

# **Greenpeace East Asia**

(Limited by guarantee)

Reports and Consolidated financial statements  
For the year ended 31 December 2022

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(Limited by guarantee)  
Reports and Consolidated financial statements  
For the year ended 31 December 2022**

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**Greenpeace East Asia  
(Limited by guarantee)  
Report of the council of members**

The council members present annual report together with the audited consolidated financial statements of Greenpeace East Asia (the "Company") and its subsidiaries (together the "Group") for the year ended 31 December 2022.

**Principal activities**

The principal activities of the Company during the year were to promote, encourage, further establish, procure and achieve the protection of wildlife, the elimination of threats and damage to the environment and all other objectives of the Greenpeace International and those of its subsidiaries are set out in note 19(a) to the consolidated financial statements.

**Council members**

Members of the council of members during the year and up to the date of this report were :-

Pai Kundapur Santosh  
Wong Kit Sum  
Nam Boo-won  
Ho Mei-ling  
Aoki Yoko

In accordance with the Company's articles of association, the council members shall continue in office in the ensuing year.

**Auditor**

A resolution to re-appoint the retiring auditor, PKF Hong Kong Limited, is to be proposed at the forthcoming annual general meeting.

By order of the council



Council member  
Nam Boo Won  
Hong Kong

- 7 MAY 2023

### **Mission & Values**

Greenpeace is an independent, nonprofit, global campaigning organization that uses non-violent, creative confrontation to expose global environmental problems and their causes.

Greenpeace's goal is to ensure the ability of Earth to nurture life in all its diversity.

Greenpeace stands for positive change through action to defend the natural world and promote peace. We investigate, expose and confront environmental abuse by governments and corporations around the world. We champion environmentally responsible and socially just solutions, including scientific and technological innovation.

### **Our core values**

Positive action: We use creative, non-violent confrontation to raise the level and quality of public debate.

Global: Nature recognises no frontiers or national boundaries. GPEA is part of a global organization. We address cross-border environmental challenges and leverage global intelligence and resources.

Credible: We are a credible organization that deploys independent investigation, research and actions to highlight environmental problems as well as solutions.

Independence: We ensure our financial independence from political or commercial interests. Greenpeace does not solicit or accept funding from governments, corporations or political parties. Greenpeace neither seeks nor accepts donations that could compromise its independence, aims, objectives or integrity. Individual supporters and foundations are our only source of financial support.

### **What we do**

We seek solutions for, and promote open, informed debate about society's environmental choices. In developing our campaign strategies and policies we take great care to reflect our fundamental respect for democratic principles and to seek solutions that will promote global social equity.

- We investigate and expose environmental crimes, such as illegal logging in the Paradise Forests.
- We work with scientists to conduct scientific research.
- We document environmental problems, such as toxic pollution or the signs of climate change.
- We lobby governments and industries and take part in global negotiations.
- We take creative, non-violent actions.
- We seek out and promote sustainable solutions for our environmental problems.
- We educate and engage the public

### **Our goals**

- Protect biodiversity in all its forms.
- Prevent pollution and abuse of our oceans, land, air and water.
- End nuclear threats.
- Promote peace and global disarmament.

## 2022 Program

In 2022, Greenpeace East Asia remains deeply committed to tackling the climate crisis and other environmental issues. Our campaigns made tangible and significant impacts in the region through persistent and dedicated work.

Climate campaigns continued to be the spotlight of our work. Regionally, our offices worked closely to pressure the biggest electricity consumers in the tech industry to accelerate their renewable uptake. Tencent and Alibaba's commitment to 100% renewable and carbon neutrality exemplify our success. Our offices collaborated on phasing out internal combustion engine (ICE) cars and pushing for the decarbonization of the auto industry by envisioning a green and sustainable business model. We exposed a scandal involving Hyundai and Kia's suspected exhaust gas manipulation. The comprehensive media coverage and angry public outcry added weight to our campaign demand of phasing out ICE cars.

In addition to the regional collaboration, our offices also campaigned to change local environmental realities for the better.

The Beijing office continued to campaign on the information and communications technology companies and pressure them to go carbon neutral and 100% renewable. The campaign transformed the sector's landscape as leaders like Tencent and various data centers announced their commitment to achieving 100% renewables and carbon neutrality by 2030.

The Hong Kong office collaborated with a start-up company and kickstarted the "Borrow and Return Cup Program" in July. We successfully expanded the scale of the program from 6 coffee shops to 36 within two months; one of our partners is a commercial chain and has fully adopted this program into their business. We have demonstrated that such a program fulfills the demand for a greener consumption culture within the city.

Our Taipei office has been campaigning relentlessly on plastics reduction for years. Our campaigning effort contributed to the Environmental Protection Administration's announcement of a nationwide bring-your-own-cup (BYO) discount program. Later, Taipei city announced a ban on disposable plastic cups in all chains and non-chain beverage stores, making Taipei the first city in the world to announce a blanket ban on single-use plastic cups.

We devoted our effort to bridging climate issues to a wider audience to amplify climate urgency. Research conducted by our Seoul office with the Korean Metal Worker's Union showed that the majority of workers favor a ban on the manufacture of new ICE vehicles by 2035. The voices of the workers strengthen our demand to phase out ICE cars.

We aspire to be bold and creative in our campaigning approach. Our Tokyo office launched a new project that ties single-use plastics, food security, and climate issue together. By targeting convenience stores and their suppliers, we called out the excessive use of plastics in food packaging and food waste as a first step to fostering positive environmental change in society.

## **Financial Performance**

### **Key Financial Performance**

- Total fundraising income increased to EUR 33.7 million, that is EUR 1.7 million or 5.31% more than last year;
- Contribution from Greenpeace International, amounting to EUR 6.9 million, decreased 0.6% compared to last year;
- Overall Program activities was EUR 24.2 million, 7.8% less than last year, which is 60% of the total expenses;
- Organisational support costs were EUR 6.2 million, which represents 15% of total expenditure; and
- Fundraising investment and supporter service expense were EUR9.8 million, which is a 3.9% decrease over the year prior.

Thanks to the strong engagement from our supporters in our campaigns for protecting the environment, Greenpeace East Asia managed to increase its income across the region and hence further reinforce its efforts towards a green and peaceful Earth.

### **Our donors – the very reason of our existence**

To maintain its independence, Greenpeace does not accept donations from governments or corporations but relies on contributions from individual supporters and foundation grants. We believe that the struggle to preserve the future of our planet is not about Greenpeace alone. It's about each and every one of our supporters. Greenpeace speaks for 3 million supporters worldwide and encourages many millions more than that to take action every day.

2022 the Fundraising income maintained a growth, with a total of EUR 33 million raised across Hong Kong, Taiwan, South Korea and Japan.

This was achieved thanks to the generous support of our existing donors to continue their donations, and to increase their level of support where possible. Over 30,563 new donors were inspired to join the Organisation across the region meaning the number of active donors at a similar level 207,345 by the end of the year.

### **Accountability measures**

Greenpeace works actively to ensure transparency and public accountability in its campaigning, fundraising and financial management practices.

Greenpeace is a Member of Accountable Now, a platform of international civil society organisations. Together, we strive to be transparent, responsive to stakeholders and focused on delivering impact. We have signed ten globally-agreed-upon Accountability Commitments and seek to respect human rights, be independent and work ethically and professionally.

Annually Greenpeace reports publicly on our economic, environmental and social performance according to the Accountable Now Reporting Framework to an Independent Review Panel. Learn more about our work and responsibility towards our stakeholders in our Accountability Reports.

### **Internal controls**

On top of the policies and standards mentioned above, Greenpeace has an internal audit function that verifies the existence and efficiency of the management controls implemented.

### **Green policy**

#### **Global Environmental Management**

On a global level, Greenpeace International has set up a multitude of environmental management initiatives which are adopted by all national and regional offices, including Greenpeace East Asia. These entail:

- An elaborate environmental policy for each region;
- Appointing an environmental program and policy manager;
- Setting greenhouse gas reduction targets;
- Emissions monitoring and reporting;
- Sustainable procurement policy;
- Sustainable office plan to reduce energy use;
- Waste Management in order to reduce waste production;
- Sustainable Travel;
- Sustainable Food.

Greenpeace East Asia has its own green initiatives but is also constantly developing and implementing new environmentally friendly initiatives to meet the global standard of environmental management. Some examples of these environmental management initiatives are:

#### **100% Renewable Electricity Purchasing Policy**

Under this policy, Greenpeace East Asia commits to source all its electricity needs from renewable energy sources, where it is available in the market. This applies to direct electricity purchases for offices and in-house IT services and wherever possible all ICT outsourced hosting services provided by companies.

#### **Global textile procurement policy**

The objective of this policy is to ensure that all cotton-based textile products made for use by Greenpeace have a minimal environmental impact and are procured in line with the organisation's core values. The textiles include those made for campaign and mobilisation purposes; those made for activists taking part in activities; and work clothes made for the crew and volunteers on-board the Greenpeace ships.

#### **Emissions Reporting**

Greenpeace East Asia is monitoring CO2 emissions and compiles the annual CO2 emissions report. This report is used to compare the levels of emissions with previous years for monitoring and evaluation purposes. Based on the outcome, suggestions are made on how to minimize our emissions as much as we practically can in order to reduce our global environmental footprint.

#### **Travel policy**

The Greenpeace East Asia travel policy states that every journey should be essential and arranged as environmentally friendly as possible. Staff should use public transport where possible and practical. Taxis and private cars should in general only be used where there would be significant savings in time and money, or when carrying excessive amounts of luggage that would be cumbersome to take on public transport. For travel within Europe, transport by train is the preferred option.

#### **Greenhouse gas (GHG) emissions**

The historic and current status of Greenpeace East Asia's GHG emissions depicted in the table below is based on the current Defra emission factors; by applying the Defra factors retrospectively to the previous

year's data we made the comparison consistent. The items that are not relevant to our operation (no emission recorded) are not presented in the table.

East Asia	Emissions (tCO <sub>2</sub> e)	FY 2020	FY2021	FY2022
Scope 2	Indirect Emissions for Office Electricity	82.45	78.66	98.85
	<b>Subtotal</b>	<b>82.45</b>	<b>78.66</b>	<b>98.85</b>
Scope 3	Indirect Emissions for Air Travel			
	• Short haul	0.75	1.78	5.34
	• Medium haul	35.58	2.98	33.18
	• Long haul	91.39	6.77	113.25
	Indirect Emissions for Business (train, bus, taxi etc) Travel	43.63	27.86	28.03
	Indirect Emissions for Office Electricity	16.13	15.39	19.34
	Indirect Emissions for Paper consumption	15.99	25.48	22.7
	<b>Subtotal</b>	<b>203.47</b>	<b>80.26</b>	<b>221.84</b>
<b>Grand Total (tCO<sub>2</sub>e)</b>		<b>285.92</b>	<b>158.92</b>	<b>320.69</b>

Due to the impact from Covid, the 2020 and 2021 activities were exceptionally low. We will take the opportunity to reflect on the experience during the time of Covid and continue to look for ways to reduce emissions.



**Independent auditor's report to the council of members of  
Greenpeace East Asia  
(Incorporated in Hong Kong and limited by guarantee)**

**Opinion**

We have audited the consolidated financial statements of Greenpeace East Asia (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 10 to 28, which comprise the consolidated statement of financial position as at 31 December 2022, and the consolidated income and expenditure account, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2022, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standard for Private Entities ("HKFRS for Private Entities") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

**Basis for opinion**

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Other information**

The council members of the Company are responsible for the other information which comprises the information included in the report of the council of members and business review for the year ended 31 December 2022.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



**Independent auditor's report to the council of members of  
Greenpeace East Asia  
(Incorporated in Hong Kong and limited by guarantee)**

**Responsibilities of council members for the consolidated financial statements**

The council members are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS for Private Entities issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the council members determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the council members are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the council members either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The council members are responsible for overseeing the Group's financial reporting process.

**Auditor's responsibilities for the audit of the consolidated financial statements**

Our objectives are to obtain reasonable assurance about whether these consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgment and maintain professional skepticism throughout the audit. We also :-

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the council members.

**Independent auditor's report to the council of members of  
Greenpeace East Asia  
(Incorporated in Hong Kong and limited by guarantee)**

**Auditor's responsibilities for the audit of the consolidated financial statements (cont'd)**

- Conclude on the appropriateness of the council members' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the council members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The engagement director on the audit resulting in this independent auditor's report is Tan Yik Chung Wilson (Practising Certificate Number : P05103).



PKF Hong Kong Limited  
Certified Public Accountants  
Hong Kong

- 7 MAY 2023

**Greenpeace East Asia**  
**(limited by guarantee)**  
**Consolidated income and expenditure account**  
**For the year ended 31 December 2022**

	Note	2022 EUR	2021 EUR
<b>Income</b>			
Fundraising income			
Existing donor contribution income		28,376,339	25,344,380
New donor contribution income		3,851,059	4,633,527
Foundations and trusts, major gift income		1,500,034	2,095,009
Contributions from Greenpeace International ("GPI")		6,866,192	6,912,957
Interest income		14,243	6,246
Sundry income		270,954	26,488
	5	<u>40,878,821</u>	<u>39,018,607</u>
<b>Expenditure</b>			
<b>Fundraising and supporter development expenses</b>			
New supporter outreach		5,950,836	6,061,223
Supporter information and outreach		1,347,216	1,119,174
Supporter care and development		657,429	537,298
Supporter database, licenses and management		889,333	718,158
Fundraising staff and coordination		1,054,624	1,088,983
<b>Program activities</b>			
Contributions to GPI for global activities		4,295,000	4,133,085
Oceans		1,430,476	1,134,926
Climate and energy		7,925,367	10,055,951
Forests		395,073	642,566
Oil		-	2,966
Good life		525,375	1,693,579
Other issues		3,137,786	2,188,209
Media and communications		2,726,692	2,780,775
Marine operations and action support		535,466	601,330
Government relations, science and business		1,857,728	1,494,695
Public information and outreach		696,293	545,126
Engagement (digital, online and offline)		757,236	1,056,997
<b>Fair value loss on financial asset at fair value through profit or loss ("FVPL")</b>		433	124
<b>Organisational support expenses</b>		<u>6,270,653</u>	<u>5,319,049</u>
		<u>40,453,016</u>	<u>41,174,214</u>
<b>Surplus/(deficit) for the year</b>	7	<u><u>425,805</u></u>	<u><u>(2,155,607)</u></u>

**Greenpeace East Asia**  
**(limited by guarantee)**  
**Consolidated statement of comprehensive income**  
**For the year ended 31 December 2022**


	<b>2022</b> <b>EUR</b>	<b>2021</b> <b>EUR</b>
Surplus/(deficit) for the year	<u><b>425,805</b></u>	<u>(2,155,607)</u>
Other comprehensive (loss)/income :-		
Items that will not be reclassified to income and expenditure account :-		
Exchange difference on translation from functional currency to presentation currency	<b>(86,387)</b>	1,116,587
Remeasurement of net defined benefit liability	<u>-</u>	<u>(310,898)</u>
Other comprehensive (loss)/income for the year	<u><b>(86,387)</b></u>	<u>805,689</u>
Total comprehensive income/(loss) for the year	<u><b>339,418</b></u>	<u>(1,349,918)</u>



**Greenpeace East Asia**  
**(limited by guarantee)**  
**Consolidated statement of financial position**  
**As at 31 December 2022**

	Note	2022 EUR	2021 EUR
<b>Non-current assets</b>			
Property, plant and equipment	10	424,625	683,674
Rental and other deposits		1,289,362	1,430,770
Fixed deposit	11	320,040	159,350
Financial asset at FVPL	12	10,210	348
		<u>2,044,237</u>	<u>2,274,142</u>
<b>Current assets</b>			
Deposits and other receivables	13	2,244,594	2,800,897
Prepayments		942,103	920,161
Fixed deposits	11	529,028	371,417
Cash and cash equivalents		8,406,998	7,312,635
		<u>12,122,723</u>	<u>11,405,110</u>
<b>Deduct :</b>			
<b>Current liabilities</b>			
Trade and other payables	14	2,547,259	2,197,927
Loans from GPI	15	222,011	386,270
		<u>2,769,270</u>	<u>2,584,197</u>
<b>Net current assets</b>		<u>9,353,453</u>	<u>8,820,913</u>
<b>Total assets less current liabilities</b>		<u>11,397,690</u>	<u>11,095,055</u>
<b>Deduct :</b>			
<b>Non-current liabilities</b>			
Loans from GPI	15	-	243,480
Net defined benefit liability	16	1,112,905	906,208
		<u>1,112,905</u>	<u>1,149,688</u>
<b>Net assets</b>		<u>10,284,785</u>	<u>9,945,367</u>
<b>Representing :-</b>			
Exchange reserve		698,108	784,495
Other reserve		1,013,318	1,013,318
Accumulated surplus		8,573,359	8,147,554
<b>Total equity</b>		<u>10,284,785</u>	<u>9,945,367</u>

Approved and authorised for issue by the council of members on - 7 MAY 2023

  
 .....  
 Nam Boo Won  
 Council member

  
 .....  
 Ho Mei Ling  
 Council member

**Greenpeace East Asia  
(limited by guarantee)  
Consolidated statement of changes in equity  
For the year ended 31 December 2022**

	Exchange reserve EUR	Other reserve EUR	Accumulated surplus EUR	Total EUR
At 1.1.2021	(332,092)	-	10,614,059	10,281,967
Merger with a foreign office	-	1,013,318	-	1,013,318
Deficit for the year	-	-	(2,155,607)	(2,155,607)
Other comprehensive income:				
Exchange difference on translation from functional currency to presentation currency	1,116,587	-	-	1,116,587
Remeasurement of net defined benefit liability	-	-	(310,898)	(310,898)
Total comprehensive loss for the year	1,116,587	-	(2,466,505)	(1,349,918)
At 31.12.2021 and 1.1.2022	784,495	1,013,318	8,147,554	9,945,367
Surplus for the year	-	-	425,805	425,805
Other comprehensive loss:				
Exchange difference on translation from functional currency to presentation currency	(86,387)	-	-	(86,387)
Total comprehensive income for the year	(86,387)	-	425,805	339,418
<b>At 31.12.2022</b>	<b>698,108</b>	<b>1,013,318</b>	<b>8,573,359</b>	<b>10,284,785</b>

**Greenpeace East Asia**  
**(limited by guarantee)**  
**Consolidated statement of cash flows**  
**For the year ended 31 December 2022**

	<b>2022</b> <b>EUR</b>	<b>2021</b> <b>EUR</b>
<b>Cash flows from operating activities</b>		
Surplus/(deficit) for the year	<b>425,805</b>	(2,155,607)
Adjustments for :-		
Gain on disposal of financial asset at FVPL	(133)	(2,646)
Loss on disposal of property, plant and equipment	-	3,642
Depreciation	<b>416,396</b>	559,806
Interest income	(14,243)	(6,246)
Interest expenses	<b>1,211</b>	3,117
Fair value loss on financial asset at FVPL	<b>433</b>	124
Operating surplus/(deficit) before working capital changes	<b>829,469</b>	(1,597,810)
Changes in working capital :-		
Deposits and other receivables	<b>576,814</b>	(1,543,030)
Prepayments	(71,360)	(164,753)
Trade and other payables	<b>653,884</b>	459,417
Net defined benefit liability	<b>209,211</b>	140,450
Cash from/(used in) operations	<b>2,198,018</b>	(2,705,726)
Interest received	<b>14,243</b>	6,246
<b>Net cash from/(used in) operating activities</b>	<b>2,212,261</b>	(2,699,480)
<b>Cash flows from investing activities</b>		
Purchases of property, plant and equipment	(167,633)	(132,516)
Placement of bank deposits	(326,668)	-
Net cash flows from merger	-	1,203,513
Purchases of equity instruments	(10,162)	(6,574)
Proceeds from disposal of financial asset at FVPL	-	11,717
<b>Net cash (used in)/from investing activities</b>	<b>(504,463)</b>	1,076,140
<b>Cash flows from financing activity</b>		
Repayment of loans from GPI	(410,660)	-
<b>Net cash used in financing activity</b>	<b>(410,660)</b>	-
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>1,297,138</b>	(1,623,340)
<b>Cash and cash equivalents at beginning of the year</b>	<b>7,312,635</b>	8,101,447
<b>Effect of foreign exchange rate changes</b>	<b>(202,775)</b>	834,528
<b>Cash and cash equivalents at end of the year</b>	<b>8,406,998</b>	7,312,635



**Greenpeace East Asia  
(limited by guarantee)  
Notes to the consolidated financial statements  
For the year ended 31 December 2022**

**1. General information**

Greenpeace East Asia (the "Company") is a non-profit making company incorporated in Hong Kong. The address of its registered office is 10/F, Stelux House, 698 Prince Edward Road East, San Po Kong, Kowloon, Hong Kong.

The Company and its subsidiaries (collectively known as the "Group") are principally engaged in promoting, encouraging, further establishing, procuring and achieving the protection of wildlife, the elimination of threats and damage to the environment and all other objectives of the GPI.

On 1 January 2021, GPEA entered into a memorandum of understanding in relation to a merger with Greenpeace Japan, a general incorporated association under the laws of Japan, which has a licence agreement with GPI since 2010. Upon the merger between the Company and Greenpeace Japan, the licence agreement with GPI and Greenpeace Japan was terminated while extension of the Company's licenced territory to Japan and authorisation for Greenpeace Japan to sublicense to Greenpeace Japan is effected.

Since the controlling party of both the Company and Greenpeace Japan was considered to be GPI prior to and after the merger, the consolidated financial statements of the Group have been prepared using the principles of merger accounting in accordance with Accounting Guideline 5 Merger Accounting for Common Control Combinations.

**2. Basis of preparation**

These consolidated financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standard for Private Entities ("HKFRS for Private Entities") issued by the Hong Kong Institute of Certified Public Accountants.

For the convenience of the key consolidated financial statements users, which are the GPI, the consolidated financial statements are presented in Euro ("EUR"), which is different from the Company's functional currency of Hong Kong dollars ("HK\$").

**2.1. Changes in accounting policy**

In previous years, defined benefit retirement benefit plans, the cost of providing benefits was determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each reporting period. With effect from the year ended 31 December 2021, the Group adopts the measurement simplifications permitted in section 28.19 of the HKFRS for Private Entities in measuring its defined benefit obligation with respect to current employees as the management of the Group considered this method reflect more appropriately without undue cost and effort to measure its obligation and costs under the defined benefit retirement benefit plans. Details of the measurement methods is set out in note 3(h) to the consolidated financial statements. The management considered this change in measurement method has no significant impact on the comparative figures of the consolidated financial statements.

**Greenpeace East Asia**  
**(limited by guarantee)**  
**Notes to the consolidated financial statements**  
**For the year ended 31 December 2022**

**3. Significant accounting policies**

(a) Measurement basis

The consolidated financial statements are prepared under the historical cost basis.

(b) Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 December 2022. All significant intra-group transactions and balances have been eliminated on consolidation.

(i) Business combinations under common control

The Company applies merger accounting to account for business combinations under common control. The consolidated financial statements incorporate the financial statements items of the combining businesses in which the common control combination occurs as if they had been combined from the date when the combining businesses first came under the control of the controlling party.

The net assets of the combining businesses are consolidated using the existing book values from the controlling party's perspective. No amount is recognised in respect of goodwill or bargain purchase gain at the time of common control combination.

Any difference between the Group's interest in the carrying value of the assets and liabilities and the cost of transfer of interest in the entity is recognised directly in merger reserve.

(c) Revenue recognition

Fundraising income is recognised when received.

The recognition and measurement of contributions/grants is determined by the performance conditions. When no performance obligation is included, the contributions/grants are recognised as income when proceeds are receivable. However, when future performance conditions are included, the contributions/grants are only recognised as income when the performance conditions are met.

Interest income is recognised on a time proportion basis using effective interest rate.

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**3. Significant accounting policies (cont'd)**

**(d) Property, plant and equipment**

Property, plant and equipment are stated at cost less aggregate depreciation and impairment losses.

The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its present working condition and location for its intended use.

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The following annual rates are used for the depreciation of property, plant and equipment:

Leasehold improvements	33 $\frac{1}{3}$ %
Computer equipment	33 $\frac{1}{3}$ %
Office equipment	25%
Actions equipment	33 $\frac{1}{3}$ %
Furniture and fixtures	20 %

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

Gain or loss arising from the disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the consolidated income and expenditure account.

**(e) Impairment of assets**

At the end of each reporting period, the Group determines whether there is any indication of impairment of assets. If there is any indication of impairment, the recoverable amount of the relevant asset or group of assets is estimated and compared with its carrying amount.

If the estimated recoverable amount of an asset or a group of assets is less than its carrying amount, the carrying amount of the asset or group of assets is reduced to the estimated recoverable amount. Impairment losses are recognised as an expense in the consolidated income and expenditure account.

**(f) Investments in subsidiaries**

Subsidiaries are entities controlled by the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Investment in subsidiaries is stated in the Company's statement of financial position at cost less any identified impairment loss.

**(g) Leases**

Rentals payable under operating leases are charged to the consolidated income and expenditure account on a straight-line basis over the terms of the relevant leases.

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**3. Significant accounting policies (cont'd)**

(h) Employee benefits

Salaries and annual leave entitlements are accrued in the year in which the associated services are rendered by employees of the Group.

Obligations for contributions to defined contribution retirement plans, including contributions payable under the Hong Kong Mandatory Provident Fund Schemes Ordinance, the retirement funds scheme managed by local social security bureau in accordance with the government regulations of the PRC, the defined contribution scheme governed by the Taiwan Labor Pension Act, and the National Pension Scheme under the Japan Pension Service, are recognised as an expense in the consolidated income and expenditure account as incurred.

For defined benefit retirement benefit plan operated by the Group's subsidiary in Korea, the cost of providing benefits is determined based on the current rates of salary and length of service of employees and as if all employees were to terminate at the reporting date.

(i) Receivables

Receivables are recognised at cost which approximates to their fair values initially and subsequently measured at amortised cost using the effective interest method. At the end of each reporting period, the carrying amounts of receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in the consolidated income and expenditure account.

(j) Foreign currency translation

(i) Functional and presentation currency

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the Group operates (the "functional currency"). HK\$ is the Company's functional currency. The Group has changed the presentation currency in which it presents its financial results from HK\$ to Euro effected from 1 January 2021.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in consolidated income and expenditure account.

Exchange differences relating to the retranslation of the Group's net assets in HK\$ to the Group's presentation currency are recognised directly in other comprehensive income and accumulated in exchange reserve. Such exchange differences accumulated in the exchange reserve are not reclassified to income and expenditure account subsequently.

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**3. Significant accounting policies (cont'd)**

(j) Foreign currency translation (cont'd)

(iii) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows :-

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the end of the reporting period;
- income and expenses for each income and expenditure account are translated at average exchange rates; and
- all resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange reserve.

(k) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow is remote.

(l) Related parties

A party is considered to be related to the Company if :-

- (a) the party is a person or a close member of that person's family and that person :-
- (i) has control or joint control over the Company;
  - (ii) has significant influence over the Company; or
  - (iii) is a member of the key management personnel of the Company or of a parent of the Company; or

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**3. Significant accounting policies (cont'd)**

(l) Related parties (cont'd)

(b) the party is an entity and any of the following conditions applies :-

- (i) the entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
- (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
- (iii) both entities are joint ventures of the same third party;
- (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- (v) the entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company;
- (vi) the entity is controlled or jointly controlled by a person identified in (a) above;
- (vii) a person identified in (a)(i) above has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to the parent of the Company.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

(m) Payables

Payables are stated at amortised cost using the effective interest method.

(n) Cash equivalents

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(o) Borrowing costs

All borrowing costs are recognised in the consolidated income and expenditure account in the period in which they are incurred.

(p) Grants

Grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed.

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**3. Significant accounting policies (cont'd)**

(q) Equity instruments

Equity instruments that are publicly traded is recognised initially at its fair value, which is normally the transaction price and subsequently measured at fair value at the end of each period. Changes in fair value is recognised in the consolidated income and expenditure account.

**4. Critical accounting estimates and judgements**

(a) Significant judgements

In the process of applying the Group's accounting policies, judgements that can significantly affect the amounts recognised in the consolidated financial statements are made in determining :-

- (i) whether there is an indication of impairment of assets; and
- (iii) the expected manner of recovery of the carrying amount of assets.

**5. Revenue and other income**

Revenue represents fund raised during the year. An analysis of the Group's revenue and other revenue is set out below :-

	<b>2022</b> <b>EUR</b>	<b>2021</b> <b>EUR</b>
Revenue		
Fundraising income		
Existing donor contribution income	<b>28,376,339</b>	25,344,380
New donor contribution income	<b>3,851,059</b>	4,633,527
Foundations and trusts, major gift income	<b>1,500,034</b>	2,095,009
	<b><u>33,727,432</u></b>	<u>32,072,916</u>
Other income		
Contributions from GPI	<b>6,866,192</b>	6,912,957
Interest income	<b>14,243</b>	6,246
Foreign exchange gain, net	<b>267,919</b>	25,455
Sundry income	<b>3,035</b>	1,033
	<b><u>7,151,389</u></b>	<u>6,945,691</u>
	<b><u>40,878,821</u></b>	<u>39,018,607</u>

**6. Finance costs**

	<b>2022</b> <b>EUR</b>	<b>2021</b> <b>EUR</b>
Interest on loans from GPI included in organisational support expenses	<b><u>1,211</u></b>	<u>3,117</u>

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<b>7. Surplus/(deficit) for the year</b>	<b>2022</b>	<b>2021</b>
	<b>EUR</b>	<b>EUR</b>
Surplus/(deficit) for the year is arrived at after charging/(crediting) :-		
Depreciation	416,396	559,806
Salaries and allowances	16,419,592	16,238,438
Contributions to defined contribution schemes	787,834	758,093
Costs of defined benefit plans recognised in the consolidated income and expenditure account	209,211	140,450
Minimum lease payments paid under operating leases	1,144,355	2,156,295
Loss on disposal of property, plant and equipment	-	3,642
Gain on disposal of financial asset at FVPL	<u>(133)</u>	<u>(2,646)</u>

**8. Senior management team personnel remuneration**

The senior management team consists of the Executive Director, Deputy Executive Director, Program Director, Organisational Support and Regional Development Director and Finance Director. The senior management team covers the management of 400 staff in the regional offices of the Company in Hong Kong, Beijing, Taipei, Seoul and Japan. Details of emoluments paid by the Group to the senior management team personnel during the year are as follows :-

	<b>2022</b>	<b>2021</b>
	<b>EUR</b>	<b>EUR</b>
Salaries and allowances	1,060,275	911,939
Retirement scheme contributions	<u>17,839</u>	<u>12,819</u>
	<u><b>1,078,114</b></u>	<u><b>924,758</b></u>

**9. Taxation**

No provision for Hong Kong profits tax has been made in these consolidated financial statements as the Company is exempted from tax under Section 88 of the Inland Revenue Ordinance.

Since there is no assessable profit for the year, no provision for corporate tax has been made by Greenpeace Japan in these consolidated financial statements.

No income tax has been made by Greenpeace Foundation in these consolidated financial statements as non-profit business is exempted from income tax under tax law in Korea.

For the year ended 31 December 2022 and 2021, all the Group's subsidiaries are exempt from overseas profits tax under local tax laws.



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**10. Property, plant and equipment**

	<i>Leasehold improvements EUR</i>	<i>Computer equipment EUR</i>	<i>Office equipment EUR</i>	<i>Actions equipment EUR</i>	<i>Furniture and fixtures EUR</i>	<i>Total EUR</i>
Cost :-						
At 1.1.2022	2,094,605	1,667,585	456,826	504,541	8,725	4,732,282
Additions	-	162,230	2,501	2,902	-	167,633
Written-off	(102,911)	(152,863)	(111,609)	(92,276)	-	(459,659)
Exchange adjustments	(8,127)	47,684	(4,698)	(983)	-	33,876
<b>At 31.12.2022</b>	<b>1,983,567</b>	<b>1,724,636</b>	<b>343,020</b>	<b>414,184</b>	<b>8,725</b>	<b>4,474,132</b>
Accumulated depreciation :-						
At 1.1.2022	1,848,087	1,352,517	365,996	478,261	3,747	4,048,608
Charge for the year	128,010	218,488	53,445	11,938	4,515	416,396
Written-back	(102,911)	(152,863)	(111,609)	(92,276)	-	(459,659)
Exchange adjustments	(5,247)	51,797	(2,101)	(750)	463	44,162
<b>At 31.12.2022</b>	<b>1,867,939</b>	<b>1,469,939</b>	<b>305,731</b>	<b>397,173</b>	<b>8,725</b>	<b>4,049,507</b>
Net book value :-						
<b>At 31.12.2022</b>	<b>115,628</b>	<b>254,697</b>	<b>37,289</b>	<b>17,011</b>	<b>-</b>	<b>424,625</b>

**11. Fixed deposits**

Fixed deposits of EUR320,040 (2021: EUR159,350) carry variable interest rates and fixed deposits of EUR529,028 (2021: EUR371,417) carries fixed interest rate of 2.2% (2021: 2.2%) per annum, represent deposits placed in banks with original maturity of one year and more than 3 months but less than one year respectively.

**12. Financial asset at fair value through profit or loss**

It represents the fair value of equity securities listed on the Tokyo Stock Exchange held by the Group as at 31 December 2022. The fair value is the quoted market price in an active market.

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<b>13. Deposits and other receivables</b>	<b>2022 EUR</b>	<b>2021 EUR</b>
Deposits and other receivables	<b>2,208,755</b>	2,621,766
Amount due from GPI - Note 13(a)	<b>35,839</b>	179,131
	<b><u>2,244,594</u></b>	<b><u>2,800,897</u></b>

Note :-

(a) The amount due is unsecured, interest-free and repayable on demand.

<b>14. Trade and other payables</b>	<b>2022 EUR</b>	<b>2021 EUR</b>
Trade payables	<b>1,890,242</b>	2,068,998
Grants received	<b>656,302</b>	128,929
Amounts due to other National Offices - Note 14(a)	<b>715</b>	-
	<b><u>2,547,259</u></b>	<b><u>2,197,927</u></b>

Note :-

(a) The amounts due were unsecured, interest-free and fully repaid during the year.

**15. Loans from GPI**

The amounts due are interest bearing at a range from 0.3% to 0.75% (2021: 0.25% to 0.75%) per annum, unsecured and repayable as follows :-

	<b>2022 EUR</b>	<b>2021 EUR</b>
Within one year	<b>222,011</b>	386,270
Between two and five years	<b>-</b>	243,480
	<b><u>222,011</u></b>	<b><u>629,750</u></b>

**16. Net defined benefit liability**

(a) As at 31 December 2022 and 2021, amounts recognised in the consolidated statement of financial position in relation to retirement benefit obligation are as follows :-

	<b>2022 EUR</b>	<b>2021 EUR</b>
Retirement benefit obligation (net)	<b><u>1,112,905</u></b>	<b><u>906,208</u></b>

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**17. Commitment**

As at 31 December 2022, the total future minimum lease payments under non-cancellable operating leases for use of land and buildings, are payable as follows :-

	<b>2022</b> <b>EUR</b>	<b>2021</b> <b>EUR</b>
Within one year	<b>1,079,962</b>	1,182,441
In the second to fifth year inclusive	<u><b>64,393</b></u>	<u>625,526</u>
	<u><b>1,144,355</b></u>	<u>1,807,967</u>

Operating lease payments represent rental payables by the Group for its offices premises and staff quarters. Leases are negotiated for an average term of five years with fixed monthly rental charges.

**18. Related party transactions**

Apart from the transactions as disclosed in notes 5, 6, 8, 13, 14 and 15 to the consolidated financial statements, there is no other material transactions entered into with related parties of the Group during the year.

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**19. Statement of financial position of the Company**

	<i>Note</i>	<b>2022</b> <i>EUR</i>	<b>2021</b> <i>EUR</i>
<b>Non-current assets</b>			
Property, plant and equipment		165,307	277,272
Investments in subsidiaries	19(a)	526,480	526,480
Rental and other deposits		983,988	1,118,446
Loan to a subsidiary		<u>5,667,715</u>	<u>6,099,367</u>
		<u>7,343,490</u>	<u>8,021,565</u>
<b>Current assets</b>			
Deposits and other receivables		1,204,387	725,956
Prepayments		801,833	742,262
Cash and cash equivalents		<u>3,181,054</u>	<u>2,462,204</u>
		<u>5,187,274</u>	<u>3,930,422</u>
<b>Deduct :</b>			
<b>Current liabilities</b>			
Trade and other payables		1,549,077	1,128,489
Loans from GPI		<u>222,011</u>	<u>386,270</u>
		<u>1,771,088</u>	<u>1,514,759</u>
<b>Net current assets</b>		<u>3,416,186</u>	<u>2,415,663</u>
<b>Total assets less current liabilities</b>		<b>10,759,676</b>	<b>10,437,228</b>
<b>Deduct :</b>			
<b>Non-current liability</b>			
Loans from GPI		<u>-</u>	<u>243,480</u>
<b>Net assets</b>		<u><b>10,759,676</b></u>	<u><b>10,193,748</b></u>
<b>Representing :-</b>			
<b>Accumulated surplus</b>	19 (b)	<u><b>10,759,676</b></u>	<u><b>10,193,748</b></u>

Approved and authorised for issue by the council of members on **- 7 MAY 2023**

  
 .....  
 Nam Boo Won  
 Council member

  
 .....  
 Ho Mei Ling  
 Council member

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**19. Statement of financial position of the Company (cont'd)**

Notes:-

(a) Investments in subsidiaries

	<b>2022</b> <b>EUR</b>	<b>2021</b> <b>EUR</b>
Unlisted equity, at cost	<u><b>526,480</b></u>	<u><b>526,480</b></u>

Details of the subsidiaries are as follows :-

<i><b>The company</b></i>	<i><b>Place of establishment and operation</b></i>	<i><b>Particulars of registered capital</b></i>	<i><b>Effective percentage of equity holding</b></i>
財團法人綠色和平基金會	Taiwan	TWD5,000,000	100%
Greenpeace Foundation	South Korea	KRW500,000,000	100%
Greenpeace Japan	Japan	N/A	N/A

Principal activities of the subsidiaries are provision of consultancy service for environmental friendly product, technical service, training, planning and solution for environmental protection.

(b) Reserve

	<i><b>Accumulated surplus EUR</b></i>
At 1.1.2021	9,552,760
Total comprehensive income for the year	<u>640,988</u>
At 31.12.2021 and 1.1.2022	10,193,748
Total comprehensive income for the year	<u>565,928</u>
<b>At 31.12.2022</b>	<u><b>10,759,676</b></u>

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**20. Fund-raising activities**

The below represents the fund-raising activities with the Public Subscription Permits issued by Social Welfare Department held during the financial year 2022.

Public subscription permit No.	Name of fund-raising activities	Gross Income Raised	Gross Expenditure Incurred	Net Income	Usage of the Net Income
2021/141/1 2021/141/2 2021/141/3 2021/141/4 2021/141/5	Solicitation of Signed Authorisation Forms	HKD 21,848,301.00	HKD 2,136,358.00	HKD 19,711,943.00	To educate the public concerning the natural environment and effects on that environment of both natural and other activities whether pursued by man or not, and to promote activities and materials that protect the natural environment