

## Pureheart Capital Asia Limited

### 2023 ESG Review

### 2023 年 ESG 审查报告

**Pureheart Capital Asia Limited** (the "Company") has set up a governance framework and investment and risk management policy to review and monitor the ESG impacts in our investment and risk management processes.

**Pureheart Capital Asia Limited** (以下简称“本公司”) 已经建立了一套治理框架以及投资和风险管理政策，以审查和监控我们投资和风险管理流程中的环境、社会及管治（以下简称“ESG”）影响。

#### **Governance** 治理框架

The Board of Directors of the Company is ultimately accountable for long-term stewardship and has delegated the supervision of ESG risks to the Investment Committee. The Committee is appointed by the board of the Company and is composed of the departments of the Company's investment and risk management. The Committee engages analysts, as deemed appropriate, based on the analysts' expertise in relevant and varied disciplines, such as experience in corporate governance and legal, monitoring the ESG risks of target companies, and preparing an annual ESG review report to the Committee. Also, the Committee evaluates the ESG risks and opportunities of the target companies before making decisions for investing in private equity and listed equities, and the Committee reviews and approves the annual ESG review report.

本公司的董事会最终负责 ESG 风险的长期管控，并委托投资决策委员会（以下简称“投决会”）在日常管理运营中对 ESG 风险进行监管。投决会由本公司董事会任命，成员来自于本公司投资和风险管理部门。投决会根据分析师在相关不同领域的专业知识（如公司治理和法律方面的经验）聘请合适的分析师，以监控目标公司的 ESG 风险以及向投决会提交年度 ESG 审查报告。此外，投决会在决定投资私募股权和上市股票之前，评估目标公司的 ESG 风险和机会，并审阅和批准年度 ESG 审查报告。





- Monitors ESG risks of target companies 监控目标公司的 ESG 风险
- Prepares annual ESG review report 起草年度 ESG 审查报告

### Key members of the ESG review 负责 ESG 审查的主要人员

Yiu Chin, RO/Director, risk management

Tao Liangji, RO/Director, portfolio management

### Investment Management 投资管理

- We keep developing internal capacity and improving training for our employees to assess ESG risks and opportunities in investment processes.
- In our target sector screening process, we incorporate ESG considerations in the future development trend of the sector.
- After sector screening, we conduct bottom-up research on target companies. We compare the fundamental metrics and the ESG rating or scoring of the target companies with their peers. We also gather information from target companies, especially on their environmental and climate change policies.
- In the end, we come up with an overall assessment of the ESG impacts of target companies to help us generate more holistic investment decisions.
- 就评估投资过程中的 ESG 风险和机会方面，我们持续提高内部能力，并加强对员工的培训。
- 在目标行业筛选过程中，我们将 ESG 因素纳入该行业的未来发展趋势中做一并考虑。
- 在行业筛选之后，我们对目标公司进行自下而上的研究。我们将目标公司的基本指标和 ESG 评级/评分与其同行进行比较。我们还会收集目标公司信息，特别是有关其环境和气候变化政策的信息。
- 最后，我们对目标公司的 ESG 影响进行综合评估，以帮助我们做出更全面的投资决策。

### Risk management 风险管理

- We conduct ongoing assessments of ESG risks of our investment.

- We keep updating the ESG rating or scoring periodically.
- We regularly review the ESG effectiveness of our invested companies in comparison with peers in the sector.
- We establish effective processes for the timely reporting of significant issues of invested companies noted during risk monitoring to the board or the Investment Committee.
- 我们对投资的 ESG 风险进行持续评估。
- 我们定期更新 ESG 评级/评分。
- 我们定期审查我们所投公司以及同行的 ESG 成效。
- 我们建立了有效的流程, 在风险监控期间及时向董事会或投决会报告所投公司的重大 ESG 问题。

The Company believes companies have an important role to play in society and can be a force for good by ensuring sustainable development in communities. We have a strong advocate of corporate social responsibility that focus more on the ESG risks of the target companies. We will engage in significant efforts to participate in the future development of low-carbon investments, in order to protect our client's assets from the devastating effects of climate change. We will continue to have better ESG monitoring and management in our investment process, which not only benefits our society as a whole, but also promotes our business growth in the future to achieve a win-win situation.

本公司相信, 公司在社会规划中扮演着重要角色, 并且可以在促进社会可持续发展方面贡献一份重要力量。我们强烈倡导企业社会责任, 更加关注目标公司的 ESG 风险。我们将大力参与未来的低碳投资, 以保护客户的资产免受气候变化的破坏性影响。我们将继续在投资过程中进行更好的 ESG 监控和管理, 这不仅有利于我们整个社会, 也有利于我们未来的业务增长, 实现双赢。

In addition, we will procure our invested companies to pay more attention to emissions reductions and environmental protection, to lower the ESG risks in the future.

此外, 我们亦将促使所投公司更加重视减排和环境保护, 以降低未来的 ESG 风险。

Last, we will review our ESG policy periodically. We are going to issue our next summary report in December 2023, hoping to provide a better reference for our investors.

最后, 我们会定期审视我们的 ESG 政策。我们将于 2024 年 12 月发布下一份总结报告, 希望为我们的投资者提供更好的参考。



Yiu Chin

RO

[21/10/2024]

## ESG Assessment of the Company 本公司 ESG 评估

- **Relevance of Climate-related risks: 气候风险的关联性**

Our company's funds are mainly invested in listed equities. Some companies we invest may be relevant to Climate-related risks.

本公司的基金主要投资于上市公司。我们所投资的部分上市公司可能与气候风险存在相关性。

- **The materiality of Climate-related risks: 气候风险的重大性**

Our funds are mainly invested in financial sector of India and Vietnam. So our funds are immaterial to climate-related risks.

我们的基金主要投资于印度和越南的金融行业。因此，我们的基金在气候风险方面并非重大。

**The Average ESG Ratings of different industries (on 31 Dec 2023)**

不同行业的 ESG 平均分 (截至 2023 年 12 月 31 日)

| 不同行业 ESG 评分 ESG score by industry |                        |     |
|-----------------------------------|------------------------|-----|
| 金融                                | Financials             | 6.4 |
| 公用事业                              | Utilities              | 6.1 |
| 材料                                | Materials              | 5.9 |
| 医疗保健                              | Healthcare             | 5.6 |
| 工业                                | Industrials            | 5.6 |
| 通讯服务                              | Communication services | 5.6 |
| 能源                                | Energy                 | 5.6 |
| 可选消费                              | Consumer discretionary | 5.5 |
| 信息技术                              | Information technology | 5.5 |
| 必须消费                              | Consumer staples       | 5.5 |
| 房地产                               | Real estate            | 5.2 |

Source: Wind ESG Ratings 数据来源: 万得 ESG 评分

More than 80% of our funds are invested in financial sector of India and Vietnam. Based on the date above, we can see that the average ESG score for financial industry is the highest among 11 tier 1 industries. So our portfolio is in compliance with our ESG risk management requirements.

我们 80% 以上的资金投资于印度和越南的金融行业。从上述表格可以看出，金融行业在 11 个一级行业中拥有最高的 ESG 评分。因此，我们的投资组合符合 ESG 风险管理的要求。