world projects in audit, tax, and risk and financial advisory services. Interns gain on-the-job training and software experience that fast-tracks their career paths. Those with outstanding performance are often offered return opportunities.



Graduate Programme: Our graduate program is tailored for recent graduates who are ready to embark on their professional journey. Participants are provided with a Buddy System to ease their transition, regular training sessions to sharpen both technical and soft skills, and direct client engagement to build confidence and expertise. We support participants pursuing CPA certification and other professional exams relevant to their roles by providing study leave, training allowances, and examination bonuses.



Onboarding and Support Programs

We understand that joining a new organisation can be both exciting and challenging, which is why we've developed a thorough onboarding process to help new joiners settle in seamlessly. From day one, employees are paired with a Buddy - an experienced team member who provides guidance, shares knowledge, and offers support during the initial stages of their career at Baker Tilly Hong Kong. This system ensures that everyone feels welcome and empowered to succeed in their roles.

In addition, we encourage collaboration and experience-sharing through team-building activities, lunch-and-learn sessions, and mentorship initiatives. These programs are designed to foster a sense of belonging and create opportunities for our people to grow personally and professionally.



Baker Tilly Hong Kong Named as ACCA Hong Kong Excellence Employer and Other HR Awards

We are honoured to receive the ACCA Hong Kong Employer Excellence Award 2024 – Bronze Award in the Public Practising Sector. Our Managing Director, Cynthia Lo proudly accepted this significant accolade.

This award recognises our firm's outstanding commitment to employing ACCA members and highlights our substantial contributions to advancing the accounting profession in Hong Kong.



Good MPF Employer Award 2022-23, e-Contribution Award, and MPF Support Award

We have been recognised with the Good MPF Employer Award 2022-23, alongside the e-Contribution Award and MPF Support Award, by the Mandatory Provident Fund Schemes Authority (MPFA). This recognition speaks volumes about our commitment to the financial well-being of our employees. We will continue to pledge our dedication to creating a nurturing and financially sound work environment.



Manpower Developer for 10th Year

For the 10th consecutive year, we received the ERB Manpower Developer Award 2024-25, earning us the prestigious title of "Super MD." This recognition reflects our unwavering commitment to talent development and fostering a culture of continuous growth and excellence. We will continue investing in our people to drive success and innovation.



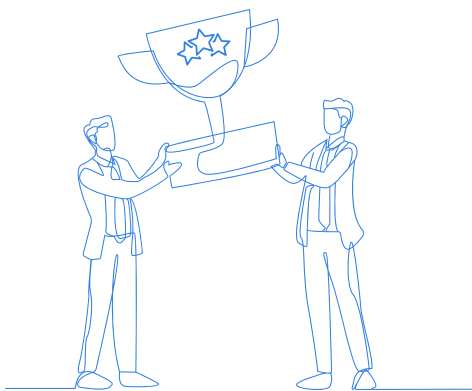
Fair Trade Corporate Partner

We are forging a path toward a more equitable future through our recognition as a Fair Trade Corporate Partner. This milestone highlights our commitment to innovative, ethical business practices that align with the highest ESG standards. As a leader in professional services, Baker Tilly Hong Kong is dedicated to advancing the Fair Trade movement, driving transformative impact for a sustainable and inclusive global community.



Caring for the Community, Employees, and Environment 2024-2025

The 2024-2025 Caring for the Community, Caring for the Employees, and Caring for the Environment Award by the Hong Kong Council of Social Services honours Baker Tilly Hong Kong for our commitment to social responsibility. It highlights our efforts in community development, employee well-being, and sustainable practices, reflecting our dedication to a responsible and inclusive business culture.



Diversity, Equality and Inclusion at Baker Tilly Hong Kong

We are committed to fostering a diverse and inclusive workplace, recognising that a diverse workforce enhances our ability to deliver exceptional services to our clients. In 2024, we continued to strengthen our commitment to diversity, equality and inclusion by implementing robust policies and procedures that promote equal opportunities and ensure a respectful, discrimination-free environment for all employees, clients, and stakeholders.

Breastfeeding Friendly Workplace 2024/2025 Certificate of Appreciation

We are honoured to receive the Breastfeeding Friendly Workplace 2024/2025 Certificate of Appreciation from the Health Bureau. This accolade highlights our dedication to DEI by implementing policies and facilities that support breastfeeding employees. Our initiatives include providing dedicated lactation spaces, flexible work arrangements, and comprehensive support programs to ensure a welcoming and accommodating environment for working mothers. This award underscores Baker Tilly Hong Kong's ongoing efforts to promote employee well-being and uphold equitable workplace practices.



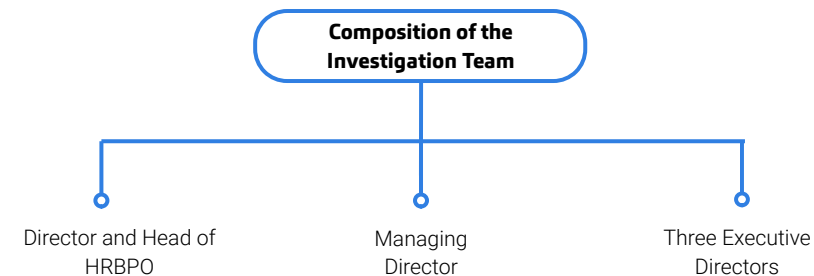
Equal Employment Opportunity Policy

Our Equal Employment Opportunity Policy underscores our dedication to offering equal opportunities in recruitment, remuneration, training, and promotion. This policy ensures that all decisions are based on merit, performance, and ability, without discrimination on grounds of disability, gender, sex, sexual orientation, marital status, family status, race, colour, religious convictions, age, nationality, or ethnic origin. Employees are informed of this policy through our Employee Handbook, ensuring alignment with our commitment to fairness and inclusivity.

Workplace Anti-Discrimination and Complaint Policy

Our firm maintains a zero-tolerance stance on unlawful discrimination, harassment, victimisation, and vilification. This policy applies to all individuals interacting with our organisation, including employees, contractors, clients, and visitors. It follows Hong Kong's Anti-Discrimination Ordinances, prohibiting discrimination based on sex, disability, race, and family status. We proactively educate our staff on direct and indirect discrimination, harassment, and vilifications to foster a respectful workplace. Violations of this policy will result in disciplinary action, which may include termination of employment.

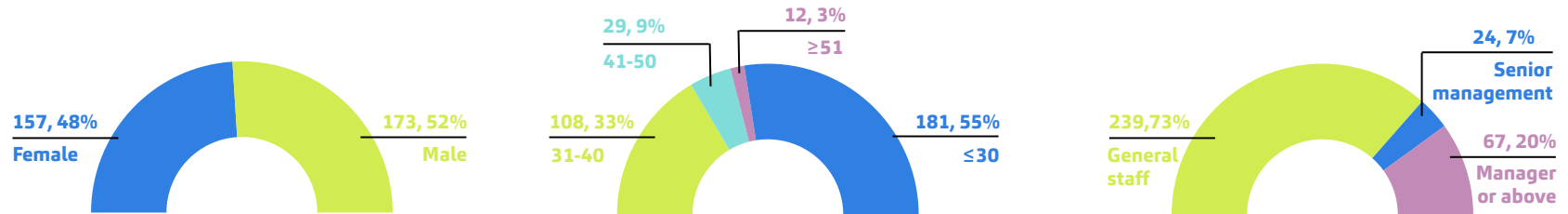
To ensure allegations of discrimination are addressed promptly and confidentially, we have established a robust complaint procedure. Employees are encouraged to report incidents to the Director and Head of HRBPO, who will initiate a formal investigation. The investigation team will interview the complainant, respondent, and any witnesses to assess the validity of the allegation. If the complaint is substantiated, appropriate disciplinary measures will be recommended and implemented to ensure accountability and fairness.





Workforce Profile

As at 31 December 2024, we employed 330 professionals, of whom approximately 48% are female.



In 2024, we hired over 93 individuals, with a strong emphasis on diversity and inclusion to enrich our talent pool.





After a three-year hiatus, our much-anticipated Annual Dinner returned in 2024 with a captivating theme: "My Favourite Movie Character." Employees embraced the opportunity to showcase their creativity, arriving in costumes inspired by iconic film personalities, which transformed the evening into a dazzling celebration of talent and teamwork.

The highlight of the night was a spirited Singing Contest, where team members revealed their hidden musical talents, turning the event into a truly memorable experience. More than just a social gathering, the Annual Dinner symbolised resilience, unity, and the joy of coming together as one team. It provided a platform to celebrate achievements and recognise the collective efforts of our people, while reinforcing the importance of collaboration and appreciation in the workplace.



2024 BTHK Workshops - Inspiring Creativity and Connection



Perfume Workshop
香水工作坊
25 Oct 2024 6pm-8pm

Fluid Art Workshop
流體招財貓工作坊
27 Sep 2024 6pm-7pm

Ceramic Workshop
陶藝工作坊
10 Oct 2024 6pm-8pm

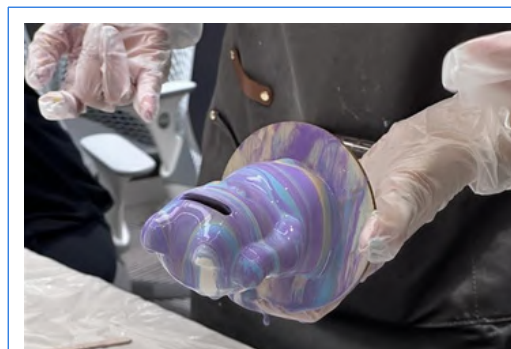
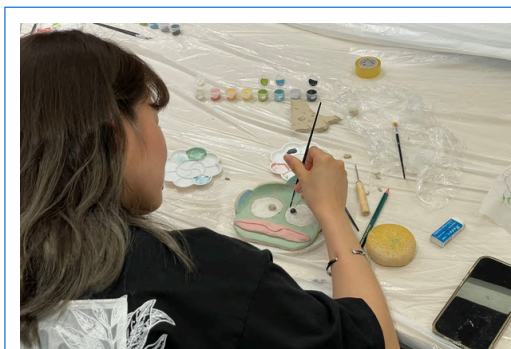
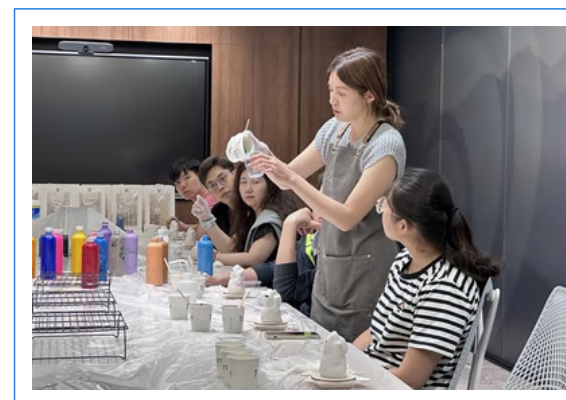
Leather Bracelet Workshop
皮革手鐲工作坊
15 Nov 2024 6pm-7:30pm

Embroidery Workshop
數繡工作坊
13 Sep 2024 6pm-8:30pm

**2024
BTHK WORKSHOP**

REGISTRATION DEADLINE:
26 AUG 2024 NOON

In 2024, we hosted a series of five unique workshops designed to inspire creativity, foster connections, and provide employees with opportunities to relax and recharge, including Embroidery, Fluid Art, Ceramic, Perfume, and Leather Bracelet Workshops.



Baker Tilly Hong Kong Office Anniversary Celebration

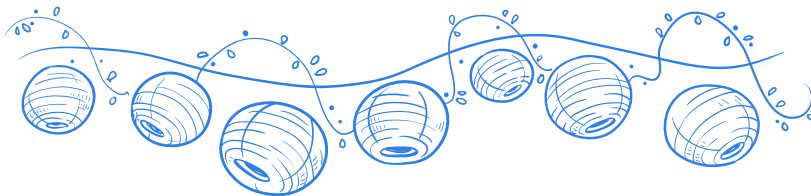
In 2024, we celebrated the one-year anniversary of our relocation to K11 ATELIER — an inspiring workspace that symbolises our growth and forward-thinking vision. The event served as an opportunity to reflect on the achievements of the past year, acknowledge the contributions of our team, and look forward to the future.



The celebration brought together employees in a spirit of gratitude and optimism. From sharing personal reflections to discussing goals for the year ahead, the event fostered a sense of unity and purpose. It also highlighted how our modern office environment has played a pivotal role in enhancing collaboration, innovation, and employee well-being.

Seasons of Giving

We cherish our staff's dedication and foster a culture of appreciation. To thank them for their hard work, we gift delicious Christmas cookies in reusable metal tins, which staff repurpose for items like paper clips. This gesture reflects our commitment to a supportive, sustainable workplace where every individual feels valued.



Hear From Our People



At Baker Tilly Hong Kong, beyond gaining professional expertise, I highly value the relationship with colleagues and the positive work environment. Despite the challenging assignments, the strong team spirit with supportive mentorship keeps me motivated. Working in this environment significantly boosts my mood and morale, making every moment memorable.

**Ronley, Manager
Risk and Financial Advisory**



I am incredibly grateful for the unwavering support and comprehensive training I have received from Baker Tilly Hong Kong. Through a structured development program, the firm has carefully cultivated many skills and knowledge, enabling me to steadily progress along my career path. The hands-on experience, mentorship, and diverse learning opportunities have been invaluable in shaping me into the professional I am today. I am truly thankful for the firm's commitment to my growth and success. Their investment in my development has been instrumental in helping me achieve my goals and reach new heights in my accounting and auditing career.

**Horace, Assistant Manager
Audit and Assurance**

2. People Success and Engagement

At Baker Tilly Hong Kong, we are committed to fostering a dynamic, inclusive, and learning-oriented environment that empowers our people to thrive and achieve their full potential. We recognise that our success is driven by the diverse talents and dedication of our team, and we actively cultivate a workplace that supports professional growth, collaboration, and innovation.

Comprehensive Training and Development

To support the career development of our staff at all levels, we offer a robust suite of training programs encompassing both technical and soft skills. Our Annual Training Plan includes targeted sessions on:



Audit Skill Development



Specialised Technical Training



Regulatory and Compliance Updates



Ethics and Risk Management



Leadership and Modern Workplace Skills



Holistic Personal and Career Development

These programs are delivered by professional trainers, as well as Directors and Senior Managers from different departments, ensuring practical and high-quality learning experiences.

Our Training Portal, Online Training Manual, and Annual Training Schedule, accessible via the intranet, provide flexibility through webinars and self-study resources, enabling staff to learn at their own pace. Mandatory training sessions are scheduled during office hours to ensure accessibility. On average, we require at least 20 Continuing Professional Development (CPD) hours annually for each staff grade, reinforcing our commitment to lifelong learning.

Support for Professional Qualifications

We actively encourage our staff to pursue professional qualifications from globally recognised bodies such as the Hong Kong Institute of Certified Public Accountants (HKICPA), the Association of Chartered Certified Accountants (ACCA), CPA Australia, and other professional bodies as fitted. As an Authorised Employer, Baker Tilly Hong Kong supports employees in gaining practical experience through diverse assignments, complemented by paid study and examination leave. This structured support ensures our team members are well-equipped to achieve professional excellence.

Competitive Benefits and Career Support

We offer a comprehensive benefits package to enhance employee engagement, including enhanced annual leave entitlements, qualified pay, annual subscription reimbursements, and a dedicated training allowance for all qualified staff. Our performance management framework includes on-the-job appraisals, annual performance reviews, and personalised coaching sessions with Managers and the HR Director for all members. These initiatives help identify development needs and provide tailored career guidance, ensuring our people succeed together.

Looking ahead, we will continue to invest in our people by exploring new ways to support their career growth and well-being. Through ongoing training and mentorship, we aim to build a workplace where talent flourishes and contributes to our shared vision of excellence.

In 2024, 86% of employees participated in training sessions, accumulating a total of **7,619 training hours**, with an average of 23.09 hours completed per employee. This commitment contributed to improved operational efficiency and reinforced our culture of excellence and compliance.



Average Training Hours Completed per Employee

2024

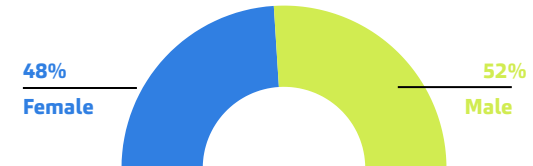
By Gender

| | |
|--------|-------|
| Male | 24.55 |
| Female | 21.47 |

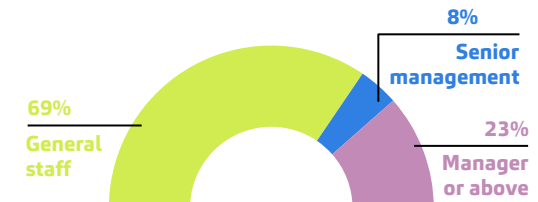
By Employment Category

| | |
|-------------------|-------|
| Senior management | 43.71 |
| Manager or above | 26.24 |
| General staff | 20.13 |

Total Trained Employees, by gender



Total Trained Employees, by employee category



3. Workplace Health and Safety

At Baker Tilly Hong Kong, we are committed to fostering a safe, healthy, and supportive workplace for our employees, business partners and visitors. Our Occupational Health and Safety (OHS) Policy underscores our dedication to compliance with Hong Kong's legislation and regulations, proactive hazard elimination, and the promotion of health and safety awareness.

Reflecting the effectiveness of these comprehensive OHS measures, there were **no work-related fatalities** in 2024.

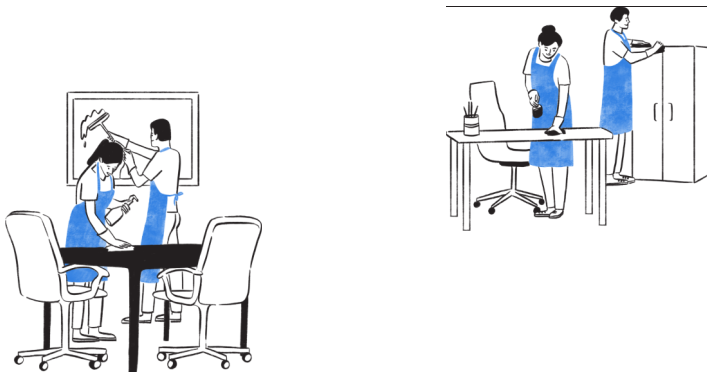


Infectious Disease Prevention

To safeguard the well-being of our staff and visitors, we have implemented robust infectious disease prevention measures. These include:

Firm-Wide Preventive Measures

- Daily sanitisation of high-touch surfaces, including door handles, reception desks, telephone sets in meeting rooms, and photocopier buttons, using alcohol-based disinfectants at least twice daily
- Provision of liquid soap and disposable towels in pantry areas
- Regular disinfection of reception areas and meeting rooms at least twice daily



Staff Preventive Measures

- Employees are encouraged to maintain personal hygiene by washing hands frequently, avoiding touching their face, covering their nose and mouth when sneezing or coughing, and wearing face masks
- Staff are advised to monitor their body temperature, seek immediate medical attention if influenza symptoms arise, and refrain from working until cleared by a medical professional
- Additionally, during flu season, we provide comprehensive health guidelines on the employee intranet, outlining protective measures to minimise the risk of illness



Occupational Health and Safety Policy

Bakey Tilly Hong Kong OHS Policy is a cornerstone of our commitment to a safe and healthy workplace. Key components include:

Regulatory Compliance

- Adherence to all applicable Hong Kong health and safety regulations

Proactive Hazard Management

- Identification and rectification of unsafe conditions to eliminate workplace hazards

Education and Awareness

- Regular training and communication to promote health and safety awareness among staff

Contractor Compliance

- Ensuring all contractors and subcontractors adhere to our OHS Policy when working on our premises

Employee Responsibility

- Encouraging staff to actively participate in maintaining a safe environment by reporting potential hazards or risks promptly

Employee Assistance Program

Recognising the importance of mental well-being, we have appointed Ascendo Health to provide the Employee Assistance Programme (EAP) to our staff. The programme provides:

24/7 Mental Wellness Hotline:

All staff can access confidential psychological support by calling the hotline. Counselling psychologists offer immediate assistance for stress management, insomnia, anxiety, and depressive symptoms

Consultation Services:

Based on professional assessments, staff may be referred for face-to-face or online consultations

Confidentiality:

All interactions through the hotline or consultations are treated with strict confidentiality, ensuring employee privacy





Ongoing Safety Initiatives

We are committed to continuously improving our OHS practices. To ensure a clean and secure workplace, we implement monthly pest control treatments across common and office areas. By cultivating a culture of vigilance, education, and support, we strive to maintain our record of zero work-related injuries and fatalities while prioritising the physical and mental well-being of our employees. We will continually review and refine our policies to address emerging health and safety challenges, fostering a resilient and thriving work environment.

4. Human Rights

At Baker Tilly Hong Kong, we recognise human rights as a critical global issue and are committed to upholding and promoting these rights in all aspects of our operations. As a professional services firm, we acknowledge that our business activities can influence our employees, clients, and the broader community. Consequently, we integrate human rights considerations into our decision-making processes to ensure ethical and responsible practices.

We value the principles of the United Nations Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights (UNGPs), and we strive to reflect these values in our professional conduct and business relationships. We comply with all applicable legal requirements in Hong Kong and other jurisdictions where we operate, fostering a workplace and business environment that respects all individuals' dignity, safety, and security. We engage with our employees and clients to promote fair treatment, diversity, and inclusion, aligning our practices with global human rights standards.

It is our practice not to knowingly provide services to clients where there is substantiated evidence of human rights violations, such as forced labour, harmful child labour, human trafficking, or other forms of modern slavery, unless the client demonstrates robust measures to address and remediate such issues. We are dedicated to embedding human rights considerations into our operations and supply chain, ensuring that our business relationships reflect our ethical standards.



OUR ENVIRONMENT

Our Policies

- ▶ Environmental policy
- ▶ Green Office Guidelines
- ▶ No Shark Fin Policy
- ▶ Print Double-sided User Guide

Legal and Regulatory Compliance

- Waste Disposal Ordinance
- Water Pollution Control Ordinance

Standards Referenced

WEF IBC: Climate Change

GRI: 2-22, 305-2, 305-3

UN SDGs:



Kay Lo



Director of Risk and Financial Advisory,
and Head of ESG & Sustainability



As consultants, we act like nutritionists - examining operational data and information to identify strengths, weaknesses, and areas of risk that require attention. This enables us to help companies create greater value, build competitive advantages, and develop tailored "nutritional plans" in the form of strategic roadmaps.

As a professional deeply engaged in assisting a diverse range of companies with ESG reporting and strategic advisory services on a daily basis, it is truly an honour to contribute to Baker Tilly Hong Kong's very first Sustainability Highlights Report. Being part of this milestone allows me to witness firsthand a historic moment for our firm as we publicly commit to sustainability and transparency.

Through our advisory role across various industries and company sizes, we have observed a common perception among many clients that ESG or sustainability initiatives are often seen as costly, time-consuming, or merely a compliance exercise.

However, from my personal perspective, sustainability is much more than that. It represents the overall health of a company. As consultants, we act like nutritionists - examining operational data and information to identify strengths, weaknesses, and areas of risk that require attention. This enables us to help companies create greater value, build competitive advantages, and develop tailored "nutritional plans" in the form of strategic roadmaps. By fostering a sustainability culture internally, we also drive positive change externally within the industry we serve. The return on investment in sustainability may not always be reflected directly in immediate profits, but it is a vital soft element that supports resilient and sustainable business growth.

Guided by this philosophy, our approach to sustainability at Baker Tilly Hong Kong is consistent both for our clients and ourselves. Our own sustainability roadmap is rooted in the principle of "driving change from within to beyond." Through initiatives like the SME ESG Charter, we actively promote ESG awareness and knowledge sharing with different industries. This not only raises consciousness but also empowers SMEs to seize collaboration opportunities with larger corporations, fostering a more sustainable business ecosystem.

Looking ahead, we remain committed to deepening our ESG expertise and embedding sustainability into every facet of our operations and client engagements. We believe that by continuously evolving our practices and advocating for responsible business conduct, Baker Tilly Hong Kong will contribute meaningfully to a greener, more inclusive, and resilient future.

1. Sustainability Approach

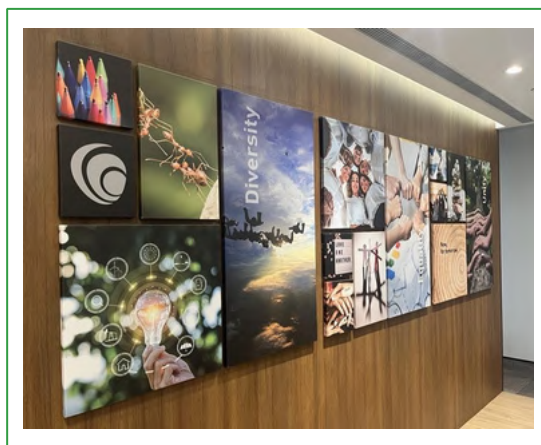
At Baker Tilly Hong Kong, we are dedicated to embedding sustainability into our operations as a leading CPA firm, reflecting our commitment to responsible corporate citizenship. This inaugural Sustainability Highlights Report marks a significant step forward in formalising our environmental efforts, showcasing our resolve to drive meaningful changes. Our approach is guided by a robust Environmental Policy, practical office initiatives, and a commitment to biodiversity preservation, ensuring compliance with all applicable environmental legislation and standards.

In recent years, we relocated to a new office in a **WELL, BEAM Plus, and LEED-certified green building**, reinforcing our commitment to sustainable infrastructure. When selecting our new office site, we prioritised environmentally friendly buildings that align with our core values of sustainability and responsibility. This modern facility reflects our environmental goals, featuring energy-efficient systems and sustainable design principles that reduce our ecological footprint.



Our company culture emphasises mutual respect, care for others, and fostering a collaborative environment, while upholding our unwavering commitment to service quality and integrity.

— Cynthia Lo, Managing Director

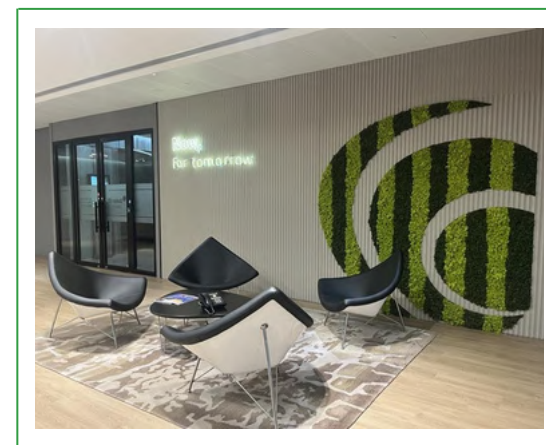
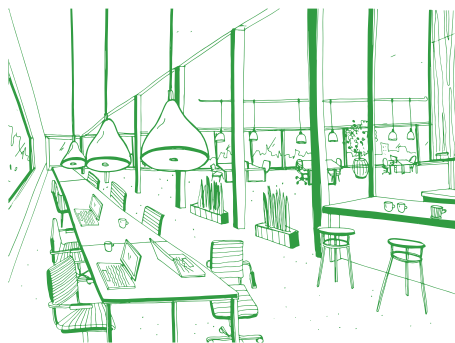


This sustainability approach is reflected in the design of our office, where ESG elements have been thoughtfully integrated. For example, we named our conference rooms

Room Diversity, Room Equity, and Room Unity

to embody our values of inclusivity, fairness, and teamwork. Additionally, recycling boxes in the pantry encourage responsible waste management and promote a culture of sustainability among colleagues.

By combining sustainable infrastructure with our core values, our office space not only supports our environmental goals but also serves as a daily reminder of our commitment to creating a positive, collaborative, and value-driven workplace.



In response to the global decline in shark populations due to unsustainable fishing, we have adopted a

No Shark Fin Policy. This initiative prohibits shark fin consumption at company events and premises, mandates shark-free menus in catering contracts and prioritises sustainably sourced seafood. By promoting this policy, we aim to lead by example and contribute to marine conservation.

Our commitment to sustainability is underpinned by continuous improvement. We regularly review our practices and communicate our strategies to staff, business partners, and clients. Through these efforts, Baker Tilly Hong Kong strives to balance professional excellence with environmental and social stewardship, fostering a sustainable future for our community and beyond.





In early 2025, our Annual Dinner, themed **“Transformation and Growth”**, highlighted sustainability with a green dress code that encouraged eco-inspired attire. A surprise **eco-friendly fashion show** challenged colleagues to become instant designers, crafting outfits from eco-friendly materials such as office paper and plastic, embodying innovation and the principles of a circular economy.





2025 Annual Dinner – “Transformation and Growth”: Sustainability Photography Competition

Additionally, a Sustainability Photography Competition, aligned with the **United Nations Sustainable Development Goals (UNSDGs)**, has been introduced in the Annual Dinner section. This initiative aims to raise sustainability awareness, among staff and provide them with a platform to showcase their creativity.



Jack Chau
Audit



Peter Lam
Audit



Eunice Lo
Risk Advisory



Raymond Wu
Audit



Brandon Lau
Risk Advisory



Hayley Chan
Audit

Sustainable Festive Decorations

During the 2024 Christmas season, we embraced sustainable creativity by constructing our office Christmas tree using paper honeycomb, a recyclable and eco-friendly material. This initiative replaced traditional decorations with a low-impact alternative, reducing waste while maintaining the festive spirit. The project engaged our employees in a collaborative effort to promote circular economy principles, demonstrating that sustainability can be seamlessly integrated into our workplace culture.



Recycling Training Video

In 2024, our Risk and Financial Advisory ESG Team produced a training video focused primarily on educating staff on the proper use of the recycling bins installed in our company pantry. This initiative aims to enhance employees' understanding of correct waste segregation practices, thereby promoting greater awareness and adherence to our recycling protocols.



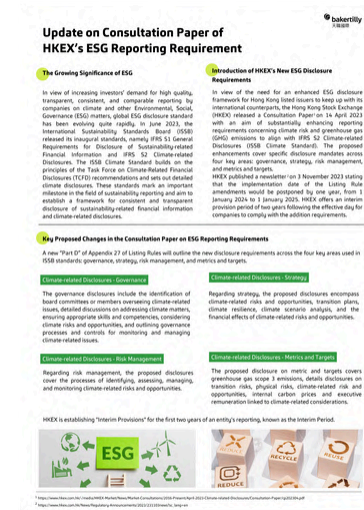
Engaging with Industry Sustainability Events

In 2024, our Risk and Financial Advisory ESG Team participated in prominent sustainability events, including Eco Expo, ReThink HK 2024, and the 1.5°C Summit. By attending these events, our team gained valuable insights into cutting-edge sustainability practices, emerging environmental trends, and innovative solutions to reduce ecological impact. These learnings have informed our internal policies and strengthened our ability to advise clients on sustainable practices, reinforcing our role as a leader in environmental stewardship within the professional services sector.



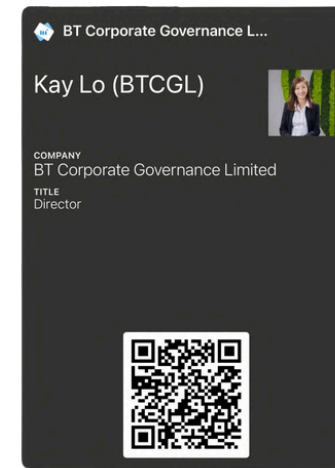
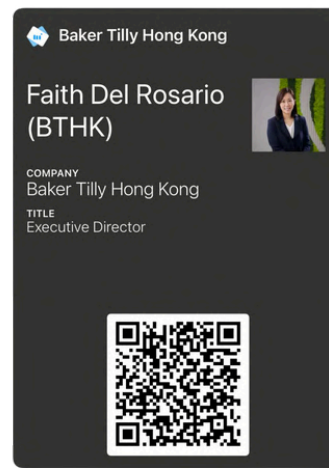
Sharing Knowledge through ESG Newsletters

To foster transparency and engage our stakeholders, we publish a quarterly ESG newsletter to share updates on our environmental initiatives, industry insights, and practical tips for sustainable practices. Distributed to employees, clients, and the broader community, the newsletter highlights our ongoing efforts to encourage collective action toward a greener future. This initiative underscores our commitment to raising awareness and driving meaningful dialogue on sustainability.



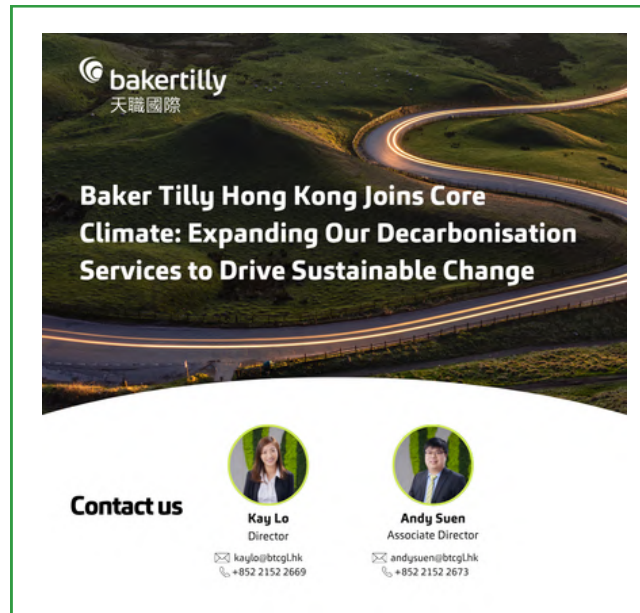
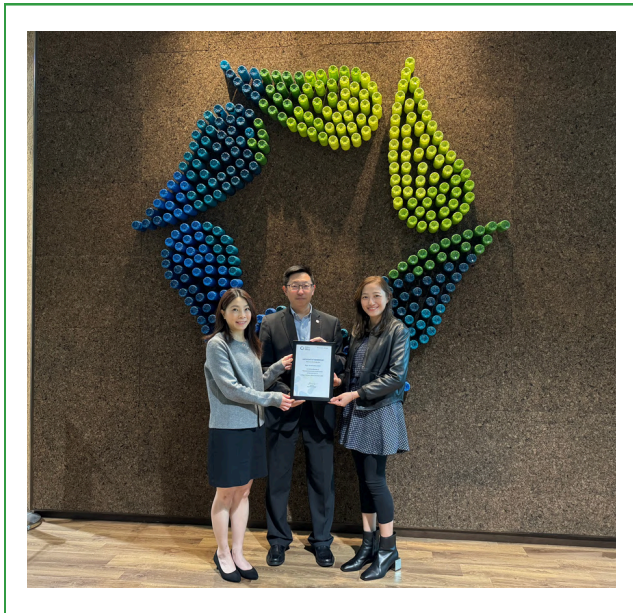
E-Business Card Trail at Baker Tilly Hong Kong

In 2024, we have employed a trail run of e-business cards for our directors, aligning with our commitment to innovation and sustainability. This initiative replaces traditional paper cards with digital alternatives, enabling seamless sharing of contact details via QR codes, while reducing environmental impact. This trial reflects our forward-thinking approach to modernising business practices while upholding our values of excellence and responsibility.



BEC Membership and Core Climate Platform

In 2024, we joined the Business Environment Council (BEC) and HKEX's Core Climate Platform, strengthening our decarbonisation services, positioning us as leaders in sustainable finance, helping clients achieve net-zero goals and reinforcing Hong Kong's role as a green finance hub.

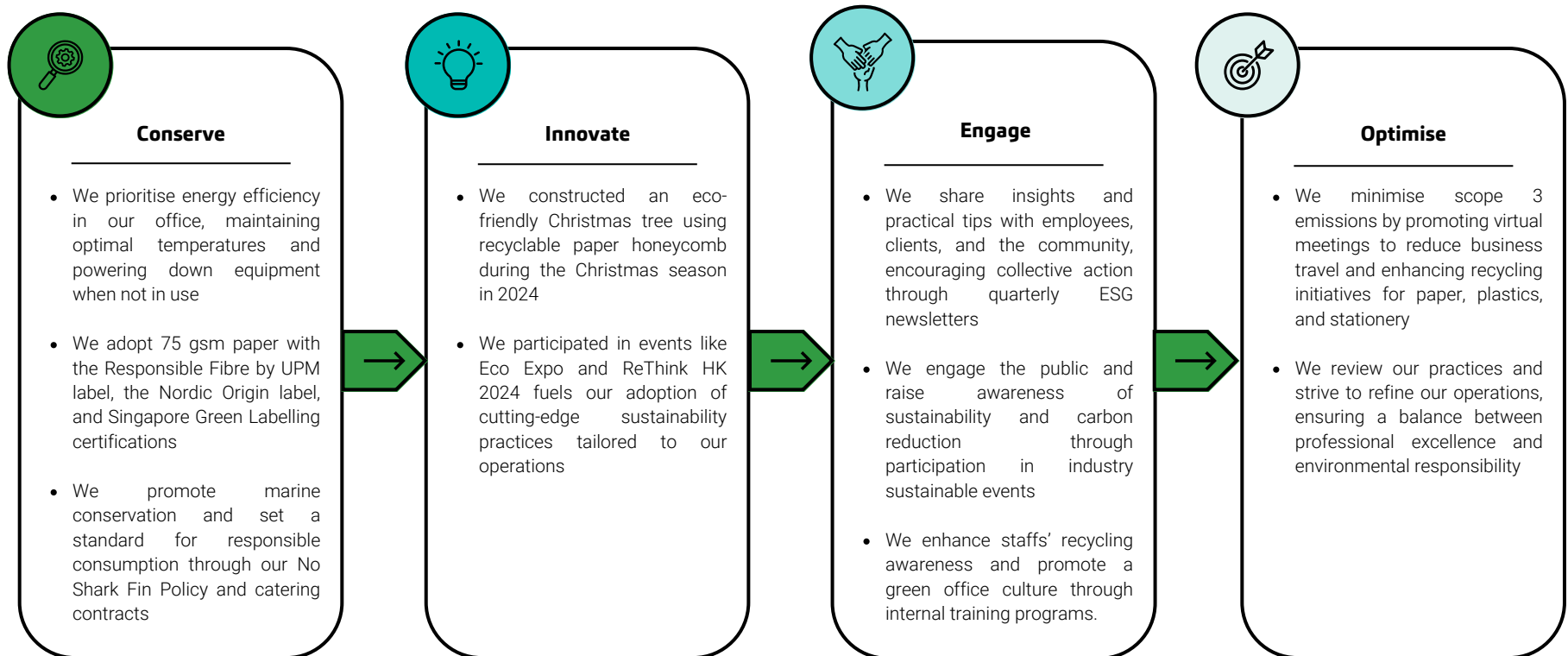


2. Minimising Our Carbon Footprint

As a professional services firm, Baker Tilly Hong Kong recognises that our environmental impact is relatively modest compared to industries with intensive manufacturing or resource extraction. However, we are committed to minimising our carbon footprint, particularly in areas where our operations generate Greenhouse Gas (GHG) emissions. Our primary sources of emissions stem from energy consumption in our buildings, notably purchased electricity and business travel. These activities contribute to our Scope 2 and Scope 3 emissions, as defined by the GHG Protocol Scope 2 Guidance and Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

Scope 2 emissions, arising from purchased electricity, represent the largest share of our carbon footprint, reflecting the energy required to power our office operations. Scope 3 emissions, specifically Category 5: Waste Generated in Operations and Category 6: Business Travel, include other indirect emissions from commercial air travel. By identifying these key categories, we gain a clear understanding of our environmental impact and prioritise actions to reduce it.

Our Carbon Reduction Framework



By focusing on these efforts, we are dedicated to continuously improving our environmental performance and aligning our operations with sustainable practices, reducing our carbon footprint while upholding our commitment to professional excellence and client trust.

3. Resource Management

Resource management is integral to our commitment to environmental sustainability, reflecting our responsibility as a professional services firm to minimise our ecological impact. Our approach optimises energy consumption, enhances waste management, and incorporates sustainable practices tailored to our operations. As a CPA firm, our primary resource use is indirect energy consumption through purchased electricity, which powers our office, supporting essential functions like lighting and office equipment. By leveraging the building's sustainable design and implementing energy-saving measures, we reduce our Scope 2 emissions while upholding operational excellence.

Our waste management strategy addresses both non-hazardous and hazardous waste, tailored to our business nature. To reduce non-hazardous waste, primarily paper, Baker Tilly Hong Kong prioritises digital workflows. When paper use is necessary, employees are required to use staff ID cards to access printing functions, ensuring controlled and responsible paper usage. We select 75 gsm paper, which is lightweight yet ensures privacy compliance. Our paper carries the **Responsible Fibre by UPM label, the Nordic Origin label, and Singapore Green Labelling certifications** underscoring our to environmentally responsible practice. For confidential paper, we engage a third-party service to ensure secure recycling, achieving 5,543 kg of confidential paper recycled in 2024, equivalent to saving 26,607 kg of CO₂ emissions. Additional recycling efforts include plastics and metals, with dedicated bins for plastic bottles and aluminium cans.

Hazardous waste, limited to printer cartridges, is responsibly managed by our printer leasing company, ensuring proper disposal. To further minimise waste and operational inefficiencies related to hazardous waste, the company has standardised the use of a **single printer model** across the office, effectively preventing the purchase of incorrect toner cartridges and reducing unnecessary waste. Due to our lease structure, all commercial waste and water consumption are managed by our landlord and included in the rental fee, and we do not use packaging or raw materials, further limiting our resource footprint.



To advance resource conservation, we have implemented the following measures:

- Promote energy efficiency by encouraging colleagues to switch off lights, computers, and printers when not in use and maintain office temperatures at an appropriate level to optimise electricity use;
- Minimise water usage through conservative practices, ensuring taps are turned off when not in use;
- Reduce paper consumption by prioritising digital document sharing, printing only when essential, and using double-sided printing for drafts;
- Enhance recycling by disposing of plastic bottles and aluminium cans in designated bins, returning unused stationery for reuse, and engaging third-party services for confidential paper recycling; and
- Encourage sustainable practices, such as using public transportation and reusable cutlery, to minimise reliance on disposable items.

Through these initiatives, Baker Tilly Hong Kong demonstrates a commitment to responsible resource management, aligning with our sustainability principles of conserving, innovating, engaging, and optimising. By continuously refining our practices, we contribute to a sustainable future while maintaining our dedication to professional excellence and stakeholder trust.



5,543 kg of confidential paper recycled in 2024, equivalent to **saving 26,607 kg of CO₂ emissions**

OUR PROFESSIONALISM

Our Policies

- ▶ Code of Conduct
- ▶ Employee Handbook
- ▶ Global Focus Audit Methodology – Audit Manual
- ▶ Information Security, AI, and Data Privacy Policies
- ▶ IT Policies
- ▶ Practice Assurance Compliance Manual

Legal and Regulatory Compliance

- Accounting and Financial Reporting Council Ordinance
- Crimes Ordinance
- Personal Data (Privacy) (Amendment) Ordinance
- Professional Accountants Ordinance

Standards Referenced

GRI: 418-1

Edmond Chan



Executive Director and
Head of Audit and Assurance



Compliance and integrity are fundamental pillars within ESG, and at the core of our audit and assurance work, enabling us to deliver trusted, high-quality services that meet the evolving expectations of stakeholders

In the past, audit and assurance work largely followed traditional approaches, primarily focused on verifying company data and financial information. However, in today's rapidly evolving business landscape, characterised by heightened regulatory scrutiny and growing stakeholder expectations - ESG considerations have become an essential component of the audit and assurance process.

Regardless of industry, compliance with laws and regulations is fundamentally intertwined with ESG principles. Beyond mere legal adherence, compliance represents a core mindset and ethical foundation that underpins sustainable business practices. As a professional services firm, we place paramount importance on compliance and integrity. These values are deeply embedded in our culture and operational framework.

To uphold these standards, we have established a dedicated Technical and Regulatory (TAR) team that provides ongoing support to our internal audit professionals. Our audit process incorporates robust, dual-layer regulatory oversight: the Engagement Quality Control Review (EQCR) and the TAR team both play critical roles in monitoring and managing key audit risks. Should any significant risks arise, we respond promptly in accordance with our internal guidelines to mitigate potential issues.

Furthermore, we are committed to continuous professional development. We regularly conduct training sessions to update our talents on the latest compliance requirements, regulatory changes, and emerging industry trends. This knowledge transfer not only ensures our team maintains the highest standards of compliance in their work but also empowers us to assist our clients in meeting their own compliance obligations. Ultimately, this approach helps satisfy the expectations of all stakeholders and guarantees the quality and reliability of our audit services.

By integrating ESG considerations and reinforcing a culture of compliance and integrity, we continue to enhance the value we deliver to our clients and contribute positively to the broader business ecosystem.

1. Quality Assurance

As a leading CPA firm, Baker Tilly Hong Kong provide a diverse range of professional services, each governed by specific quality assurance standards to ensure excellence and compliance.

For our audit services, we adhere to the Baker Tilly International Global Focus Audit Methodology, as outlined in the Audit Manual – Global Focus Desktop. This robust methodology ensures our audits meet international standards and regulatory requirements, fostering trust and reliability.

Our quality assurance framework begins with thorough client acceptance and tailored engagement profiling to address each client's unique needs. We conduct comprehensive risk assessments, focusing on client environments, internal controls, and material risks, to design precise audit procedures. These include substantive testing, analytical procedures, and control evaluations, with specific protocols for group audits to ensure consistency. Our evaluation and reporting processes deliver clear, transparent conclusions, highlighting key audit matters where applicable.

Global Focus Audit Methodology

Audit Manual – Global Focus Desktop Version 9 (2024)

Published November 2024

Through adherence to global standards and continuous improvement, Baker Tilly Hong Kong ensures all services, exemplified by our audit methodology, uphold the highest levels of integrity, supporting sustainable practices and stakeholder confidence.



2. Data Privacy and Security Leadership

As a leading professional services firm, Baker Tilly Hong Kong is committed to the highest standards of data privacy and cybersecurity. We operate in full compliance with all applicable Hong Kong laws and regulations, including, but not limited to, the Crimes Ordinance and the Personal Data (Privacy) (Amendment) Ordinance, which guide our approach to the collection, processing, use, sharing, and retention of all confidential information.

To ensure ongoing adherence to evolving legal and regulatory requirements, we have established a comprehensive suite of Information Security, AI, and Data Privacy policies. These policies are regularly reviewed and updated to address emerging threats and regulatory changes. They apply across the entire firm, encompassing all business units and third parties acting on our behalf. Our policies set minimum standards for the lawful and defined processing of personal data and incorporate privacy-by-design principles throughout every stage of the data lifecycle.



Demonstrating our commitment to international best practices, Baker Tilly Hong Kong is certified to the ISO 27001:2022 standard. This global certification underscores our robust information security management system and our dedication to continuous improvement. In addition, we conduct regular meetings with the Audit Technology Team from Baker Tilly International to share insights on emerging technological trends and developments, ensuring our practices remain current and globally aligned.

Our security framework is comprehensive and multi-layered. We employ a wide range of technological, administrative, organisational, and physical safeguards to maintain the confidentiality, integrity, and availability of personal information. Access to sensitive data is strictly limited to authorised personnel with appropriate clearance and clearly defined responsibilities. Our Employee Handbook and related policies articulate specific expectations for all employees regarding the handling of confidential and sensitive information entrusted to us by clients, employees, service providers, and government entities.

Incident management protocols are well-defined. Employees are encouraged to report any actual or suspected data privacy incidents through internal channels using the Complaint and Allegation Form. All reports are escalated to dedicated incident response personnel for assessment, mitigation, root cause analysis, and corrective action. Where necessary, we promptly notify regulators, clients, and affected individuals in accordance with legal and regulatory requirements.

Staff development remains a cornerstone of our security culture. All employees participate in regular security awareness training, ensuring they remain fully informed of their information security and data protection responsibilities, and reinforcing best practices in confidentiality.

We actively engage with industry groups, regulators, and stakeholders on policy matters related to data protection and privacy. At Baker Tilly Hong Kong, we do not simply comply with regulations – we strive to exceed them. Our proactive, continuously evolving approach ensures data security is managed by professionals dedicated to the highest standards of protection.

Our commitment to excellence is reflected in our strong track record in 2024, where there was **no complaints** identified from clients or regulatory bodies concerning privacy breaches or data losses. This achievement underscores our unwavering focus on safeguarding the information assets of those who place their trust in us.

OUR SOCIETY



Standards Referenced

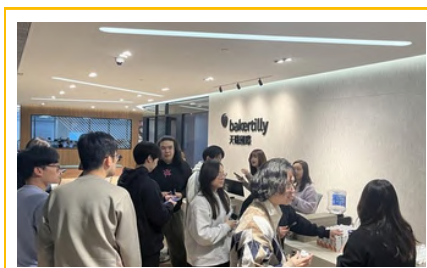
UN SDGs:



1. Strategic Partnerships for Progress

At Baker Tilly Hong Kong, we believe that collaboration is the cornerstone of driving meaningful change, especially in the areas of sustainability and community development. As a trusted CPA and business advisory firm, we are committed to forming strategic partnerships that extend our expertise beyond traditional accounting services, enabling us to create a lasting, positive impact on the communities we serve.

Fair Trade Corporate Partnership



We are proud to be recognised as a Fair Trade Corporate Partner. In 2024, we launched a Fair Trade activity, providing employees with access to Fair Trade-certified refreshments. This initiative promotes ethical sourcing, supports sustainable practices, and fosters awareness of fair trade principles within our firm, reflecting our commitment to social responsibility and global impact.



Empowering SMEs on Their ESG Journey: The SME ESG Charter Workshops



At Baker Tilly Hong Kong, we are committed to helping SMEs embrace sustainable business practices. In collaboration with Dah Sing Bank and the Hong Kong Small and Medium Enterprises Association (HK SMEA), we hosted a series of three "SME ESG Charter" workshops between June and August 2024. Over 100 SME representatives joined us to learn about the fundamentals of ESG, practical steps for implementation, and the latest industry trends.

Through these interactive workshops, we empowered businesses to identify strengths and areas for improvement across key ESG topics. Our team shared real-world examples and provided step-by-step guidance on integrating ESG principles into daily operations and long-term strategies.

Additionally, we addressed common barriers faced by SMEs, equipping participants with the tools to navigate regulatory requirements and meet the growing expectations of clients and the marketplace.

By fostering collaboration among financial institutions, industry associations, and professional advisors, we continue to strengthen the SME community's capacity for sustainable growth. We remain dedicated to supporting SMEs as they embark on their ESG journey, equipping them with the knowledge and resources needed for lasting positive impact.



2. Empowering Communities

At Baker Tilly Hong Kong, we strive to drive positive change by empowering communities through knowledge sharing, professional expertise, and collaborative initiatives. Below are our recent contributions that reflect our commitment to supporting sustainable growth and resilience across industries.

In 2024, Baker Tilly Hong Kong contributed a total of **HKD 100,000 in donations** to various organisations, including Hang Seng University of Hong Kong (HSUHK), the Hong Kong Institute of Certified Public Accountants (HKICPA), Fair Trade, and Sing Tao Daily, as part of its commitment to giving back to the community.

Empowering Sustainable Growth at ECO EXPO Asia 2024

Baker Tilly Hong Kong led a pivotal workshop at ECO EXPO Asia, hosted by HKTDC, where we provided actionable insights and practical strategies for SMEs to adopt sustainable business practices. By equipping participants with tools to understand evolving market trends and implement effective sustainability solutions, we reinforced our commitment to environmental stewardship and the long-term success of businesses navigating an ever-changing landscape.



Building Strategic Resilience: Climate and Internal Control Seminar

Our Risk Advisory and ESG team hosted a seminar titled "Strategic Resilience for Directors: Mastering Climate Disclosures and Enhancing Compliance Internal Control," attracting over 80 in-person and virtual attendees. Directors of Risk and Financial Advisory Kay Lo and Maggie Lee, as well as Senior ESG Consultant Jason Ng have provided invaluable perspectives on climate-related disclosures, compliance best practices, and risk management, supporting business leaders in strengthening their governance frameworks and advancing their sustainability agendas.



Advancing Industry Knowledge: FHKI Tax Workshop Series

We were honoured to collaborate with the Federation of Hong Kong Industries (FHKI) to deliver a series of tax workshops, focused on navigating the Foreign Source Income Exemption (FSIE) Regime. Led by our Principal of Tax and Transfer Pricing Leader, Patrick Chu, the workshop offered practical guidance and real-world success stories, helping participants to navigate the complex compliance requirements in an evolving tax landscape.



Empowering Future Professionals through the Internship Programme

At Baker Tilly Hong Kong, our Internship Programme exemplifies our dedication to investing in the future of our community. We offer recent students a structured pathway into the professional world, providing access to hands-on experience, technical and soft skills training, and a supportive environment that nurtures personal and professional growth. Through our regular experience-sharing sessions, young talents are guided by experienced staff members, helping them build confidence and develop practical skills essential for success.

Our programme goes beyond technical training by fostering a culture of ethical conduct, collaboration, and direct client engagement. Students are encouraged to contribute ideas, work closely with diverse teams, and engage with clients across different industries, gaining exposure to a variety of business environments. This holistic approach not only enhances their career prospects but also cultivates a sense of responsibility and community-mindedness, preparing them to make a positive impact on society.

Baker Tilly Hong Kong not only strengthens the local talent pool but also contributes to social mobility and the development of a more inclusive, skilled, and resilient workforce for Hong Kong's future.



Story from Our Young Talent – Christina

As an intern trainee in the Risk and Financial Advisory Department, I am honoured to be part of this prestigious professional services firm and thankful for the firm's training and support. Through the internship programme, I've gained hands-on experience in ESG through diverse projects, which has enhanced my understanding of ESG standards and tools. The team's expertise and collaboration have been instrumental in my growth.

Being part of Baker Tilly Hong Kong is not just a professional milestone but a journey of growth and discovery. I am excited about the future and the opportunities it holds to make a meaningful impact on the firm's success while continuing to develop as a professional. Looking ahead, I am thrilled with the prospect of continuing to grow within Baker Tilly Hong Kong. I'm also proud to contribute to a field that aligns with my values.



ABOUT THIS REPORT

This ESG Report has been prepared by Baker Tilly Hong Kong to provide our stakeholders with a transparent overview of our ESG performance and progress. The report aims to communicate our sustainability strategy, highlight key initiatives and impacts, and demonstrate our ongoing commitment to responsible business practices.

Reporting Scope, Period, and Boundary

The scope of this report covers the operations and activities of Baker Tilly Hong Kong. Unless otherwise specified, all data and information presented pertain to the period from 1 January 2024 to 31 December 2024. The reporting boundary includes all entities and business functions under the direct operational control of Baker Tilly Hong Kong within the Hong Kong Special Administrative Region (HKSAR). Data from joint ventures, affiliates, and offices outside of Hong Kong are excluded from this report.

Reporting Principles and Frameworks

This report has been prepared with reference to internationally recognised reporting frameworks to ensure our disclosures are comprehensive, transparent, and comparable:

- Global Reporting Initiative (GRI) Standards
- World Economic Forum (WEF) International Business Council (IBC) Stakeholder Capitalism Metrics

These frameworks have guided the selection of ESG topics, indicators, and metrics disclosed in this report. We are committed to maintaining high standards of reporting in line with the best global practices and to meeting the evolving expectations of our stakeholders.

Baker Tilly Hong Kong is dedicated to enhancing its sustainability performance. We welcome feedback from stakeholders as we strive for continuous improvement in our sustainability journey. Please contact us at (852) 2525 0171 or enquiries@bakertilly.hk.

PERFORMANCE DATA SUMMARY

Environmental

Scope 3 Reporting Boundary

| Carbon Emissions | Unit | 2024 |
|--|--------------------------------------|----------|
| Indirect carbon emissions (scope 2) | | |
| • Non-renewable electricity purchased | Tonnes of CO ₂ e | 61.85 |
| Other indirect carbon emissions (scope 3) | | |
| • Category 5: Waste generated in operations | Tonnes of CO ₂ e | 20.78 |
| • Category 6: Business travel | Tonnes of CO ₂ e | 46.01 |
| Total carbon emissions (scopes 2 & 3) | Tonnes of CO ₂ e | 128.64 |
| Carbon intensity (scopes 2 & 3) | Tonnes of CO ₂ e/Employee | 0.39 |
| Energy Consumption | | |
| Indirect energy consumption | | |
| • Non-renewable electricity purchased | MWh | 103.08 |
| Total energy consumption | MWh | 103.08 |
| Energy intensity | MWh/Employee | 0.31 |
| Non-hazardous Waste Directed to Disposal | | |
| Total non-hazardous waste generated - Paper | Tonnes | 4.32 |
| Non-hazardous waste intensity | Tonnes/Employee | 0.01 |
| Non-hazardous Waste Diverted from Disposal - Reuse, Recycling | | |
| Total non-hazardous waste recycled - Paper | Kg | 5,543.00 |

| Scope 3 Categories | Relationship with Us | Calculation and Emissions Factors |
|--|---|--|
| Category 5: Waste generated in operations | | |
| Disposal and Management of Generated Waste Emissions | Among the waste generated, the treatment of disposed and recycled paper constitutes the primary source of emissions | <ul style="list-style-type: none"> Assessment is conducted using a waste-type-specific method. The calculation method involves multiplying the weight of disposed paper generated by Baker Tilly Hong Kong, and wastepaper collected and treated by the third party service provider by the corresponding emission factors, while considering the recycling method. Reference emission factors are sourced from: the HKEX's "How to Prepare an Environmental, Social and Governance Report – Appendix 2: Reporting Guidance on Environmental KPIs," the "GHG Conversion Factors for Company Reporting 2025" published by the UK Government, and the "Hong Kong SME Carbon Audit Toolkit" published by The University of Hong Kong and City University of Hong Kong. |
| Category 6: Business travel | | |
| Emissions from Employee Transportation for Business-Related Activities | Aviation business travel represents the primary source of emissions | <ul style="list-style-type: none"> Assessment is conducted using a distance-based method. Our aviation business travel emissions are calculated by multiplying the flight distance, categorised by cabin class, by the corresponding emission factors. Reference emission factors are sourced from: the International Civil Aviation Organization (ICAO) Carbon Emissions Calculator. |

Our Approach

Our Approach

Standards and Sources

- GHG Protocol Scope 2 Guidance and Corporate Value Chain (Scope 3) Accounting and Reporting Standard published by the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute
- Global warming potentials (GWP) from the "Sixth Assessment Report" published by the Intergovernmental Panel on Climate Change (IPCC)
- ICAO Carbon Emissions Calculator from the International Civil Aviation Organization (ICAO)
- Sustainability reports of the local utility companies (for purchased electricity)
- UK Defra GHG Conversion Factors developed by the United Kingdom Department of Environment, Food and Rural Affairs (Defra)
- "Energy Statistics Manual" published by the International Energy Agency (IEA)

Measurement method

Using operational control, as operational information is accessible

Operational boundary

Head office based in Quarry Bay, Hong Kong

Social

| Total Workforce | Unit | As at 31 December 2024 |
|-----------------------------|---------------------|------------------------|
| Total | Number | 330 |
| By Gender | | |
| Male | Number & Percentage | 173 (52%) |
| Female | Number & Percentage | 157 (48%) |
| By Employment Type | | |
| Full-time | Number & Percentage | 312 (95%) |
| Part-time | Number & Percentage | 18 (5%) |
| By Age Group | | |
| <30 | Number & Percentage | 181 (55%) |
| 31 - 40 | Number & Percentage | 108 (33%) |
| 41 - 50 | Number & Percentage | 29 (9%) |
| >51 | Number & Percentage | 12 (3%) |
| By Employee Category | | |
| Senior management | Number & Percentage | 24 (7%) |
| Manager or above | Number & Percentage | 67 (20%) |
| General staff | Number & Percentage | 239 (73%) |

| The Average Training Hours Completed per Employee and The Percentage of Employees Trained | | 2024 |
|---|---------------------|-------------|
| Total Training Hours | Number | 7,619 |
| Average hours of training that employees participated | Number | 23.09 |
| Total Trained Employees | Percentage | 86% |
| By Gender | | |
| Male | Number & Percentage | 24.55 (52%) |
| Female | Number & Percentage | 21.47 (48%) |
| By Employee Category | | |
| Senior management | Number & Percentage | 43.71 (8%) |
| Manager or above | Number & Percentage | 26.24 (23%) |
| General staff | Number & percentage | 20.13 (69%) |

| New Hires in 2024 | | 2024 |
|---------------------|---------------------|-----------|
| Total | Number | 93 |
| By Gender | | |
| Male | Number & Percentage | 54 (58%) |
| Female | Number & Percentage | 39 (42%) |
| By Age Group | | |
| <30 | Number & Percentage | 75 (81%) |
| 31 - 40 | Number & Percentage | 15 (16%) |
| 41 - 50 | Number & Percentage | 2 (2%) |
| >51 | Number & Percentage | 1 (1%) |

| OHS Performance | | 2024 |
|--------------------------------------|--------|------|
| Number of work-related fatalities | Person | 0 |
| Number of reported injuries | Person | 1 |
| Last days due to work-related injury | Days | 3 |

| Product Responsibility | 2024 |
|--|------|
| Number of complaints received concerning privacy breaches or data losses | 0 |

| Anti-corruption | 2024 |
|---|--------|
| Number of concluded legal cases regarding corrupt practices | 0 |
| Total anti-corruption training sessions | 5 |
| Total percentage of employees trained | 86% |
| Total anti-corruption training hours | 837.40 |

| Community Investment | 2024 |
|----------------------|-------------|
| Donation | HKD 100,000 |

APPENDIX

1. WEF IBC Content Index

| THEME | CORE METRIC | | LOCATION |
|---------------------------------|--|--|--|
| Principles of Governance | | | |
| Governing Purpose | Setting purpose | The company's stated purpose, as the expression of the means by which a business proposes solutions to economic, environmental, and social issues. Corporate purpose should create value for all stakeholders, including shareholders | Letter from the Managing Director / About Baker Tilly Hong Kong |
| | Purpose-led management | How the company's stated purpose is embedded in company strategies, policies, and goals | Letter from the Managing Director / About Baker Tilly Hong Kong / Our Governance |
| Quality of Governing Body | Governance body composition | Composition of the highest governance body and its committees by: competencies relating to economic, environmental, and social topics; executive or non-executive; independence; tenure on the governance body; number of each individual's other significant positions and commitments, and the nature of the commitments; gender; membership of under-represented social groups; stakeholder representation | Our Governance / Composition and Competencies |
| Stakeholder Engagement | Material issues impacting stakeholders | A list of the topics that are material to key stakeholders and the company, how the topics were identified, and how the stakeholders were engaged | ESG Topics of Focus |
| Ethical Behaviour | Anti-corruption | 1. Total percentage of governance body members, employees and business partners who have received training on the organization's anti-corruption policies and procedures, broken down by region 2. (a) Total number and nature of incidents of corruption confirmed during the current year but related to previous years (b) Total number and nature of incidents of corruption confirmed during the current year, related to this year 3. Discussion of initiatives and stakeholder engagement to improve the broader operating environment and culture, in order to combat corruption | Compliance and Anti-Corruption |
| | Protected ethics advice and reporting mechanisms | 1. Seeking advice about ethical and lawful behaviour and organizational integrity; 2. Reporting concerns about unethical or lawful behaviour and organizational integrity | Ethics Reporting and Training |
| Risk and Opportunity Oversight | Integrating risk and opportunity into business process | Company risk factor and opportunity disclosures that clearly identify the principal material risks and opportunities facing the company specifically (as opposed to generic sector risks), the company appetite in respect of these risks, how these risks and opportunities have moved over time and the response to those changes. These opportunities and risks should integrate material economic, environmental, and social issues, including climate change and data stewardship | Risk Management / Priority and Ongoing Risks and Opportunities |

| THEME | CORE METRIC | | LOCATION |
|-------------------------|--|---|---|
| Planet | | | |
| Climate Change | Greenhouse gas (GHG) emissions | For all relevant greenhouse gases (e.g. carbon dioxide, methane, nitrous oxide, F-gases etc.), report in metric tonnes of carbon dioxide equivalent (tCO2e) GHG Protocol Scope 1 and Scope 2 emissions. Estimate and report material upstream and downstream (GHG Protocol Scope 3) emissions where appropriate. | Minimising Our Carbon Footprint / Performance Data Summary |
| | TCFD implementation | Fully implement the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). If necessary, disclose a timeline of at most three years for full implementation. Disclose whether you have set, or have committed to set, GHG emissions targets that are in line with the goals of the Paris Agreement – to limit global warming to well-below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C – and to achieve net-zero emissions before 2050 | Not Applicable Baker Tilly Hong Kong does not disclose this metric |
| Nature Loss | Land use and ecological sensitivity | Report the number and area (in hectares) of sites owned, leased or managed in or adjacent to protected areas and/or key biodiversity areas (KBA). | Not Applicable Baker Tilly Hong Kong does not disclose this metric |
| Freshwater Availability | Water consumption and withdrawal in water-stressed areas | Report for operations where material, mega litres of water withdrawn, mega litres of water consumed and the percentage of each in regions with high or extremely high baseline water stress according to WRI Aqueduct water risk atlas tool. Estimate and report the same information for the full value chain (upstream and downstream) where appropriate | Resource Management |

| THEME | CORE METRIC | LOCATION |
|-----------------------|--|---|
| People | | |
| Dignity and Equality | Diversity and inclusion | Percentage of employees per employee category, per age group, gender and other indicators of diversity (e.g. ethnicity) Workforce Profile |
| | Pay equality | Ratio of the basic salary and remuneration for each employee category by significant locations of operation for priority areas of equality: women to men; minor to major ethnic groups; and other relevant equality areas Not Applicable Baker Tilly Hong Kong does not disclose this metric |
| | Wage level | 1. Ratios of standard entry-level wage by gender compared to local minimum wage 2. Ratio of CEO's total annual compensation to median total annual compensation of all employees (excluding the CEO) Not Applicable Baker Tilly Hong Kong does not disclose this metric |
| | Risk for incidents of child, forced or compulsory labour | An explanation of the operations and suppliers considered to have significant risk for incidents of child labour, forced or compulsory labour. Such risks could emerge in relation to type of operation (such as manufacturing plant) and type of supplier; or countries or geographic areas with operations and suppliers considered at risk. Human Rights |
| Health and Well-being | Health and safety | 1. The number and rate of fatalities as a result of work-related injury; high-consequence work-related injuries (excluding fatalities); recordable work-related injuries, main types of work-related injury; and the number of hours worked GRI:2018 403 – 6 (a) 2. An explanation of how the organization facilitates workers' access to non-occupational medical and healthcare services and the scope of access provided for employees and workers Workplace Health and Safety |
| Skills for the Future | Training provided | 1. Average hours of training per person that the organization's employees have undertaken during the reporting period, by gender and employee category (total number of trainings provided to employees divided by the number of employees) 2. Average training and development expenditure per full time employee Comprehensive Training and Development |

| THEME | CORE METRIC | LOCATION |
|--|--|---|
| Prosperity | | |
| Employment and Wealth Generation | Absolute number and rate of employment | <p>1. Total number and rate of new employee hires during the reporting period, by age group, gender, other indicators of diversity and region</p> <p>2. Total number and rate of employee turnover during the reporting period, by age group, gender, other indicators of diversity and region</p> <p>Workforce Profile</p> |
| | Economic contribution | <p>1. Direct economic value generated and distributed (EVG&D) – on an accrual basis, covering the basic components for the organization’s global operations, ideally split out by: EVG&D can provide a valuable snapshot of the direct monetary value added to local economies through generation of products and services, servicing of capital, payment of wages, taxes and community investment, while the significant financial assistance received from government, when compared with separate disclosures on taxes, can be useful for developing a more balanced and transparent snapshot of the balance of transactions between the company and government.</p> <ul style="list-style-type: none"> • Revenue • Operating costs • Employee wages and benefits • Payments to providers of capital • Payments to government • Community investment <p>2. Financial assistance received from the government - Total monetary value of financial assistance received by the organization from any government during the reporting period</p> <p>Not Applicable Baker Tilly Hong Kong does not disclose this metric</p> |
| | Financial investment contribution | <p>1. Total capital expenditures (CapEx) – Depreciation supported by narrative to describe the company’s investment strategy</p> <p>2. Share buybacks + Dividend payments supported by narrative to describe the company’s strategy for returns of capital to shareholders</p> <p>Not Applicable Baker Tilly Hong Kong does not disclose this metric</p> |
| Innovation of Better Products and Services | Total R&D expenses | <p>Total costs related to research and development</p> <p>Not Applicable Baker Tilly Hong Kong does not disclose this metric</p> |
| Community and Social Vitality | Total tax paid | <p>The total global tax borne by the company, including corporate income taxes, property taxes, non-creditable VAT and other sales taxes, employer-paid payroll taxes and other taxes that constitute costs to the company, by category of taxes</p> <p>Not Applicable Baker Tilly Hong Kong does not disclose this metric</p> |

2. GRI Content Index

| | |
|-------------------------|---|
| STATEMENT OF USE | Baker Tilly Hong Kong has reported the information cited in this GRI content index for the period 1 January 2024 to 31 December 2024 with reference to the GRI Standard |
| GRI 1 used | GRI 1: Foundation 2021 |

| GRI 2: GENERAL DISCLOSURES 2021 | |
|--|--|
| DISCLOSURE | LOCATION |
| 2-1 Organizational details | About Baker Tilly Hong Kong |
| 2-2 Entities included in the organization's sustainability reporting | Reporting Scope, Period, and Boundary |
| 2-3 Reporting period, frequency and contact point | Reporting Scope, Period, and Boundary |
| 2-4 Restatements of information | Not applicable - This is the inaugural ESG report. |
| 2-5 External assurance | No third-party assurance for this report. |
| 2-6 Activities, value chain and other business relationships | About Baker Tilly Hong Kong |
| 2-7 Employees | Our People |
| 2-8 Workers who are not employees | Not applicable Baker Tilly Hong Kong does not disclose this metric |
| 2-9 Governance structure and composition | Our Governance |
| 2-10 Nomination and selection of the highest governance body | Not reported due to confidentiality constraints |
| 2-11 Chair of the highest governance body | Our Governance |
| 2-12 Role of the highest governance body in overseeing the management of impacts | Our Governance |
| 2-13 Delegation of responsibility for managing impacts | Our Governance |
| 2-14 Role of the highest governance body in sustainability reporting | Our Governance |
| 2-15 Conflicts of interest | Independence and Conflicts |

GRI 2: GENERAL DISCLOSURES 2021

| DISCLOSURE | LOCATION |
|---|---|
| 2-16 Communication of critical concerns | Ethics Reporting and Training |
| 2-17 Collective knowledge of the highest governance body | Enhancing Collective Knowledge |
| 2-18 Evaluation of the performance of the highest governance body | Not reported due to confidentiality constraints |
| 2-19 Remuneration policies | Not reported due to confidentiality constraints |
| 2-20 Process to determine remuneration | Not reported due to confidentiality constraints |
| 2-21 Annual total compensation ratio | Not reported due to confidentiality constraints |
| 2-22 Statement on sustainable development strategy | Letter From the Managing Director |
| 2-23 Policy commitments | Ethics and Integrity / Compliance and Anti-Corruption / Human Rights |
| 2-24 Embedding policy commitments | Ethics and Integrity / Compliance and Anti-Corruption |
| 2-25 Processes to remediate negative impacts | Workplace Anti-Discrimination and Complaint Policy / Human Rights |
| 2-26 Mechanisms for seeking advice and raising concerns | Ethics Reporting and Training / Workplace Anti-Discrimination and Complaint Policy |
| 2-27 Compliance with laws and regulations | During the reporting period, Baker Tilly Hong Kong did not experience any significant instances of non-compliance with laws and regulations |
| 2-28 Membership associations | Business Environment Council Membership |
| 2-29 Approach to stakeholder engagement | Baker Tilly Hong Kong recognise the value of stakeholder engagement and will consider establishing a formal process for collecting and responding to stakeholder input in future reporting cycles |
| 2-30 Collective bargaining agreements | Baker Tilly Hong Kong employees are not covered by collective bargaining agreements; employment terms are determined individually and meet or exceed legal requirements. |

GRI 3: MATERIAL TOPICS 2021

| DISCLOSURE | LOCATION |
|--|---|
| 3-1 Process to determine material topics | During the reporting period, the identification and determination of material topics were conducted by Baker Tilly Hong Kong's management. The process was based on professional judgement, internal discussions, and management's understanding of the company's priorities, risks, and stakeholder expectations. |
| 3-2 List of material topics | ESG Topics of Focus |
| 3-3 Management of material topics | Material topics are managed through internal policies, risk management frameworks, and ongoing oversight by the management team. For each topic identified as material by management, relevant policies, procedures, and controls are in place to ensure compliance with laws and regulations, promote responsible business practices, and support the company's sustainability objectives. Management regularly reviews these topics as part of its ongoing business operations and risk management processes. |

GRI 205: ANTI-CORRUPTION 2016

| DISCLOSURE | LOCATION |
|--|--|
| 205-2 Communication and training about anti-corruption policies and procedures | Compliance and Anti-Corruption / Ethics Reporting and Training |
| 205-3 Confirmed incidents of corruption and actions taken | Compliance and Anti-Corruption / Ethics Reporting and Training |

GRI 302: ENERGY 2016

| DISCLOSURE | LOCATION |
|--|---|
| 302-1 Energy consumption within the organization | Resource Management |
| 302-3 Energy intensity | Performance Data Summary |
| 302-4 Reduction of energy consumption | Resource Management / Sustainability Approach |

GRI 305: EMISSIONS 2016**DISCLOSURE****LOCATION**

| | |
|---|--|
| 305-1 Direct (Scope 1) GHG emissions | Baker Tilly Hong Kong has no significant Scope 1 emissions due to business nature (office-based) |
| 305-2 Energy indirect (Scope 2) GHG emissions | Performance Data Summary |
| 305-3 Other indirect (Scope 3) GHG emissions | Performance Data Summary |
| 305-4 GHG emissions intensity | Performance Data Summary |
| 305-5 Reduction of GHG emissions | Resource Management / Minimising Our Carbon Footprint |

GRI 401: EMPLOYMENT 2016**DISCLOSURE****LOCATION**

| | |
|--|---|
| 401-1 New employee hires and employee turnover | Workforce Profile |
| 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees | Competitive Benefits and Career Support |

GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018**DISCLOSURE****LOCATION**

| | |
|---|---|
| 403-3 Occupational health services | Workplace Health and Safety / Employee Assistance Program |
| 403-4 Worker participation, consultation, and communication on occupational health and safety | Workplace Health and Safety / Ongoing Safety Initiatives |
| 403-5 Worker training on occupational health and safety | Workplace Health and Safety / Ongoing Safety Initiatives |
| 403-6 Promotion of worker health | Workplace Health and Safety / Employee Assistance Program |
| 403-9 Work-related injuries | Workplace Health and Safety |
| 403-10 Work-related ill health | Workplace Health and Safety |

GRI 404: TRAINING AND EDUCATION 2016**DISCLOSURE****LOCATION**

404-1 Average hours of training per year per employee

Comprehensive Training and Development

404-2 Programs for upgrading employee skills and transition assistance programs

Comprehensive Training and Development / Support for Professional Qualifications

404-3 Percentage of employees receiving regular performance and career development reviews

Competitive Benefits and Career Support

GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016**DISCLOSURE****LOCATION**

405-1 Diversity of governance bodies and employees

Composition and Competencies / Diversity, Equality and Inclusion at Baker Tilly Hong Kong / Workforce Profile

GRI 406: NON-DISCRIMINATION 2016**DISCLOSURE****LOCATION**

406-1 Incidents of discrimination and corrective actions taken

Workplace Anti-Discrimination and Complaint Policy

GRI 418: CUSTOMER PRIVACY 2016**DISCLOSURE****LOCATION**

418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data

Data Privacy and Security Leadership

3. Glossary

| | |
|--|---|
| Carbon Footprint / Greenhouse Gas (GHG) Emissions | A carbon footprint is the total amount of greenhouse gas emissions, such as carbon dioxide (CO ₂), methane (CH ₄), and nitrous oxide (N ₂ O), produced directly or indirectly by an individual, organisation, event, or product, typically measured in equivalent tons of CO ₂ (CO ₂ e). Greenhouse gas emissions refer to the release of gases that trap heat in the atmosphere, contributing to global warming and climate change, with sources including transportation, energy production, agriculture, and industrial activities. |
| Core Climate Platform | A platform initiated by the HKEX for trading, custody, and settlement of voluntary carbon credits (scope 3 of the greenhouse gas emissions), supporting climate projects to promote carbon neutrality. |
| Diversity, Equality, and Inclusion (DEI) | A framework that promotes a varied workforce (diversity), ensures fair treatment and opportunities for all (equality), and fosters an environment where everyone feels valued and empowered to contribute (inclusion). |
| Global Reporting Initiative Standards (GRI) | A modular set of globally recognised guidelines for sustainability reporting, enabling organisations to transparently report their economic, environmental, and social impacts, including greenhouse gas emissions, to stakeholders. Comprising Universal Standards (applicable to all organisations), Sector Standards (industry-specific), and Topic Standards (covering specific issues like emissions or human rights), they help organisations align with global sustainability goals, such as the UN Sustainable Development Goals, through a structured, comparable, and credible reporting framework. |
| The Singapore Green Labelling Scheme (SGLS) | The Singapore Green Labelling Scheme (SGLS), run by the Singapore Environment Council since 1992. It certifies over 3,800 products across 43 countries, ensuring low environmental impact through sustainable sourcing and production. Covering products like paints and paper, it promotes biodiversity and responsible practices. |
| International Auditing and Assurance Standards Board (IAASB) | An independent standard-setting body that develops high-quality international standards for auditing, assurance, quality management, and related services, such as the International Standards on Auditing (ISAs), to enhance the quality and consistency of financial audits and assurance engagements globally, strengthening public confidence in the profession. |
| International Civil Aviation Organization (ICAO) | A specialised agency of the United Nations that sets global standards and regulations for aviation safety, security, efficiency, and environmental protection, including measures to reduce greenhouse gas emissions from international aviation through initiatives like the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA). |
| Nordic Origin -label | The Nordic Origin -label certifies that the product is safe, technically superior, and manufactured to the rigorous global standards. Crafted from renewable, recyclable, and biodegradable materials, it is free from hazardous chemicals and harmful heavy metals. |
| Occupational Health and Safety (OHS) | A multidisciplinary field focused on protecting and promoting the health, safety, and well-being of employees by identifying and controlling workplace hazards, implementing safety standards, and ensuring compliance with regulations to prevent injuries, illnesses, and fatalities. |
| Personal Data (Privacy) Ordinance (PDPO) | Hong Kong's primary data protection law, enacted in 1996, which regulates the collection, use, storage, and transfer of personal data to protect individuals' privacy, requiring organisations to follow principles like lawful data collection, transparency, and security measures, enforced by the Privacy Commissioner for Personal Data (PCPD). |
| Prevention of Bribery Ordinance (POBO) | Hong Kong's key anti-corruption law, enacted in 1971, which criminalises bribery in both public and private sectors, prohibits offering, soliciting, or accepting bribes to influence actions or decisions, enforced by the Independent Commission Against Corruption (ICAC) to ensure integrity and transparency in business and governance. |

| | |
|---|--|
| Scope 1 Emissions | Direct greenhouse gas emissions that occur from owned or controlled sources within an organisation. This includes emissions from fuel combustion in company-owned vehicles, boilers, furnaces, and any other facilities directly controlled by the company. |
| Scope 2 Emissions | Indirect greenhouse gas emissions from the consumption of purchased energy, such as electricity, heat, or steam, are considered by an organisation. These emissions are typically measured in CO ₂ -equivalent terms and reported under frameworks like the GHG Protocol to track an organisation's environmental impact from energy use. |
| Scope 3 Emissions | Other indirect greenhouse gas emissions in a company's value chain encompass both upstream and downstream activities. The 15 categories in Scope 3 are defined by the GHG Protocol and include areas such as purchased goods, business travel, waste disposal, and the use of sold products. |
| The Responsible Fibre - label | The Responsible Fibre -label ensures that the product adheres to stringent environmental and social responsibility standards throughout its lifecycle, from sustainable forestry and sourcing to eco-conscious production. It also promotes biodiversity protection, responsible employee practices, and exemplary corporate citizenship. |
| United Nations Guiding Principles on Business and Human Rights (UNGPs) | A framework for businesses to respect human rights, emphasising the responsibilities of states to protect rights, the obligation of companies to avoid causing harm, and the need for effective remedies for affected individuals. Adopted in 2011, these principles aim to promote responsible business practices and accountability globally. |
| United Nations Sustainable Development Goals (UNSDGs) | A set of 17 interlinked global goals designed to address urgent environmental, political, and economic challenges by 2030. Adopted in 2015, these goals aim to end poverty, protect the planet, and ensure prosperity for all. |
| United Nations Universal Declaration of Human Rights (UDHR) | Adopted in 1948, it was a milestone document that outlined fundamental human rights to be universally protected. It consists of 30 articles affirming the inherent dignity and equal rights of all individuals, serving as a common standard for all nations. |
| World Economic Forum's (WEF) International Business Council (IBC) Stakeholder Capitalism Metric | A framework developed by the World Economic Forum's International Business Council to measure and report corporate performance across four pillars: People, Planet, Prosperity, and Governance. It promotes transparency and accountability in stakeholder capitalism by providing standardised metrics for companies to assess their social and environmental impact. |
| WELL, BEAM Plus, and LEED Certifications | Green building certifications reflect energy-efficient and sustainable design to reduce environmental impact. |



Disclaimers

This report presents Baker Tilly Hong Kong's approach to Environmental, Social, and Governance (ESG) matters as of the report's issuance date. The information provided is subject to change without notice, and Baker Tilly Hong Kong is under no obligation to update or revise any content herein. References to "sustainability," "sustainable development," "ESG," or similar terms reflect Baker Tilly Hong Kong's internally defined criteria, as applicable, and do not necessarily align with jurisdiction-specific regulatory definitions.

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This report aims to highlight selected aspects of Baker Tilly Hong Kong's ESG-related activities and is neither exhaustive nor fully representative of all initiatives in these areas. As noted in our public reporting, Baker Tilly Hong Kong continues to engage with clients and organisations across various sectors.

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