DIRECTEL HOLDINGS LIMITED
直通電訊控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8337)

2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



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About the Report

With the growing concerns of sustainability for society, corporate's environmental, social, and governance ("ESG") performance become one of the indicators on investing and evaluating organization's operation and stability. Directel Holdings Limited (the "Company") and its subsidiaries (together referred to as the "Group") are pleased to present the Environmental, Social and Governance report (the "Report"). We recognize the importance of ESG management and monitoring in the operation and preparing this Report to disclose the policy and measures as well as the performance in 2025 to demonstrate our long-term commitment in ensuring that our business is economically, socially and environmentally sustainable.

Reporting Scope

The scope of this Report includes the environmental and social performance of the main operations of the Group in Hong Kong, the People's Republic of China ("PRC"), and Singapore which includes the provision of mobile telecommunications services, distribution of mobile phones and electronic products and distribution of mobile and data top-up e-vouchers. This Report summarizes the environmental and social impacts, policies and initiatives of the Group during the financial year of 2025 which began on 1 January 2025 to 31 December 2025 ("FY2025" or the "Reporting Period"). There were no changes in the reporting scope as compared to previous financial year ended 31 December 2024 ("FY2024").

Reporting Principle

In preparing this Report, the Group has complied with the "mandatory disclosure requirements" and the "Comply or Explain" provisions in accordance with the Environment, Social and Governance Reporting Guide (the "Guide") as set out in Appendix C2 to the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "GEM Listing Rules") and in accordance with the practical circumstances of the Company. A complete list of index in compliance with the Guide is also available at the end of this Report for reference.

In the course of the Report's preparation, we have adhered to the following reporting principles set out in the ESG Reporting Guide:

Materiality

The Report contains issues that reflect material ESG impact or substantially affect stakeholders.

Consistency

The Report uses consistent methodologies of ESG data over time. Any changes to the methods used or any other relevant factors affecting the methodologies have been disclosed in the Report.

Balance

The Report provides an unbiased picture of our performance. The Report avoid selections, omissions, or presentation formats that may inappropriately influence a decision or judgment by the Report reader.

Quantitative

The Report discloses key performance indicators in ways that can be measured so that the effectiveness of ESG policies and management systems can be evaluated and validated.

Participation of Board of Directors

The Group's ESG philosophy is to create long-term value for its stakeholders that aligns with the strategic development and sustainability of its business. The board (the "Board") of directors ("Directors") of the Company believes good corporate governance promotes and safeguards the interests of shareholders and other stakeholders. Hence, the Group is committed to maintaining a rigorous framework of corporate governance which upholds the Group's credibility and reputation. The Board confirms that it has reviewed and approved the Report.

The Board endeavours to support the Group's commitment to incorporating sustainable development into the business. The Board is ultimately accountable and responsible for formulating sustainability strategies, identifying, evaluating and managing ESG-related risks as well as ensuring appropriate and effective ESG risk management and internal control systems are in place.

The duties of the Board include: (i) reviewing the Group's policies and practices on corporate governance and ESG; (ii) reviewing the Group's compliance with the Corporate Governance Code and disclosure in the Corporate Governance Report as required under the GEM Listing Rules; and (iii) making recommendations on long term plans, policies, practices, opportunities and risks related to the Group's sustainable development where action or improvement is needed.

There is a ESG working group, including both Accounting and Administration departments, to collect and verify the ESG data and information in the daily operation. The ESG matters are reported to the Board through meeting at least twice per year.

The Board tracks, reviews and follow up on the achievement of objective of the main ESG issues on a regular basis in order to bridge the gap between current progress and the expectations. The Board will also ensure the Group's policies are continuously implemented. Moving forward, the Board will participate more comprehensive ESG training, including those emerging issues such as climate change, to increase its overall competence.

Report Structure

The first section of the ESG Report outlines our approach in respect of our ESG obligations and the methodology in identifyin g our stakeholders. The remaining sections detail our management approach and performance relevant to materiality and significant issues of ESG.

Opinion and Feedback

The Report is available in both English and Chinese. In case of discrepancy, the English version shall prevail.

The Group relies on valuable feedback provided by stakeholders for improvement. Should you have any questions or suggestions, please send your opinions and feedbacks to info@directel.hk.

Our ESG Approach

The Group continues to refine our management approach to adapt to the changing ESG landscape and align ourselves with international best practices. The Group has in place a comprehensive system comprising principles, policies, and guidelines to ensure that we address key issues pertinent to our business and perform credibly to stakeholders' expectations. The Group is committed to maintaining good corporate governance and business integrity in all our business activities.

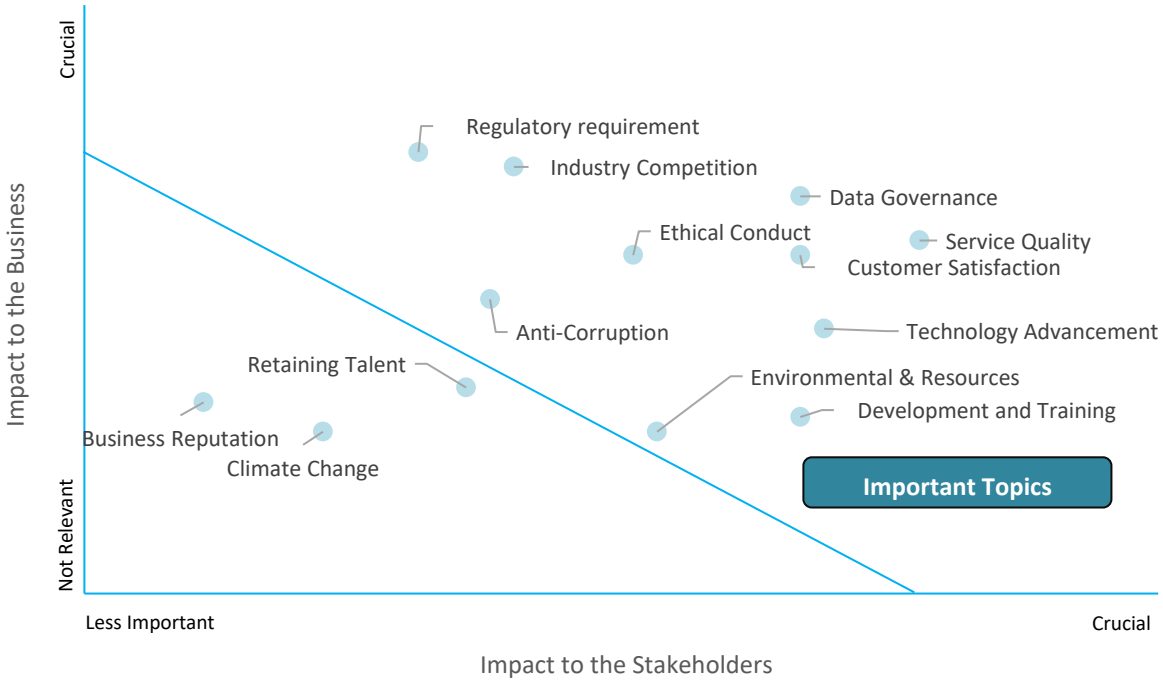
Stakeholder Engagement

The Group values its stakeholders and their views relating to its businesses and environmental, social and governance issues. To understand the concerns of various stakeholders, the Group have engaged and discussed with various business functions and management personnel to communicate with its key stakeholders, including but not limited to employees, investors, customers, suppliers, government bodies and communities through different channels such as conferences, electronic platforms and public events. In formulating operational strategies and environmental, social and governance measures, the Group takes into account the stakeholders' expectations and strives to improve its performance through mutual cooperation with the stakeholders, with a view to driving long-term prosperity and creating greater value for the community.

Key Stakeholder Groups	Major Engagement Channels	Expectations and concerns	Management feedback
Shareholders	Investor relations communication Shareholder meeting	Financial performance Governance	We provide information on strategies, policies, and performance through our quarterly report (if prepared for publication), interim report, annual report and announcements.
Employees	Meeting and Staff interview	Career Training Health and Safety Workplaces	We provide training, promotion, decent wages, safety and respectful workplace.
Customers	Business relationship and Feedback	Service quality Reliability Price	We provide quality and consistent roaming service. And we develop product and services for different target groups to suit their needs.
Industry	Forum	Technology Industry Standard	We engage with sector peers, and telecommunication specific association to understand the latest technology development.
Government	Notice	The PRC and Hong Kong's telecommunication sector arrangement Tax	Our business operation are regulated under the Office of the Communications Authority ("OFCA"). We participate in developing the cross-border roaming service.
Suppliers	Business relationship	Quality New Technology	We take advantage of the advancement of technology to enable our telecommunication roaming service to thrive.

Materiality Assessment

In the preparation of this Report, the Group has identified and determined thirteen ESG issues pursuant to the Group's actual business situations and industry characteristics. We invite stakeholders to score the materiality of these issues, and then comprehensively consider the scores given by stakeholders against the Group's sustainable development goals, afterwards conclude and determine the ranking of materiality for the reported issues and prepare the materiality matrix. From the materiality analysis, the Group found that "Service Quality", "Data Governance", "Customer Satisfaction" and "Technology Advancement" are issues of high importance to the Group and its stakeholders. The results are conducive for the Group to enhancing sustainability decision-making and are used to inform the content of this Report. The Board has reviewed and validated the materiality process.



No.	ESG Issues
1	Data Governance
2	Service Quality
3	Customer Satisfaction
4	Technology Advancement
5	Ethical Conduct
6	Industry Competition
7	Regulatory requirement
8	Development and Training
9	Environmental & Resources
10	Anti-Corruption
11	Retaining Talent
12	Climate Change
13	Business Reputation

Environmental

The Board of Directors acknowledges well the importance of performing as a responsible corporate citizen. The Group has been implementing environmental protection and energy saving measures, where practicable to improve the efficiency of resources consumption. In establishing internal policies, the Group has strictly complied with the relevant laws and regulations on environmental protection implemented by the government, such as the Environmental Protection Law of the PRC, the Law of the PRC on Prevention and Control of Water Pollution, the Law of the PRC on Prevention and Control of Atmospheric Pollution and the Law of the PRC on the Prevention and Control of Environmental Pollution Caused by Solid Wastes, the PRC Law on Energy Conservation, the Water Law of PRC, Air Pollution Control Ordinance in Hong Kong, Waste Disposal Ordinance of Hong Kong, Environmental Protection and Management Act in Singapore and the Environmental Public Health Act in Singapore. The Group will review the workflow process and the execution of relevant measures from time to time to ensure consistent implementation of the relevant policies. During the Reporting Period, there was no material non-compliance with relevant laws and regulations relating to environment.

Emissions

The Group is principally engaged in the business of (i) provision of mobile telecommunications services, (ii) distribution of mobile phones and electronic products and (iii) distribution of mobile and data top-up e-vouchers. The working environment of the Group is indoor offices located in Hong Kong, the PRC and Singapore without any industrial plants and therefore, there is no significant hazardous waste, air emissions or waste water generated directly from our operation, except for greenhouse gas ("GHG") emissions and non-hazardous waste.

Exhaust Gas and Greenhouse Gas Emissions

The exhaust gas from the Group mainly come from the use of automobiles. The exhaust gas mainly includes nitrogen oxides (NOx), sulfur oxides (SOx) and respirable particulate matter (PM). As set out in the table below, the Group generated 1.76 kg, 0.04 kg, and 0.13 kg of NOx, SOx and PM during the Reporting Period respectively.

Categories of Air Emissions[1]	FY2025 Amount	FY2024 Amount
Nitrogen oxides (NOx)	1.76 kg	1.80 kg
Sulfur oxides (SOx)	0.04 kg	0.04 kg
Respirable particular matter (PM)	0.13 kg	0.13 kg

1. Air emissions included only the air pollutants in the exhaust gas from vehicles for transportation.

The consumption of electricity at the offices is the primary source of our GHG emission. The second primary source of GHG emission is the consumption of petrol for the Company's vehicles. During the Reporting Period, the Group's greenhouse gas inventory was compiled and organized according to ISO14064 standards and includes Scopes 1 to 3 emissions calculation. The Group's GHG emissions equated to a total of approximately 15.45 tonnes of CO_2 equivalent ("tCO_2e") and the detailed summary of the GHG emission is shown as below:

Category of GHG emission	FY2025 Amount	FY2025 Intensity (Consumption/ Headcount)[1]	FY2024 Amount	FY2024 Intensity (Consumption/ Headcount)[1]
Scope 1 Direct GHG emission Petrol consumption	6.91 tCO_2e	0.432 tCO_2e	7.06 tCO_2e	0.392 tCO_2e
Scope 2 Indirect GHG emission Electricity consumption	8.54 tCO_2e	0.534 tCO_2e	8.70 tCO_2e	0.483 tCO_2e
Scope 3 Other indirect GHG emission[2] Business air travels[3]	0 tCO_2e	0 tCO_2e	3.42 tCO_2e	0.190 tCO_2e
Total GHG emission	15.45 tCO_2e	0.966 tCO_2e	19.18 tCO_2e	1.066 tCO_2e

1. Intensities in FY2025 and FY2024 were calculated by dividing the amount of GHG emission by the total workforce of the Group in FY2025 and FY2024, which were 16 and 18 respectively.
2. The Group's Scope 3 (Other Indirect GHG Emissions) included only GHG emission involved by business air travels. The sharp increase in business air travel in FY2024 was primarily due to an increase in business trips aimed at exploring potential cooperation opportunities.
3. In FY2025, the Group's business trips were in the PRC through ground transportation.
4. The methodology adopted for reporting on GHG emissions set out above was based on "How to Prepare an ESG Report — Appendix 2: Reporting Guidance on Environmental KPIs" issued by the Stock Exchange, GHG Protocol Corporate Standards, EMEP/EEA air pollutant emission inventory guidebook 2019 – Update Dec. 2024 and the 2006 IPCC Guidelines for National Greenhouse Gas Inventories.

The Group has implemented a number of measures to mitigate energy consumption and reduce our GHG emissions such as turning off the air-conditioning system at night or when leaving office, keeping the office temperature at 25ºC in summer and using LED lights or energy-saving light in the office, etc. Please refer to the "Use of Resources" section below for detailed measures implemented.

The Group will consider formulating relevant policies and emission reduction targets for the management of greenhouse gases in the future, so as to reduce greenhouse gas generated by the operation.

Trend Analysis and Goals

Areas	Targets	Proposed Steps
GHG emissions	In line with the global trend of decarbonisation and national carbon neutrality goal by 2060, the Group has been focusing on the control of its GHG emissions. Taking FY2023 as the baseline year, the Group's ambitious target is to reduce its total GHG emissions intensity, encompassing scope 1 to scope 3 emissions, from 1.100 tCO_2e per headcount to 1.045 tCO_2e per headcount by 2025, representing 5% reduction. In FY2025, the Group's reduced its GHG emissions intensity has already fallen below the expectation in FY2023, achieving a reduction of approximately 8%. The new target is set to further reduce its total GHG emissions intensity by 10% by 2030, from the baseline of 2025, contributing to the climate targets under the Hong Kong's Climate Action Plan 2030+.	Other than the existing initiatives, we strive to reduce our greenhouse gas emissions through the lowering of our energy consumption from the major areas which include air conditioning and lighting systems. The Group strives to utilize video conference to minimize face-to-face meetings in order to reduce petrol consumption in traveling and unnecessary business trips. The Group will continue to monitor the electricity usage on a regular basis and follow-up with those exceeding the normal usage standards.

Waste Management

The nature of the principal operating activities of the Group does not involve significant consumption of electricity and natural resources. The business operations of the Group produced no hazardous waste, e.g. chemical wastes, clinical wastes and hazardous chemicals. The Group pursues and actively implements the principle and practice of recycling and saving. The Group also promotes eco-friendly measures to reduce disposal of non-hazardous waste in our business operation.

With decreasing availability of suitable land for landfill and increasing environmental impacts of waste disposal, waste reduction is one of the priority objectives of the Group. The non-hazardous wastes generated by the Group's operations mainly consist of paper and printing supplies of our office during the Reporting Period.

We regularly monitor the consumption volume of paper and our consumption of printing supplies and have implemented a number of reduction measures. The Group's office has also provided suitable facilities and encouraged our staff to sort and recycle any wastes we produced in our business operation to achieve the objectives in mitigating wastes, reusing and recycling to the fullest extent possible. The Group maintains high standard in waste reduction, educates its employees the significance of sustainable development and provides relevant support in order to enhance their skills and knowledge in sustainable development.

Apart from recycling, the Group has implemented various programs to encourage employees to participate in waste reduction management, including:

1. Encourage double-side printing and reuse of waste paper. Paper for single-side printing would be only adopted when handling official documents and confidential documents when necessary;
2. Purchase green and environmental printing paper;
3. Encourage to use electronic channels for internal correspondence and communication;
4. Place “Green Message” reminders on office equipment;
5. Waste paper are collected by recycling collectors; and
6. Used printing supplies boxes and toners will be returned to printing supplies companies for recycling and reuse.

Through the above mitigation measures, the Group believes that it will change the behaviour of the use of resources in our workplaces and achieve the goal of waste reduction in the coming years.

Use of Resources

The Group strives to use resources effectively and minimize the discharge of wastes. In the ordinary course of business, we have implemented various energy saving and emission reduction measures. Apart from the waste reduction actions mentioned above, the other relevant examples are as follows:

1. Keep indoor air-conditioning temperature at 25ºC during summer;
2. Encourage staff to shut down computers after work and switch off the lights if the employees are expected to be away from the room for more than one hour;
3. Replace the lighting system in the office by LED lights gradually;
4. Encourage staff to switch office equipment, such as printers and computers, to energy saving mode (the equipment will enter the sleep mode under the standby condition); and
5. Reduce the number of light pipes in the office.

Energy Consumption

Due to the Group's business nature, the level of energy consumption is considered relatively low, in particular our water consumption is very minimal. Electricity consumption and petrol consumption constitute the substantial part of carbon emissions for the Group. As mentioned in the above section, the Group has formulated policies and guidelines relating to the environmental management, including energy management. In the implementation of such initiatives, we have managed to lower our electricity consumption accordingly.

The electricity consumption is the largest source of GHG emissions. During the reporting year, the Group's consumption in electricity was as below:

	FY2025		FY2024	
Energy[2]	Consumption	Intensity (Consumption/ Headcount)[1]	Consumption	Intensity (Consumption/ Headcount)[1]
Electricity Consumed	12,965 kWh	810 kWh	13,209 kWh	734 kWh

1. Intensities in FY2025 and FY2024 were calculated by dividing the amount of electricity consumed by the total workforce of the Group in FY2025 and FY2024, which were 16 and 18 respectively; and
2. The methodology adopted for energy conversion of the energy resources of the Group was based on the IPCC Default Net Calorific Values Database.

The Group's Hong Kong office has provided vehicles for our management to use in relation to company affairs. This is the second largest contributor to our emissions profile. During the Reporting Period, the vehicles consumed approximately 25,159 kWh of Petrol. The Group's vehicles conform to Hong Kong vehicle emission standards.

	FY2025		FY2024	
Energy[2]	Consumption	Intensity (Consumption/ Headcount)[1]	Consumption	Intensity (Consumption/ Headcount)[1]
Petrol Consumed	25,159 kWh	1,572 kWh	25,713 kWh	1,429 kWh

1. Intensities in FY2025 and FY2024 were calculated by dividing the amount of petrol consumed by the total workforce of the Group in FY2025 and FY2024, which were 16 and 18 respectively; and
2. The methodology adopted for energy conversion of the energy resources of the Group was based on the IPCC Default Net Calorific Values Database.

The Group strives to utilize video conference to minimize face-to-face meetings in order to reduce petrol consumption in traveling and unnecessary business trips to mitigate the energy consumption. The Group encourages a low-carbon corporate culture and resources saving in daily office operation, which can increase our employees' awareness in energy conservation. Since the implementation of such initiatives, we have managed to lower our petrol consumption accordingly.

Trend Analysis and Goals

Areas	Targets	Proposed Steps
Energy	In line with the goals of GHG emissions reductions, the Group targets to lower the GHG emissions in the purchase of electricity for operations, which is the largest contributor to the Group's GHG profile, by 5% of energy intensity by FY2025 from FY2022 in term of electricity and petrol consumed. The Group has already reached the target since FY2023 and kept maintaining the low usage of consumption. Since the Group has been keeping low usage of energy, new targets are set to further reduce its energy consumptions, in term of electricity and petrol, intensity by 5% by 2030, from the baseline of 2025.	On top of electricity conservation, the Group commits to focus its efforts on improving energy efficiency of its equipment through upgrades and procurement. The Group encourages a low-carbon corporate culture and resources saving in daily office operation, which can increase our employees' awareness in energy conservation. Since the implementation of such initiatives, we have managed to lower our electricity consumption accordingly.

Paper usage

Efficiency in usage of paper has been promoted and communicated to staff. We encourage to use electronic documents to replace hardcopies and printing with double-sided paper. The used single-sided paper is collected for reuse. By these measures, the paper usage of the Group was approximately 40.6 reams (20,300 sheets) A4 paper during the Reporting Period. We will continuously and regularly monitor the consumption volume of paper and printing supplies.

Water consumption

As the Group's business mainly focus on provision of mobile telecommunications services and distribution business and the working environment is mainly indoor offices, the Group does not consume a significant amount of water in its business activities. In addition, water consumption in our Hong Kong, the PRC and Singapore offices are paid by the management companies of respective buildings, and given that our water consumption is minimal, we did not measure the amount of water consumed by the Group. There was no issue in sourcing water that is fit for our purpose. Regardless of limited water consumption, we strive to encourage water conservation. Pantries in our office are posted with environmental messages to remind employees for water conservation, which results in enhancing our employees' awareness in water conservation.

The Use of Packaging Materials

Well-designed packaging saves resources by minimizing waste from the packed product. We have optimised our SIM card packaging into a thin tight and light packaging with minimal waste. Previously, SIM card packaging included welcome and instructional information, but most users have the SIM card activated and inserted in their phone sets they didn't need a full instruction. Hence, we have minimised our packaging. We hope the changes of our SIM card packing can save the packaging material.

During the Reporting Period, we have consumed 109 kg of paper wrapper and 16 kg of plastic wrapper for our Sim cards packaging.

The Environment and Natural Resources

The Group is committed to the protection of the environment. We encourage the saving of natural resources by enhancing the staff awareness and reviewing the business operations efficiency regularly. We have been adopting environmental friendly practice in various aspects. During the Reporting Period, we complied with all relevant environmental rules and regulations in Hong Kong, the PRC and Singapore. The Group was not aware of any material non-compliance with environmental laws and regulations relating to the air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste that would have a significant impact on the environment and natural resources. With the integration of policies and measures mentioned in above sections headed "Waste management" and "Use of resources", the Group will continue to adopt environmental friendly measures and actions and strive to minimize the impacts of our business development on the environment and natural resources.

The Group has set emission targets to maintain total GHG emissions, hazardous and non-hazardous waste, water consumption and resource consumption at the levels same with that in the reporting period for the next 3 to 5 years. We will continue to adopt the measures in this ESG report to achieve our targets.

Climate Change

Climate change is gradually changing the way we live and work. The Group has been fully aware of the severity and urgency of addressing the impact of climate change. The Board of Directors is responsible for comprehensively supervising ESG issues related to climate change issues, including assuming overall responsibility for the Company's climate change management and regularly reviewing climate change-related management guidelines, policies, strategies, objectives, risks and opportunities, action plans and other major decisions. The Group has carried out the identification, evaluation and analysis of climate-related risks and opportunities, established the substantive climate related risks and opportunities for the Group's business and operations, and evaluated the impact of various risks and opportunities on its own finance.

The Group actively employs actions to manage the above risks and mitigate the impacts. According to the established special working arrangements under extreme weather conditions, employees are suggested to work from home under certain conditions. On the other hand, with the increasing regulations and requirements towards carbon and climate-related information disclosure, we are committed to continue the identification of relevant material climate-related risks and to improve our information disclosure. Furthermore, we include climate-related issues in our external materiality assessment to understand stakeholders' concerns in a timely manner.

Moving forward, the Group will provide relevant training to the Board and management to enhance their overall competencies regarding climate change issues. For the existing climate-related risks, the Group will conduct the risk assessment on annual basis to ensure accuracy and materiality.

Social

Employment

Employment Practices

As a mobile virtual network operator ("MVNO"), we are facing a rapid change of mobile telecommunications technology and a highly competitive industry. To attain these challenges, we need to rely on our dedicated and highly skilled employees. We, therefore, attach great importance to our human resources (HR) management, from recruiting to targeting professionals and training offers, support for employee career development, as well as retention measures for executives and employees with high potential.

The guiding principle of our HR management is that we regard our employee to be our most valuable asset. We aim to be a fair and attractive employer. We believe the importance of having a vibrant, harmonious and inclusive workplace where our employees can work comfortably. Our objective is to attract, cultivate and retain talented employees over the long-term period.

During the Reporting Period, the Group has not discovered any material non-compliance of employment and labour related laws and regulations.

Employee Profile

The Group is committed to maintaining a diverse workforce and ensure that employees will not be discriminated due to their race, age, sex, marital status, religion or belief. In the "Corporate System and Code of Conduct" of the Group, it has clearly stated the management procedures for employee recruitment, selection and departure, employee remuneration and appraisal system.

During the Reporting Period, we had a total workforce of 16 employees, 9 of them are located in the PRC office, 1 of them in Singapore, and the remaining 6 of them are from our Hong Kong head office. While for the gender balance, our workforce had 8 females and 8 males. This equates to a female to male ratio of 50% and 50% respectively. Below is the composition of the employees:

	FY2025	FY2024
	Number of employee(s)[1]	Number of employee(s)[1]
Total Workforce	16	18
By Gender		
Total Male Employees	8	9
Total Female Employees	8	9
By Age		
Below 25 years old	-	-
25 – 34 years old	3	4
35 – 44 years old	6	5
45 – 54 years old	4	6
55 years old or above	3	3
By Employment Mode		
Full time	16	18
Part-time	-	-
By Level		
Management	4	5
Non-management	12	13
By Location		
Hong Kong	6	8
The PRC	9	9
Singapore	1	1

1. The employment data in headcount was obtained from the Group's Human Resources Department based on the employment contracts entered into between the Group and its employees. The data covered employees engaged in a direct employment relationship with the Group according to relevant local laws and workers whose work and/or workplace was controlled by the Group. The methodology adopted for reporting on employment data set out above was based on "How to Prepare an ESG Report — Appendix 3: Reporting Guidance on Social KPIs" issued by the Stock Exchange.

Employee Turnover Rate

The employee turnover rate refers to the percentage of employees who leave an organization during a certain period of time. It usually includes voluntary resignation, dismissals, and retirements in the calculations. Employee turnover rates can vary widely across industries. Our employee turnover rate during the Reporting Period is approximately 13% where 2 people had left the Group during the Reporting Period.

	FY2025	FY2024
	Number of employee(s)[1]	Number of employee(s)[1]
Employee Turnover	2	1
Employee Turnover Rate by Gender		
Male	1	-
Female	1	1
Employee Turnover Rate by Age Group		
Below 25 years old	-	-
25 – 34 years old	-	-
35 – 44 years old	-	-
45 – 54 years old	-	1
55 years old or above	2	-
By Location		
Hong Kong	2	-
The PRC	-	1
Singapore	-	-

1. The turnover data in headcount was obtained from the Group's Human Resources Department based on the employment contracts entered into between the Group and its employees. Turnover rate was calculated by dividing the number of employees who resigned in FY2025 by the number of employees in FY2025. The methodology adopted for reporting on turnover data set out above was based on "How to Prepare an ESG Report — Appendix 3: Reporting Guidance on Social KPIs" issued by the Stock Exchange.

Remuneration and Benefits

We emphasise on the principles of consistency and fairness in respect of our remuneration management. We offer competitive remuneration to our employees according to their respective academic qualifications, expertise and professional experience of individuals, and with reference to relevant factors including but not limited to prevailing market rate, remuneration benchmarks in the industry and government regulations. Besides, race, religion, gender and marriage status of the employee will not be taken into account when we select our employees. In order to maintain the competitiveness of our employees, the Group will conduct performance appraisal annually and adjust the remuneration and benefit of each employee based on the respective appraisal results. The content and criteria of performance appraisal are determined according to the businesses of various departments and the nature of different job positions. In addition to basic salary, employees are also entitled to receive performance-linked business bonus. Employees with outstanding performance will receive bonus or promotion plus salary increase as rewards.

Employees are also entitled to enjoy paid leaves pursuant to relevant laws and regulations, such as statutory holidays, work injury leave, marriage leave, maternity leave and sick leave, etc. Employee compensation, working hours, rest period, welfare and other employment practices are clearly stated in the Staff Handbook of the Group.

During the Reporting Period, the Group has not discovered any material non-compliance of employment labour related laws and regulations.

Health and Safety

Health and safety in the workplace is part of our duty of care for employees. As a responsible employer, we are committed to reducing accidents, illness, and risks in the working area as far as possible, promoting the health of our employees, and thus also reducing the absence rate and employee turnover rate. We focus on two major areas to minimise occupational hazards and health and safety risks:

1. Occupational health management; and

2. Workplace safety at our office including fire protection measures.

Although the nature of jobs in the Group are low-danger positions, we do not take this lightly. The Group evaluates and identifies the risk of safety in various facilities and premises of work, and precautionary measures are recommended accordingly. For example, regular checks will be conducted on first aid kits and fire services equipment to ensure they are placed in a prominent position and are properly maintained. Medical insurances have been purchased for all our employees against any clinical, hospital and surgery costs. On the other hand, festival and casual gatherings such as Chinese New Year and Christmas gatherings have been organised to increase the harmonious spirit of the staff and can achieve a synergistic result to improve productivity and employee retention.

For fire prevention, the Group participates in fire drills organized on regular basis by the building management every year and conducts post-event evaluation on the efficiency and smooth process of the fire drill to make improvements. Focus of attention is on the emergency evacuation route and whether all employees can reach the gathering point within time limit. We also evaluate the safety system of the Group on regular basis with follow-up actions to create a safe and healthy working environment for employees.

No work-related accident or work-related death occurred to the Group and lost days due to work injury in the past three years including the current year and the Group did not discover any material non-compliance of occupational health and safety related laws and regulations.

Development and Training

The Group had put in learning and development measures for our employees and help them grow in line with their respective tasks. The training can strengthen their sense of responsibility and willingness to learn and encourage employees the continuance of learning at every stage of their development.

The Company has provided suitable trainings across different operational functions, including induction training for new employees, technical training, and training to enhance the employees' knowledge in safety measures when performing their duties. Contents of trainings include on-the-job trainings at various levels as well as internal and external courses, with contents including management and skills. A regular performance appraisal system has been set up to evaluate and understand the individual performance to consider if re-training will be arranged for employees who have failed the appraisal.

During the Reporting Period, all our employees by gender and level undertook the training including senior-level employees. Our employees have an average of 5.3 training hours during the Reporting Period and the detail is presented as follows:

	FY2025	FY2024
	Training hour(s)[1]	Training hour(s)[1]
Average training hours[2]	5.3	3.6
Average Training Hours by Gender		
Male	8.9	5.4
Female	1.8	1.8
Average Training Hours By Level		
Management	14.0	7.8
Non-management	2.0	2.0

1. The training information was obtained from the Group's Human Resources Department. The methodology adopted for reporting training hours set out above was based on "How to Prepare an ESG Report — Appendix 3: Reporting Guidance on Social KPIs" issued by the Stock Exchange.
2. In FY2025, the increase in average training hours is mainly driven by a significant rise in management-level training.

The training plan includes the skills required for upcoming tasks and company-wide management training. The Group has arranged anti-corruption training for its employees and directors.

Labour Standards

The Group strictly abides by the relevant employment and labour laws and regulations and has never employed any child labour under 16 and using of forced labour. It has formulated clear policies to prevent compulsory labour and employment of child labour, make sure that our employee enjoys their fundamental rights related to labour and has insisted on monitoring the recruitment process frequently to prevent the occurrence of illegal conduct. Our Code of Conduct and employment contract sets out our general approach regarding labour standards.

In addition to our code of conduct, our human resource policy also covers the labour standard. The policy provides the framework of rules applicable to all HR activities within our operations.

During the Reporting Period, the Group did not discover any material non-compliance of labour rights and labour related laws and regulations.

Supply Chain Management

The Group believes that proper management of its supply chain could bring positive impacts to the social environment and a stable and long-term cooperation relationship with suppliers would enhance the standard of operation and services of the Group. We work together with a number of business partners. These include IT hardware manufacturers, as well as vendors and telecommunications service providers. Ensuring the integrity of our business partners and avoiding potential liability risks or reputational damage, is of fundamental importance to us.

During the Reporting Period, the Group has a total of 18 suppliers, among which 9 are located in the PRC, 8 are from Hong Kong and 1 from Singapore.

The Group has established the relevant policy on supply chain management, such as the Procurement Management Rules of the Group which have explicitly stated, among other things, the method of procurement, selection of suppliers, review and approval process and management, to ensure that the process is fair and transparent.

In the process of supplier selection, the Group must firstly consider whether the manufacturer has relevant qualifications (such as ISO9001), whether capital funding is sufficient, and whether it is capable of dealing with the number of orders, and secondly whether it can satisfy our needs in technical aspects, and whether the after sales service is comprehensive, etc. Furthermore, we will also require the supplier to provide samples for inspection, after the samples have passed the inspection tests, we will visit the plant of the supplier for site inspection. Critical areas include privacy and information security, fraud and corruption are closely monitored. Meanwhile, the Group has also incorporated the sustainability and social responsibility of suppliers into its procurement process and established environmental requirements for suppliers. The Group is currently strengthening this approach through our supplier program to improve our monitoring of risk across our supply chain.

Product Responsibility

Our customers want to be able to access the best products and services and expect them to work where they want, when they want, in the way they want. Our marketing plan is designed to deliver this to our customers, with good roaming experiences and services that offer the greatest value and enjoyment and work without failure.

As a MVNO, we are always looking for ways to make our products more accessible. For example, our OTA-Sim Mobile Communications + Internet Cross Border Enabling Services that make connection easier for people in Greater China region, coverage includes the PRC, Hong Kong, Macau, and Taiwan. Below is our product introduction:

- Our International Student Service provides students who travel to overseas to further study to get connected with their family using our Directel FollowMe and OTA-Sim technology to roam and making call back home.
- Our Global Hotel Channel Business make our custom made cell phones with OTA-Sim cards available to Chinese customers through Hotel Channel. They can instantly get connected and call back home.
- Our New Roaming, New Travel, and New Life is our service Directel response to the Belt and Road initiatives that launched by the PRC Government. The aim is to provide full coverage to the countries along the belt and road. The product we offer will be Application Scheme Based on OTA-SIM, which can support application data, payment gateway, traveling booking, car networking, and IOT applications.
- New mobile roaming application DIRECT-TX, for users to make calls through the application in the broadened coverage.
- Selling of Singapore mobile top-up and data top-up e-vouchers through one of the largest Singapore e-commerce platforms.

During the Reporting Period, our Group complied with relevant laws and regulations relating to product responsibility such as health and safety, advertising, labelling and privacy matters. No sold or delivered products recalled and complaints received about the products or services due to safety and health reasons.

Customer Satisfaction

Customer demands regarding connection are growing steadily. Our roaming connection made possible by our growing satellite and ground network to ensure the connection quality. The feedback and satisfaction of our customers are particularly important to us as it helps us to monitor product and service quality and invest in the right technology. We strive to raise customer satisfaction via numerous programs, such as develop product to meet customer demand. Only satisfied customers provide us with the long-term relationships we need to ensure the sustainability of our business. Our aim is to conclude contracts with customers and to provide them with clear and understandable information during the ordering process without any further intermediate steps.

Services Complaint

In relation to service support, the Group has outsourced its customer support services to a call center to handle customer service request, support, and complaints. In the event of quality issues, customers can reach out to our customer service team through the hotline to provide feedbacks. Our customer service team will provide support and solutions to help customers to resolve any issues. For hardware or Sim-Card problems, customers can return the product and we will replace a new one. All the issues will be handled by our customer service team within a set of service time frame.

Intellectual Property

The Group understands that intellectual property rights constitute a valuable company asset. We thus strive to both protect these rights and use them effectively. Our Group's policy on intellectual property states that we will respect others' intellectual property rights and ensure that our product invention does not infringe on these rights.

While for our developments, our legal consultant is managing the variety of intellectual property matters including filing and acquisition of patents.

We will continue to strive to better manage our intellectual property rights by acquiring and using a greater number of patents and higher quality patents.

Customer Data Privacy

The Group's position on privacy is clear. We undertake to ensure the proper use of personal data in our business operations by observing the requirements of the relevant laws and regulations, in particular the Personal Data (Privacy) Ordinance.

We have data security policy in place to protect the data of both our employees and our customers. We want to ensure that we can follow the rapid development of technology and services by early involvement of security in business processes. We aim to ensure a strong level of protection in terms of confidentiality, integrity, and availability of services and data.

Across our markets, we observed that governments and regulators taking new steps to strengthen privacy regulation and to introduce new measures that affect our ability to manage our customer's data. This trend is expected to continue and the Group will also step up its focused work on privacy, security to meet both regulatory requirements and the expectations of customers.

During the Reporting Period, the Group did not discover any circumstance of consumers' personal data being stolen, altered, damaged or leaked.

Anti-Corruption

The Group maintains and effectively implements a comprehensive system of internal control and stringent policies for anti-corruption, and is committed to prevent and monitor any malpractices or unethical practice.

The Group has strictly complied with ethical requirements and there was no occurrence of corruption, bribery, fraud and money laundering throughout the Reporting Period. The Group will adhere to its corporate ethics and uphold its reputation to prevent corruption.

The Group's anti-corruption awareness training for employees ranges from on-boarding and yearly reminder programs. The purpose of the program is to help all employees understand the Group's values and the policy. Integrity is a vital part of the Group's business. The Group's management is committed to sending clear, and regular messages to all employees and business partners that corruption and bribery are unacceptable.

Employees can report to the management of the Group with respect to any non-compliance such as receiving bribes, abuse of power by mail, electronic mail or phone. All business units have a responsibility to conduct regular risk assessments of their anti-corruption procedures and implement remediating measures to mitigate risks.

During the Reporting Period, the Group complied with relevant laws and regulations relating to bribery, extortion, fraud and money laundering.

Community Investment

The Group believes that participating in community activities can help promote harmony in social development, fulfill our responsibilities as a corporate citizen and also demonstrate the Group's promise to society. Hence, we encourage employees to participate in social and charitable activities, such as youth education or caring for the elderly, etc. To encourage participation of employees in community services and meaningful charitable work, we allow employees to apply for volunteer holidays.

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