



漢思集團控股有限公司 Hans Group Holdings Limited

(Incorporated in the Cayman Islands with limited liability)
Stock Code : 554



2024
ENVIRONMENTAL, SOCIAL
AND GOVERNANCE REPORT

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BOARD OF DIRECTORS (THE “BOARD”) STATEMENT

2024 marks a pivotal milestone for Hans Group Holdings Limited (formerly known as Hans Energy Company Limited) (Stock code: 0554) (“Hans” or the “Company”) and our subsidiaries (“Hans Group”, the “Group” or “We”) as we embark on an exciting new phase of development. This year, we successfully completed the acquisition of Bravo Transport Holdings Limited (“BTHL”), securing 70% of its total issued shares (the “Acquisition”) and making it a non-wholly owned subsidiary of the Company. This acquisition has significantly broadened the Group’s business scope, expanding beyond our traditional terminal storage (the “terminal storage business”) and trading (the “trading business”) to encompass the provision of public bus and travel-related services (the “transportation business”) by Citybus Limited (“Citybus”, a direct wholly-owned subsidiary of Bravo Transport Services Limited (“Bravo Transport” or “BTSL”) under BTHL), and the provision of out-of-home advertising services (the “media and advertising business”) by Bravo Media Limited (“Bravo Media” or “BML”, a direct wholly-owned subsidiary of the Bravo Media Holdings Limited (“BMHL”) under BTHL). This strategic diversification represents a transformative step, enabling the Group to strengthen revenue streams while contributing to the vital public transportation infrastructure in Hong Kong.

As the Government of the People’s Republic of China (the “PRC” or “Mainland China”) has clearly positioned hydrogen energy as an important component of the future national energy system and the Hong Kong Government released “The Strategy of Hydrogen Development in Hong Kong” in June 2024, we consider that developing local hydrogen energy utilisation and infrastructure construction in Hong Kong will enable the Group to keep pace with the development momentum of the hydrogen energy industry in mainland PRC and globally. In response to the roadmap, the first hydrogen double-deck bus in Hong Kong was put into operation by Citybus, in February 2024, becoming one of our major milestones to integrate hydrogen technology into Hong Kong’s public transport system. This pioneering initiative reinforces our commitment to driving the future of green mobility and sets a new benchmark for environmental responsibility in the region. As of the date of report publication, Citybus and Grand Resource Hydrogen Energy Science & Technology Co., Ltd (“Grand Resource Hydrogen Energy”) have entered into a hydrogen supply cooperation framework agreement (the “Framework Agreement”) to jointly promote the transport and supply of hydrogen energy to Hong Kong. Pursuant to the Framework Agreement, Grand Resource Hydrogen Energy has committed to supplying hydrogen to the Company and Citybus daily to achieve a hydrogen supply with cost advantages over traditional petrochemical energy and generate strong synergistic effects through vertically integrating hydrogen energy suppliers with end-users. Looking ahead, we remain steadfast in our dedication to research, development, and investment in cutting-edge technologies, including hydrogen energy, autonomous driving, and smart mobility solutions. These innovations will play a crucial role in enhancing operational efficiency, passenger experience, and overall sustainability.

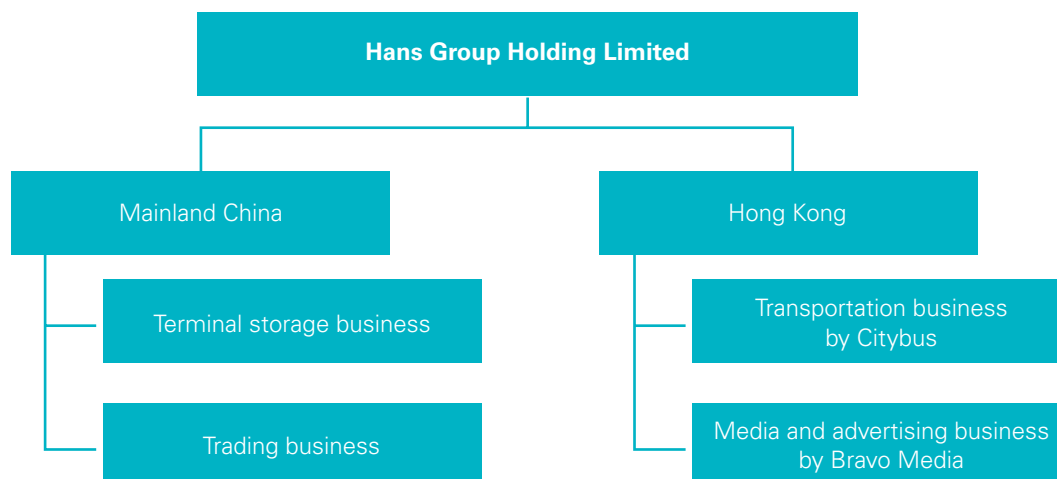
PEOPLE-ORIENTED	RESPONSIBLE BUSINESS OPERATIONS	SUSTAINABLE ENVIRONMENTAL STEWARDSHIP	EMPOWERING COMMUNITIES	KPI SUMMARY
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As the world grapples with the pressing challenge of climate change, we are resolute in our commitment to reducing our environmental impact. Guided by Hong Kong’s “Climate Action Plan 2050”, we are continuously integrating sustainable practices across all facets of our operations. These include improving energy and resource efficiency, minimising carbon emissions, and embedding sustainability into our production and distribution processes. By leveraging operational synergies, integrating advanced technologies, and enhancing our competitive advantages, we are committed to building a sustainable future. These efforts not only align with our corporate responsibility to our stakeholders but also strengthen our ability to deliver consistent value to our shareholders.

In parallel, we acknowledge the challenges faced by our traditional business due to the rapid adoption of renewable energy and electric vehicles in the PRC, which have reduced the demand for oil. To navigate these challenges, we are adapting our strategies with agility and pursuing new opportunities to ensure the resilience and relevance of our operations in an evolving market landscape.

On behalf of the Board, we extend our sincere appreciation to our dedicated employees, valued customers, business partners, and stakeholders for their continued support of our sustainability journey. As we navigate an increasingly complex global landscape, we remain committed to accelerating our efforts in environmental stewardship and driving meaningful progress toward our sustainability targets, fostering a greener and more resilient future for all. Together, we are forging a path toward becoming a global leader in public transportation and a trusted partner in sustainability.

ABOUT THE GROUP



COMPANY PROFILE

Hans Group is a leading operator in providing integrated facilities of jetties, storage tanks, warehousing, and logistic services in south China for petroleum and liquid chemicals products, offering value-added services in the terminal storage business and the trading business.

Considering the Group's established business diversification strategies by maintaining traditional businesses while expanding new business segments, the Group entered into an agreement with Templewater Bravo Holdings Limited and Ascendal Bravo Limited for the Acquisition of BTHL Shares. Upon the completion of the Acquisition on 31 July 2024, the Group now holds 70% of the total issued BTHL Shares. BTHL is a holding company for Citybus of BTSL and Bravo Media of BMHL, which specialise in providing transportation business and media and advertising business (collectively the "New businesses") respectively.

TERMINAL STORAGE BUSINESS

The Company owns and operates a liquid product terminal, namely Dongzhou Petrochemical Terminal ("DZIT"), carried out by Dongguan Dongzhou International Petrochemical Storage Limited ("DZ International"), an indirect subsidiary of the Company. DZIT is situated in Lisha Island, Humen Harbour District, Shatian County, Dongguan City, Guangdong Province, the PRC, with a total land and coastal site area of over 830,000 m². It was built with berths ranging from 500 to 100,000 deadweight tonnage (dwt) (hydraulic structure) and is installed with 94 oil and petrochemical tanks of a total storage capacity of approximately 260,000 m³, out of which 180,000 m³ are for gasoline, diesel, and similar petroleum products commonly available in trading and consumption markets. Storage tanks with a capacity of 80,000 m³ were built for petrochemical products.

TRADING BUSINESS

The Company carries out trading of oil and petrochemical products in DZ International, and Guangzhou Hans Energy Investment Limited (the “GZ Hans”) and Shanghai Diyou Industry Company Limited (the “SHDY”) in the PRC have established long-term cooperative relationships with major energy companies such as CNOOC, Sinopec and Sinochem Group. The Company’s strategy for its trading business is to expand the customer base to the end customers of filling stations by prioritising supply of petrol and diesel to the filling stations through signing key fuel supply agreements, and providing brand management services, thereby enhancing the unit profit from the trading business. By establishing long-term cooperative relationships with key players in the industry and targeting the retail market through key fuel supply agreements and brand management services, the Company is positioning itself for long-term growth and profitability.

TRANSPORTATION BUSINESS

Citybus is a leading public transportation service operator in Hong Kong, dedicated to offering safe, reliable, and efficient bus services to the community. Operating franchised public bus services with an extensive route network across Hong Kong Island, Kowloon, and the New Territories, Citybus plays a vital role in connecting residents and visitors to key destinations, including commercial hubs, residential areas, and popular tourist attractions.

MEDIA AND ADVERTISING BUSINESS

Built on a team of media veterans, creative professionals, and industry experts, Bravo Media is a leading company specialising in providing innovative and effective out-of-home (“OOH”) advertising solutions. Bravo Media helps advertisers foster connections between brands and their target audiences while achieving their business goals. Currently, Bravo Media serves as the advertising agency for Citybus bus body and MTR¹ advertising.

¹ East Rail Line, Tuen Ma Line, Light Rail and MTR Bus.

ABOUT THE REPORT

We are pleased to present the Environmental, Social and Governance (“ESG”) Report (the “Report”) to provide an overview of the Group’s management of significant issues affecting the operation, the performance and initiatives of the Group in terms of ESG aspects during the financial year ended 31 December 2024 (the “Reporting Period” or “FY2024”).

PREPARATION BASIS AND SCOPE

The Report has been prepared in accordance with the requirements outlined in the “Environmental, Social, and Governance Reporting Guide” (the “ESG Reporting Guide”) under Appendix C2 of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “SEHK”). In addition, the Group’s climate actions are disclosed with reference to the Task Force on Climate-related Financial Disclosures recommendations.





The Report summarises the performance of the Group in respect of corporate social responsibility, covering its operating activities, which are considered material by the Group, including:

- (i) The terminal storage business, including the provision of terminal, storage, and transshipment activities operating in DZIT situated in Dongguan City, Guangdong Province in the PRC;
- (ii) The trading business, covering the oil and petrochemical products wholesale and trading mainly carried out by DZIT, as well as GZ Hans and SHDY in the PRC;
- (iii) The transportation business in Hong Kong offered by Citybus; and
- (iv) The media and advertising business in Hong Kong provided by Bravo Media.

With the aim of optimising and improving the disclosure requirements in the Report, the Group has taken initiatives to formulate policies, record relevant data, as well as implement and monitor measures.

REPORTING PRINCIPLES

The Report is in compliance with the reporting principles determined by the ESG Reporting Guide of the SEHK. The Report is in compliance with the “Mandatory Disclosure Requirements” and “Comply or Explain” provisions of the ESG Reporting Guide as set out in Appendix C2 of the Listing Rules and is prepared in response to the four reporting principles in the ESG Reporting Guide. The reporting principles are detailed as follows:

Reporting Principle	Definition
Materiality 	The Report offers an analysis of substantive topics, which were stipulated to the Board for consideration, and ensures the full disclosure of information that has a material impact on investors and other stakeholders.
Quantitative 	The Report presents statistics on ESG quantitative performance. The footnotes accompanying the corresponding performance tables disclose the source of calculation methodologies, assumptions, and conversion factors utilised.
Balance 	The Report provides complete and clear disclosure of the Group’s ESG practices, thereby avoiding potential improper impacts of choice, omissions, or presentation formats on the decisions or judgements of the reader of the Report.
Consistency 	The Report employs a consistent and uniform approach for disclosing contents and provides clear explanations on the calculation formula and statistical caliber of ESG quantitative performance. The scope of reporting for FY2024 has been adjusted due to the acquisition of New businesses by the Group. Please refer to the “Preparation Basis and Scope” section for details.

CONFIRMATION AND APPROVAL

The Group has put in place an internal mechanism for data collection and verification to ensure the accuracy and reliability of the information included in the Report. The Report received confirmation and approval from the Board on 26 March 2025.

ACCESS TO THE REPORT

The Report is prepared in Chinese and English and is available on the respective websites of the SEHK (www.hkexnews.hk) and the Group (<https://www.hansgh.com/>). Should there be any discrepancy, the English version shall prevail.

STAKEHOLDERS FEEDBACK

The Group values readers’ feedback on the Report for our sustainability performance and initiatives. Please contact us by any of the following means to share your opinions with us:

Postal Address: Unit 2608, 26/F., Harbour Centre, 25 Harbour Road, Wanchai, Hong Kong

E-mail: info@hansgh.com



Related Material Topics

- Risk management and control
- Leadership in sustainability

ESG GOVERNANCE

ESG GOVERNANCE STRUCTURE

The Board has a primary role in overseeing the management of the Group's sustainability issues. During the Reporting Period, the Board spent significant time evaluating the impact of ESG-related risks on our operations and formulating relevant policies in dealing with the risks. The oversight of the Board is to ensure the management has all the right tools and resources to oversee the ESG issues in the context of strategy and long-term value creation.



Under the leadership of the Board, the Group has set up a dedicated safety and environmental protection department (the “ESG Working Group”) to implement the concept of “safety and environmental protection” in its operation to comply with government requirements and to fulfill its social responsibilities. The ESG Working Group consists of at least three members, including one Director of the Board and heads or managers from each of the Group's business segments.

The ESG Working Group is primarily responsible for reviewing the Group's ESG Policy and supervising the ESG process and risk management of the Group. Different ESG issues were reviewed by the ESG Working Group at least once per year. During the Reporting Period, the ESG Working Group and the management reviewed the ESG governance and different ESG issues.

RISK MANAGEMENT AND CONTROL

Realising robust and effective risk management is an inseparable part of the corporate governance framework and the Group's continued competitiveness, we have formulated the Risk Management Policy and Internal Control Policy. During the Reporting Period, the Board has a primary role in overseeing and evaluating the impact of risks (including ESG-related risks) inherent in the Group's core business activities in pursuit of our sustainable development goals and formulating relevant policies in coping with the risks. Besides, we have adopted an integrated “top-down” and “bottom-up” approach to create an enterprise risk register. The “top-down” risk review process covers overseeing, identification, assessment, and mitigation of risk at corporate level while the “bottom-up” risk review process covers identification, assessment, and mitigation of strategic, operational, financial, and technological risk at business unit level and across functional areas. The integrated risk review process enables comprehensive identification and prioritisation of all material risks throughout the Group, and proper oversight of risk mitigation efforts. For details about the Group's risk management and internal controls practices, please refer to the Corporate Governance Report of the Annual Report 2024.

STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

BOARD'S ESG MANAGEMENT APPROACH AND STRATEGY FOR MATERIAL ESG TOPICS

In order to better understand the opinions and expectations of different stakeholders on our ESG issues, a materiality assessment is conducted each year. We ensure various platforms and channels of communication are used to reach, listen to, and respond to our key stakeholders. Through general communication with stakeholders, the Group understands the expectations and concerns of stakeholders. The feedback obtained allows the Group to make more informed decisions, and to better assess and manage the resulting impact.

STAKEHOLDER ENGAGEMENT

The Group understands the success of the Group's business depends on the support from its key stakeholders, who (a) have invested or will invest in the Group; (b) have the ability to influence the outcomes within the Group; and (c) are interested in or affected by or have the potential to be affected by the impact of the Group's activities, products, services, and relationships. This allows the Group to understand risks and opportunities. The Group will continue to ensure effective communication and maintain a good relationship with each of its key stakeholders.

Stakeholders are prioritised from time to time in view of the Group's roles and duties, strategic plan, and business initiatives. The Group engages with its stakeholders to develop mutually beneficial relationships and to seek their views on its business proposals and initiatives as well as to promote sustainability in the marketplace, workplace, community, and environment.

The Group acknowledges the importance of intelligence gained from the stakeholders' insights, inquiries, and continuous interest in the Group's business activities. The Group has identified key stakeholders that are important to our business and established various channels for communication. The following table provides an overview of the Group's key stakeholders, and various platforms and methods of communication are used to reach, listen to, and respond.

Stakeholder	Issue of Concern	Engagement Channel
 Government and Market Regulator	<ul style="list-style-type: none"> Compliance Promote regional economic development and employment 	<ul style="list-style-type: none"> On-site inspections Research and discussion through work conferences, work reports preparation, and submission for approval Annual and interim reports, announcements
 Shareholders and Investors	<ul style="list-style-type: none"> Return on the investment Information transparency Protection of interests and fair treatment 	<ul style="list-style-type: none"> Annual general meeting and other shareholder meetings Annual and interim reports, announcements
 Employees	<ul style="list-style-type: none"> Employee rights and interests Working environment Health and safety Career development opportunities 	<ul style="list-style-type: none"> Conference Training, seminars, briefing sessions Cultural and sport activities Intranet and emails
 Customers	<ul style="list-style-type: none"> Safe and high-quality service Stable relationship Information protection and privacy Business ethics 	<ul style="list-style-type: none"> Website, brochures, annual reports Email and customer service hotline Feedback forms Regular meetings
 Suppliers	<ul style="list-style-type: none"> Long-term partnership Honest cooperation Fair, open procurement Information resources sharing Risk reduction 	<ul style="list-style-type: none"> Business meetings, supplier conferences, phone calls, interviews Review and assessment Tendering process
 Peer/Industry Associations	<ul style="list-style-type: none"> Experience sharing Cooperation Fair competition 	<ul style="list-style-type: none"> Industry conference Site visits
 Community	<ul style="list-style-type: none"> Community involvement Social responsibilities 	<ul style="list-style-type: none"> Charity and social projects

Through general communication with stakeholders, the Group understands the expectations and concerns of stakeholders. The feedback obtained allows the Group to make more informed decisions, and to better assess and manage the resulting impact.

MATERIALITY ASSESSMENT

The Group has evaluated the materiality and importance in ESG topics through the following steps:

Step 1



IDENTIFICATION – INDUSTRY BENCHMARKING

- Relevant ESG topics were identified through the review of relevant ESG reports from local and international industry peers, the Sustainability Accounting Standards Board's Materiality Map², and the Morgan Stanley Capital International ESG Industry Materiality Map³.
- The materiality of each ESG topic was determined based on the importance of each ESG topic to the Group through internal discussion among the management and the recommendation of the ESG Reporting Guide (Appendix C2 of the Listing Rules).

Step 2



PRIORITISATION – STAKEHOLDER ENGAGEMENT

- The Group discussed with key stakeholders regarding key ESG topics identified above to ensure all the key aspects were covered.

Step 3






VALIDATION – DETERMINING MATERIAL TOPICS

- Following discussions with key stakeholders and internal consultations among the management, the Group's management ensured that all key and material ESG topics critical to business development were reported in compliance with the ESG Reporting Guide.

As a result of this process carried out in FY2024, we can enhance understanding of the degree and change of attention to each significant ESG topic and can enable us to more comprehensively plan our sustainable development work in the future. Those important and material ESG topics to the Group identified during our materiality assessment were discussed in the Report.

² Sustainability Accounting Standards Board's Materiality Map, sourced from <https://materiality.sasb.org/>.

³ MSCI ESG Industry Materiality Map, sourced from <https://www.msci.com/our-solutions/esg-investing/esg-industry-materiality-map>.

	Number of Material Topics Identified	Material Topics (Ranked by Descending Order of Materiality)
 Terminal storage business and trading business	<ul style="list-style-type: none"> • Environmental: 5 • Social: 12 • Governance: 7 	<ul style="list-style-type: none"> • Compliance with laws and regulations • Risk management and control • Leadership in sustainability • Anti-fraud and anti-corruption
 Transportation business	<ul style="list-style-type: none"> • Environmental: 5 • Social: 14 • Governance: 7 	<ul style="list-style-type: none"> • Air and greenhouse gas ("GHG") emissions • Quality of service • Customer health and safety • Government relations and lobbying • Compliance with codes of practice and regulations
 Media and advertising business	<ul style="list-style-type: none"> • Environmental: 6 • Social: 12 • Governance: 7 	<ul style="list-style-type: none"> • Waste management • Data privacy and security • Protection of intellectual property ("IP") rights • Compliance with laws and regulations • Risk management and control • Fair competition • Business ethics/commercial morality

The above material ESG topics identified during our materiality assessment are discussed in the following sections of the Report.



PEOPLE-ORIENTED

Related Material Topics

- Health, safety, and well-being
- Human rights
- Development and training
- Employment management
- Workplace culture, engagement, and employee relations
- Diversity, equity, and inclusion

SAFETY ABOVE ALL

OCCUPATIONAL HEALTH AND SAFETY (“OHS”)

Upholding the belief that safety is the first priority, the Group is committed to providing a healthy and safe workplace for all its employees and the community. During the Reporting Period, the Group has been accredited with ISO 45001:2018 certification, demonstrating our commitment to identifying and mitigating potential workplace hazards to ensure the safety and well-being of our employees. The Group has also established a “Health, Safety and Environment Policy Statement” in accordance with the requirements of the “Occupational Health and Safety Management System” (OHSAS18001). Also, the Group complies with related health and safety laws and regulations such as the “Law of the People’s Republic of China on the Prevention and Control of Occupational Diseases”, the “Production Safety Law of the People’s Republic of China”, the “Provisions on the Supervision and Administration of Occupational Health at Work Sites” of the PRC, and the “Occupational Safety and Health Ordinance” in Hong Kong, etc.


In FY2024, no concluded case (2023: nil) regarding OHS was brought against us or our employees.



Safety Precautions in the Workplace

We are committed to fulfilling all statutory and contractual obligations related to health and safety, recognising that employee safety in the workplace is paramount. To ensure compliance, the Group has set out safety precautions including but not limited to the followings:

Business	Safety Precaution
Terminal storage business and trading business	<ul style="list-style-type: none">• Toxic gas detector, audible and visual alarms, and emergency cut-off valves are installed in each berth.• Parameters of all flammable and explosive substances are carefully and closely monitored (e.g., temperature, pressure, flow volume) during transfer. All parameters information is transferred to programmable logic controllers in the terminal control centre for monitoring the frontline operation.• Workers must wear the required personal protective equipment and ensure the concentration of hazardous gases within accessible areas does not exceed occupational health standards.• Emergency shower, eyewash facilities, and breathing apparatus are provided.

Business	Safety Precaution
Transportation business	<ul style="list-style-type: none"> • In partnership with the Fire Services Department, we have installed Automated External Defibrillators at 10 locations, including bus terminals, to provide life-saving equipment for public use. • Provided safety notices (e.g., notice for electric shock, use of hearing protection equipment) across all bus depots to enhance awareness and compliance with safety protocols. • Outlined the safety operating instructions e.g., “Guidelines for using Thinners and Paint Solvent Mixture Distillation Machines”, “Bus Refuelling Safety Procedures”, and “Oil Spill Handling Procedures”. • Set up reporting mechanisms for employees to report on “near-miss incidents” that can lead to accidents within garages and depots. <p>In FY2024, Citybus was honoured to receive the Silver Award (Frontline) and the Bronze Award (Foreman) at the 16th Occupational Safety & Health Outstanding Employee Scheme, organised by the Hong Kong Occupational Safety and Health Council (“OHSC”). We also received the International Safety Award by the British Safety Council. These awards recognise our outstanding performance in creating safer and healthier workplaces.</p> 
Media and advertising business	<ul style="list-style-type: none"> • Developed comprehensive OHS Guidelines for frontline workers, including Emergency Preparedness and First Aid protocols. • Provided in-house safety training to raise awareness among staff.

The Group has also provided an emergency response plan which outlines the appropriate procedures to minimise the impacts and damages in case of any workplace emergencies.

CASE HIGHLIGHT: CITYBUS'S CONTINGENCY PLAN FOR EXTREME WEATHER

We have developed a comprehensive emergency response plan and internal working memorandum for extreme weather events such as typhoons. We determine service and work arrangements during adverse weather conditions and inform the public as soon as possible through real-time updates on weather and traffic conditions, weather warning signals, and collaboration between internal departments and external parties. We also conduct regular inspections of the drainage system and implement precautionary measures against high winds and flooding before a typhoon approaches. These measures facilitate rapid recovery from extreme conditions, ensure the safety of passengers and employees, and minimise the financial impacts on our business.

Safety Committee

The Group has established a dedicated Safety Committee to oversee and safeguard occupational safety across all operations. They are responsible for formulating and implementing safety policies, conducting risk assessments, and conducting regular safety inspections to ensure compliance with relevant safety regulations. Regular meetings are held to review safety performance, address potential hazards, and propose corrective actions. The committee also organises training programmes and workshops to enhance employee awareness and knowledge of workplace safety practices. By fostering a culture of safety, the Group demonstrates its commitment to providing a secure and healthy working environment for all employees.

Health and Safety Training

Ensuring the health and safety of our employees is a top priority, and we are committed to maintaining a safe working environment through continuous education and training sessions. To this end, we conduct regular safety training sessions for all internal staff, covering a wide range of topics, from emergency response protocols to workplace hazard identification and risk mitigation strategies. These training sessions are designed to equip employees with the knowledge and skills necessary to prevent accidents, reduce risks, and respond effectively in case of emergencies. By fostering a culture of safety and awareness, we aim to create a secure workplace where employees are empowered to contribute to their own well-being and that of their colleagues.

CASE HIGHLIGHT: TRAINING PROGRAMME FOR BUS CAPTAINS TO UNDERSTAND THE NEEDS OF ELDERLY PASSENGERS

Considering the complex and ever-changing road environment in Hong Kong, over half of the traffic accidents involving the bus industry include the elderly. To enhance the service quality provided by our Bus Captains, we implement weekly Bus Captain Refresher Training to equip them with the skills necessary to effectively engage with different passenger groups and manage unique situations.

In early 2024, we partnered with “Eldpathy”, a local social enterprise, to deliver a comprehensive training session focused on the needs of elderly passengers. Through interactive activities and discussions led by experienced social workers and elderly mentors, Bus Captains gained valuable insights into the possible challenges and safety risks faced by elder passengers in public transportation settings and understood their physical and mental needs. This hands-on approach reinforced their commitment to providing safe and inclusive services in alignment with driving guidelines.



Among the trained Bus Captains, over 94% did not experience any traffic accidents involving injuries.

During the Reporting Period, there were 190 work injury cases⁴ (2023: 1 case) and 7,930 lost days⁴ (2023: 44 lost days) due to minor injuries during business operations. Employees were given paid sick leave for their recovery.

⁴ The significant increase in the number of work injury cases and number of lost days in FY2024 is attributed to the integration of newly acquired businesses.

Care to Employees

To attract and retain talent, the Group offers comprehensive remuneration packages that include annual leave, medical coverage, hospitalisation insurance, accident insurance, and company-specific benefits. These benefits are designed to support the well-being of our staff and provide them with the security and flexibility they need to thrive both personally and professionally.

Every employee is required to have an annual medical check-up. Employees are provided with safety training courses and personal protective equipment (helmet, goggles, masks, etc.) in the workplace. Occupational hazards assessments are conducted by third parties regularly to monitor the performance of occupational safety. To ensure better health protection for staff, the Group provides annual medical insurance annually. The Group is committed to providing all employees with a warm and comfortable working and living environment. The Group has set up self-managed staff quarters and canteens with a view to providing sound rest space and healthy catering to its employees. Drinks are also freely provided to all employees in the hot season to prevent heat stroke.

Realising that our employees are our most valuable asset, we prioritise both their physical and mental well-being. To support this, the Group offered a variety of health and wellness programmes throughout FY2024, ranging from exercise sessions, meditation, relaxation techniques, and wellness workshops, all designed to enhance the overall well-being of our staff. By promoting a healthy lifestyle and fostering mental resilience, we ensure that our employees are empowered to thrive both personally and professionally.

CASE HIGHLIGHT: ON-SITE SHOULDER, NECK, AND HEAD MASSAGE SESSIONS BY CITYBUS

To promote the well-being of our frontline engineering and office staff, Citybus organised two sessions of professional shoulder, neck, and head massage services at the bus garages. Conducted by certified massage therapists, these sessions were designed to alleviate pain, reduce stress, and improve overall physical comfort. This activity is part of our broader focus on OHS, ensuring that our employees remain healthy, engaged, and productive.



In 2024, Citybus signed the Mental Health Charter and was recognised as a Mental Health Friendly Organisation by the OHSC. The charter focuses on three key objectives:

- **Promoting mental well-being through a positive and respectful work environment.**
- **Encouraging active listening, help-seeking behavior, and early identification of mental distress for timely support.**
- **Creating an inclusive workplace for colleagues facing mental health challenges.**

To support our employees, we provide professional counselling services and a dedicated hotline, ensuring staff have access to the resources they need to thrive.



CASE HIGHLIGHT: EMPLOYEE ASSISTANCE PROGRAMME ("EAP") IN BRAVO MEDIA

We have implemented the EAP in partnership with Ascendo Health. This confidential support service is designed to help employees navigate personal, work-related, and family challenges that may impact their mental, emotional, or physical health and provides professional counselling and guidance on a range of issues, including stress management, mental health concerns, relationship challenges, financial advice, and work-life balance. The EAP is available to all employees and offers a safe space for individuals to seek help without fear of judgment or impact on their professional standing. By promoting mental health awareness and offering access to expert resources, the programme plays a crucial role in reducing stress, improving employee morale, and increasing overall productivity.

CUSTOMERS' SAFETY

Ensuring the safety of our customers is a top priority in our commitment to sustainability and social responsibility. We implement stringent safety protocols and regularly conduct training sessions for our staff to maintain high standards of service, focusing on both the physical and operational aspects of customers' safety. Our fleet is equipped with advanced safety features, such as CCTV monitoring, emergency communication systems, and real-time monitoring for safe and efficient operations. We also continually assess and improve our safety measures to align with the latest regulations and industry best practices. Through these initiatives, we aim to provide a secure, reliable, and comfortable travel experience, reinforcing our dedication to the well-being of our customers.

CASE HIGHLIGHT: GUARANTEEING PASSENGER SAFETY AT CITYBUS

At Citybus, passenger safety is of paramount importance, and we continuously invest in advanced technologies and safety features to ensure a secure travel experience. During the Reporting Period, 794 buses were equipped with seatbelts for all customer seats, including upper deck seats, to provide added protection for passengers. Additionally, we have equipped 1,273 buses with Electronic Stability Control Systems, enhancing vehicle stability and reducing the risk of accidents. Furthermore, all of our buses from the Hong Kong International Airport and North Lantau bus fleet are fitted with Advanced Driver Assistance Systems, which assist our Bus Captains in maintaining safety on the roads by offering features like collision avoidance, lane-keeping assistance, and adaptive cruise control.

NURTURING TALENTS DEVELOPMENT AND TRAINING

The Group continues to provide comprehensive and suitable training sessions to employees to promote a learning culture based on the Group's "Training Management Procedure" and other related internal policies. The Group analyses the employees' training and operation needs to prepare training and budget plans yearly. The Group provides diversified on-the-job training programmes to employees, particularly safety training courses, with the aim of improving the quality of the employees' safety and establishing a corporate safety culture.

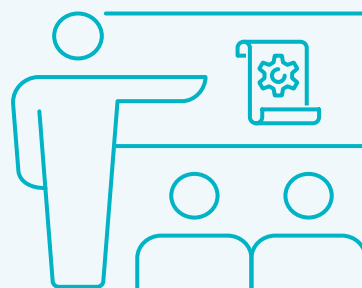
Generally, there are both internal and external training sessions for employees. Every new employee needs to receive a three-month training sessions including general knowledge and skills about storage tanks. Assessments are conducted after the training sessions. Only the new employees who pass the assessment can start their work in their position. Continuous assessment is conducted to keep track of the performance of the current employees. The Group also offers on-the-job training sessions, based on the operation needs and annual training plan. It aims to enhance the performance and skills of employees. External training sessions mainly include certification training sessions for specialists (e.g. safety management personnel, engineers, accountants, etc.). The Group invites related government departments and institutions to deliver training sessions to ensure employees can perform duties with relevant qualifications.

Through ongoing training and regular assessments, we enhance our employees' safety knowledge and raise awareness, fostering a culture of safety within the Group. This proactive approach not only strengthens their understanding of safety protocols but also contributes to a significant reduction in the occurrence of work-related accidents. By prioritising continuous learning and vigilance, we ensure a safer work environment for all.

CASE HIGHLIGHT: FOSTERING TALENT DEVELOPMENT: MENTORSHIP AND INTERNSHIP PROGRAMMES AT CITYBUS

Citybus is dedicated to nurturing the future leaders and skilled workers through a variety of development programmes. Our comprehensive mentorship programme is designed to support graduate trainees and apprentices across multiple departments, including Inspector Graduate Trainees, Engineering Graduate Trainees, Management Trainees, Planning Trainees, Technology Graduate Trainees, Automotive Trainees, and Apprentices. Under the guidance of experienced employees and senior leaders, trainees receive invaluable mentorship that helps them navigate their roles, build essential skills, and gain industry insights, laying a strong foundation for their long-term success.

In addition to the mentorship programme, Citybus provided a summer internship opportunity for 8 students in FY2024, offering them hands-on experience across various departments. Furthermore, we offered job shadowing opportunities to 2 Accounting students, allowing them to observe and learn directly from seasoned professionals in the field. These initiatives reflect our commitment to cultivating talent and providing meaningful learning experiences for the next generation of professionals.



LABOUR RIGHTS AND LABOUR RELATION MANAGEMENT

EMPLOYMENT PRACTICES AND LABOUR STANDARDS

The Group has established and implemented a set of human resources management policies and procedures aiming at providing a good and safe working environment for its staff to comply with the “Companies Ordinance”, the “Employment Ordinance”, the “Employees’ Compensation Ordinance” and the “Minimum Wages Ordinance” in Hong Kong, and the “Labour Contract Law of the People’s Republic of China” in the PRC to foster an inclusive workplace. The Group’s Employee Handbook sets out the Group’s standards for staff recruitment, promotion guidelines, remuneration scale, holiday and statutory paid leaves, parental leaves and working hours.

CASE HIGHLIGHT: ENHANCING WORKPLACE FLEXIBILITY AT CITYBUS

In FY2024, we introduced the “3-Day Bus Captain Contract” recruitment campaign to demonstrate our commitment to fostering a supportive and inclusive work environment. We offer our employees a flexible work arrangement of “three days on, two days off” schedule. By providing a structured yet adaptable employment model, we aim to attract a diverse workforce, including individuals seeking alternative work arrangements due to personal aspirations. The programme aligns with our broader efforts to enhance employee well-being, job satisfaction, and workplace inclusivity, ensuring a resilient and engaged workforce that can effectively navigate evolving labour market trends.



All employees are protected under the Group’s Employee Handbook to ensure they have equal opportunities in their employment, remuneration, and promotion irrespective of age, gender, marital or family status, disability, race, nationality, religion, or other attributes. All decisions are made solely based on an individual’s abilities, performance, aptitude, and other relevant criteria. The Group embraces diversity and welcomes individuals from various backgrounds, races, and nationalities. During the Reporting Period, no concluded case (2023: nil) regarding employment was brought against us or our employees.

Citybus is honoured to receive the “Best Family-Friendly Employment Policy Award” at the “CTgoodjobs Best HR Awards 2024”, recognising our commitment to creating a supportive workplace for our colleagues.

As a pioneer of family-friendly policies in the industry, Citybus has extended paid maternity leave for female employees from the statutory 14 weeks to 24 weeks, and enhanced paternity leave for male employees from the statutory four-fifths to a fully paid salary, enabling them to better balance work and family responsibilities.



CASE HIGHLIGHT: CHAMPIONING DIVERSITY AND INCLUSION IN THE WORKPLACE AT CITYBUS

Citybus continues to foster a diverse and inclusive workplace by providing equal employment opportunities to individuals from different backgrounds. In a significant milestone, we welcomed our first-ever ethnic minority female bus captain, Miss Farzana from Pakistan, marking an important step toward greater workforce diversity in the public transportation sector. Through targeted recruitment efforts and an inclusive work environment, Citybus ensures that talent from all backgrounds can thrive and contribute meaningfully.



As part of its dedication to fostering an inclusive and equitable workplace, Citybus and Bravo Media proudly serve as the Racial Diversity & Inclusion Charter signatories with the Equal Opportunities Commission, underscoring our commitment to promoting equal opportunities and eliminating discrimination across all aspects of our operations. By aligning with the charter, we actively support initiatives that advocate for diversity, respect, and fairness, ensuring that all employees, regardless of age, gender, race, disability, or other attributes, are treated with dignity and provided equal access to opportunities.



The Group has implemented comprehensive workplace respect policies, including but not limited to the “Sexual Harassment Prevention and Handling Policy” and the “Equal Opportunities Policy” in compliance with the “Sex Discrimination Ordinance”, the “Disability Discrimination Ordinance”, the “Family Status Discrimination Ordinance”, and the “Race Discrimination Ordinance” in Hong Kong to foster a safe, inclusive, and respectful working environment where all employees can thrive and be free from any workplace misconduct.

The Group is also strongly against employment of child labour, forced labour, and all forms of modern slavery and human trafficking in any of our projects. We strictly comply with the “Employment Ordinance” of Hong Kong, the “Labour Law of the People’s Republic of China” in the PRC, and other relevant laws and regulations. Our Recruitment Guideline clearly states that persons aged under 16 are not allowed to work in the Group, and we have zero tolerance for child labour and forced labour. During the Reporting Period, the Group was not subject to any punishment by the government and was not involved in any lawsuit related to child labour or forced labour.

LABOUR RELATION MANAGEMENT

Communication Channels

The Group is committed to fostering an open and transparent communication culture by providing multiple channels for employees to share their feedback, concerns, and suggestions. These include regular meetings, suggestion boxes, and an employee hotline, ensuring that employees’ voices are heard. Additionally, the Group conducts an annual employee satisfaction survey to gather feedback on various aspects of the workplace, such as corporate culture, logistical support, and management practices. The survey results are carefully analysed, and issues raised by employees are addressed promptly, with focused action and feedback provided to employees. This approach helps create a more inclusive, responsive, and supportive work environment.

CASE HIGHLIGHT: ESTABLISHMENT OF THE JOINT CONSULTATIVE COMMITTEE (THE “JCC”) AT CITYBUS

The JCC is composed of employee representatives elected directly by our staff, serving as an essential communication channel between employees and Citybus. It facilitates the sharing of important news and updates, fosters open dialogue, and encourages the exchange of ideas and feedback. Its primary goal is to ensure employees are well-informed about our policies and administrative decisions while providing a platform for discussing potential improvements to the working environment and employee benefits. In doing so, the JCC plays a key role in strengthening relationships within the workplace and promoting a culture of collaboration and mutual respect.

Staff Activities

The Group promotes a harmonious and work-life balance culture among employees by organising a diverse range of activities and programmes throughout FY2024. These initiatives not only help employees relax but also foster stronger communication, enhance team building, and strengthen relationships among colleagues. By participating in these activities, employees can develop a greater sense of belonging to the Company, creating a supportive and cohesive work environment that drives collaboration and mutual respect.

Staff Engagement Activities and Initiatives in FY2024

Terminal storage business and trading business	<ul style="list-style-type: none"> Annual dinner Themed parties Birthday celebrations Skill competitions
Transportation business	<ul style="list-style-type: none"> 45th Anniversary Party of Citybus <div data-bbox="480 832 888 1125" data-label="Image"> </div> <div data-bbox="936 832 1425 1125" data-label="Image"> </div> <ul style="list-style-type: none"> Team-building activities, such as festive celebrations, monthly gatherings Recognition programmes to present awards for long service, outstanding performance, and team collaboration The “Best Bus Captain of the Year” Campaign “Thanksgiving Dinners” and issuance of complimentary letters
Media and advertising business	<ul style="list-style-type: none"> Bravo Media’s 1,000th Day Celebration Party Early release on Holiday Eves Send gifts on International Women’s Day Monthly Friday Fun Sessions <div data-bbox="1043 1468 1452 1819" data-label="Image"> </div>

CASE HIGHLIGHT: RECOGNITION IN THE “BEST GOOD EMPLOYER CHARTER 2024”

Bravo Media proudly received the “Best Good Employer Charter 2024” from the Labour Department of the HKSAR Government. This accolade recognises our dedication to cultivating a workplace that prioritises employee well-being, fosters inclusivity, and promotes professional growth.

Through initiatives such as comprehensive training programmes, employee engagement activities, and progressive work-life balance policies, we strive to create an environment where our employees feel valued and supported.



CASE HIGHLIGHT: CITYBUS'S WALL PAINTING PROJECT IN CELEBRATION OF THE 45TH ANNIVERSARY

As part of the celebrations marking Citybus's 45th Anniversary, a wall painting project was undertaken in the office area of the Chai Wan Garage. More than 20 staff members and their families participated in this meaningful initiative, transforming the space with vibrant colours and artistic depictions of our dedicated professionals. The design of the wall beautifully captured the essence of our anniversary messages and key milestones, while incorporating sketches contributed by colleagues, further enhancing staff engagement and fostering a strong sense of community.





RESPONSIBLE BUSINESS OPERATIONS

Related Material Topics

- Supply chain management and assessment
- Data privacy and security
- Responsible marketing
- Protection of intellectual property rights
- Compliance with laws and regulations
- Anti-fraud and anti-corruption
- Fair competition
- Business ethics/commercial morality
- Government relations and lobbying

COMMITMENT TO PRODUCT RESPONSIBILITY

PRODUCT RESPONSIBILITY

We recognise the critical importance of maintaining product responsibility throughout our value chain. We prioritise the safety, quality, and sustainability of the products and services we deliver. The Group is certified to the ISO 9001:2015 Quality Management Systems Standard in FY2024, demonstrating our commitment to meeting current operational and service standards. We implement robust processes and practices to ensure continuous improvement and excellence across all aspects of our business. During the Reporting Period, the Group was not subject to any disputes relating to services or punishment by the government and was not involved in any lawsuit related to product responsibility.

CASE HIGHLIGHT: QUALITY ASSURANCE OF PRODUCTS BY DZ INTERNATIONAL

As a leading midstream player in providing storage services for chemical products in South China, maintaining the safety and quality of customers' products in the warehouse is the utmost concern of DZ International. In order to continuously improve the quality of service, DZ International has set up an internal policy – "Hazardous Chemical Storage Management Procedures" and other related procedures in accordance with the requirements of ISO 9001:2015 Quality Management Systems, the "Customer Complaints and Service Management Procedure", the "Operational Control Management Procedure", the "Supervision and Measurement Management Procedure", and other relevant procedural documents and regulations, to ensure compliance with quality objectives.

According to "Regulations on the Safety Administration of Dangerous Chemicals", DZ International requires customers to provide Material Safety Data Sheets for chemicals stored. Besides, all storage tanks are labelled with United Nations Numbers and other relevant numbers for identification.

We incorporate the "Plan-Do-Check-Act" cycle and risk-based management principles to ensure customer satisfaction. When customers' goods are delivered to the tank, the testing company engaged by the customers will carry out sample testing on the goods, verify the certification or testing report provided by the suppliers, and check if the name, specification, and technical information of the sample meet national or international standards. Only goods that pass the testing and meet the related requirements will be stored in the Group's warehouse.

CASE HIGHLIGHT: FLEET MANAGEMENT AT CITYBUS

Our bus fleet management strategy is centred around continuous improvement and innovation, ensuring operational efficiency. We adopt a structured approach to manage bus specifications by leveraging operational experience, market research, and industry collaboration. We engage with government and industry experts to develop solutions tailored to Hong Kong’s unique topography, climate, and urban density. Key initiatives include the development of specifications for cutting-edge powertrain components such as batteries, fuel cells, and hydrogen storage systems, ensuring they meet stringent safety standards and operational needs. We also launched trials for electric and hydrogen buses, gathering data on range, energy use, payload, reliability, and customer experience to refine our fleet specifications.

We prioritise integrating solutions based on insights from our existing fleet. By analysing service records and performance trends, we proactively address recurring issues, ensuring enhanced reliability and efficiency for new buses. By continuously aligning bus specifications with emerging technologies and regulations to ensure safety and adaptability, we uphold the vision of a sustainable, reliable, and high-quality public transport service.

CASE HIGHLIGHT: RESPONSIBLE MARKETING AND SAFEGUARDING DATA PRIVACY AT BRAVO MEDIA

At Bravo Media, we uphold the highest standards of responsible marketing to ensure transparency, accuracy, and ethics in advertising. We avoid misleading claims and support social causes through our advertising. Adhering to strict guidelines, we prevent inappropriate content. Additionally, our service contracts with agencies include clear provisions to guarantee advertisement content aligns with our values and is appropriate for diverse audiences.

In parallel with responsible marketing, we prioritise customer data privacy and security. The Employee Handbook outlines strict data protection protocols to ensure compliance with relevant privacy laws. Moreover, considering IP rights are essential to protect our innovations and assets, we are committed to securing IP such as technologies, designs, trademarks through robust measures. By respecting and enforcing IP rights, we not only protect our competitive advantage but also encourage creativity and maintain originality within our services.

COMPLAINTS HANDLING

The Group values feedback from the customers. The Group implements the internal policy “Customers Complaint and Services Management Procedures” to handle complaints from customers. The Department of commerce of the Group is responsible for dealing with customer complaints. A prompt response will be provided and the problem will be identified to prevent similar complaints from happening.

CASE HIGHLIGHT: CARE FOR PASSENGERS AT CITYBUS

Our bus schedules are strictly governed by the “Public Bus Services Ordinance” in Hong Kong, ensuring full compliance with legal requirements for safe and efficient transportation. During major festivals, we enhance services with special routes to better accommodate tourists. Additionally, we are establishing Hong Kong’s first dedicated Bus Operations Control “Nerve Centre”, utilising advanced artificial intelligence to optimise bus timetables and predict future schedules based on historical data, improving trip planning. We also uphold a high level of accountability by submitting comprehensive inspection and accident reports to the government, in full alignment with the Hong Kong Transport Department’s regulations.

In terms of customer service, we are committed to delivering timely and comprehensive responses. For simple inquiries, we provide a substantive reply within 10 working days. For more complex inquiries, we target to respond within 21 working days. This service indicator is rigorously monitored and reviewed annually by the Transport Department to ensure we meet the highest standards of service. Additionally, we convened 6 Passenger Liaison Group Meetings to engage directly with our passengers and address their concerns.

Citybus is also committed to ensuring that all customers, including those with disabilities, have access to safe and comfortable travel. We have made significant strides in enhancing our barrier-free facilities across our fleet to uphold our vision of “Accessibility for All”. Our entire fleet of low-floor buses is equipped with fixed ramps and designated wheelchair parking spaces, with 154 buses offering dual wheelchair parking to accommodate more passengers. Additionally, buses are equipped with priority seats, coherent railings, and Braille signage to assist visually impaired passengers. At bus stops, we provide designated waiting areas to ensure easy access for customers using wheelchairs. Moreover, the integration of Octopus and new electronic payment systems across our buses enhances convenience for all passengers.



DRIVING SUSTAINABLE SUPPLY CHAIN MANAGEMENT

SUPPLY CHAIN MANAGEMENT

During the Reporting Period, the Group had 2,663 suppliers (2023: 87 suppliers) which were located in Hong Kong, the PRC, Europe, the Asia Pacific Region (including India, South Korea, Australia, Malaysia, Singapore and New Zealand), the United States and Africa. The Group aims to develop appropriate relationships with its suppliers to maintain the level of performance needed to support the delivery of the Group's projects and programmes. The selection of suppliers involves consideration based on a list of selection criteria including but not limited to the following:

Terminal storage business and trading business	Transportation business	Media and advertising business
<ul style="list-style-type: none"> • Price • Quality and Quantity • Delivery • Integrity • Stability of supply • After-sales services 	<ul style="list-style-type: none"> • Compatibility with specification • Competitiveness with pricing • Compliance with Companies' terms and conditions • Technical and financial capability of suppliers • Past performance records of suppliers • Running and maintenance costs • Sustainable development and use of resources concerning the environment 	<ul style="list-style-type: none"> • Quality of Supplied Materials/ Service • Price Compatibility • Safety & Environmental Performance • Cooperativeness

The Group has established the "Supplier Code of Conduct" to ensure responsible business practices throughout our supply chain, which outlines the ethical, social, and environmental expectations that all our suppliers are required to meet. Besides, the Group assesses the suppliers with a rating system and maintains long-term relationships with suppliers based on the results from supplier assessments. Suppliers with subpar performance or misconduct will be suspended or removed from the registered suppliers list by the Procurement Department. During the Reporting Period, the assessment results for all of our suppliers were satisfactory and met the Group's standards in the regular review.

The Group implements the "Organisational Risk Management Procedures" and "Organisational Environment and Relevant Management Procedures" to identify the environmental and social risks in each section of the supply chain, and to determine the significant impacts of the supply chain on the environment and society with the execution of the Group's internal policies "Material Procurement Management Regulations" and the "Supplier Management Procedures". The supply chain risk assessment is carried out by the managers and supervisors from the Procurement Department twice a year. During the Reporting Period, there were no non-compliance case of any supplier being discovered.

PROCUREMENT AND TENDERING PROCESSES

The Group's procurement principles are designed to achieve the "best overall value" while ensuring fair competition throughout the process. We are committed to maintaining a transparent and equitable procurement and tendering procedure, allowing us to obtain competitive and responsive tenders. This enables us to select the most advantageous options that align with the best interests of the Group. Additionally, we ensure that all tenderers are treated equally and provided with the same information, fostering a fair and consistent approach to supplier selection.

To minimise the environmental impact of the Group's business activities, we prioritise environmentally sustainable products and services in our supplier selection process. The Group implements the "Material Procurement Management Regulations" during procurement and requires the suppliers to be certified with quality management systems, such as ISO 9000 or equivalent. Products with environmental labelling certification would be more preferable. Suppliers are required to conduct sampling tests and inspections of the products and services. Furthermore, Citybus and Bravo Media include specific provisions in supplier and sub-contractor agreements to encourage suppliers to implement waste management systems, reduce pollution, and prioritise the use of environmentally friendly materials, ensuring adherence to environmental responsibilities and the adoption of green practices. By integrating these requirements, the Group reinforces its commitment to sustainability and promotes eco-conscious practices across its supply chain.

MAINTAIN ETHICAL BUSINESS OPERATIONS

ANTI-CORRUPTION

The Group maintains a high standard of business integrity throughout its operations and tolerates no corruption or bribery in any form. The Group strictly complies with the "Chapter 3 – Crimes of Undermining the Order of Socialist Market Economy Criminal Law" and the "Graft and Bribery of Criminal Law" of the PRC, the "Prevention of Bribery Ordinance" in Hong Kong, and other relevant laws and regulations relating to anti-corruption.

To uphold the highest standards of integrity and prevent corrupt practices, we provide every employee with the Employee Handbook upon commencement of their employment. The Employee Handbook clearly outlines the Code of Conduct, with strict legal action stipulated for any forms of bribery and corruption. Additionally, online induction training covering the Group's anti-corruption policy and Code of Business Conduct and Ethics is provided to ensure all employees are fully informed of their responsibilities.

The Group also emphasises transparency and accountability through the Whistleblowing Policy. A dedicated email channel is available to employees and stakeholders to report any suspected corruption-related issues. These may include financial malpractice, fraud, non-compliance with legal obligations, health and safety hazards, environmental risks, criminal activities, or unethical behaviour. Reporting procedures are clearly detailed in the Employee Handbook. All complaints are recorded in the whistleblowing register and referred to the Audit Committee for thorough investigation and resolution. This structured approach underscores our commitment to fostering a culture of ethical conduct and accountability.

FAIR COMPETITION

The Group is committed to upholding the principles of fair competition in all aspects of its operations. We strictly adhere to laws and regulations to ensure a level playing field in the markets we serve. Our employees are trained to understand and comply with antitrust and competition laws, emphasising the importance of ethical business practices and integrity.

We actively monitor our business activities to prevent any anti-competitive behaviour, such as price-fixing, bid-rigging, or market allocation. To reinforce this commitment, our Code of Business Conduct explicitly prohibits practices that could undermine fair competition. By fostering transparency and accountability, we aim to maintain trust among stakeholders and contribute to a competitive, sustainable market environment.

GOVERNMENT RELATIONS AND LOBBYING

Maintaining strong, collaborative relationships with government bodies is a cornerstone of our business strategy. We actively engage in open dialogue with policymakers and regulatory authorities to align our operations with public policies. Through strategic lobbying, we advocate for initiatives that promote environmental sustainability, enhance public transportation, and address community needs. This approach not only ensures compliance with regulations but also fosters partnerships that drive meaningful change. By working closely with government stakeholders, we aim to shape policies and practices that benefit both the community and the environment, supporting a shared vision for a sustainable future.

CASE HIGHLIGHT: CITYBUS'S ENGAGEMENT WITH THE HONG KONG GOVERNMENT AND REGULATORY BODIES

During the Reporting Period, Citybus representatives actively participated in District Council Traffic and Transport Committee Meetings, and Working Group Meetings, attending a total of 64 sessions.

As a responsible public transport operator, Citybus prioritises passengers' well-being while balancing operational sustainability with social responsibility. In alignment with our commitment to affordability, any proposed fare adjustments are subject to a comprehensive review and approval process conducted by the Chief Executive and the Executive Council of the government to ensure that fare changes are justified, equitable, and aligned with the broader public interest. Through close collaboration with regulatory authorities and stakeholders, we will continue to uphold our role as a trusted partner in public transportation, ensuring that our services meet the evolving needs of the communities we serve.

CASE HIGHLIGHT: ADVANCING SUSTAINABLE TRANSPORTATION THROUGH GOVERNMENT COLLABORATION

On 2 March 2024, Citybus participated in the New Energy Bus Experience Day and Carnival, as part of the "Green Travel for a Zero Carbon Future" initiative co-organised by the Environment and Ecology Bureau, the Environmental Campaign Committee, and the Electrical and Mechanical Services Department, the event featured a complimentary bus ride from Kai Tak to CIC-Zero Carbon Park in Kowloon Bay, highlighting our commitment to a zero-carbon future.

With over 1,000 participants, including government dignitaries, industry partners, and residents eager to explore sustainable transportation options, we showcased our hydrogen strategies during the bus tour, furthering the evolution toward greener public transport.





SUSTAINABLE ENVIRONMENTAL STEWARDSHIP

Related Material Topics

- Air and GHG emissions
- Waste management
- Biodiversity conservation
- Resource management and consumption
- Material selection
- Response to climate change

ENVIRONMENTAL MANAGEMENT

The Group's objectives for environmental protection are to eliminate and reduce the impact of its operation on the ecological environment and endeavour to save resources and protect the environment. The Group strictly complies with the "Environmental Protection Law of the People's Republic of China" and other relevant laws and regulations, and had no material non-compliance regarding environmental issues during the Reporting Period. In addition, the Group's Environmental Policy stipulates a comprehensive approach to translating environmental concepts into actionable practices. It emphasises compliance with relevant regulations, the prevention and minimisation of pollution in a cost-effective manner, and the conservation of natural resources through efficient use of energy and materials. The policy also highlights the importance of reducing waste and managing it in the most environmentally responsible way possible.

The Group is committed to the long-term sustainability of the environment and communities in which it operates. During the Reporting Period, the terminal storage business, trading business and media and advertising business achieved accreditation for the ISO 14001 Environmental Management System certification. The Group has established a set of management systems regarding environmental protection, including but not limited to the "Atmosphere Pollution Management System" and the "Wastewater Management System". Besides, since the products handled by our terminal are dangerous, safety and environmental protection measures and equipment are regarded as the most vital and critical importance to the success of the Group. These initiatives provide our stakeholders with confidence that the Group is effectively measuring, managing, and continuously improving the environmental impacts of its operations.

Building on these robust foundations of compliance, certification, and established environmental management systems, the Group has set clear environmental targets to demonstrate our dedication to continuous improvement and long-term environmental stewardship.

ENVIRONMENTAL TARGET SETTING

Business	Target Setting
Terminal storage business and trading business	<ul style="list-style-type: none"> GHG Emissions: Reduce GHG emissions by 10% by the financial year ending 31 December 2025 ("FY2025") compared to the financial year ending 31 December 2020 ("FY2020"). Hazardous Waste: Reduce hazardous waste generation by 10% by FY2025 compared to FY2020. Non-hazardous Waste: Reduce non-hazardous waste generation by 10% by FY2025 compared to FY2020. Energy Consumption: Reduce energy consumption by 10% by FY2025 compared to FY2020. Water Consumption: Reduce water consumption by 10% by FY2025 compared to FY2020.

Business	Target Setting
Transportation business	<ul style="list-style-type: none"> GHG Emissions (Bus Operation): Reduce Scope 1 & 2 GHG emissions, per million km by 7% by the financial year ending 31 December 2030 ("FY2030") compared to the FY2024 level; and operate a full fleet of zero-emission buses by the financial year ending 31 December 2045 ("FY2045"). Air Pollutant Emissions (Bus Operation): Reduce roadside air pollutant emissions, per million km from bus operation by 10% by FY2030 compared to the FY2024 level. Hazardous Waste: Continue to recycle various types of hazardous waste. Non-hazardous Waste: Increase the recycling rate of general waste by 10% by FY2030 compared to the level in FY2024; and participate in waste reduction and recycling promotion activities annually to enhance employees' environmental awareness. Energy Consumption: Participate in energy conservation promotion activities annually to enhance employees' environmental awareness; and continue to explore and pursue efficient equipment to enhance energy efficiency. Water Consumption: Participate in water conservation promotion activities annually to enhance employees' environmental awareness and foster a culture of sustainable development internally.
Media and advertising business	<ul style="list-style-type: none"> GHG Emissions: Continue to make steady progress towards carbon reduction, and regularly track and report progress to ensure ongoing improvement. Hazardous Waste: Continue to monitor the usage of cleaners regularly and explore the use of eco-friendly cleaners that are free from toxic chemicals, reducing hazardous waste in operations. Non-hazardous Waste: Achieve a reduction in non-hazardous waste from advertising materials through the increasing use of recycled materials and promote digitalisation in office operations. Energy Consumption: Assess energy consumption through regular audits and maintenance to identify areas for improvement. Water Consumption: Assess water usage through regular audits and maintenance to identify areas for improvement.

EMISSION MANAGEMENT

EMISSION OF AIR POLLUTANTS

Emission control is essential for mitigating the impact on the environment and protecting the health of employees. The Group's emissions comply with "Emission Limits of Air Pollutants (DB44/27-2001)" and "Emission Standard of Air Pollutant for Bulk Gasoline Terminal (GB 20950-2020)".

Despite the increase in the Group's total air pollutant emissions in FY2024 due to the inclusion of newly acquired businesses, emissions from the terminal storage and trading businesses decreased, primarily due to the technological enhancement of the storage tanks and the improved management of the oil and gas recovery units, which improved their operational efficiency. This such achievement was also recognised by the environmental department in the Mainland China.

CASE HIGHLIGHT: DZ INTERNATIONAL'S "VOLATILE ORGANIC COMPOUNDS ("VOCs") ONE ENTERPRISE ONE POLICY COMPREHENSIVE IMPROVEMENT PROGRAM

As most of the products stored are highly volatile, DZ International has implemented the "VOCs One Enterprise One Policy Comprehensive Improvement Programme" to control and reduce VOCs emissions from the source and production processes. Key measures implemented are as follows:

- External floating roof tanks⁵ are used to store gasoline, diesel and other volatile chemical products. DZ International will continue its effort in upgrading and innovating external floating roof tanks.
- Nitrogen blanketing⁶ is used in the tanks to ensure the stored product is separated from the air. Vapour generated in the tank is collected and treated with activated carbon.
- Conducting leak detection and repair to identify and fix leakage points.
- To reduce the non-methane hydrocarbon emissions, oil-gas condensation recovery devices are installed to ensure compliance with the required recovery rate.
- All VOCs (e.g., gasoline, alkane solvents) are stored in specific containers and sealed properly to avoid leakage.
- Replacing oil-gas recovery devices with low-temperature condensing heat exchangers to further improve oil and gas recovery rates and reduce volatilisation.
- Completing the upgrade of the high-efficiency floating roof seal for tanks to reduce tank volatilisation.
- Enhancing VOCs collection from gasoline tanks, implementing condensation adsorption emission processes, and collecting gas-phase emissions to the oil-gas recovery device via pipeline.

5 External floating roof tanks are storage tanks commonly used to store large quantities of petroleum products. They eliminate breathing losses and greatly reduce the evaporative loss of the stored liquid.

6 Nitrogen blanketing is widely used in many industries to prevent fires, explosion, degradation of products during their production, storage and transportation.

CASE HIGHLIGHT: CITYBUS'S BUS-BIKE INTERCHANGE SCHEME

In April 2024, we partnered with LocoBike, a leading local bike-sharing company, to introduce the innovative Bus-Bike Interchange Scheme in Tai Po Shap Sze Heung (Routes 581 and 582). Building on the success of this initiative, we extended the programme to the town center of Tai Po and North District (Route 79) through a six-month collaboration. This programme seamlessly integrates bus and bike transportation, offering residents and travellers convenient and environmentally friendly mobility solutions. By encouraging the use of public transportation combined with bike-sharing, we aim to reduce carbon emissions associated with private vehicle use, while also promoting healthier and more active lifestyles.

GHG EMISSIONS

The GHG emissions from the terminal storage business and trading business have increased due to the use of refrigerants, and the Group's total GHG emissions increased during the Reporting Period, mainly attributable to the inclusion of newly acquired businesses. The Group is dedicated to mitigating and reducing the impacts of its businesses on GHG emissions by taking the following initiatives in FY2024:

Terminal storage business and trading business	<ul style="list-style-type: none"> Switched fuel consumption to fossil fuel with lower carbon content such as LPG. Completed the transition from "gas to electric power" in the staff canteen.
Transportation business	<ul style="list-style-type: none"> Optimised bus routes to minimise deadheading mileage and reduce unnecessary emissions. Enhanced fuel efficiency of buses by using engine idling stop and retiring old buses with inferior fuel economy. Worked with different stakeholders such as professionals, regulatory bodies, and suppliers to conduct capability assessments (e.g. support for additional electric vehicle chargers) and evaluate various zero-emission technology options.
Media and advertising business	<ul style="list-style-type: none"> Streamlined the supply chain and leveraged technology to reduce our media carbon footprint. Supported media suppliers in their emissions reduction plans and collaborated with clients to direct spending toward suppliers transitioning to a low-carbon economy. Developed an in-house app to help staff conveniently check schedules digitally, reducing the need for printed paper schedules. Issued regular reminders to encourage sustainable practices in day-to-day operations.

CASE HIGHLIGHT: CITYBUS'S “#MISSIONZERO” CAMPAIGN – PARALLEL EXPERIENCE OF ELECTRIC BUSES AND HYDROGEN BUSES

Citybus has taken a bold step toward a greener future through its zero-emission transformation campaign #MissionZero in 2022, marking the beginning of a comprehensive zero-emission transformation of its fleet. The campaign aims to achieve a full fleet of zero-emission buses by 2045, contributing to Hong Kong's broader net zero carbon emission goals.

In line with this commitment, Citybus made a groundbreaking move by introducing Hong Kong's first hydrogen bus, which entered in routine service in February 2024 and passed through tunnels in July 2024 after extensive testing under various operational conditions. This latest innovation strengthens Citybus's ability to promote sustainable transport, making it the only franchised bus operator in Hong Kong with experience in operating both electric and hydrogen double-deck buses. To support our #MissionZero as well as the sustainable development of Hong Kong public transport system, we have been working with different stakeholders such as professionals, regulatory bodies and suppliers to conduct capability assessments (e.g. support for additional electric vehicle chargers) and evaluate various sustainable options. Meanwhile, we are planning to purchase more electric and hydrogen double-deck buses to commit to the “Green Transformation Roadmap of Public Buses and Taxis” by the Hong Kong government.

Through the integration of cutting-edge zero-emission technologies and a steadfast commitment to environmental protection, Citybus is redefining the benchmarks for sustainable urban mobility. With its unparalleled expertise in both electric and hydrogen vehicles, Citybus is uniquely positioned to drive significant reductions in air pollution and pave the way for a cleaner, healthier, and more sustainable future for Hong Kong.



WASTE

Wastes generated are handled with a comprehensive procedure to mitigate the impact on the environment. The Group has a strict classification system for different types of wastes. Each type of waste has specific collection and handling procedures. Precautions are implemented to prevent waste leakage and pollution.

Hazardous Waste

Hazardous wastes such as hazardous wastewater, filters, sludges, batteries, waste oil cleaning rags, and organic solvents are handled according to the latest policies of the “National Hazardous Waste Inventory”. These wastes are separately stored and recorded in a register. Besides, the Group engages qualified recycling companies to transform chemical wastes such as waste lubricating oil and fluorescent lamps into useful materials, and to perform appropriate waste disposal and treatment to minimise environmental impact.

During the Reporting Period, effective implementation of hazardous waste management strategies included: the development of the Information Monitoring System to achieve online monitoring of hazardous waste through the Internet of Things and the standardisation of hazardous waste management; the enhancement of the disposal efficiency of environmental protection equipment and facilities; the replacement of battery-powered devices with rechargeable ones; and the reduction of the amount of waste received from foreign vessels for chemical washing, among other series of control measures and policies impacts. The amount of hazardous waste generated by the terminal storage business and trading business increased in FY2024 due to the addition of new customers, as well as lease terminations and changes in stored product types from customers, leading to increased frequency and workload of tank cleaning. Meanwhile, the total amount of hazardous waste generated by the Group increased during the Reporting Period as a result of the inclusion of newly acquired businesses during the Reporting Period. Furthermore, the Group plans to improved measures for improved categorisation and recycling of refined oil samples and the regeneration and repeated use of activated carbon.

CASE HIGHLIGHT: PRODUCT LIFECYCLE MANAGEMENT AT CITYBUS

Citybus demonstrates a strong commitment to sustainability through its comprehensive product lifecycle management initiatives. At the Chong Fu Garage, recycling bins are placed on every office floor, with regular collection by a dedicated contractor to ensure proper recycling processes. Clear recycling instructions and informative materials are provided to employees, promoting widespread participation. In all garages and depots, designated recycling areas are available to handle both general and hazardous waste. Notably, waste lubricant oil is collected and reused in backup gensets and mobile diesel generators, supporting a circular economy. Similarly, tyres are retreaded and reused up to three times before being collected and reprocessed by a local recycler. To ensure these processes meet the highest environmental protection and recycling standards, Citybus has engaged third-party recycling partners to manage the handling and recycling of waste lubricant oil and end-of-life tyres, ensuring that materials are responsibly recycled and disposed of in compliance with relevant regulations.

Non-hazardous Waste

A Waste Management Plan has been established that stipulates environmentally sound practices to reduce waste generation and promote recycling practices. The Group has launched waste recycling and implemented different measures to reduce the waste generated in the office. For example, used paper and plastic materials are collected in the office for recycling purposes, and waste electrical and electronic equipment is separately collected. We also provide training sessions to assist frontline staff in preparing and setting up feedback channels for staff. With these measures, the Group hopes to ease the pressure on landfill space and bring benefits to the environment. While the total amount of non-hazardous waste generated increased due to the inclusion of newly acquired businesses, the amount of non-hazardous waste generated by the trading business and terminal storage business also increased due to business expansion, leading to an increase in the workforce. The Group is committed to reducing non-hazardous waste to minimise the environmental impacts resulted from operations, such as encouraging the reuse of paper and recycling domestic waste.

USE OF RESOURCES

ENERGY

The Group has adopted policies and guidelines, including the “Energy Saving Management System” and “Energy Saving Guidelines” to reduce energy consumption and enhance efficiency within our operations. In FY2024, the energy consumption of the Group mainly came from fossil fuels and electricity from external sources. The Group promotes the idea of a “green workplace” to reduce energy consumption as follows:

Terminal storage business and trading business	<ul style="list-style-type: none"> • The temperature in the office was set at 26°C in summer. • LED lighting was installed in office areas. • Heating was not supplied during winter according to the characteristics of weather in South China. • Electric water heaters were installed for showers in staff changing rooms. • After all staff left the office, security guards double-checked the electronic appliances and ensured all of them were switched off.
Transportation business	<ul style="list-style-type: none"> • LED lighting equipment and motion sensor fluorescent tubes were installed within premises. • A water spray cooling system on the chiller machine and variable speed drives on the circulation system were installed. • PV panels were deployed on some bus shelters and various resting areas for off-grid power consumption. • Motion sensors were installed to adjust lighting with timer control programmed to switch off lighting and cooling.
Media and advertising business	<ul style="list-style-type: none"> • Natural lighting was leveraged by opening blinds and curtains to let sunlight in. • Equipment with the Grade 1 energy label was prioritised when purchasing new equipment. • Chargers, appliances, and other electronics were unplugged when they were not actively in use. • Energy-saving training sessions were conducted. • Devices were powered down when not in use, and energy-saving modes were enabled where available.

CASE HIGHLIGHT: ENHANCING FUEL EFFICIENCY AND SUSTAINABILITY IN FLEET OPERATIONS AT CITYBUS

We evaluate and optimise the fleet's engine computing unit ("ECU") programme to enhance fuel efficiency. Covering over 1,600 diesel buses, we implemented an idle-stop programme in the ECU, where the bus engine shuts down when idle for a period of time. This implementation has resulted in a reduction in fuel consumption and its corresponding carbon and air pollutant emissions. Meanwhile, we have been implementing a safety system "Smart Citydrive" for on-road operation. Through monitoring driving performance, we have reduced fuel consumption due to decreased cases of harsh acceleration and braking.



WATER

During the Reporting Period, the Group did not have any issues in sourcing water. We closely monitor and manage our water consumption across all operations to minimise water usage through efficient practices and technologies, ensuring responsible use of this valuable resource. Metres are installed in different locations to monitor water usage, and water consumption is recorded regularly. Staff are responsible for managing the water usage and checking the water system. Other water-saving measures include upgrading printing machines to reduce water waste during the printing process, and collecting and reusing used water for washing. The increase in total water consumption in FY2024 was mainly attributable to the inclusion of newly acquired business during the Reporting Period. However, the amount of water consumed by the trading business and terminal storage business decreased in FY2024 due to the renovation of groundwater pipelines and enhancement of leakage point inspections.

CASE HIGHLIGHT: DZ INTERNATIONAL'S WATER RESOURCES MANAGEMENT

The water pressure in the workplace is adjusted according to the actual water usage. We conduct examinations on the underwater pipeline network in the terminal, and any identified abnormal water pipelines are replaced and renovated. If a water pipe leaks, repairs will be immediately carried out to reduce the wastage of water resources.

To encourage water saving, the water usage of each staff member in the staff quarters is recorded, and the staff have to pay their own water bills. Different water metres are set up and installed in each terminal according to its production area, where dynamic management is applied to identify abnormalities and to report and repair them in a timely manner. Stabilising the storage customers to reduce tank cleaning operations while optimising the use of chemical process pipelines, classifying the use of the public pipeline network, and reducing the frequency of cleaning pipelines.

PROTECTION OF BIODIVERSITY AND ECOSYSTEM MATERIAL SELECTION

The Group prioritises the selection of eco-friendly materials across its operations, ensuring that they meet the highest standards of performance and environmental impact. Our procurement process focuses on sourcing materials that are recyclable, biodegradable, or made from renewable resources, and we work closely with suppliers who share our commitment to reducing environmental harm. By integrating eco-friendly materials into our supply chain, we aim to minimise waste, reduce carbon emissions, and contribute to a circular economy.

The Group actively supports innovation and research by investing in the development of new energy solutions and sustainable manufacturing materials, enhancing both product responsibility and environmental sustainability. Examples of initiatives in material selection are summarised below:

Transportation business	<ul style="list-style-type: none"> Conducted trials on various lubricants (including engine oil, gearbox oil, and axle oil) and batteries to assess their service life under operations to fully utilise their service life while minimising waste. Switched the engine oil from mineral to synthetic counterparts to lengthen the engine oil change cycle and thus reduce consumption by up to 50%, reducing waste from lubricating oil generation and oil filter disposal.
Media and advertising business	<ul style="list-style-type: none"> Explored the use of non-PVC paper for bus body advertising to replace the traditional materials, such as the 3M 48C.

CLIMATE CHANGE GOVERNANCE

As outlined within the section titled “Sustainable Governance” above, the Group has robust risk management and business planning processes that are overseen by the Board in order to identify, assess and manage climate-related risks. The Group engages with the government and other appropriate organisations to keep abreast of expected and potential regulatory and/or fiscal changes. We continue to raise awareness of climate change by monitoring our carbon and energy footprint in our daily operations. However, there remain gaps in understanding how such climate risks and opportunities may impact our operations, assets and profits. Our Group assesses how the business addresses climate change risks and opportunities and takes the initiative to monitor and reduce their environmental footprint.

The Group addresses climate-related risks based on the nature of the risk to our operations. The physical impacts of climate change, including extreme weather events or damage to facilities, have immediate operational impacts and are treated as operational risks. Long-term challenges, such as emerging ESG issues and climate-related risks and opportunities, may be discussed by the Group’s ESG Working Group. Supported by our ESG Working Group, the Board oversees climate-related issues and risks regularly during the Board meetings and ensures that they are incorporated into our strategy.

To ensure our Board keeps up with the latest trends in climate-related issues, climate competence training will be provided so it has the necessary expertise and skills to oversee the management of climate-related issues. Our Board also seeks professional advice from external experts when necessary to better support the decision-making process. Our ESG Working Group provides effective governance for integrating and addressing ESG topics, including climate change, within our business. The ESG Working Group is responsible for approving operational emissions targets for the Group and commissioning an ESG benchmarking, as well as a gap analysis exercise to identify gaps in both disclosure and policy relative to the best practice standards. Moreover, the ESG Working Group works closely with the Group’s various operational departments, aiming to develop consistent and enhanced approaches to addressing ESG risk issues and reporting to management.

STRATEGY

Climate change risk forms part of our overall risk profile through its role in increasing the frequency and intensity of certain diseases, and the health and mortality impacts resulting from natural disasters. We assess the overall level of risk by considering a range of diverse risk factors across many categories in our services range. This diversity of risk combined with our business strategy and broad geographic footprint, helps us mitigate risk and provide protection against the impacts of short-term climate change effects.

RISK MANAGEMENT

The Group identifies climate-related risks or tests the existing risk management strategies under climate change with the aid of risk assessment. Hence, the areas where new strategies are needed can be identified.

The risk assessment takes a standard risk-based approach using national data, local information and expert knowledge, which can identify how climate change may compound existing risks or create new ones. The risk assessment is conducted through the following steps:

Step 1



ESTABLISH THE CONTEXT

- Objective
- Scale
- Time frame
- Climate change scenario for most climate variables and sea level

Step 2



IDENTIFY EXISTING RISK (PAST AND CURRENT)

- Identify the record of occurrence of climatic hazards in the past in the area
- Evaluate risk management strategies in place to tackle future occurrence of the hazard

Step 3



IDENTIFY FUTURE RISK AND OPPORTUNITIES

- Explore climate change projections for the selected time frame(s) and emission scenario(s)
- Identify potential hazards
- Investigate whether any existing risk from Step 2 may get worse under future projected changes
- Identify new risks that may emerge under future projected changes

Step 4






ANALYSE AND EVALUATE RISK





- Identify a set of decision areas or systems (i.e., geographical areas, business operations, assets, ecosystems, etc.) that have the potential to be at risk in the future


Scenario Analysis



Physical risk refers to the potential financial losses the Group may face due to both acute and chronic extreme climate events. To assess the climate-related risks, we refer to the scenarios in the Representative Concentration Pathways from the Intergovernmental Panel on Climate Change and future scenarios based on the International Energy Agency ("IEA"). These scenarios project the intensity of climate hazards.


During the Reporting Period, the significant climate-related physical risks and transition risks, which have impacted and/or may impact the Group's business and strategy in (i) operations, products and services, (ii) supply chain and value chain, (iii) adaptation and mitigation activities, (iv) investment in research and development, and (v) financial planning, as well as the steps taken to manage these risks, are summarised as follows:

Type of Physical Risk	Name of Risk	Description	Risk Level	Mitigation
Acute Physical Risk	Extreme heat 	<ul style="list-style-type: none"> Increased occupational health risks such as heat exhaustion and heatstroke for outdoor workers. 	High	<ul style="list-style-type: none"> Establish emergency plans for natural disasters. Adopt scenario analysis to disclose the Group's planning under future scenarios, most notably one within a "2°C scenario".
	Extreme precipitation 	<ul style="list-style-type: none"> Increased flooding risk and losses due to damage to property. Affects supply chain dependency and increases operational risks. 	High	
	Storm Surge 	<ul style="list-style-type: none"> Threatens health and safety of frontline workers and results in significant losses due to damage to infrastructure and facilities. 	High	

Type of Physical Risk	Name of Risk	Description	Risk Level	Mitigation
Chronic Physical Risk	Warming trend 	<ul style="list-style-type: none"> Prolonged temperature rise may detrimentally affect human's health. Continuation of temperature rise and exposure to prolonged heat can increase the fatality rates and incidence rates of diseases. 	High	<ul style="list-style-type: none"> Planned improvements, retrofits, relocations, or other changes to facilities that may reduce their vulnerability to climate impacts and increase the climate resilience in the long term. Engagement with local or national governments and local stakeholders on local resilience.
	Sea level rise 	<ul style="list-style-type: none"> Increased flooding risks and losses due to damage to property. Affects supply chain dependency and increases operational risks. 	Medium	
	Decreased average wind speed 	<ul style="list-style-type: none"> Accumulation of air pollutants. Exacerbates air quality and health issues. 	Medium	
	Increased total annual rainfall 	<ul style="list-style-type: none"> Change in water availability. Safety concerns for sites near landslides. 	High	

Type of Transition Risk	Description	Potential Negative Financial Impacts	Transition Opportunity	Potential Positive Financial Impacts	Response Measures
Policy and Legal Risk 	<ul style="list-style-type: none"> Pressure from the new climate-related disclosure requirements by the SEHK and international GHG reduction policy. Carbon price is expected to increase as a result of energy efficiency requirements. Mandates on and regulation of existing products and services aimed at reducing carbon emissions can impact operational costs and compliance requirements. This includes potential restrictions on energy usage for operation. 	<ul style="list-style-type: none"> New regulations associated with ESG disclosures could increase compliance costs. Delayed transition and failure in compliance with the laws and regulations increase operational cost. Limited productivity expansion. 	<ul style="list-style-type: none"> Participate in environmentally friendly initiatives. Participate in carbon trading market. 	<ul style="list-style-type: none"> Operating cost reduces through use of lowest cost abatement. Participation in the carbon trading market may bring carbon credit income. Reduction in exposure to GHG emissions therefore less sensitivity to changes in cost of carbon. 	<ul style="list-style-type: none"> Use of lower-emission fuel sources. Use of more efficient production and distribution processes to increase production capacity, resulting in increased revenues. Monitor the updates of the relevant environment- and climate-related policies, laws and regulations to stay abreast of the latest regulatory changes, and implement GHG emissions calculation system in advance to avoid the unnecessary increase in cost and expenditure due to the violation of the climate-related environmental policies.

Type of Transition Risk	Description	Potential Negative Financial Impacts	Transition Opportunity	Potential Positive Financial Impacts	Response Measures
<p>Technology Risk</p> 	<ul style="list-style-type: none"> Developing low-carbon, energy-efficient products and energy saving technologies results in capital investment and increased research and development ("R&D") expenses consequently. 	<ul style="list-style-type: none"> Suffering financial loss due to investing in low-carbon technology. The development of low-carbon technology may cause fluctuations in energy and raw material prices, impacting cost structures and product pricing. 	<ul style="list-style-type: none"> Invest in appropriate low-carbon technology. 	<ul style="list-style-type: none"> Operating cost reduces through use of lowest cost abatement. Returns on investment in low-emission technology increase. 	<ul style="list-style-type: none"> Examine the feasibility and benefits of applying the latest low-carbon and energy-saving technologies into the Group's operation and set internal targets. Ongoing discussion with relevant stakeholders such as regulators and suppliers for more economic solutions and financial initiatives.
<p>Market Risk</p> 	<ul style="list-style-type: none"> More customers are considering climate-related risks and opportunities, which may lead to changes in customers' demand for products. Uncertainty in market signals. "How environmentally friendly the product is" becomes one of the factors affecting the product selling price. 	<ul style="list-style-type: none"> Operating cost increases as abrupt and unexpected shifts. Production cost increases due to changing input prices and output requirements. 	<ul style="list-style-type: none"> Development and/or expansion of low emission goods and services through R&D. 	<ul style="list-style-type: none"> Low-carbon and green projects reduce financing costs and increase revenue. Better competitive position to reflect shifting consumer preferences, resulting in increased revenues. 	<ul style="list-style-type: none"> Tighten the control of the environmental hazardous materials in our products and study the application of recycled materials. Explore different brands and keep updated on the new materials from vendors. Diversification of activities and better position for the transition to a lower-carbon economy.

Type of Transition Risk	Description	Potential Negative Financial Impacts	Transition Opportunity	Potential Positive Financial Impacts	Response Measures
Reputational risk 	<ul style="list-style-type: none"> As consumers and businesses become more environmentally conscious, failure to adopt sustainable practices impact on corporate reputation. 	<ul style="list-style-type: none"> Revenue decreases from decreased demand for goods and a decrease in production capacity. 	<ul style="list-style-type: none"> Improve corporate reputation. 	<ul style="list-style-type: none"> Build stakeholder trust and cultivate a strong corporate reputation. 	<ul style="list-style-type: none"> Support green production. Fulfill social responsibility by organising more activities or executing actions to demonstrate how we place importance on climate change.

With regard to the ongoing confirmation of the suitability and progress of the Group's strategies, we believe that there are various opportunities for stable funding and sustainable increases in corporate value through appropriate information disclosure, dialogue with institutional investors and other stakeholders.

METRICS AND TARGETS

The Group adopts key metrics to assess and manage climate-related risks and opportunities. The GHG emissions and energy consumption indicators are the key metrics used to assess and manage relevant climate-related risks as we consider such information to be material and crucial for evaluating the impact of our operations on global climate change during the Reporting Period. The Group regularly tracks GHG emissions and energy consumption indicators to assess the effectiveness of emission reduction initiatives, as well as to set targets to contribute to our effort to minimize impact on global warming.

The details of time frames over which the target applies and the base year from which progress is measured are described in the section titled "GHG Emissions" under "Emissions Management" and the section titled "Energy" under the "Use of Resources" in this Report. The Group adopts absolute targets to manage climate-related risks, opportunities and performance.

A young girl with dark hair and a yellow shirt is looking up at an adult whose back is to the camera. They are in a classroom with educational posters on the wall. The girl's shirt has a 'Cute Bears' logo.

EMPOWERING COMMUNITIES

Related Material Topics

- Community engagement and investment

EMPOWERING COMMUNITIES

COMMUNITY INVESTMENT

As a socially responsible organisation, we recognise the significance of contributing to society and have embedded social commitment as a core aspect of our corporate culture. The Group has provided related policies and measures to understand the needs of the community, including the Corporate Social Responsibility Policy, and the Policy of Donation. The Group will maintain regular records of donation amounts and the number of supported charity projects, providing an annual disclosure through “Corporate Communication”.

CASE HIGHLIGHT: CITYBUS’S CORPORATE SOCIAL RESPONSIBILITY (“CSR”) FRAMEWORK

Citybus has established the CSR Framework to demonstrate our unwavering commitment to making a meaningful and lasting difference in the communities we serve. Guided by a people-first mission, we aim to extend our expertise in customer service to create positive and tangible impacts on society. Our efforts are rooted in four core values: delivering Superior Bus Services, prioritising Safety Emphasis, championing Environmental Stewardship, and fostering Employee & Community Well-being.

Under this framework, we maintain strong communication with NGOs to provide support to those in need. Our programs primarily benefit children with serious illnesses, kids with Autism Spectrum Disorder, and people with disabilities, underscoring our focus on inclusivity and supporting vulnerable groups. To achieve our mission, we employ a diverse range of strategies to strengthen bonds and foster collaboration with the community. These efforts include sponsorships, community partnerships, internal communications, corporate awards, public education initiatives, and volunteer services, guiding us in expanding from public transportation services to diverse and inclusive social services.

The details of charitable events for FY2024 are listed below:

Terminal storage business and trading business	
Charitable Events in FY2024	Contribution
<p>Monetary Donation</p> 	<ul style="list-style-type: none">• Donation of RMB20,000 to the Dongguan Charity Federation.• In July and August of every year, members of the Party Branch organise donations of over RMB3,000 to the Zhaoqing Guangning Heart to Heart Charity Society. This initiative has been ongoing for the past eight years.

Terminal storage business and trading business

Charitable Events in FY2024

Daliu Village Support Programme



Blood Donation Activity



Contribution

- 100 sets of rice and cooking oil were donated to elderly residents aged 70 and above in Daliu Village, Dongguan City, Guangdong Province.
- Participated in a blood donation activity in Lisha Island, Dongguan City, Guangdong Province in August 2024 to raise awareness and deepen employees' knowledge about the importance of blood donation.

Transportation business

Charitable Events in FY2024

Introduction of Ad-free "Citybus Lite" App



Contribution

- Citybus introduced Citybus Lite in April 2024, a streamlined and ad-free bus app designed to offer customers a simple and efficient way to access bus arrival times and essential route information.
- The app is built in compliance with the highest international standards for web content accessibility and integrates with voice assistants and narrative modes on various smartphone operating systems, ensuring an enhanced and convenient travel experience for visually impaired users to enhance accessibility and inclusiveness of the community.

Transportation business

Charitable Events in FY2024

Collaboration with the Innovation, Technology and Industry Bureau in “Green Travel for a Zero Carbon Future” – New Energy Bus Experience Day and Carnival”



#MissionZero Free Ride Day



Contribution

- The Experience Day and Carnival was funded by the Environment and Conservation Fund with a featured exhibition and activities to promote the safety and sustainability of new energy transport.
- We arranged a hydrogen bus to offer free rides for the public from designated points to CIC-Zero Carbon Park, enabling participants to experience an eco-friendlier and better-quality journey provided by new energy buses.
- Participants learned about the role of new energy transport in improving roadside air quality and reducing carbon emissions, and their contribution to achieving carbon neutrality for Hong Kong before 2050.
- In celebration of our commitment to sustainable transportation, we deployed Hong Kong's first electric double-deck bus, introduced in 2021, alongside the city's first hydrogen double-deck bus on Route 20A (Nathan Road Line) to provide customers with a fare-free journey while experiencing a quiet, comfortable, and emission-free travel environment.
- Furthermore, we organised another “New Energy Bus Experience Day” on 1st October to celebrate the 75th Anniversary of National Day, offering free rides for customers on both our hydrogen and electric buses running on Route 101.
- It marked a significant milestone in raising public awareness of new energy public transportation and played a crucial role in our comprehensive testing program for hydrogen, electric, and traditional diesel buses.

CASE HIGHLIGHT: COMMUNITY CELEBRATORY ACTIVITIES FOR CITYBUS 45TH ANNIVERSARY

“SERENDIPITY@CITYBUS 45TH ANNIVERSARY EXHIBITION”

In celebration of the 45th anniversary of Citybus, we hosted the “Serendipity” Exhibition at K11 MUSEA during August and September 2024, offering the public an opportunity to explore Citybus’s unique heritage and legacy. The exhibition featured six exclusive Citybus BE@RBRICK figurines that we collaborated on with the trendy Japanese brand BE@RBRICK, drawing thousands of visitors, including families, couples, and tourists. Meanwhile, we also introduced themed buses, namely “Serendipity” and “Advance” in our on-road bus operation. Moreover, 10 exclusively designed “Citybus BE@RBRICK Buses” were also on the roads to provide services for the public.



CASE HIGHLIGHT: COMMUNITY CELEBRATORY ACTIVITIES FOR CITYBUS 45TH ANNIVERSARY

CITYBUS 45TH ANNIVERSARY DISTRICT EVENTS

To celebrate key milestones of Citybus and remind customers of our heritage, we organised a series of district events between July and September 2024 to directly engage the public and further strengthen our connection with the districts. We organised several district events featuring our classic Leyland Olympian #178 “Big Eater” and directly engaged with over 1,800 residents in Sha Tin, Southern District and Eastern District. Specifically designed souvenirs were distributed to each district, such as over 300 customers and residents in Tin Shui Wai who participated in a photo shoot and obtained a Route 901 themed keychain, representing our Tin Shui Wai residential cross harbour bus service.



Transportation business

Charitable Events in FY2024

Depot Visit and Career Talk for “Strive and Rise Programme” 2023-2024



Partnership with Youth Pi @ Kwun Tong



“Barrier-Free Bus Classroom”



Contribution

- As a supporting organisation of the “Strive and Rise Programme”, Citybus nominated two staff members to be mentors and arranged a depot visit and career talk for a group of 30 students from various secondary schools. We aimed to engage the youth and community through this participation.
- Citybus partnered with Kwun Tong District Office’s youth network, “Youth Pi @ Kwun Tong”, to invite secondary school students to visit our Chong Fu Road Headquarter, where they learned about the operations and history of Citybus.
- Additionally, we offered invaluable experiences to students to assist with crowd control in key service areas, including Fanling Station and Heung Yuen Wai Port, where they provided essential support to customers in need.
- We partnered with Ebenezer New Hope School, Hong Kong’s only institution providing education, rehabilitation, and boarding services for students with visual impairment and intellectual disabilities to create the first “Barrier-Free Bus Classroom”.
- We donated essential bus components and invited a local artist to create a mural with visually impaired students, allowing them to practice taking a “bus” in a safe and controlled simulated environment, achieving our vision of barrier-free travel.

Transportation business

Charitable Events in FY2024

Bus Parade cum Exhibition for Celebrating 75th Anniversary of Founding of the PRC






- Together with the Transportation Department, Citybus co-organised a Bus Parade cum Exhibition to celebrate the 75th anniversary of the founding of the PRC.
- A total of 4 buses were presented in the parade to showcase the evolution of franchised buses, including the first HK hydrogen and electric double-deck bus, our 1990s Retro-livery Diesel bus, and our open-top bus wrapped in the PRC 75th Anniversary Celebration theme. Members of the public enjoyed the sight of the buses along the route across the districts.
- A total of 4 buses were presented in the exhibition, including our first HK hydrogen double-deck bus, 1990s Retro-livery Diesel bus, 1970s Leyland Fleetline non-air-conditioned retro bus in the ex-New World First Bus livery, and 1980s Leyland Atlantean non-air-conditioned retro bus. Apart from this, a total of 40 valuable buses of different styles and about 20 bus-related exhibits were available for visitors' viewing. This exhibition attracted over 100,000 visitors.

"HK City Sightseeing" X Festive Celebration



- We launched "HK City Sightseeing" as the brand-new tourism brand for Hong Kong, supporting the tourism industry and introducing the new sightseeing passes under the new "Citybus+" brand, serving as the "connector" to multiple boundary control points, the airport, and across the entire city.
- Meanwhile, in celebration of Citybus's 45th anniversary and Christmas, we introduced the "Christmas Illumination Route" to provide a delightful winter art journey for our customers. The Christmas-themed open-top bus named "Chilling Spectre Roadster", featuring pixelated snowflakes and festive decorations, ran for a limited time to spread joy across the street and offer citizens and tourists an unforgettable experience.

Transportation business

Charitable Events in FY2024	Contribution
<p>Christmas-themed Open-Top Bus Night Tours</p> 	<ul style="list-style-type: none"> In December 2024, we partnered with Treats and the Society for Community Organisation, to organise two Christmas-themed open-top bus journeys for underprivileged families and SEN children. We presented delightful Christmas candy packs and open-top bus-themed souvenirs to participants for festive sightseeing trips.
<p>Disabilities and Elderly “Free Ride Day”</p> 	<ul style="list-style-type: none"> On the International Day of Persons with Disabilities in November 2024, we offered free rides on all routes to disabled passengers presenting a “Registration Card for People with Disabilities” or using a personalised Octopus with “Persons with Disabilities Status” and one accompanying carer to promote social inclusion and encourage barrier-free travel. We continued to provide free rides for elderly aged 65 or above on Elderly Day.
<p>Sponsorship for Environmental Campaigns Organised by the Non-Governmental Organisations (“NGOs”)</p> 	<ul style="list-style-type: none"> In 2024, we provided advertisement sponsorships to various NGOs to utilise our bus shelter ETA panels, in-bus passenger message panels, and bus exteriors to raise public awareness about climate change and carbon emissions, including : <ul style="list-style-type: none"> WWF-HK’s “Earth Hour 2024”; EcoDrive HK’s “Carbon Reduction Action” campaign; and Green Earth’s “The Green Earth Night Walk 2025”.

Media and advertising business

Charitable Events in FY2024

ReThink HK 2024



- Bravo Media supported ReThink HK 2024 as the “Eco Savvy” Media Partner, featuring a panel discussion to share insights on “Communicating with Consumers to Co-create Change” and showcasing our expertise in engaging consumers with sustainable advertising solutions.

Support HK2A ESG Marketing Excellence
Award 2024

- Bravo Media was thrilled to be the media sponsor for the “HK2A ESG Project Promotion Award 2024” convened by the Hong Kong Advertisers Association, which aimed to encourage young people to unleash their creativity by developing innovative and feasible ESG marketing plans.
- Bravo Media’s Managing Director, Richard Petignaud, served as a judge for the competition, joining hands to nurture the next generation.

Invitation by the School of Communication of
the Hong Kong Baptist University

- Bravo Media was invited by the School of Communication of the Hong Kong Baptist University to participate in a survey result presentation session relating to the research on advertising.
- We have engaged with the students to share insights relating to OOH advertising to deepen their understanding of the effectiveness of bus body advertising and nurture young creative talents.

Media and advertising business

Charitable Events in FY2024

Fund-raising for the Methodist Epworth Village Community Centre Social Welfare



Contribution

- We supported the elderly and young children in our community by making a generous donation to the Methodist Epworth Village Community Centre Social Welfare.

“Lunch & Learn” Session on Digital Marketing Strategies and Measurement



- As part of our ongoing commitment to employee development and knowledge sharing, we hosted a Lunch & Learn session focused on Digital Marketing Strategies and Measurement and launched an insightful dialogue on the latest trends in digital marketing and effective impact measurement.
- The training supported our employees’ continuous learning and aligned with our broader ESG objectives of fostering an informed, innovative, and forward-thinking workplace.

DIY Workshop with “Mama Pai”



- In July 2024, we invited “Mama Pai”, a local women’s handicraft brand, to host a DIY workshop to provide our employees with the opportunity to create their own leather coin purses and sew small storage pouches.
- A total of HK\$2,400 was donated to the Methodist Epworth Village Community Centre to support women’s employment in the society.

The details of outstanding social awards for FY2024 are listed below:



Issuing Parties	Schemes	Awards
Terminal storage business and trading business		
Ministry of Transport of the PRC, Ministry of Human Resources and Social Security of the PRC, All-China Federation of Trade Unions and Communist Youth League of China	2024 National Vocational Skills Competition – The 15 th National Transport Industry Fluid Loading/ Unloading Operators Vocational Skills (Finals)	4 th Place in the Team Category
Guangdong Provincial Department of Transportation	2024 Guangdong Provincial Transport Industry Fluid Loading/Unloading Operators Vocational Skills Competition	Silver Medal in the Team Category
Dongguan Municipal Federation of Trade Unions	Dongguan Municipal “May 1 Labor Award” Recognition Event	May 1 Labor Award Certificate

Issuing Parties	Schemes	Awards
Transportation business		
The Hong Kong Council of Social Service	Caring Company Scheme	20 Years + Caring Company
The Hong Kong Management Association	2024 HKMA/ViuTV & Now TV Awards for Marketing Excellence	Excellence in Environmental Good
Hong Kong Joint Council for People with Disabilities	International Day of Persons with Disabilities	Award of Appreciation
Environmental Campaign Committee	Hong Kong Green Organisation Certification	Wastewi\$e Certificate – Good Level
		Energywi\$e Certificate – Good Level
		Hong Kong Green Organisation
British Safety Council	International Safety Award	Merit
Labour Department	Good Employer Charter 2024 & Supportive Family-friendly Good Employer	Signatory
Media and advertising business		
Hong Kong Commercial Times	2024 HKCT Business Awards	Most Outstanding Out-of-Home Marketing Services of the Year
Marketing-Interactive	The Spark Awards 2024	15 Accolades, including 5 Gold for the standout campaign “MTR Advertising: Queens’ Chill Rewards”
		WeChat Pay HK Campaign – Bronze for Media Team of the Year

KPI SUMMARY

ENVIRONMENTAL

		FY2024					FY2023		
		Terminal storage business	Trading business	Transportation business ¹	Media and advertising business ¹	Total	Terminal storage business	Trading business	Total
Indicators	Unit								
Emissions									
Air Pollutants ²									
Nitrogen Oxides (NO _x)	kg	487.79	119.48	327,757.91	27.17	328,392.35	1,793.72	23.89	1,817.61
Sulphur Oxides (SO _x)	kg	1.12	0.10	557.15	0.06	558.43	39.47	3.31	42.78
Particulate Matter (PM)	kg	36.46	11.35	23,574.91	2.53	23,625.25	207.31	2.49	209.80
GHG Emissions ³									
GHG Emissions (Scope 1) ⁴	tonnes of CO ₂ -e	1,705.24	17.50	95,357.31	10.98	97,091.03	226.95	34.45	261.40
GHG Emissions (Scope 2) ⁵	tonnes of CO ₂ -e	452.52	136.44	2,762.46	40.22	3,391.64	2,955.16	33.99	2,989.15
Total GHG Emissions	tonnes of CO ₂ -e	2,157.76	153.94	98,119.77	51.20	100,482.67	3,182.11	68.44	3,250.55
GHG Emissions Intensity	tonnes of CO ₂ -e/ employee	14.58	4.40	17.06	0.51	16.64 ⁶	21.95	2.36	18.68 ⁶
	tonnes of CO ₂ -e/ thousand HK\$ revenue	0.017	0.00009	0.06	0.0003	0.03	0.02	0.000003	0.003
	tonnes of CO ₂ -e/ thousand tonnes of terminal throughput	0.47	–	–	–	–	0.67	–	0.67
Waste									
Hazardous Waste									
Hazardous Wastes Generated	tonnes	70.25	–	165.87	0.08	236.20	24.64	–	24.64
Hazardous Wastes Generated Intensity	tonnes/employee	0.47	–	0.03	0.0008	0.04	0.17	–	0.14
	tonnes/thousand HK\$ revenue	0.0005	–	0.0001	0.0000004	0.00007	0.0002	–	0.00003
	tonnes/thousand tonnes of terminal throughput	0.02	–	–	–	–	0.005	–	0.005
Non-hazardous Waste									
Non-hazardous Wastes Generated	tonnes	3.89	3.93	704.50 ⁷	87.53	799.85	5.84	0.06	5.90
Non-hazardous Wastes Generated Intensity	tonnes/employee	0.03	0.11	0.12	0.87	0.13	0.04	0.002	0.03
	tonnes/thousand HK\$ revenue	0.00003	0.000002	0.0005	0.0005	0.0002	0.00004	0.00000007	0.000006
	tonnes/thousand tonnes of terminal throughput	0.0009	–	–	–	–	0.001	–	0.001

PEOPLE-ORIENTED	RESPONSIBLE BUSINESS OPERATIONS	SUSTAINABLE ENVIRONMENTAL STEWARDSHIP	EMPOWERING COMMUNITIES	KPI SUMMARY
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		FY2024					FY2023		
		Terminal storage business	Trading business	Transportation business¹	Media and advertising business¹	Total	Terminal storage business	Trading business	Total
Indicators	Unit								
Use of Resources									
Energy									
Direct energy consumption ^a									
Petrol	MWh	574.06	63.59	15.78	–	653.43	172.14	86.20	258.34
Diesel	MWh	167.96	–	370,377.85	42.67	370,588.48	643.68	46.64	690.32
LPG ⁹	MWh	–	–	–	–	–	98.06	–	98.06
Towngas	MWh	–	–	17.03	–	17.03	–	–	–
Hydrogen	MWh	–	–	33.70	–	33.70	–	–	–
Indirect energy consumption ^a									
Electricity	MWh	729.28	218.80	4,467.85 ¹⁰	60.94	5,476.87	3,531.92	44.98	3,576.90
Total Energy Consumption	MWh	1,471.30	282.39	374,878.51	103.61	376,735.81	4,445.80	177.82	4,623.62
Energy Consumption Intensity	MWh/employee	9.94	8.07	65.16	1.03	62.40	30.66	6.13	26.57
	MWh/thousand HK\$ revenue	0.01	0.0002	0.24	0.0005	0.11	0.03	0.0002	0.005
	MWh/thousand tonnes of terminal throughput	0.32	–	–	–	–	0.94	–	0.94
Water									
Water Consumption	m³	71,105	329	66,133	44	137,611	75,401	332	75,733
Water Consumption Intensity	m³/employee	480	9	11	0.44	23	520	11	435
	m³/thousand HK\$ revenue	0.55	0.0002	0.04	0.0002	0.04	0.52	0.0004	0.08
	m³/thousand tonnes of terminal throughput	16	–	–	–	–	16	–	16

Notes:

- The Transportation and Media and advertising businesses were newly acquired on 31 July 2024. As a result, the data for these entities only covered the period from August to December of FY2024.
- The air emissions calculations were based on the emission factors in “How to prepare an ESG Report — Appendix 2: Reporting Guidance on Environmental KPIs” issued by the SEHK.
- GHG emission data was presented in terms of carbon dioxide equivalent and calculated with reference to (including but not limited to) “The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standards” issued by the World Resources Institute and the World Business Council for Sustainable Development, “How to Prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs” issued by the SEHK, the “Global Warming Potential Values” from the IPCC 6th Assessment Report (AR6), the “Hong Kong Electric Investments Sustainability Report 2023” by Hong Kong Electric Company Limited (“HK Electric”), the “Sustainability Report 2024 – ESG Databook” published by the CLP Power Hong Kong Limited (“CLP”), the “Environmental, Social and Governance Report 2023” issued by the Hong Kong and China Gas Company Limited, and the “2023 National Electricity Carbon Footprint Factor” issued by the Ministry of Ecological Environment of the PRC.
- Direct (Scope 1) GHG Emissions included GHG emission from sources that were owned or controlled by the Group.
- Energy indirect (Scope 2) GHG Emissions included GHG emissions from electricity, towngas and hydrogen purchased from external companies by the Group.
- The intensity data were calculated by dividing the total by either (a) the total number of employees, (b) the total thousand HK\$ revenue or (c) thousand tonnes of terminal throughput across all operating businesses, as applicable.
- Included 361.95 tonnes of non-hazardous waste that was recycled.
- The unit conversion of energy consumption was based on the conversion factors in “How to prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs” issued by the SEHK and the “Energy Statistics Manual” issued by the IEA.
- Due to the completion of “gas to electric power” in the staff’s canteen, there was no LPG consumption in FY2024.
- Electricity for the Transportation Business during FY2024 included: 4,378.08 MWh for on-site operation; 89.77 MWh for electric vehicles.

SOCIAL

Indicators	Unit	FY2024				FY2023 Terminal storage business & trading business
		Terminal storage business & trading business	Transportation business	Media and advertising business	Total	
Employment						
Total Workforce¹	No. of employees	183	5,753	101	6,037	174
By Gender						
Male	% of total employees	83%	92%	59%	92%	82%
Female	% of total employees	17%	8%	41%	8%	18%
By Age Group						
Age 30 or below	% of total employees	28%	10%	26%	10%	21%
Age 31-40	% of total employees	28%	13%	34%	13%	37%
Age 41-50	% of total employees	31%	21%	27%	21%	25%
Age 51 or above	% of total employees	13%	56%	13%	56%	17%
By Employment Type						
Full-time	% of total employees	99%	83%	98%	84%	100%
Part-time/Contract/Short-term	% of total employees	1%	17%	2%	16%	–
By Employment Category						
Senior Level ²	% of total employees	3%	1%	9%	1%	7%
Middle Level ³	% of total employees	15%	1%	17%	2%	15%
General and Technical Staff	% of total employees	82%	98%	74%	97%	78%
By Geographical Region						
Hong Kong	% of total employees	7%	100%	100%	97%	9%
The PRC	% of total employees	93%	–	–	3%	91%
Employee Turnover Rate						
By Gender⁴						
Male	%	11%	20%	32%	20%	8%
Female	%	26%	24%	49%	27%	14%
By Age Group⁴						
Age 30 or below	%	8%	26%	65%	26%	12%
Age 31-40	%	31%	23%	40%	24%	10%
Age 41-50	%	5%	19%	22%	19%	9%
Age 51 or above	%	8%	20%	15%	20%	7%
By Geographical Region⁴						
Hong Kong	%	–	21%	39%	21%	7%
The PRC	%	15%	–	–	15%	8%
Health and Safety						
Number of Work-related Fatalities Occurred	No. of fatalities	–	–	–	–	–
Lost Days Due to Work Injury	No. of days	–	7,930	–	7,930	44
Work-related Injuries Ill Health	No. of injuries	–	190	–	190	1
Work-related Ill Health	No. of cases	–	–	–	–	–

PEOPLE-ORIENTED	RESPONSIBLE BUSINESS OPERATIONS	SUSTAINABLE ENVIRONMENTAL STEWARDSHIP	EMPOWERING COMMUNITIES	KPI SUMMARY
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Indicators	Unit	FY2024				FY2023
		Terminal storage business & trading business	Transportation business	Media and advertising business	Total	Terminal storage business & trading business
Development and Training						
Total Training Hours	No. of hours	2,167.00	41,413.20	99.00	43,679.20	6,418.00
Percentage of employees received training						
By Gender⁵						
Male	% of total male employees	61%	60%	97%	60%	95%
Female	% of total female employees	74%	68%	100%	71%	81%
By Employment Category⁵						
Senior Level	% of total employees in Senior Level	67%	78%	78%	74%	92%
Middle Level	% of total employees in Middle Level	89%	100%	100%	97%	68%
General and Technical Staff	% of total General and Technical Staff	59%	59%	100%	60%	97%
Composition of Employees Received Training						
By Gender⁶						
Male	% of total employees received training	81%	91%	59%	90%	85%
Female	% of total employees received training	19%	9%	41%	10%	15%
By Employment Category⁶						
Senior Level	% of total employees received training	5%	1%	7%	1%	7%
Middle Level	% of total employees received training	21%	2%	17%	3%	11%
General and Technical Staff	% of total employees received training	74%	97%	76%	96%	82%
Average Training Hours Received						
By Gender						
Male	No. of hours	12	7	1	7	40
Female	No. of hours	10	11	1	10	24
By Employment Category						
Senior Level	No. of hours	6	9	1	7	26
Middle Level	No. of hours	18	19	1	16	27
General and Technical Staff	No. of hours	11	7	1	7	40

Indicators	Unit	FY2024				FY2023
		Terminal storage business & trading business	Transportation business	Media and advertising business	Total	Terminal storage business & trading business
Supply Chain Management						
By Region						
Hong Kong	No. of suppliers	–	2,332	149	2,481	–
The PRC, Taiwan and Macau	No. of suppliers	50	30	–	80	87
Asia and Asia Pacific (including India, South Korea, Australia, Malaysia, Singapore and New Zealand)	No. of suppliers	–	9	–	9	–
Europe	No. of suppliers	–	82	–	82	–
The United States	No. of suppliers	–	10	–	10	–
Africa	No. of suppliers	–	1	–	1	–
Product Responsibility						
Customers Complaints Received	No. of complaints received	1	4,093	–	4,094	–
Anti-corruption						
Concluded Legal Cases	No. of cases	–	–	–	–	–
Number of employees received training						
Senior Level	No. of employees	6	1	2	9	12
Middle Level	No. of employees	23	5	8	36	26
General and Technical Staff	No. of employees	147	78	11	236	133
Number of training hours^a						
Senior Level	No. of hours	20	1	2	23	25
Middle Level	No. of hours	40	5	8	53	30
General and Technical Staff	No. of hours	109	78	11	198	98

Notes:

1. Total number of employees (as at 31 December, 2024) in FY2024 = Total number of employee as at 1 January, 2024 + the change in the number of employees in FY2024 (Employee gain during FY2024 + Employee loss during FY2024).
2. “Senior Level” refers to the Board of Directors, chief executive officer, chief financial officer, chief operating officer, managing director, department director etc.
3. “Middle level” refers to regional manager, branch manager, operation manager, project manager, department manager, team leader, etc.
4. The calculation method of turnover rate by category: (Total number of employees who left in a specific category within the reporting year ÷ Total number of employees in the specific category as at 31 December, 2024) × 100%.
5. The calculation method of the percentage of employees who received training by category = (Total number of employees trained in a specific category ÷ Total number of employees in the specific category as at 31 December, 2024) × 100%.
6. The calculation method of the composition of employees who received training by category = (Total number of employees trained in a specific category ÷ Total number of employees who received training in FY2024) × 100%.
7. The calculation method of the average training hour per employee by category (hours) = (Total training hours completed by the number of employees in a specific category ÷ Total number of employees in the specific category as at 31 December, 2024) × 100%.
8. Total training hours = Duration of training session x Number of employees trained.