SING LEE SOFTWARE (GROUP) LIMITED

新利軟件(集團)股份有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code : 8076)



2025

Environmental, Social and Governance Report

* For identification purposes only

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ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ABOUT US

Sing Lee Software (Group) Limited and its subsidiaries (collectively referred to as the "Group", or "we") is one of the major developers and suppliers of information technology and services in the financial industry and education industry. The core business partners include but not limited to Industrial and Commercial Bank of China, Agricultural Bank of China, Bank of China, China Construction Bank, Bank of Communications and Zhejiang University. The Group's subsidiaries, Hangzhou Singlee Technology Company Limited and Hangzhou Singlee Software Company Limited respectively focus on banking, education and related industries to provide a complete solution. Headquartered in Hong Kong, it has set up offices in Hangzhou, Beijing, Shanghai, Guangzhou, Xi'an, Wuhan, Shenyang and other places of Mainland China. The Group's revenue segmented on types of goods or services delivered or provided: (i) Sales of software products; (ii) Sales of related hardware products; and (iii) Provision of technical support services. For the year ended 31 December 2025, the provision of technical support services accounted for approximately 85.9% of Group's revenue. More corporate information about the Group is available on the Group's website.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ABOUT THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

This Environmental, Social and Governance Report (the "Report") summarises the Group's environmental, social and governance ("ESG") practices, plans and performance.

Reporting Period

Unless specifically stated otherwise, this Report covers the ESG activities, challenges and measures of the Group from 1 January 2025 to 31 December 2025 (the "financial year" or "2025").

Reporting Scope

The reporting scope is consistent with the annual report and covers all the business operations that are the principal source of revenue of the Group, including the offices in Hong Kong and Mainland China. The non-financial information used for this Report is mainly collected annually from internal departments and is based on information available through internal reporting.

Reporting Framework

This Report has been prepared in accordance with the Environmental, Social and Governance Reporting Guide (the "ESG Reporting Guide") 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"). This Report complies with all "comply or explain" requirements and reports on all mandatory disclosures outlined in the ESG Reporting Guide. For the Group's corporate governance structure and other relevant information, please refer to the Corporate Governance Report of the 2025 Annual Report.

During the preparation of this Report, the Group has applied the reporting principles in the ESG Reporting Guide, as described below:

Materiality: Materiality assessment was conducted to identify material issues during the financial year, thereby adopting the confirmed material issues as the focus for the preparation of the Report. The materiality of issues was reviewed and confirmed by the Board of Directors (the "Board") and ESG Task Force ("Task Force"). For further details, please refer to the sections headed "Stakeholder Engagement" and "Materiality Assessment".

Quantitative: The standards, methodologies and applicable assumptions used in the calculation of key performance indicators ("KPIs") data were supplemented by explanatory notes.

Consistency: Unless otherwise stated, the preparation approach of this Report is consistent with the year from 1 January 2024 to 31 December 2024 ("2024") for comparison. If there are any changes in the scope of disclosure and calculation methods that may affect comparisons with previous reports, the Group will provide explanations for the corresponding data.

Balance: This Report aims to provide a balanced representation of the Group's ESG performance. It avoids selections, omissions, or presentation formats that may inappropriately influence a decision or judgment by the report reader.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

MESSAGE FROM CHAIRMAN

Dear Valued Stakeholders,

On behalf of the Board, I am pleased to present this Report which demonstrates our growing commitment to improving our ESG performance in five aspects, including corporate governance, environmental protection, employment practices, operating practices and community investment.

The Group believes that business sustainability can only be accomplished by operating a profitable business without sacrificing the well-being of either our society or the environment. It therefore incorporates ESG concepts into its business philosophy to cultivate sustainable value for shareholders by seizing opportunities and managing risks associated with developments in the economy, society and environment. Our ESG responsibility initiative depends critically on our ability to comprehend how various ESG issues may impact our business and our stakeholders.

We kept improving governance practices while keeping compliance and effectiveness as our top priorities. In order to effectively manage ESG related matters within the Group, the Board has the overall responsibility on the Group's ESG issues and has set up the Task Force. Information about the Group's ESG governance structure is stated in the section headed "ESG Governance Structure".

To identify and prioritise material ESG issues that have a significant impact on our operations and stakeholders, we continuously communicate with internal and external stakeholders. The Board has delegated the Task Force and hired an independent third party to carry out the materiality assessment. Details about the stakeholder engagement channels and the materiality assessment conducted by the Group are stated in the section headed "Stakeholder Engagement" and "Materiality Assessment" respectively. In order to have a deeper understanding of stakeholders' expectations of the Group's sustainable development, the Group will further strengthen its communication with stakeholders and formulate relevant policies and measures based on their opinions to improve the Group's ESG performance.

As an enterprise that promotes corporate social responsibility, the Group recognises the importance of minimising its impact on the environment. Aligning with the corporate strategy and the national vision of carbon neutrality, the Group has set quantifiable environmental targets starting from 2021 to give stakeholders a better understanding of the Group's progress in improving ESG performance. The Group actively carries out various measures at operational levels in order to meet the targets. The Task Force has been given authority by the Board to gather ESG data, monitor and analyse our performance, and assess the Group's progress toward its targets. Relevant results are summarised in the section headed "Environmental Targets".

Looking forward, the Group will continue to closely monitor the pandemic, pay attention to the multi-faceted impact of the market environment changes on corporate compliance, business development and ESG, and actively respond to national, regional and industry calls to formulate timely and effective strategies strictly in line with the requirements of the central and local governments. The Group will continue to pay efforts to create higher economic and social value.

Lin Xue Xin
Chairman

ESG GOVERNANCE STRUCTURE

To ensure that ESG governance aligns with its business strategy and commitment to sustainability, the Group has developed an ESG governance structure that integrates ESG management into its business operations and decision-making process.

The Board holds the overall responsibility for the Group's ESG issues and sets out ESG management approach, strategy, priorities and objectives. The Board is diverse in its composition and is considered to have a balance of skills and experience in overseeing the ESG matters of the Group. In order to better manage the Group's ESG performance, related issues and potential risks, the Board should at least annually discuss ESG issues collectively, and review the Group's ESG-related risks and opportunities, the materiality of ESG issues and its performance against ESG-related targets. The Board is also responsible for ensuring the effectiveness of the Group's risk management and internal control systems and approving disclosures in the ESG reports.

The Group has established the Task Force to develop systematic management of ESG issues under the Board's delegations. The Task Force is composed of core members from various departments with relevant expertise in each ESG aspect to facilitate the Board's oversight of ESG matters. The Task Force is responsible for collecting and analysing ESG data, monitoring and evaluating the Group's ESG performance, keeping track of and reviewing the progress made against the Group's ESG-related targets and ensuring compliance with ESG-related laws and regulations. The Task Force works with an independent third party to conduct materiality assessment and prepare ESG reports. The Task Force also assists in assessing and identifying the Group's ESG risks and opportunities, ensuring the implementation and effectiveness of the risk management and internal control systems. The Task Force arranges meetings at least annually to evaluate the effectiveness of current policies and procedures, and formulates appropriate solutions to improve the overall performance of ESG policies. The findings, decisions and suggestions should be reported to the Board at least once per year.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

STAKEHOLDER ENGAGEMENT

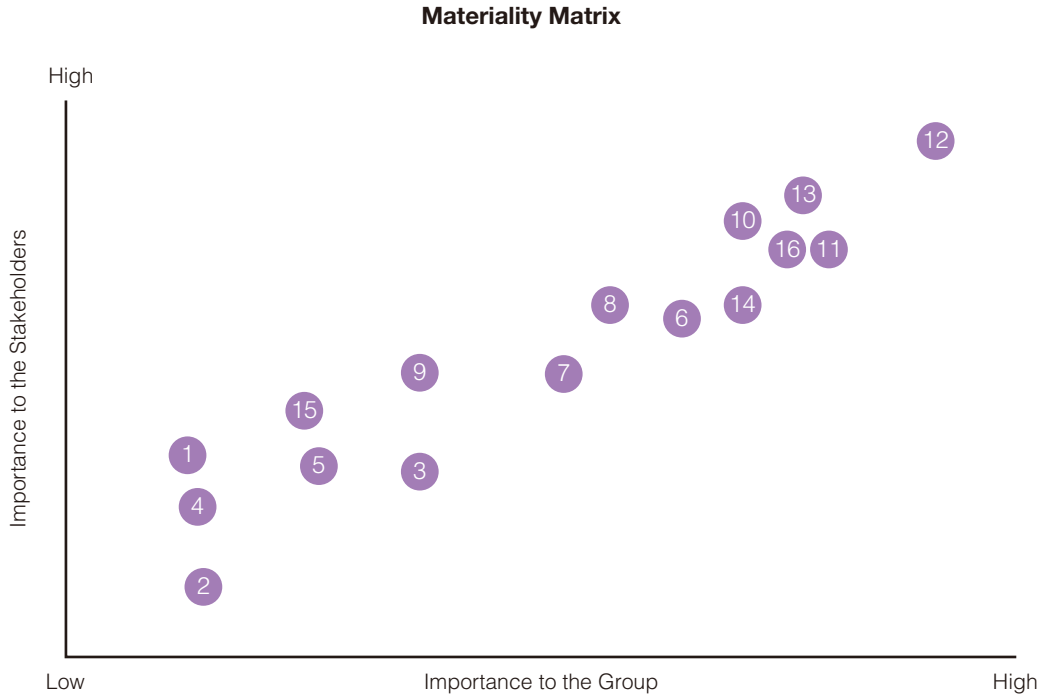
Effective and ongoing stakeholder engagement is an integral part of the Group's business development and commitment to environment and society. By understanding our stakeholders' views, we can better align our business practices with their needs and expectations. This approach enables us to build trust and mutual beneficial relationships with our stakeholders and promote sustainability.

The Group formulates its engagement approach based on the engagement objectives and stakeholders' level of interest and influence. As part of its business strategy, the Group engages with its stakeholders via different channels shown in the table below.

Stakeholders	Communication channels	Expectations
Investors and shareholders	• General meetings and other shareholder meetings • Financial reports • Announcements and circulars • Corporate website	• Shareholders' rights and interests • Financial performance • Corporate governance • Accurate, complete and timely information disclosure
Customers	• Customer satisfaction surveys • Customer service team • Corporate website	• User satisfaction • Privacy protection
Suppliers	• Supplier management meetings and events • Email and phone call	• Fair and open procurement • Stable relationship • Accurate, complete and timely information disclosure
Employees	• Employee opinion surveys • Feedback forms and suggestion boxes • Training and workshops • Regular performance reviews • Employee seminars	• Remuneration • Career development • Fair working environment
Regulatory bodies and government authorities	• On-site inspections	• Regulatory compliance • Corporate governance • Contribution to society
The community, non-governmental organisations and media	• Corporate website • Media reports • ESG reports • Voluntary work • Sponsorship and donations	• Contribution to society • Accurate, complete and timely information disclosure • Compliant operation

MATERIALITY ASSESSMENT

In hope of understanding the views and expectations of stakeholders on the Group's ESG performance effectively, we adopt a systematic approach in conducting the annual materiality assessment. With reference to the Group's business development strategy and industry practices, the Group identified and determined a list of material ESG issues, which covers five key areas: corporate governance, environmental protection, employment practices, operating practices and community investment. The Group prepared a questionnaire based on the list and invited relevant stakeholders to rate the potential material issues according to the level of importance to the stakeholders and to the Group. The results of the survey were analysed and a materiality matrix was developed. The materiality matrix and the identified material topics were reviewed and confirmed by the Board and the Task Force and disclosed in the Report. During the financial year, the Group's materiality matrix is shown below:
Materiality Matrix



1.	Emissions	9.	Supply chain management
2.	Use of resources	10.	Reliable services and products
3.	Environmental education and advocacy	11.	Intellectual property rights
4.	Responding to climate change	12.	Customer privacy protection
5.	Employment practices	13.	Research and development
6.	Labour standards	14.	Anti-corruption
7.	Occupational health and safety	15.	Community investment
8.	Development and training	16.	Regulatory compliance

CONTACT US

Stakeholders' valuable opinions can help the Group continue to improve performance on ESG. Please feel free to contact our Company Secretary with any comments or suggestions related to the Report.

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A. ENVIRONMENTAL

Environmental Targets

The Group has set quantitative targets for the environmental aspect in 2021 to better manage the Group's material topics and its sustainability performance. Relevant data and year-on-year comparisons are presented in the subsequent sections. The table below summarises the Group's environmental targets, its progress towards the targets, as well as new targets for the following years:

Aspects	Environmental targets	Progress	New targets
Air Emissions	Maintain the air emissions intensity (per employee) in 2025 no greater than that in 2021.	In progress	Maintain the air emissions intensity (per employee) in the year ended 31 December 2027 ("2027") no greater than that in 2025.
Greenhouse Gas ("GHG") Emissions	Maintain the total GHG emissions intensity (per employee) in 2025 no greater than that in 2021.	In progress	Maintain the total GHG emissions intensity (per employee) in 2027 no greater than that in 2025.
Non-hazardous Waste	Maintain the total non-hazardous wastes intensity (per employee) in 2025 no greater than that in 2021.	In progress	Maintain the total non-hazardous wastes intensity (per employee) in 2027 no greater than that in 2025.
Energy Consumption	Maintain the total energy consumption intensity (per employee) in 2025 no greater than that in 2021.	In progress	Maintain the total energy consumption intensity (per employee) in 2027 no greater than that in 2025.
Water Consumption	Maintain the total water consumption intensity (per employee) in 2025 no greater than that in 2021.	Completed	Maintain the total water consumption intensity (per employee) in 2027 no greater than that in 2025.

A1. Emissions

The Group recognises the importance of environmental protection as the starting point for sustainability. We continue to reduce the environmental impact of our operations and to promote environmental protection within the Group and the supply chain. We have developed the "Environmental Policy" to meet our environmental objectives in carbon footprint reduction and waste reduction.

Although we are predominantly service-oriented and do not belong to heavy-polluting industry, we recognise that our operations still have an impact on the environment and acknowledge that addressing environmental issues is a collective responsibility shared by every member of the community. We are committed to minimising the adverse impact that our operations may have on the environment. Going beyond legal compliance, we continually improve our environmental management practices and measures to reduce energy and other resource use, minimise waste and increase recycling.

During the financial year, the Group did not have any material non-compliance of environmental laws and regulations relating to air and GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous waste that would have a significant impact on the Group. Relevant laws and regulations include but not limited to the "Environmental Protection Law of the People's Republic of China", the "Water Pollution Prevention and Control Law of the People's Republic of China", the "Law of the People's Republic of China on Prevention and Control of Environmental Pollution Caused by Solid Wastes" of Mainland China, the "Air Pollution Control Ordinance" and the "Waste Disposal Ordinance" of Hong Kong.

Air Emissions

The Group's air emissions are mainly generated from the petrol consumed by company vehicles. We actively execute the following air emission reduction measures:

- Regularly maintain and repair vehicles to prevent them from generating excess exhaust gas emissions from broken parts and other reasons; and

- Phase out unqualified vehicles in accordance with the local emission regulations.

During the financial year, the emissions of nitrogen oxides ("NOX"), sulphur oxides ("SOX") and particulate matter ("PM") have increased as compared to 2025. However, intensities[1] of NOx, SOx, PM have decreased from approximately 3.78×10-3 kg/employee, approximately 1.91×10-4 kg/employee and approximately 2.87×10-4 kg/employee in 2024 to approximately 3.33×10-3 kg/employee, approximately 1.60×10-4 kg/employee and approximately 2.40×10-4 kg/employee in 2025 respectively due to an increase in employee number. The Group's performance of air emissions is summarised as follows:

Type of air pollutants[2]	Unit	2025	2024
NO_x	kg	1.67	1.58
SO_x	kg	0.08	0.08
PM	kg	0.12	0.12

Notes:

1. As at 31 December 2025, the Group had a total of 501 employees (2024: 418 employees). The data are also used for calculating other intensity data.

2. The calculation method of air emissions is based on "How to prepare an ESG Report — Appendix 2: Reporting Guidance on Environmental KPIs" issued by the Stock Exchange.

GHG Emissions

As a service provider, we are a relatively small GHG emitter. The major sources of GHG emissions of the Group were direct GHG emissions (Scope 1) from the petrol consumed by company vehicles and energy indirect GHG emissions (Scope 2) from the purchased electricity. With respect to the emission sources mentioned above, we actively adopted the following measures to achieve our emission reduction target:

- Adopt emission reduction measures on vehicles, which are described in the section headed "Air Emissions" under this Aspect; and

- Adopt energy-saving measures, which are described in the section headed "Energy Management" in Aspect A2.

During the financial year, the total GHG emissions has decreased by approximately 17.17% compared to 2024. However, the total GHG emissions intensity (per employee) decreased by approximately 31.25% compared to 2024 due to an increase in employee number. The Group's performance of GHG emissions is summarised below:

Type of GHG emissions sources[3]	Unit	2025	2024
Scope 1 — Direct GHG emissions • Petrol consumed by vehicles	tonnes of carbon dioxide equivalent ("tCO_2e")	14.87	14.08
Scope 2 — Energy indirect GHG emissions • Purchased electricity[4]	tCO_2e	39.64	51.73
Total GHG emissions (Scope 1 and 2)	tCO_2e	54.51	65.81
Total GHG emissions intensity (per employee)	tCO_2e/employee	0.11	0.16
Total GHG emissions intensity (per fixed work employee)[5]	tCO_2e/employee	0.16	0.21

Notes:

3. GHG emission data are presented in terms of carbon dioxide equivalent. The calculation method is based on, including but not limited to, the "How to prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs" issued by the Stock Exchange, the "Notice on the Management of Enterprise Greenhouse Gas Emissions Reporting by Power Generation Industry for 2023-2025" issued by the Ministry of Ecology and Environment of the People's Republic of China, and the "Sustainability Report 2021" released by HK Electric Investments Limited. Due to updated emission factors for the electricity grid in Mainland China, the Group has recalculated GHG emission data for 2021.

4. This excluded electricity consumption in some of the offices where the utility expenses were included in the management fee and relevant data are not available.

5. As at 31 December 2025, the Group had 337 employees (2024: 319 employees) who are fixed work in the district offices. The data are also used for calculating other intensity data.

Sewage Discharge

The office operations of the Group do not generate any industrial wastewater in the course of operation, but only domestic sewage. It is assumed that the wastewater discharge volume accounts for approximately 80% of the amount of water consumption of the Group. The sewage discharged by the Group will be sent to the sewage treatment plant through the sewage pipe network. Information related to water consumption will be described in the section headed "Water Management" in Aspect A2.

Waste Management

Hazardous wastes

Since we are only service provider and do not have industry facilities, we do not generate any significant amount of hazardous wastes during daily operation, and therefore no relevant targets have been set. Nevertheless, we are devoted to waste reduction. If any hazardous waste is generated, the Group must appoint a qualified chemical waste collector to handle such waste to comply with relevant environmental laws and regulations.

Non-hazardous wastes

The major non-hazardous waste generated in the course of the Group's daily operations is office paper, which includes confidential paper generated within the Group and paper documents submitted by the external parties. The Group's paper waste was collected by the property management of the buildings in which the offices were located, and all of the paper waste was recycled to minimise the impact on the environment. Adhering to the "3R" Principle, which is "Reduce, Reuse and Recycle", we have implemented the following measures to achieve our waste reduction target:

- Implement office automation system to replace paper-based approval process;
- Publish notices or brochures electronically on the Group's intranet or publicly online;
- Print corporate publications, including the annual report, interim report and quarterly report only when necessary;
- Encourage our shareholders to access the Group's corporate communications via electronic means;
- Encourage staff to print draft in narrow spacing and small font;
- Encourage the practice of printing or copying on both sides and setting the default output of the office copier as black and white and duplex; and
- Reuse single-sided paper for copying or cutting into scratch paper.

During the financial year, the total amount of non-hazardous wastes has decreased by approximately 25.81% compared to 2024. However, the total non-hazardous wastes intensity (per employee) remained no change compared to 2024 due to an increase in employee number. The Group's performance of non-hazardous wastes generation is summarised below:

Type of wastes	Unit	2025	2024
Total non-hazardous wastes • Office paper[6]	kg	30.55	41.18
Total non-hazardous wastes intensity (per employee)	kg/employee	0.06	0.10
Total non-hazardous wastes intensity (per fixed work employee)	kg/employee	0.09	0.13

Note:

6. The Group has recycled all of the paper wastes it generated.

A2. Use of Resources

As described in Aspect A1, the Group has established the "Environmental Policy" to manage the use of resources such as water, electricity and petrol, with a view to achieving energy-saving and reducing consumption as well as to minimising the negative impact on the environment during our business operations.

Energy Management

During its daily operations, the major sources of the Group's energy consumption are petrol consumed by company vehicles, as well as electricity consumption for its operations. To achieve the target and prevent unnecessary energy wastage, the Group has implemented the following energy-saving measures across its offices:

- Install energy efficient lights and purchase energy-saving electrical appliances;
- Switch off the electrical equipment and appliances when not in use;
- Enable the "Standby" or "Sleep" mode of personal computers;
- Perform regular maintenance on electrical equipment; and
- Keep the room temperature around 26°C in summer.

During the financial year, the total energy consumption has decreased by approximately 12.89% compared to 2024. However, the total energy consumption intensity (per employee) has decreased by approximately 27.32% compared to 2024 due to an increase in employee number. The Group's performance of energy consumption is summarised below:

Type of energy	Unit	2025	2024
Direct energy consumption[7] • Petrol	kWh	54,174.69	51,286.67
Indirect energy consumption • Purchased electricity[8]	kWh	69,514.00	90,707.00
Total energy consumption	kWh	123,688.69	141,993.67
Total energy consumption intensity (per employee)	kWh/employee	246.88	329.70
Total energy consumption intensity (per fixed work employee)	kWh/employee	367.03	445.12

Notes:

7. The unit conversion method of direct energy consumption data is based on the "Energy Statistic Manual" issued by the International Energy Agency.

8. This excluded electricity consumption in some of the offices where the utility expenses were included in the management fee and relevant data is not available.

Water Management

Since the Group operates its business in office premises, we do not encounter any problems in sourcing water for our daily operation. Much of our water consumption is for basic cleaning and sanitation, as well as certain catering facilities in our offices. Although our business is not a water-demanding business, we understand the importance of saving water and will continuously look for opportunities to improve water efficiency in the future. We have implemented the water-saving measures and encourage our employees to use water efficiently within our operation:

- Extend the air conditioning drain to a barrel to collect wastewater for watering and cleaning;
- Flush toilets with high or low water flow rate, depending on the amount of water needed to flush dirt; and
- Perform regular maintenance and replace old faucets timely.

Due to the effective implementation of the above measures, the total water consumption intensity (per fixed work employee) during the financial year has decreased by approximately 45.79% compared to 2024. The Group's performance of water consumption is summarised below:

Water consumption	Unit	2025	2024
Total water consumption[9]	m^3	500.00	870.00
Total water consumption intensity (per employee)	m^3/employee	1.00	2.08
Total water consumption intensity (per fixed work employee)	m^3/employee	1.48	2.73

Note:

9. This excluded water consumption in some of the offices where the utility expenses were included in the management fee and relevant data is not available.

Use of Packaging Materials

As the Group's main business is the provision of technical support services, it is less likely to provide physical products. Its software products do not require any packaging, while hardware products are mostly shipped directly from suppliers to customers, and only a few are shipped by the Group. The Group will strive to optimise the packaging method and select the most suitable and efficient packaging materials, aiming to reduce the use of packaging materials.

During the financial year, the total packaging materials consumption has decreased by approximately 31.25% compared to 2024. However, the total packaging materials consumption intensity (per employee) has decreased by approximately 40.74% compared to 2024 due to an increase in employee number. The Group's performance of packaging materials consumption is summarised below:

Packaging materials consumption	Unit	2025	2024
Total packaging materials consumption	kg	78.88	114.73
• Cardboard boxes	kg	27.90	37.50
• Courier bags	kg	1.58	2.75
• Courier envelopes	kg	49.40	74.48
Total packaging materials consumption intensity (per employee)	kg/employee	0.16	0.27
Total packaging materials consumption intensity (per fixed work employee)	kg/employee	0.23	0.72

A3. The Environment and Natural Resources

Despite that the Group activities do not have significant impacts on the environment and natural resources, we remain conscious of the potential impact and has established aforementioned "Environmental Policy" to regularly assess the environmental risks of our business model, adopt preventive measures to manage risks, and ensure compliance with relevant laws and regulations.

Environmental Education and Advocacy

Environmental education and advocacy among employees encourage the adoption of environmentally responsible behaviour. We encourage our employees to participate in environmental protection activities. To help promote environmental awareness among our employees, we encourage them to comment and share their views on the environmental issues via email. They are also reminded to "recycle", "conserve energy", "save water" and "protect our natural environment". In addition, we select environmentally friendly suppliers, and we are also committed to promoting environmental protection awareness to suppliers.

Indoor Air Quality

The Group is dedicated to providing a comfortable and green working environment for our employees by constantly monitoring the indoor air quality in the workplace. The air-conditioning and ventilation systems in our offices are cleaned twice a year to ensure that indoor air quality is maintained at a good level.

A4. Climate Change

Climate change poses escalating risks and challenges to the global economy, and such risks may negatively impact the Group's business. In response to the community's gradual concern on climate changes and related issues, the Group has implemented the "Climate Change Policy", which outlines the Group's management approach on climate-related issues and commitment to climate mitigation, adaptation and resilience across its operations and along the value chain. The Group has also integrated climate change into key governance processes and enhanced board-level oversight through the Audit and Risk Management Committee, adapted existing enterprise-level and other risk management processes to take account of climate risk.

Making reference to the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD"), we identify and assess the potential risks in our operations, thereby facilitating the formulation of our climate risk mitigation measures. The Group identified the material impacts on the Group's business arising from the physical risks and transition risks.

Physical Risks

The location where the Group operates may be subject to extreme weather events such as heavy rain, floods and tropical cyclones. The increasing frequency and severity of such events may increase the risk of power failures, supply chain disruptions, and damage to the office premises. This could disrupt the Group's service activities, resulting in reduced revenue as well as increased costs for repairing or restoring damaged premises. We are also aware that these incidents may endanger the safety of our employees. As a countermeasure, the Group closely monitors the latest weather alerts and suggestions issued by the local government and has established contingency plans to ensure that all personnel are prepared to deal with such extreme weather conditions, aiming at reducing or avoiding losses and ensuring the health and safety of employees when extreme weather hits the Group's premises.

Transition Risks

The development of international policy and regulation on climate change, and the evolving commitment of Mainland China and Hong Kong Government to carbon reduction are anticipated and may present potential risks to the Group in the coming years. Moreover, the Stock Exchange requires listed companies to strengthen climate-related disclosures in their ESG reports, which may increase related compliance costs. Failure to meet climate change compliance requirements may expose the Group to the risk of claims and litigation, which may result in a possible loss of corporate reputation. The Group will regularly monitor existing and emerging climate-related trends, policies and regulations to avoid reputation risk due to slow response. The Group will continue to evaluate the effectiveness of the Group's actions on climate change and enhance its ability to address climate-related issues.

B. SOCIAL

B1. Employment

The Group considers its employees to be its greatest asset and strives to attract and retain the best people for its sustainable growth. The Group has established the "Human Resources Management System" and the "Attendance and Leave System" in its "Employee Handbook" to ensure that employees are treated fairly and equally, and that their rights and interests are protected, as well as to address work-life balance.

During the financial year, the Group was not aware of any material non-compliance with laws and regulations relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare that would have a significant impact on the Group. Relevant laws and regulations include but not limited to the "Labour Law of the People's Republic of China", the "Labour Contract Law of the People's Republic of China" of Mainland China and the "Employment Ordinance" of Hong Kong.

During the financial year, the number of employees has increased by approximately 19.86% compared to 2024. Employees' composition by gender, age group, employment type and geographical region is shown as follows:

	Number of employees (Percentage)	
Category	As at 31 December 2025	As at 31 December 2024
Total	501 (N/A)	418 (N/A)
By gender (excluding Senior Management)		
Male	296 (59.08%)	262 (62.68%)
Female	205 (40.92%)	156 (37.32%)
By age group (Senior Management)		
Below 31	119 (23.75%)	113 (27.03%)
31 to 50	360 (71.86%)	290 (69.38%)
Over 50	22 (4.39%)	15 (3.59%)
By employment type		
Permanent	337 (67.27%)	319 (76.32%)
Temporary	151 (30.14%)	90 (21.53%)
Internship	4 (0.80%)	7 (1.67%)
Rehiring after retirement	9 (1.80%)	2 (0.48%)
By geographical region		
Mainland China	501 (100%)	418 (100%)
Hong Kong	–	–

Recruitment, Compensation, Promotion and Dismissal

We uphold the principle of fairness, impartiality and openness employment in recruiting talents to provide sufficient talent reserves for the Group's businesses. Job applicants are assessed based on their suitability for the positions and potential to fulfil the Group's current and future needs.

The Group is committed to providing a fair and competitive remuneration package. We tailor our remuneration package which includes basic salary, incentive pay, provident fund and other fringe benefits such as healthcare benefits, various paid holidays, as well as education and training sponsorships, in line with prevailing industry practices, staff experience and qualifications. The Group also determines awards for employees based on employee category and key performance indicators.

Employees are subject to performance appraisals and counselling at least once a year to adjust their remuneration and provide promotion opportunities. This exercise includes an assessment of past performance, a review of the employee's personal and professional development status and training progress, and the setting of work objectives and targets for improvement.

The Group does not tolerate the dismissal of employees on any unreasonable basis. In all cases, management will consult with the Human Resources Department to ensure compliance with applicable laws and regulations in Mainland China and Hong Kong.

During the financial year, the turnover rate has decreased by approximately 46.60% compared to 2024. The breakdown of employee turnover rate by gender, age group and geographical region is shown as follows:

	Employee turnover rate[10]	
Category	**2025**	**2024**
Total	33.99%	63.65%
By gender		
Male	35.32%	60.30%
Female	32.20%	68.16%
By age group		
Below 31	36.84%	68.87%
31 to 50	33.12%	61.84%
Over 50	15.79%	44.44%
By geographical region		
Mainland China	33.99%	63.65%
Hong Kong	–	–

Note:

10. Turnover rate = number of employees leaving employment during that year in the category ÷ (number of employees at the beginning of that year in the category + number of people employed during that year in the category) × 100%.

Equal Opportunity, Diversity and Anti-discrimination

The Group does not tolerate any forms of discrimination within our operations, including but not limited to gender, disability, pregnancy, family status, race, religion, age, sexual orientation and other conditions as recognised by relevant anti-discriminatory regulations. All employees enjoy equal opportunities for recruitment, work, training, compensation and promotion. Procedures are also in place to handle employees' grievances and complaints to ensure fair treatment of all employees when their concerns are being addressed.

Besides, we believe that workplace diversity, including diversity in leadership, helps increase employee morale and effectiveness and enhance creativity and unity within the Group. We advocate diversity at the Board level and the workplace for the purposes of attaining sustainable and balanced development.

B2. Health and Safety

We have developed and adopted "Health and Safety Policy" covering identification and prevention of health and safety risks and hazards in working area, and follow-up actions for accidents or personal injuries. We require our employees to strictly adhere to and comply with such policies. Management regularly accesses the effectiveness of the policy whereas if there are any improvements to protect the health and safety of the employees and to ensure that the policies are best fit to the Group's core businesses.

During the financial year, the Group was not aware of any non-compliance with laws and regulations relating to health and safety that would have a significant impact on the Group. Relevant laws and regulations include but not limited to the "Labour Law of the People's Republic of China", the "Law of the People's Republic of China on the Prevention and Treatment of Occupational Diseases" of Mainland China and the "Occupational Safety and Health Ordinance" of Hong Kong. In the past three years (including the financial year), the Group did not record any work-related fatalities. During the financial year, the Group recorded no working days lost (2023: no working days lost).

Occupational Health and Safety

The Group places a high priority on the health and safety of its employees and is committed to providing a safe working environment. Employees in Mainland China are entitled to basic physical examination benefits every year. To prevent occupational hazards in office operations, we regularly maintain and, where necessary, replace office furniture and equipment and ensure that there is sufficient space between workplaces in the office. To raise employees' awareness of safety, the Group provides information on office health and safety to employees and regularly participates the fire drill organised by the property management company.

To monitor the effectiveness of the above measures, the Group's management will bring any occupational health and safety matters relating to the Group to the Audit and Risk Management Committee for discussion as and when necessary. The Human Resources Department is responsible for occupational safety and health matters of the Group. All health and safety related incidents in the workplace must be reported to the Human Resources Department. All employees of the Group may, from time to time, raise any occupational health and safety related issues through various channels.

B3. Development and Training

To remain competitive in an increasingly sophisticated market, we are committed to providing training and development opportunities for our employees to equip them to deliver their best performance and achieve our corporate goals. To encourage and support employees to realise their full potential through continuous training and development, the Group has stipulated management procedures on employee training in its "Human Resources Management System" in the "Employee Handbook".

Training Programmes

The Group arranges various training programmes including our products and services, the latest development in the market, relevant rules, regulations and best practice standards, managerial, language and technical skills, and personal effectiveness and career development. Employees can attend in-house training seminars or be sponsored by the Group to participate in external training seminars and courses. The internal employee training programmes are primarily classified into the following categories:

- Employee induction training: To help new employees adapt to our working environment and understand the corporate culture and internal policies, the Group arranges pre-job training courses, with business knowledge sharing and training seminars on corporate culture by heads of departments, in order to lay a good foundation for smooth on boarding and cultivation of professionalism;

- Management training: To enrich employees' management knowledge and to keep up with the latest development in the industry, the Group provides training covering topics such as people management, delegation skills, communication skills, strategic management, etc.; and

- Professional skills training: To enhance employees' professional skills, the Group arranges professional skills training including computer technology, customer communication skills, project management, secretarial skills, general legal knowledge, financial management, technical skills, etc.

During the financial year, the percentage of employee trained[11] has slightly decreased by approximately 11.08% from approximately 18.66% in 2024 to approximately 7.58% in 2025, and the average training hours[12] has decreased by approximately 1.34% from approximately 3.72 hours in 2024 to approximately 3.67 hours in 2025. Summary of the Group's training data is as follows:

	Breakdown of employees trained[13]		Average training hours[12]	
Category	**2025**	**2024**	**2025**	**2024**
By gender				
Male	78.95%	74.36%	4.81	4.61
Female	21.05%	25.64%	2.03	2.23
By employee category				
Senior management	15.79%	15.38%	48.00	41.14
Middle management	47.37%	42.31%	31.33	34.19
General employee	36.84%	42.31%	1.19	1.41

Notes:

11. Percentage of employees trained = (total number of employees trained during that year ÷ total number of employees at the end of that year) × 100%.

12. Average training hours = number of training hours during that year in the category ÷ number of employees at the end of that year in the category.

13. Breakdown of employees trained = (number of employees trained during that year in the category ÷ total number of employees trained during that year) × 100%.

B4. Labour Standards

The Group strictly prohibits human rights abuses. During the financial year, the Group was not aware of any material non-compliance with laws and regulations relating to the prevention of forced labour or child labour that would have a significant impact on the Group. Relevant laws and regulations include but not limited to the "Regulation on Labour Security Supervision", the "Provisions on the Prohibition of the Use of Child Labour" of Mainland China and the "Employment Ordinance" of Hong Kong.

Prevention of Child and Forced Labour

The Group has detailed all recruitment procedures and requirements in the "Human Resources Management System" in the "Employee Handbook". At the time of job interview, the Human Resources Department will request the job applicants to provide valid identity document for the verification of actual age of the applicants. The Group has also established internal file management procedures to regularly review and inspect to prevent any employment of child labour. When any irregularities are identified, the Group will immediately carry out investigations and impose punishment.

The relevant working hours and overtime regulations are set out in detail in the "Attendance and Leave System" in its "Employee Handbook". The employees' resting time is well respected, and all employees are entitled with paid holidays in accordance with the local laws and regulations. To maintain the physical and mental balance of the employees, digital attendance systems are put in place to effectively manage the working hours and resting dates of the employees. To prevent forced overtime work, any necessary arrangements of overtime must be agreed by the employees voluntarily. Overtime and overtime pays are in line with the local laws and regulations. If any form of forced labour is found, the Group will immediately investigate and stop the forced labour situation, and will communicate and discuss the investigated situation to the senior management in a timely manner.

B5. Supply Chain Management

Building trusting relationships with our suppliers helps us manage our potential environmental and social risk while enhancing the efficiency of our operations. The Group has implemented the following practices on supplier engagement for all suppliers. During the financial year, the Group had 79 suppliers, all of whom were located in Mainland China (2024: 56 suppliers in Mainland China). They were mainly outsourced services-provided suppliers and material suppliers.

Procurement Mechanism

The Group has established the "Purchasing Policy" which stipulates that the selection of suppliers should take consideration of, but not limited to price competitiveness, quality, fulfilment of specifications and logistics services. The Group has also assigned relevant personnel to manage its supplier selection process. In addition, the Group has formulated the "Supplier Code of Conduct" to integrate environmental and social responsibility considerations into our purchasing decisions. Suppliers are required to comply with our basic environmental and social responsibility requirements. Where possible and appropriate, we encourage and offer support to our suppliers in improving their own sustainability performance. The requirements cover legal and regulatory compliance, business ethics (including anti-corruption), community development, human rights, labour practices, and environmental protection. During the financial year, the Group was not aware that any key suppliers had any significant actual and potential negative impact, nor any of them had any non-compliance incident in respect of the said aspects. The Group has also incorporated climate change considerations in procurement processes and encouraged the use of low carbon and energy efficient products and materials.

Supply Chain Environmental and Social Risk Management

We conduct an annual supplier performance review to all our key suppliers to assess their price competitiveness, quality, fulfilment of specifications and logistics services. We also assess whether they are committed to upholding high standards of environmentally and socially responsible behaviour. Any unsatisfactory ratings are communicated to the relevant suppliers for rectification or improvement. The Group will monitor whether the supply chain management practices are properly implemented through different channels, such as media report and conversation with suppliers.

B6. Product Responsibility

Adhering to our motto "Customer First", the Group places customer satisfaction as our top priority and strives to keep up with the evolving needs of our customers. We have established the "Product Responsibility Policy" to standardise procedures for the quality management of products and services. We strive to establish and maintain good relationships with our customers, to listen to their concerns, and to surpass their expectations with our premium quality. As technology continues to advance, we will see changes in customers' behaviour and expectations.

During the financial year, the Group was not aware of any material non-compliance with laws and regulations relating to health and safety, advertising, labelling, and privacy matters about products and services provided and methods of redress that would have a significant impact on the Group. Relevant laws and regulations include but not limited to the "Law of the People's Republic of China on the Protection of Consumer Rights and Interests", the "Advertising Law of the People's Republic of China", the "Interim Measures for the Administration of Internet Advertising", the "Product Quality Law of the People's Republic of China" of Mainland China and the "Trade Descriptions Ordinance" of Hong Kong.

Quality Assurance

It is our priority to maintain a high-quality standard of our products and maintain our customer's satisfaction. With our commitment to delivering products which are safe and of consistent quality, we ensure that products are sold in compliance with local rules and regulations related to health and safety. To eliminate potential risks and ensure product quality and safety, the Group has stipulated quality assurance, products recall, and customers' complaints handling management procedures to strictly manage the quality of suppliers and to properly respond to complaints. We also provide free maintenance services for certain software products for 1 to 3 years. During the financial year, there were neither products recalled for safety and health reasons nor complaints related to products and service provided (2024: no product recalls and no complaints).

The development and sales of our computer software and hardware for the financial industry have passed GB/T19001-2016/ISO9001:2015 quality management system certification. Our software product service and process management have also reached the advanced level of the industry and have passed Capability Maturity Model Integration ("CMMI") certification. CMMI is an international standard for enterprises to develop process and quality control. It involves a process to improve the maturity model for product and service development. It includes the best implementation of development and maintenance methods, covering the product from the beginning to the delivery and maintenance of the life cycle.


INGEER CERTIFICATION ASSESSMENT SERVICES

环境管理体系认证证书

证书编号：117 26 E 0509 R1 01

兹证明：杭州新科科技有限公司

统一社会信用代码：91330100732037415C

地址：浙江省杭州市西湖区西城博司铭座9幢16层

建立的管理体系符合：GB/T24001-2016/ISO14001:2015 环境管理体系 要求及使用指南

认证范围：金融业计算机软件研发、销售及接受金融机构委托从事信息技术和流程外包服务

上海英格尔认证有限公司


INGEER CERTIFICATION ASSESSMENT SERVICES

职业健康安全管理体系认证证书

证书编号：117 26 S 0412 R1 01

兹证明：杭州新科科技有限公司

统一社会信用代码：91330100732037415C

地址：浙江省杭州市西湖区西城博司铭座9幢16层

建立的管理体系符合：GB/T45001-2020/ISO45001:2018 职业健康安全管理体系 要求及使用指南

认证范围：金融业计算机软件研发、销售及接受金融机构委托从事信息技术和流程外包服务

上海英格尔认证有限公司


INGEER CERTIFICATION ASSESSMENT SERVICES

质量管理体系认证证书

证书编号：117 26 Q 0897 R3 01

兹证明：杭州新科科技有限公司

统一社会信用代码：91330100732037415C

地址：浙江省杭州市西湖区西城博司铭座9幢16层

建立的管理体系符合：GB/T19001-2016/ISO9001:2015 质量管理体系 要求

认证范围：金融业计算机软件研发、销售及接受金融机构委托从事信息技术和流程外包服务

上海英格尔认证有限公司


Appraisal Certificate

Hangzhou Singlee Technology Co., Ltd.

Technology R&D Department

杭州新利科技有限公司

Has been successfully appraised at

Maturity Level 3 CMMI

Development V3.0 - Maturity Level 3

成功通过了能力成熟度模型集成开发模型3.0版本的3级评估

using the Benchmark（CAS ID：72825）

From September 09-13, 2024 and will be valid till September 13, 2027

使用的评估方法是基准评估（评估编号：72825）

评估执行时间2024年09月09日-13日，有效期至2027年09月13日

新利科技 SINGLEE TECHNOLOGY

Xiaofei (Linda) Li

Lead Appraiser ID #070212

Subject to CMMI Institute approval!

ISACA

Licensed Elite CMMI Partner

Customer Privacy Protection

The Group recognises its responsibilities in relation to the collection, holding, processing, use and/or transfer of personal data. Personal data is collected only for lawful and relevant purposes. The Group will use the personal data collected in accordance with the "Privacy System" stipulated in the "Employee Handbook". We will take all practicable steps to ensure the security of the personal data and to avoid unauthorised or accidental access, erasure or other use. These include physical, technical and procedural security methods, where appropriate, to ensure that the personal data may only be accessed by authorised personnel. Employees are subject to disciplinary action if they violate the regulations. We regularly review the said policy and may revise it from time to time.

The Group continues to strengthen its information security controls to protect its stakeholders' data privacy in accordance with the "Law of the People's Republic of China on the Protection of Consumer Rights and Interests" of Mainland China and the "Personal Data (Privacy) Ordinance" of Hong Kong. As part of the control measures, regular information security training was arranged for our employees.

Intellectual Property Rights

We respect intellectual property rights. The success of the Group will depend in part on whether it is able to obtain copyright protection for its software products. The Group takes full advantage of legal protections by registration of software copyright. We provide guidelines to employees on the prevention of infringement in our business. In addition, the technical services contracts signed by the Group contain confidentiality and intellectual property rights clauses, and both parties must strictly abide by them. Despite these preventive measures, we may not be able to prevent unauthorised use of our software products by the third parties. In certain circumstances, litigation may be necessary to protect our software products. The Group will continue to monitor to ensure that its intellectual property rights are not being infringed upon.

Advertising and Labelling

The Group conducts limited advertising campaigns and therefore does not involve any significant advertising-related risks. Nevertheless, in terms of the advertisement for products and services, we strictly regulate and monitor products and services promotion to ensure that they comply with advertising and labelling related laws and regulations. Such marketing and promotion must accurately reflect the quality and performance of the Group's products and services in order to let clients "get what they see".

B7. Anti-corruption

The Group supports a culture of integrity, ethical conduct, fairness, honesty and openness when doing business, and adopts a zero-tolerance attitude towards any bribery, fraud and money laundering. The Group is committed to ensuring that no bribes, kickbacks or similar gifts, payments or advantages are solicited from or given or offered to any person, for any purposes. During the financial year, the Group was not aware of any material non-compliance with laws and regulations relating to bribery, extortion, fraud and money-laundering that would have a significant impact on the Group. Relevant laws and regulations include but not limited to the "Company Law of the People's Republic of China", the "Anti-money Laundering Law of the People's Republic of China" of Mainland China and the "Prevention of Bribery Ordinance" in Hong Kong. During the financial year, there were no concluded legal cases regarding corrupt practices brought against the Group or its employees (2024: no cases).

The Group stipulates the minimum set of rules to be adopted throughout the Group in the "Anti-corruption and Whistleblowing Policy" to identify, address and prevent any instances of alleged or actual bribery or corruption involving the Group. Persons in violation of the policies or applicable laws and regulations may be subject to disciplinary or administrative action, as well as civil or criminal liability.

During the financial year, the directors and employees of the Group have attended approximately 6 hours (2024: approximately 6.00 hours) and approximately 8 hours (2024: approximately 10.00 hour) of anti-corruption training seminar respectively. Such training is conducted at least annually to familiarise the directors and employees at various levels with their corresponding roles and responsibilities in anti-corruption and business ethics, and help cultivate employee's awareness towards anti-corruption and a high standard of professional conduct to comply with the laws in the operating locations of the Group.

Whistleblowing Mechanism

The Group has established the "Anti-corruption and Whistleblowing Policy" to facilitate employees' reporting of corruption incidents. It applies to all employees and non-employees (such as consultants and outsourcers employed by Group members, customers, suppliers or other stakeholders). The Group has also set up "Problem Reporting Suggestion Box" in the office to provide employees with a convenient channel to promptly reflect and report the problems and violations of regulations of cadres at work, which helps identify and rectify problems in a timely manner and safeguards the normal operation of the enterprise and the legitimate rights and interests of the employees. The suggestion box is checked regularly by designated personnel and any reports received are investigated and followed up by management.

We have established an effective process to ensure that all allegations of corruption, regardless of whether the incident involves an internal or a third-party business partner, are fully investigated. We also undertake to protect the identity of the whistle-blower so as to eliminate any conflict of interests or conduct that may be detrimental to the interests of the Group and relevant stakeholders. Investigations are handled internally unless the matter in question reveals unlawful activity, in which case we will notify the relevant law enforcement agency. The Group will monitor and review the effectiveness of the whistleblowing mechanism regularly.

B8. Community Investment

To reinforce the Group's commitment to the community, the Group has adopted the "Community Investment Policy". We focus on improving communities and the environment in line with our long-term focusing on development goals or specific objectives. We will also consider the concerns of key stakeholders and the synergies that arise from interaction with our core social responsibility values, products and services. Approval, reporting and monitoring mechanism are in place for the community investment procedures to further enhance accountability and transparency and to ensure effectiveness.

Corporate Social Responsibility

We focus on contributing in areas such as environmental protection, education, social welfare and public health. The Group will continue to embolden and support the public by various means of social participation and contribution as part of our strategic development.



SING LEE SOFTWARE (GROUP) LIMITED

新利軟件(集團)股份有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code : 8076)

* For identification purposes only