Hong Kong 香港 · Macau 澳門

Lai Si Construction

Lai Si Enterprise Holding Limited (Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2266)

2024

Environmental, Social and Governance Report

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ABOUT THE GROUP

Lai Si Enterprise Holdings Limited (the "Company") and its subsidiaries (collectively the "Group") possess more than 30 years' expertise in the renovation and construction sector, delivering high-quality renovation works, construction projects, and repair and maintenance services throughout Macau and Hong Kong. Our distinguished clientele includes hotels, casinos, international retailers, food and beverage establishments, and government departments. Demonstrating our commitment to excellence, the Group holds prestigious international certifications: ISO9001:2015 Quality Management System, ISO14001:2015 Environmental Management System, and ISO45001:2018 Occupational Health and Safety Management System. We consistently undertake major projects, including developments for foreign-invested entertainment venues, hotel construction, government initiatives, and works for commercial and social organisations. As of 31 December 2024, the Group has successfully delivered 24 projects and secured 26 new contracts.

Following Macau's economic revival and the complete lifting of border restrictions, the Group has capitalised on emerging market opportunities to expand operations strategically. Building upon our strong local presence and extensive resources, we continuously enhance corporate governance whilst nurturing robust relationships with clients and suppliers. Throughout 2024, we have successfully embedded sustainability principles into our business operations and management, achieving notable progress in environmental, social, and governance ("ESG") initiatives. Moving forward, the Group remains committed to enhancing our ESG framework, fostering stakeholder engagement, seizing market opportunities, delivering superior construction services, and championing sustainable development.

ABOUT THE REPORT

Lai Si Enterprise Holdings Limited is pleased to present its 2024 Environmental, Social and Governance Report ("ESG Report"). This report details our strategies, initiatives, and achievements in sustainable development during the year 2024 (1 January to 31 December 2024), demonstrating the Group's commitment to environmental and social responsibility. The report is published in both Chinese and English and is available on the Hong Kong Stock Exchange and the Group's website (www.lai-si.com).

REPORTING BOUNDARY

This report covers the Group's core businesses in Macau and Hong Kong, including renovation, construction, and repair and maintenance works. Environmental data is primarily derived from operational data from offices in both locations. To enhance transparency, we continuously optimize our data collection system and will expand the reporting scope when appropriate.

REPORTING PRINCIPLES

This report is prepared in accordance with Appendix C2 Environmental, Social and Governance Reporting Guide of the Hong Kong Stock Exchange Listing Rules, strictly adhering to all disclosure requirements. We uphold the following reporting principles:



ABOUT THE REPORT



OPINION AND FEEDBACK

The Group values all stakeholders' opinions on its ESG performance and governance. If you have any suggestions or questions regarding this report and other ESG matters, please contact the Group through the following channels:

Address: Macau Lai Si Enterprise Center, 54 Rua da Ribeira do Patane, Macau Tel: (853) 2855 9783 Fax: (853) 2830 9173 Email: info@lai-si.com



To promote the organic integration of sustainable development concepts with the Group's business development, the Group continued to optimize its ESG governance structure in 2024, with the Board of Directors directly leading the ESG Working Group, taking full responsibility for the supervision, decision-making, and management of ESG-related matters.

The Board of Directors (the "Board") serves as the highest decision-making body for ESG matters, formulating and overseeing the implementation of ESG development strategies, objectives, and policies, as well as assessing and managing related risks. During the year, the Board regularly reviewed ESG work progress and maintained close communication with stakeholders. To ensure the effectiveness of ESG management, several specialized committees were established under the Board, with the Audit Committee responsible for evaluating the effectiveness of risk management and internal control systems. The ESG Working Group actively implemented various ESG policies and measures in 2024, regularly reporting work progress, performance results, and future development recommendations to the Board.

STRUCTURE OF ESG WORKING GROUP

Leader: Chairman of the Board

• Target setting – Set annual targets considering the societal and environmental context, as well as the Group's capabilities

Vice Leader: CEO and Board Secretary

• Data analysis and management - Analyse and monitor relevant data with reference to the annual targets, and formulate and coordinate corresponding action plans

Member: Deputy managers and relevant department heads

• Data collection - Collect relevant data and assist the preparation of action plans, including conducting planning meetings and allocating appropriate resources



ESG RISK MANAGEMENT

In 2024, the Group actively integrated ESG elements comprehensively into its risk management framework. To ensure sustainable business development, we established a systematic risk management process under the Board's supervision and guidance. Through regular assessment and identification of significant ESG risks and opportunities, we successfully strengthened the Group's risk control capabilities, laying a solid foundation for sustainable development.

	Considerations	Management Approaches
Risk management procedures	Severity of the risk impact on the Company's financial performance	 <i>Risk elimination:</i> Implementing changes or controls to eliminate the risk <i>Risk mitigation:</i> Formulating and implementing risk management plan to reduce the likelihood, velocity or severity of the risk to an acceptable level
	Probability of risk occurrence	 <i>Risk retention:</i> Monitoring and managing the risk within acceptable level continuously and accounting it as part of the risk management plan



Through risk assessment procedures, the Group identifies and evaluates various ESG-related risks, including key areas such as climate change, occupational health and safety, talent management, supply chain management, and business ethics. For each identified risk, we have developed corresponding management measures and monitoring mechanisms, and regularly review their effectiveness to ensure risks are effectively controlled. The following are the main ESG risks for this year:

Types of Risks	Risk Description	Corresponding Measures
Compliance Risk	Insufficient understanding of local laws and regulations for overseas operations may result in the risk of penalties or litigation from relevant law enforcement agencies.	• Consult local legal advisors and professional corporate service institutions regarding local regulations to establish comprehensive compliance procedures.
Human Resource Management Risk	Over-reliance on foreign workers, coupled with failure to timely renew work permits or unsuccessful foreign worker quota applications, may lead to staff shortages causing project delays; or necessitate hiring local workers at high salaries, resulting in increased operational costs.	• Maintain close communication with the Labor Affairs Bureau to help authorities understand operating units' needs for foreign workers; and Actively support and participate in activities organized by the Labor Affairs Bureau.

COMPLIANCE MANAGEMENT

As a responsible corporate citizen, the Group adheres to the core concept of compliance operations, viewing it as a crucial cornerstone for sustainable business development. We deeply understand that non-compliance not only harms the Group's interests but also affects stakeholders' rights and may lead to serious civil and criminal liabilities. Therefore, we have established a comprehensive compliance management system, led by the Audit Committee, continuously implementing and optimizing internal control mechanisms to ensure business operations comply with all applicable legal and regulatory requirements.

During 2024, the Group maintained good compliance records across environmental, social, and governance aspects, with no identified violations of laws and regulations, nor any corruption litigation cases involving the company or employees. These results validate our efforts in compliance management.



The Group strictly complies with relevant laws and regulations, including but not limited to the following:

Social aspect	
Employment system	
Macau: • Labour Relations Law	 Hong Kong: Employment Ordinance Employee's Compensation Ordinance Occupational Safety and Health Ordinance Minimum Wage Ordinance
Occupational health and safety	
 Macau: Decree No. 57/82/M Decree No. 37/89/M Decree No. 13/91/M Decree No. 44/91/M Decree No. 67/92/M Decree No. 34/93/M Decree No. 48/94/M Law No. 2/83/M Law No. 3/2014 Occupational safety and health-related International Labour Organisation Conventions applicable to Macau 	Hong Kong: • Occupational Safety and Health Ordinance
Supply chain management	
 Macau: Decree No. 57/82/M Decree No. 37/89/M Decree No. 13/91/M Decree No. 44/91/M Decree No. 67/92/M 	 Decree No. 34/93/M Decree No. 48/94/M Law No. 2/83/M Law No. 3/2014 International Labour Organisation Conventions applicable to Macau

Product responsibility

Macau:

- Decree No. 57/82/M
- Decree No. 37/89/M
- Decree No. 13/91/M
- Decree No. 44/91/M
- Decree No. 34/93/M
- Decree No. 48/94/M
- Law No. 2/83/M
- Law No. 3/2014 Hong Kong:
- Decree No. 67/92/M
- Decree No. 34/93/M
- Decree No. 48/94/M
- Law No. 2/83/M
- Law No. 3/2014
- Commercial Code
- Macau Cybersecurity Law
- International Labour Organisation Conventions applicable to Macau

Anti-corruption

Macau:

- Penal Code
- Prevention and Suppression of Bribery in Private Sector

Hong Kong:

• Intellectual Property Laws

Hong Kong:

• Prevention of Bribery Ordinance



Environmental aspect

Macau:

- Guideline for Waste Classification of the Environmental Protection Bureau
- Decree No. 62/95/M
- Decree No. 44/91/M
- Law No. 2/91/M
- Decision No. 78/GM/95
- Executive Order No. 4/2006
- Administrative Regulation No. 24/2016
- Administrative Regulation No. 15/2016
- Administrative Regulation No. 28/2004
- Administrative Regulation No. 22/2020

Hong Kong:

- Waste Disposal Ordinance
- Waste Disposal (Chemical Waste) (General) Regulation
- Dangerous Goods Ordinance
- Dangerous Goods (Application and Exemption) Regulation
- Dangerous Goods (General) Regulations

In 2024, the Group continued to uphold principles of open and transparent communication, actively establishing close interactions with various stakeholders. We deeply understand that stakeholder engagement is crucial for developing effective ESG strategies, not only contributing to corporate sustainability but also promoting long-term business success. Through multi-dimensional interactions, we gained an in-depth understanding of stakeholders' needs and expectations, enabling more precise identification and response to ESG-related risks and opportunities.

COMMUNICATION CHANNELS

To ensure effective communication with stakeholders, we adopted a comprehensive communication strategy this year, establishing diverse dialogue platforms:

Employees

• Establishing two-way communication channels through internal meetings, emails, employee training and activities, etc., to ensure employment management is in line with employees' expectations.

Shareholders/Investors

• Updating the Group's latest business operation through Annual General Meetings, Extraordinary General Meetings, the Group's website and publications, etc., to enhance information transparency.

Suppliers

• Ensuring the service and product quality of suppliers could meet the standards of both parties through regular meetings, on-site inspections and evaluations, etc.

Customers

• Collecting feedback on the Group's services and operations through customer satisfaction surveys, emails and telephone calls, etc., to improve customer satisfaction.

Community

• Promoting social development through community and volunteering services, charitable and community investment activities, etc.





MATERIALITY ASSESSMENT

In 2024, the Group launched a comprehensive stakeholder engagement program, commissioning professional independent consultants to conduct in-depth questionnaire surveys and analysis. Through scientific materiality assessment methods, we systematically identified and evaluated the ESG issues most impactful to the Group and stakeholders. These material issues not only provided guidance for this report's disclosure focus but also offered valuable reference for the Group's operational decisions and long-term development strategic planning. We believe this data-driven approach helps enhance the targeting and effectiveness of ESG management.

Identification

Identified 15 issues related to the Group's business based on the reporting guidelines, market trends, industry benchmarks, etc., covering 4 major areas of "Environmental Protection". "Employment and Labour Practices", "Operating Practices" and "Community".

Prioritisation

Invited internal and external stakeholders. including employees. suppliers and general public, to participate in the questionnaire survey and rate the importance of issues to the individual and the Group's business. Prioritisation was conducted according to the analysis results, in which 7 material issues were determined.

Validation

The materiality assessment results were confirmed after review by the senior management and the Board.





2024 MATERIALITY ASSESSMENT RESULT



During the year, stakeholders' primary concerns remained focused on "Employment and Labour Practices" and "Operating Practices," with "Occupational Health and Safety" and "Product and Service Quality and Safety" being the most significant issues for all stakeholders. This report has structured its framework based on the above analysis results, making targeted disclosures. To ensure its ESG management and performance meet stakeholder expectations, the Group will continue to review and refine its materiality assessment to enhance understanding of stakeholder perspectives and opinions.

In 2024, the Group adhered to a "people-oriented" talent management philosophy, viewing employees as the core driving force for continuous corporate success and development. We actively built safe, healthy, and fair work environments for employees, continuously optimized compensation and benefits systems, and maintained investment in employee career development. We focused on fostering a corporate culture of mutual respect and diversity, successfully enhancing employees' professional standards, work enthusiasm, and team cohesion.

SAFE AND SUPPORTIVE WORKPLACE

OCCUPATIONAL HEALTH AND SAFETY Policies Objectives and description • Industrial Safety Management Plan • Realise compliant and effective safety management for employees • Inhouse OSH Guidelines • Realise compliant and effective safety management for employees • Operation Monitoring Procedures (Environment, Occupational Safety and Health Management) • Secure a safe and healthy workplace for employees

- OHS Risk Analysis
- Emergency Preparedness and Response

Regarding occupational health and safety management, the Group deeply understands the high safety risks in the construction business. To address this, we continued implementing ISO45001:2018 occupational health and safety management system requirements in 2024, establishing and executing comprehensive safety management policies. Through establishing rigorous safety monitoring mechanisms, regular risk assessments, and preventive measures, we effectively reduced workplace accident rates and successfully promoted a safety-first corporate culture. During the year, our safety management measures achieved significant results, further consolidating the Group's good reputation in the industry.





	Comprehensive of	ccupational health and safe	ety management system	
	Goal: achieving zero work-	related injuries, minimising	potential health and safety risk	s
Health and Safety Committee	 Safety Management Depart Responsible for regularly regular	rtment; reporting the results of sal and the Board; ng health and safety polici n and training, and reinfo ly supervising the working	ration Department, Project Ma Fety assessments, any accident si es and guidelines, monitoring p rcing internal health and safety g environment of construction s	ituations and potential risks erformance of departments, management; and
	5 0	occupational safety w	vork	
Management commitments	Safe work practices	Effective work-related injury management	Safe working environment	Continuous improvement of management system

Under the occupational health and safety management system mentioned above, the Group has implemented the following safety measures:

Preventing safety risks	 Conduct regular safety assessments to evaluate the existing systems and measures, and implement corrective measures for possible loopholes; and Carry out classified management according to the consequences of risks, likelihood of occurrence and legal regulations, and adopt corresponding control, improvement and preventive measures to reduce the risks.
Enhancing safety protection	 Arrange compulsory occupational safety and health training for all employees, to enhance their understanding of health and safety policies, equipment operation techniques, and personal protective equipment, and assist employees to perform their duties safely; Stipulate the work requirement of having a valid Occupational Safety Card; Offer medical insurance and compensation insurance as additional health guarantees to employees; and During the Year, representatives of the Group have participated in the "Seminar on Occupational Safety Strategies for SMEs in the Construction Industry", to advance its internal occupational health and safety management and training.



The Group places high importance on occupational safety and health, consistently striving to provide a safe working environment for employees. This year's workplace injuries and lost workdays remained at low levels, and encouragingly, the Group has not experienced any work-related fatalities in the past three years. These results reflect our continued efforts and commitment to occupational safety and health management.

TRAINING AND DEVELOPMENT

We deeply understand the importance of talent to corporate development, and in 2024, continued our commitment to cultivating employees' professional capabilities and career development. Through a comprehensive training system, the Group actively invested in enhancing employees' knowledge and skills, ensuring employees could grow together with the enterprise.



To ensure training relevance and effectiveness, we integrated resources from the Safety Department, Technical Department, and Human Resources and Administration Department, systematically planning and implementing various training programs based on business development strategies and employee needs. We provide comprehensive orientation training and Employee Handbooks for new employees to help them quickly integrate into the work environment, while also offering continuous learning opportunities for current employees to support their career development and promotion planning.

Employee training programmes

- Health and safety training
- Environmental policy training
- Introduction of new equipment and tools
- Quality assurance training
- Quality management training

- Board training
- Internal policy training
- Strategy training for the construction market
- Training for labour legislation in Macau
- Training for tax legislation in Macau

The Group values training effectiveness evaluation and employee development planning. To ensure training quality, we conduct comprehensive assessments after each training course, including examining employees' understanding and practical performance. Through these assessment results, we continuously optimize training content and methods. Regarding career development, the Group implements an annual performance appraisal system, comprehensively evaluating employees' work performance and professional capabilities, using this as an important basis for promotion and salary adjustments, providing employees with clear career development paths.

In 2024, our training programs achieved significant results, with 69 employees participating in various training activities, achieving an employee training coverage rate of 46.9% and average training hours of 1.06 hours per person. These figures fully demonstrate the Group's continued investment and efforts in talent development.

Average training hours (by g	ender)			2024 ((Units: hour)
Male					1.26
Female					0.19
Total					1.06
Total number of employees t	rained (by emp	loyment category		2024 (U	nits: person)
General employees					1.21
Middle management					0
Senior management					0
C-level executives					0
Total					1.06



RESPECTFUL EMPLOYMENT ENVIRONMENT Policies **Objectives and description** Staff Handbook Realise compliant and effective employment • • Human Resources and Payroll Policy management • Support the Group's protection of employees' Management Regulations on the Ban on Using • • Child Labour and Underage Workers legal rights and interests in various aspects such as Management System for the Ban on Forced Labour recruitment, promotion and dismissal, compensation Board Diversity Policy and welfare, working hours and holidays, equality and diversity, etc.

• Clearly state the definition and description of terms of employment in management documents to assure that employees are fully aware of their rights and obligations





In 2024, the Group continued to uphold excellence in employment management principles, viewing it as a cornerstone for long-term business development. As an enterprise with outstanding labor relations performance, we established comprehensive employment systems, strictly adhering to relevant regulatory requirements and maintaining fair and just recruitment, promotion, and compensation principles. Through regular review and optimization of employment systems, and continuous collection of employee feedback, we successfully maintained high employee satisfaction and further strengthened harmonious and trusting labor relations.

- Each department is required to submit a recruitment application based on its employment needs, upon approval, the Human Resources Department and the department are jointly responsible for recruitment and interview;
- Conduct legal recruitment through job advertisements in the Labour Affairs Bureau, public notice, human resources companies, employee referrals, etc.;
- Strictly uphold the principles of fairness, impartiality, openness and nondiscrimination throughout the employment process, in which all employment decisions are determined by individual's skill level;
- Initiate promotion based on the performance assessment of employees at the end of every financial year, serving as an encouragement to employees; and
- Implement dismissal procedures in compliance with local laws and regulations, in which signed confirmation by manager, director and employee are required.
- Offer a competitive basic salary and benefits package to employees, including year-end bonus, insurance benefit, Mandatory Provident Fund;
- Employee's compensation is based on personal qualification, relevant experience, position and seniority;
- Initiate salary increment based on the performance assessment of employees at the end of every financial year; and
- Conduct periodical reviews and adjustments to ensure the provision of reasonable compensation and welfare.

Recruitment, promotion and dismissal

> Compensation and welfare

Working hours and rest periods	 Clearly state in the entitled working hours and holidays in the employment contract for proper arrangement of rest periods; The Human Resources Department will check the attendance record on a monthly basis; and In addition to statutory public holidays, employees are granted leaves including annual leave, sick leave, marriage leave, compassionate leave, etc.
	• Provide employees with equal opportunities and respect differences in, but not
Equal opportunity, diversity and anti- discrimination	 Invited employees with equal opportunities use respect uncertained in, our not limited to, gender, ages, marital status, family conditions, sexual orientation and race; All employment treatments are based on the attitudes, skills and abilities of employees, any form of discrimination and harassment shall not be tolerated; Developed the Board Diversity Policy to advocate the recruitment of members with different gender, age, cultural and educational backgrounds, to build diverse management and workforce; Employees can report discrimination or unequal treatment to the senior department and management through channels such as the "Opinion Box"; and

• Carry out internal investigation on reports, impose corresponding penalties on violators, and publish the investigation results for public acknowledgement.





In 2024, the Group strictly complied with relevant laws and regulations, adhering to the highest standards in implementing labor policies. In human resource management, we consistently upheld principles of legal compliance, established comprehensive recruitment and employment systems, and developed a series of preventive measures and monitoring mechanisms to ensure the elimination of any form of child labor, forced labor, and illegal labor. Through regular internal audits and employee training, we effectively protected all employees' legal rights, further consolidating the Group's good reputation in labor rights protection.

• All employees are required to meet the minimum legal employment age in Macau and Hong Kong, and any child under the age of 15 is prohibited from employment;

Prevention of child labour

- The Human Resources Department is responsible for supervising recruitment applications, including confirming the authenticity of applicants' identification documents; and
- Carry out employee training to cultivate and raise awareness of eliminating child labour.
- Explicitly prohibit forced or involuntary labour in all forms of threats, coercion, imprisonment, withholding of identity documents, etc.;
- Clearly state all relevant employment conditions in the employment contract, and provide translated versions for foreign employees, to ensure employees' thorough understanding of their rights and obligations;
- Stipulate that overtime work should be voluntary and prohibit punishment or termination for employees who are unwilling to work overtime; and
- In case of overtime work, employees are required to submit a written record for signed confirmation from the department head or project manager, which overtime pay or compensation will be provided accordingly.
- Immediately contact and validate with the police when a suspicious case is detected;
- Adopt instant remedial measures upon the discovery of child labour, including sending the child to the police or place of residence, seeking confirmation and signature from his/he parents or guardians, and pursuing legal actions if necessary; and
- Employees can arise complaints for unethical or forced labour to the Human Resources Department, managers, director or other possible channels verbally or in written form, and investigation and response will be processed within one week.

Prevention of forced labour

Corrective measures in case of violation

As of 31 December 2024, the Group employed a total of 147 staff members, with only 1 part-time employee. The overall turnover rate for the year was 25.85%, whilst the new hire rate was 29.93%. The detailed employment data is as follows:

North and Control and a		2024
Number of employees		2024
Gender	Male	120
	Female	27
Age	Below 30 years old	17
	30-40 years old	37
	41-50 years old	30
Above 50 years old	63	
Employment type	Full-time	146
	Part-time	1
Employment type	Macau	57
	Hong Kong	12
	Mainland China	78
Employment type	General employees	129
	Middle management	11
	Senior management	3
	C-level executives	4
Total		147

EFFECTIVE INTERNAL COMMUNICATION

In 2024, the Group continued its commitment to building an open and transparent communication culture, providing diverse communication channels for employees to promote effective dialogue between management and staff. We firmly believe that good internal communication not only helps create a harmonious and inclusive work environment but also enhances operational efficiency and employee satisfaction.

During the year, we ensured employees stayed informed of the Group's latest developments through various channels including email, internal announcements, and regular meetings. Meanwhile, we established comprehensive feedback mechanisms allowing employees to express opinions and suggestions to management through different forms. The Human Resources Department regularly compiles and analyses collected feedback, discussing with relevant department heads to develop practical improvement plans.





To further protect employee rights, the Group has established an independent grievance mechanism where employees can file complaints with the Audit Committee. The Committee commits to completing investigations and submitting written reports within three months, ensuring fair and just handling of each case. We strictly implement confidentiality systems, protect whistleblowers' privacy, and explicitly prohibit any form of retaliation to safeguard employees' freedom of speech. These measures have effectively enhanced employees' trust in the company and promoted harmonious development of labour relations.

> Employees provide viewpoints or suggestions on aspects such as working environment

Implement corresponding improvement or follow-up measures

Department heads, managers and other relevant parties collect opinions and recommendations

Relevant departments or other internal parties review all colleted opinions and advices



In 2024, the Group continued to uphold the highest operational standards, dedicated to providing quality and safe services. Through a robust corporate governance framework and systematic internal control measures, we effectively identify and manage various operational risks, ensuring the stability and sustainability of our business operations. During the year, we continued to strengthen partnerships with our supply chain partners and, through strict compliance management, further enhanced the Group's market competitiveness and stakeholder confidence. These initiatives not only reinforced our professional reputation but also promoted long-term mutual development between the Group and all stakeholders.

OPERATION WITH INTEGRITY

Policies	Objectives and description		
Staff Handbook	• Maintain integrity and business ethics		
• Disciplinary Policy	• Provide clear definition of unethical behaviou		
	detailing preventive and monitoring measure		
	reporting channels, as well as appropriate		
	procedures for commercial secrecy, conflicts of		
	interest and computer usage		

In terms of business ethics, the Group adheres to principles of integrity and honesty, striving to maintain the highest ethical standards. We strictly enforce anti-corruption policies and eliminate all forms of improper business conduct, including bribery, extortion, fraud, and money laundering. Through the establishment and implementation of a series of rigorous management standards and measures, we continuously monitor and improve the effectiveness of relevant management systems to ensure business operations remain honest and fair.



- Establish the Code of Ethics and Conducts in the Staff Handbook, specifying the regulations for avoiding money laundering, conflict of interest, etc.; and
- As stipulated in the Disciplinary Policy, violators will be subject to a verbal or written warning, dismissal and report to local authorities according to the severity of breaching and conviction.





Implement shift work and team strategy based on the characteristics of positions to impede potential conflicts of interest and ensure fairness, minimising the risk of unethical operations.

Shift work:

Anti-corruption measures

Target positions with a higher risk of corruption and periodically re-assign relevant employees, which helps increase mobility and decrease the risk of corruption.

Team strategy

Delegate non-affiliated employees to perform important and risky tasks, such as bid evaluations and supplier site visits, to lower the possibility of conflicts of interest and transfer of benefits.

Whistle-blowing system

- Mandate the Human Resources Department to establish a whistleblowing system, in which a reporting hotline and e-mail are set up for internal and external stakeholders to report any suspicious activities or internal control process deficiencies;
- Respond immediately and investigate the reported case when received a report; and
- Enforce stringent confidential protection to personal information of the whistle-blower and investigation information, to secure the whistle-blower from any harm for reporting suspicious cases.

 Regularly organise anti-corruption training to provide employees with information on applicable laws, regulations, ethics and relevant guidelines related to their roles and responsibilities;

Anti-corruption training

- Raise employees' anti-corruption awareness through education, to ensure that employees are equipped with adequate knowledge and skills in maintaining professional conduct when handling cases; and
- During the Year, the Group has arranged an average of 1 hour of anti-corruption training for 6 employees.

PRODUCT RESPONSIBILITY

Policies	Objectives and description
Staff Handbook	• Define responsibilities, and outline planning,
Integrated Management System Manual	support, operation, performance evaluation,
Policy of Control of Records	internal audit and improvement procedures of
Quality Assurance Plan	product and service quality
Policy of Customer Satisfaction, Data Analysis and	• Provide monitoring measures and guidelines which
Continual Improvement	apply to all stakeholders involved in the operation
Corrective and Preventive Action	· Facilitate acknowledgement and compliance with
	relevant laws and regulations of all parties
	· Address and continuously improve product and
	service quality by developing corrective and

In 2024, the Group adhered to its customer-centric service philosophy, continuously pursuing excellence in quality and customer satisfaction. Through establishing a comprehensive quality management system, we continuously improved our service standards to ensure each project meets or exceeds customer expectations. We actively collected customer feedback and continuously optimized our service processes, further consolidating the Group's positive industry reputation and laying a solid foundation for sustainable development.

preventive measures

Qual	itv as	surai	ice
×			

- Develop the Integrated Management System ("IMS") in accordance with the ISO9001, ISO14001 and OHSAS18001 standards to foster systematic quality management, in which relevant policies and procedures are strictly implemented to ensure all products and services provided conform to quality and safety requirements;
- Regularly review the quality management system during management review meetings to guarantee the continual effectiveness of quality management and lower potential risks; and
- Formulate the Quality Assurance Plan for project progress and quality, to upgrade the Group's construction works:

Project director

- Regularly communicate with project managers and foremen to shorten the time for handling controversial issues; and
- Regularly assess safety issues and measures at the construction site with safety officers.

Project coordinator

- Record and document all quality-related issues; and
- Perform a final quality check on the project to confirm the requirements are fully fulfilled.

Project manager

- Monitor the project
 condition to ensure the
 progress and quality of the
 project have conformed
 with requirements stated in
 the contract; and
- Develop monitoring measures and ensure their implementation, and take appropriate actions in case of any non-compliance.

Project coordinator

- Conduct routine safety assessments at the construction site and assure the project has satisfied requirements in the safety control documents; and
- Provide employees with on-site safety training.



Protect intellectual property rights, customer privacy and data security

- Formulate relevant customer service management measures in accordance with the IMS, and actively communicate with customers to understand their expectations and opinions; Customer services Protect intellectual property rights, customer privacy and data security;
- As stipulated in the Policy of Customer Satisfaction, Data Analysis and Continual Improvement, responsible management and department are required to conduct a customer satisfaction survey at least once a year to facilitate continuous monitoring and improvement;
- Conduct evaluation and devise improvement plans after collecting and analysing data from the customer satisfaction survey and other relevant performance information; and
- As stipulated in the Corrective and Preventive Action, in case of receiving customer complaints, related departments would classify and proceed the case according to its authenticity and characteristics, for timely investigation and follow-up, in which corrective and preventive actions are implemented to ensure the issue is properly addressed.
- Formulate clear internal guidelines, measures and related monitoring methods in accordance with the laws, to ensure its respect for all intellectual property rights and prevent infringement of intellectual property rights, while strengthening the management of cybersecurity and data privacy;
- Develop the Policy of Control of Records under the IMS, in which all information and record are categorised into "General" and "Confidential" for management;
- Properly secure and set up access rights for confidential information, and strictly prohibit employees from disclosing confidential information, to protect customer information and data;
- Reduce the risk of data leakage and cyberattacks by installing firewalls, conducting real-time monitoring and regular inspection;
- As stipulated in the Staff Handbook, all download and use of software require approval from the Intellectual Technology Department and are strictly regulated, to safeguard the safety and integrity of computer hardware, software and information storage devices; and
- During the Year, the Group has organised 1 hour of cybersecurity training to improve employees' security awareness and vigilance.



During the year, the Group received no complaints against the Group or its employees regarding products and services, customer privacy, and intellectual property.

SUSTAINABLE SUPPLY CHAIN

Policies	Objectives and description
Subcontractor Working Guideline	• Facilitate conducting selection of suppliers and
Procedure on Management System	subcontractors and risk management in an orderly
Quality System Procedure	manner
Supplier Assessment Record	• Establish clear guidelines for the management and
Incident and Control of Non-conforming Procedures	control procedures of construction and fitting-out
	projects
	• Set out rating items of suppliers and
	subcontractors, covering their experience and past
	performance, management systems, environmental
	and occupational health and safety awareness, etc.
	• Specify appropriate requirements to regulate

• Specify appropriate requirements to regulate relevant responsibilities, and stipulate the compliance with related environmental and occupational safety regulations for all services, products and materials supplied

During the year, the Group deepened its strategic partnerships with suppliers and subcontractors, jointly committed to enhancing operational efficiency and promoting sustainable development. Through a comprehensive integrated management system, we systematically implemented supply chain management policies and regulations to ensure products and services meet the highest standards. Particularly in environmental and social risk management, we took proactive measures to identify, assess, and manage potential risks, working with partners to build a more resilient supply chain network. Our supplier management strategy not only ensures robust business operations but also makes positive contributions to the sustainable development of the entire industry.



Appoint the General Manager to conduct a fair evaluation of suppliers and subcontractors based on various objective factors, and carry out compulsory on-site inspections and quality assessments of materials and product samples for further verification; and

The review results and the list of approved suppliers and subcontractors need to be confirmed by the Director before selection, and then handed over to employees in the quality control unit for proper handling and archive.

Supplier evaluation

Supplier monitoring

- Carry out re-evaluation of suppliers annually to ensure suppliers and subcontractors have continued to fulfil the Group's requirements; and
- Terminate partnerships with high-risk suppliers who have scored less than 2 points in the Supplier Assessment Record.
- Develop management procedures related to service quality and traceability, to instruct identification and maintenance for inspection and testing of incoming materials and construction works throughout the project process, in order to facilitate quality control;
- Further proceed with non-conforming construction works and materials in accordance with the established procedures in the Incident and Control of Non-conforming Procedures; and
- Require all cooperating suppliers to sign and abide by the Subcontractor Working Guideline, so as to ensure compliance with the Group's environmental protection and occupational safety and health requirements, and avert environmental and social risks.



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ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024



During the year, the Group engaged a total of 725 suppliers to provide materials and services, among which 208 suppliers have obtained ISO 9001, ISO 14001, or ISO 45000 system certifications. The relevant supplier practices have been uniformly applied to all suppliers of the same category.

Total number of suppliers		2024
By geographical region	Macau	374
	Hong Kong	100
	Mainland China	238
	Overseas	13
Total		725
Suppliers ratio		2024
By nature	Hardware	216
	Service	508
	Others	1

GREEN PROCUREMENT

In 2024, the Group was committed to promoting sustainable development in the supply chain, with a focus on strengthening ESG risk control within the supply chain. Following ISO14001 standards, we established clear environmental procurement guidelines in our "Integrated Management System Manual," prioritizing suppliers with excellent environmental performance and incorporating eco-friendly products and processes as key considerations in procurement decisions. To further enhance the environmental performance of our supply chain, we actively promoted green practices by providing professional environmental training to suppliers and subcontractors, deepening their understanding of the Group's environmental policies and management requirements, thereby facilitating the effective implementation of environmental protection measures. These initiatives not only effectively reduced environmental risks but also laid a solid foundation for establishing a sustainable supply chain. By the end of 2024, two suppliers from Hong Kong successfully met our stringent environmental requirements.

OUR ENVIRONMENT APPROACH

The Group fully understands the importance of environmental protection and actively promoted Environmental, Social and Governance (ESG) initiatives in 2024. While ensuring stable business operations, we are committed to reducing our environmental impact and promoting sustainable development across economic, social, and environmental dimensions. In terms of environmental management, we strictly comply with relevant environmental laws and regulations, fully integrating environmental protection concepts into our daily operations and decision-making processes.

During the year, following the guidelines of the "Macao Environmental Protection Regulations (2010-2020)," we established and implemented a series of environmental targets and measures. Through our systematic environmental management approach, we achieved significant progress in various environmental aspects, including improving resource utilization efficiency, optimizing waste management, reducing pollutant emissions, and strengthening climate change response measures. These initiatives not only demonstrate our commitment to environmental protection but also lay a solid foundation for the Group's sustainable development.

Looking ahead, the Group will continue to enhance its environmental management system and plans to establish more specific environmental objectives in the coming year. Related discussions have commenced this year, and we will disclose further details in due course following the completion of internal assessments, to continuously improve the Group's environmental performance.

Aspects	Environmental targets	Progress
GHG emissions	Quantitative target relating to reducing	The Group plans to hold internal
	GHG emissions	discussions to set quantitative objectives,
Energy	Quantitative target relating to reducing	taking into account factors such as
	energy consumption	industry performance, the nature of
Water	Quantitative target relating to reducing	our business, and our environmental
	water consumption	performance in the past, present,
Waste	Quantitative target relating to reducing	and future. The Group will also keep
	waste	collecting and monitoring data, develop
		corresponding action plans, and regularly
		check the progress towards achieving



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these goals.



Policies

OUR ENVIRONMENT APPROACH

CLEAN ENVIRONMENT

Objectives and description

Operating Procedures for Internal Environmental Regulations Procedures to Identify Environmental Factors

. Facilitate management and minimise emissions and impacts on the environment

In 2024, the Group recognizes the environmental impact of the construction industry, and therefore we have fully implemented an environmental management system in our business operations. Through establishing and implementing a series of comprehensive environmental protection measures, we are committed to minimizing environmental pollution. We continuously strengthen emissions management and conduct regular environmental risk assessments to ensure that the environmental impacts of all operational activities are effectively controlled. Through establishing a rigorous monitoring mechanism, we closely monitor environmental indicators such as waste treatment, air pollutant emissions, and greenhouse gas emissions, effectively preventing pollution to air, water, and soil, fully demonstrating our commitment to environmental protection.

WASTE

In 2024, the Group continued to improve its waste management system, implementing comprehensive management strategies for various types of waste generated from business operations, including wastepaper, solid waste, construction waste, and paint. We strictly comply with relevant laws and regulations such as the "Construction Site Waste Classification Guidelines," establishing a comprehensive waste disposal mechanism to effectively prevent environmental pollution risks. Upholding the environmental concept of "waste reduction at source, resource recycling," we actively promote waste reduction, resource utilization, and harmless treatment measures. Through optimizing resource usage and enhancing recycling and reuse, we strive to reduce the environmental impact of our operations.

Reduction	Resourcefulness	Non-hazardousness
• During project preparation, the	• Categorizing waste into plastic	• Central collection and storage
project manager assesses the	bottles, aluminium cans, metal	of hazardous waste for delivery
material usage and conducts	cans, paper, used batteries and	to certified recyclers to
phased purchase to maximise	other solid waste to facilitate	appropriately dispose the waste.
utilisation and minimise waste;	recycling; and	
and	• Appointing a "wastepaper	
• Promoting digitalization in office	recycling coordinator" to	
operation for paper saving.	promote and ensure effective	
	recycling and reuse methods and	
	progress.	



OUR ENVIRONMENT APPROACH

During the year, the Group was committed to reducing waste generation. Through effective management measures, the non-hazardous waste generation amounted to 2,518.02 tonnes, with an average of 17.13 tonnes per employee. This figure showed a significant increase compared to the previous year, mainly due to the increase in projects and operational activities leading to more waste generation. Notably, through strict chemical management and environmentally friendly construction plans, the Group did not generate any hazardous waste during the year. Looking ahead, we will continue to optimize waste management processes, strengthen environmental education, enhance employee environmental awareness, and strive to achieve sustainable resource utilization.

Waste	2024	2023	2022	Units
Non-hazardous waste	2,518.02	419.00	841.98	tonnes
Non-hazardous waste	17.129	2.972	6.101	tonnes/employee
intensity				
Hazardous waste	0	0	0	tonnes
Hazardous waste	0	0	0	tonnes/employee
intensity				

AIR POLLUTANTS AND GREENHOUSE GASES

In 2024, the Group placed high emphasis on managing air pollutants and greenhouse gas emissions. We implemented proactive measures to address the environmental impact from vehicle usage and business travel in our daily operations. Through the implementation of the "Internal Environmental Regulatory Procedures" and "Environmental Factors Identification Procedures," we comprehensively promoted green operational strategies, including optimizing vehicle usage efficiency, encouraging eco-friendly travel methods, and promoting innovative communication modes such as video conferencing.

During the year, we further deepened our low-carbon operation concept, closely monitored international emission reduction trends, and formulated corresponding management policies based on regional emission reduction targets. To ensure effective implementation of environmental management measures, we specifically appointed energy management coordinators to oversee operational energy efficiency performance. Meanwhile, we allocated sufficient resources to environmental protection projects and continued to strengthen environmental awareness training for employees, thereby driving the Group towards a low-carbon future. Through these initiatives, we successfully achieved our carbon footprint reduction targets this year.




During this year, the Group's main air pollutant emissions consisted of nitrogen oxides, sulfur oxides, and respirable suspended particles. Among these, nitrogen oxide emissions increased compared to the previous year, mainly due to increased diesel usage. The detailed emission data is as follows:

Air Pollutants ¹	2024	2023	2022	Units
Nitrogen oxides	39.206	1.039	1.188	kg
Sulphur oxides	0.059	0.046	0.046	kg
Respirable suspended particulates	3.757	0.104	0.108	kg

In terms of greenhouse gas emissions, the Group's total emissions for this year amounted to 63.6 tonnes of carbon dioxide equivalent, with an intensity of 0.433 tonnes of carbon dioxide equivalent per employee, with both total greenhouse gas emissions and intensity remaining at similar levels compared to the previous year. The detailed data is shown in the following table:

GHG Emissions ²	2024	2023	2022	Units
Scope 1 direct emissions ³	10.8	9.0	8.7	tonnes of carbon dioxide
				equivalent
Scope 2 energy indirect emissions ⁴	47.3	47.4	56.5	tonnes of carbon dioxide
				equivalent
Scope 3 other indirect emissions ⁵	5.2	1.8	0.8	tonnes of carbon dioxide
				equivalent
Total GHG emissions	63.3	58.2	66.1	tonnes of carbon dioxide
				equivalent
GHG emissions intensity	0.430	0.413	0.479	tonnes of carbon dioxide
				equivalent/employee

Calculated according to the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard and the Macao Environmental Protection Bureau's "Macao Vehicle Emission Factor Estimates (2023-2040)."

- Calculated according to the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard and the Environmental KPI Reporting Guidelines in Appendix 2 of "How to Prepare an ESG Report" published by the Hong Kong Stock Exchange.
- It includes GHG emissions from both fixed and mobile sources of combustion.
- It includes GHG emissions from purchased electricity from third parties
- It includes GHG emissions from business travel.

RESOURCES EFFICIENCY

Policies

Operating Procedures for Internal Environmental Regulations Procedures to Identify Environmental Factors • Minimise negative impact on the environment and natural resources

Objectives and description

In 2024, the Group actively promoted resource efficiency management work, striving to achieve environmental sustainability goals. Through the comprehensive implementation of the "Internal Environmental Regulatory Procedures" and "Environmental Factors Identification Procedures," we have achieved significant results in energy and water resource management. We have adopted various measures to optimize resource utilization efficiency, including introducing advanced energy-saving technologies, implementing water recycling systems, and strengthening environmental awareness training for employees. These initiatives have not only effectively reduced operational costs but also demonstrated the Group's firm commitment to environmental protection, contributing to the construction of a sustainable future.

WATER CONSUMPTION

In 2024, the Group fully understood the importance of water resources and continued to optimize its water resource management system, comprehensively implementing sustainable water usage strategies. The Group's water consumption mainly comes from daily office operations, including cleaning and sanitary facilities. To this end, we have adopted various effective management measures, including regular inspection of water facilities, installation of water-saving devices, and strengthening employee water conservation awareness training, striving to improve water efficiency and contribute to the protection of precious water resources.

Raising water conservation awareness

- Post water-saving instructions in prominent places to remind employees of reasonable water usage; and
- Promote water-saving tips to employees on a regular basis, to cultivate the habit of water-saving.
- Install water-saving taps to control excessive water usage;
- Inspect water facilities regularly, and repair or replace leaking pipes in time, to prevent wasting water resources; and
- Appoint an Energy Management Coordinator to be responsible for performing water management measures and regularly monitor and analyse water consumption, to identify and redress sources of high water consumption

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Enhancing water efficiency



During the year, the Group did not encounter any issues in obtaining suitable water sources. The total water consumption was 666.0 cubic meters, with an intensity of 4.531 cubic meters per employee, representing decreases of 31.41% and 34.22% respectively compared to the previous year.

Water consumption	2024	2023	2022	Units
Total water consumption	666.0	971.0	929.0	Cubic Meters
Water Intensity	4.531	6.887	6.732	Cubic Meters/Employee

ENERGY CONSUMPTION

In 2024, the Group actively managed energy consumption, considering it a key focus in controlling greenhouse gas emissions and reducing environmental footprint. We carefully formulated and comprehensively implemented energy policies, with particular attention to purchased electricity and vehicle fuel usage. Through improving energy equipment management and strengthening employee energy conservation awareness training, we successfully enhanced overall energy utilization efficiency. We continuously monitor and evaluate the effectiveness of various energy-saving measures to ensure effective execution of the Group's energy management strategy, contributing to the achievement of sustainable development goals.





To continuously improve energy usage efficiency, the Group has established dedicated energy management coordinators who are fully responsible for supervising and coordinating all energy management work. The coordinators' responsibilities encompass the planning and implementation of environmental protection training, as well as the rational allocation of energy resources, thereby ensuring continuous improvement in the Group's energy management performance. We have also established a comprehensive energy usage monitoring system, regularly conducting thorough assessments and reviews of energy consumption, and adjusting energy-saving strategies in a timely manner based on actual operational needs and environmental protection goals, effectively avoiding energy waste and contributing to environmental protection.

During this year, the Group's total energy consumption was 121.0 MWh, with an intensity of 0.82 MWh per employee, maintaining overall levels comparable to the performance of the past two years.

Energy Consumption ⁶	2024	2023	20227	Units
Petrol	43.2	32.7	31.8	MWh
Electricity	77.8	77.8	90.5	MWh
Total Energy Consumption	121.0	110.5	122.3	MWh
Energy Intensity	0.823	0.784	0.886	MWh/employee

ENVIRONMENTAL AND NATURAL RESOURCES

In 2024, the Group continued its commitment to environmental protection and sustainable development, actively reducing the environmental and natural resource impacts of its business operations. We strictly adhere to the ISO14001:2015 environmental management system standard, establishing a comprehensive environmental management framework through the full implementation of policies such as the "Internal Environmental Regulatory Procedures." Throughout the year, we continuously optimized our environmental monitoring system, from source management to end-treatment, ensuring all operational activities meet environmental requirements.

Regarding noise management in construction projects, we have implemented comprehensive mitigation measures. Through scientifically planned construction schedules and the introduction of advanced noise reduction equipment, we effectively controlled noise levels during construction, minimizing impact on surrounding communities. These measures not only ensured timely project completion but also demonstrated our concern for community well-being.

During 2022, 2023 and 2024, the Group did not use acetylene and diesel.

After reviewing and unifying the data calculation method, the Group readjusted the petrol consumption for 2022 and updated the data on total energy consumption and intensity for effective comparison.



In 2024, we further deepened our green procurement strategy, prioritizing environmentally certified products and materials. Through a strict supplier evaluation system, we ensure that procured products not only meet environmental standards but also achieve resource recycling. These initiatives fully demonstrate the Group's determination and commitment to promoting sustainable development.

CLIMATE CHANGE

In 2024, the Group actively responded to global climate change challenges, aligning with international society's trends toward a low-carbon economy and carbon neutrality. As a responsible corporate citizen, we have implemented multiple proactive measures to achieve green, low-carbon sustainable development goals.

We deeply recognize the significant challenges that climate change brings to corporate operations. These challenges include natural risks such as increased extreme weather events, rising sea levels, and sustained high temperatures, as well as transition risks arising from the low-carbon transformation process, including changes in policies, regulations, technology, and markets. To effectively address these challenges, the Group further improved its climate change management system in 2024, systematically identifying and evaluating climate-related risks, developing corresponding mitigation and adaptation strategies, and comprehensively enhancing the Group's responsiveness and resilience to climate change.

Climate risks	Impacts on operations	Corresponding actions
Extreme weather	Extreme weather, such as super	• Place equipment in a secure
	typhoons and rainstorms, may	location, including storerooms
	destruct operational sites and cause	and away from windows, to
	injuries of employees.	lessen the potential risks;
		• Require both printed and
		electronic copies of all
		documents, and upload
		electronic versions to the server
		to prevent losing important
		documents; and
		• Formulate policies of working
		under extreme weather and
		safety guidelines for employees

to reduce their chances to be

injured.

Climate risks Severe Weather

Impacts on operations

Frequent occurrence of severe weather may lead to project suspension and schedule delay.

Corresponding actions

- Formulate contingency plans prior to the start of a project to ensure workers and employees make instant responses; and
- Maintain a good communication with clients during the process.
 When a project is affected, the Group will explain and prepare a backup plan to minimize the consequence and seek understanding.

Flooding

The incidence of flooding increases • due to sea level rise, rainstorms, and super typhoons, etc. It may impair construction materials, such as wood and concrete, leading to rising • production costs and disturbing project progress. Besides, floodings may destroy the equipment and facilities built in the construction sites.

- Purchase materials for projects in batches to minimize deterioration from related environmental problems;
- Require employees to keep materials to covered area. If the severe weather incurs high flooding risk, moving materials away from risky location and/ or concealing with a waterproof cover to reduce the possibility to be affected; and
- Formulate standard checking procedures for employees to work in the construction sites after flooding to ensure that all the equipment and facilities are safe to use.



OUR SOCIAL MANAGEMENT APPROACH

In 2024, the Group continued to uphold its sustainable development philosophy, actively fulfilling corporate social responsibilities while creating economic value. We strictly follow the "Social Investment Management Regulations," deeply understand community needs, and effectively plan and execute various community investment programs. During the year, we particularly focused on social welfare and youth development areas, organizing diverse charitable activities and working together with employees to build a harmonious community. To support the development of local charitable organizations, the Group contributed a total of MOP 118,888 in charitable donations this year to promote social progress, with beneficiaries including the Macao Chamber of Commerce, Macao Yangjiang Youth Federation, and Macao Construction Association.

Additionally, the Group's directors actively contributed to society in their personal capacity. For example, the Group's CEO and Executive Director, Mr. Lai Ming San, submitted a "Proposal on Mutual Promotion of Tourism Development between Macao and Yangjiang" through the CPPCC Provincial Committee, aiming to enhance Yangjiang's tourism development. This proposal received an Outstanding Proposal Certificate during the year. Meanwhile, the Group's directors also reached a donation agreement with Yangchun No. 1 Middle School, establishing a RMB 100,000 scholarship fund to encourage outstanding students from underprivileged backgrounds.

We believe that the value of community investment lies in its ability to bring longer-term impacts to the industry and society as a whole. Therefore, in June this year, Mr. Lai Ming San shared his experiences in cooperation and synergy within the Guangdong-Hong Kong-Macao Greater Bay Area at the 15th International Infrastructure Investment and Construction Forum, discussing development trends and opportunities in Macao's construction industry with participants.



Figure 1: Mr. Harry Lai (third from right) discusses development trends and opportunities in Macau's construction industry with participants at the 15th International Infrastructure Investment and Construction Forum.





LOOKING FORWARD

The Group recognizes the importance of corporate governance for sustainable development. Particularly in an increasingly stringent regulatory environment, we have established a comprehensive ESG governance framework and specifically strengthened our climate risk management system. To align with the Hong Kong Stock Exchange's new requirements for climate-related information disclosure, we have initiated detailed climate risk assessments and scenario analyses, and developed corresponding response strategies. The Board regularly reviews climate change risks and opportunities to ensure the Group's sustainable development strategy aligns with international best practices.

The Group continues to improve its ESG management system, including strengthening climate change governance, risk management, and metric monitoring. We adopt the ISSB's recommended framework to systematically identify and assess climate-related risks and develop corresponding mitigation and adaptation measures. Meanwhile, we are also committed to reducing carbon emissions through setting scientific carbon reduction targets, promoting energy conservation projects, and actively exploring renewable energy opportunities. In supply chain management, we will further strengthen cooperation with suppliers to jointly build a more resilient low-carbon supply chain.

Looking ahead, with the deepening development of the Greater Bay Area and post-pandemic economic recovery, the Group will seize development opportunities while actively addressing challenges brought by climate change. We will continue to invest in innovative technologies and green building solutions, enhance climate resilience, and strengthen communication and cooperation with stakeholders. The Group firmly believes that through effective climate risk management and proactive carbon reduction actions, we can not only meet regulatory requirements but also create long-term value for shareholders and promote society's transition toward sustainable development.





KEY PERFORMANCE INDICATORS SUMMARY

Environmental key per	rformance indicators	2024	2023	2022	Unit
	Nitrogen oxides	39.206	1.039	1.188	Kg
Air pollutants ¹	Sulphur oxides	0.059	0.046	0.046	Kg
	Respirable suspended particulates	3.757	0.104	0.108	Kg
	Scope 1 – Direct GHG emissions ³	10.8	9.0	8.7	tonnes of carbon dioxide equivalent
	Scope 2 – Energy indirect emissions ⁴	47.3	47.4	56.5	tonnes of carbon dioxide equivalent
GHG emissions ²	Scope 3 – Other indirect emissions ⁵	5.2	1.8	0.8	tonnes of carbon dioxide equivalent
	Total GHG emissions	63.3	58.2	66.1	tonnes of carbon dioxide equivalent
	GHG intensity	0.430	0.413	0.479	tonnes of carbon dioxide equivalent/ employee
Waste	Total hazardous waste	0	0	0	tonnes
	Hazardous waste intensity	0	0	0	tonnes/employee
	Total non-hazardous waste	2,518.0	419.0	841.98	tonnes
	Non-hazardous waste intensity	17.129	2.972	6.101	tonnes/employee
Energy consumption ⁷	Petrol	43.15	32.7	31.8	MWh
	Diesel ⁹	0	0.0	0.0	MWh
	Electricity	77.8	77.8	90.5	MWh
	Total energy consumption	121.0	110.5	122.3	MWh
	Energy intensity	0.823	0.784	0.886	MWh/employee
	Total water consumption	666.0	971.0	929.0	cubic metres
Water consumption	Water intensity	4.531	6.887	6.732	cubic metres/ employee

Social key performance indi	cators	2024	2023	2022
Total number of employees				
Gender	Male	120	117	118
Gender	Female	27	24	20
	Below 30 years old	17	14	10
Age group	30-40 years old	37	35	28
Age group	41-50 years old	30	31	36
	Above 50 years old	63	61	64
Employment type	Full-time	146	140	138
Employment type	Part-time	1	1	0
	Macau	57	52	51
Geographical region	Hong Kong	12	8	7
	Mainland China	78	81	80
	General employees	129	124	122
Employment category	Middle management	11	9	9
	Senior management	3	4	3
	C-level executives	4	4	4
Total		147	141	138
Employee turnover rate				
Gender	Male	28.3%	29.1%	44.1%
Gender	Female	14.8%	12.5%	45.0%
	Below 30 years old	11.8%	14.3%	10.0%
Age group	30-40 years old	24.3%	22.9%	32.1%
Age group	41-50 years old	30.0%	35.5%	30.6%
	Above 50 years old	28.6%	26.2%	62.5%
Employment type	Full-time	25.3%	26.4%	44.2%
Employment type	Part-time	100%	0%	0%
	Macau	29.8%	26.9%	100%
Geographical region	Hong Kong	58.3%	25.0%	57.1%
	Mainland China	18.0%	25.9%	7.5%
	General employees	24.0%	25.0%	45.9%
Employment estatem	Middle management	36.4%	66.7%	44.4%
Employment category	Senior management	100%	0%	33.3%
	C-level executives	0%	0%	0%
Total		25.9%	26.2%	44.2%



Social key performance ind	icators	2024	2023	2022
Occupational health and sa	fety of employees			
Work-related injuries		4	3	1
Lost days due to work-rela	ated injuries	83	242	8
Work-related fatalities		0	0	0
Total number of other work	kers			
Employment category	General employees	98	0	0
Employment category	Middle management	0	0	0
	Senior management	0	0	0
	C-level executives	0	0	0
Total		98	0	0
Occupational health and sa	fety of other workers			
Work-related injuries		0	0	0
Lost days due to work- related injuries		0	0	0
Work-related fatalities		0	0	0
Total number of employees	trained			
Gender	Male	64 (53.3%)	11 (9.4%)	5 (4.2%)
Gender	Female	5 (18.5%)	0 (0.0%)	7 (35.0%)
	General employees	69 (53.5%)	10 (8.1%)	8 (6.6%)
	Middle management	0 (0%)	1 (11.1%)	2 (22.2%)
Employment category	Senior management	0 (0%)	0 (0%)	2 (66.7%)
	C-level executives	0 (0%)	0 (0%)	0 (0%)
Total		69 (46.9%)	11 (7.8%)	12 (8.7%)
Average training hours of e	mployees			
Gender	Male	1.26	1.84	0.06
Gender	Female	0.19	0.00	0.35
	General employees	1.21	1.73	0.08
Employment category	Middle management	0	0.11	0.22
Employment category	Senior management	0	0	0.67
	C-level executives	0	0	0
Total		1.21	1.52	0.10

Social key performance indi	cators	2024	2023	2022
Total number of suppliers				
	Macau	374	334	295
Coographical region	Hong Kong	100	80	71
Geographical region	Mainland China	238	196	174
	Overseas	13	10	9
Total		725	620	549
Anti-corruption				
Average training hours	Employees	0.03	0	1
(hours)	Board	1.25	1	0



Aspects	Description	Page/Remark
A1 Emissions		
General Disclosure	Information on:(a) the policies; and(b) compliance with relevant laws and regulations that have a	10, 30-36
	significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	
A1.1	The types of emissions and respective emissions data.	36, 44
A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions and intensity.	36, 44
A1.3	Total hazardous waste produced and intensity.	35, 44
A1.4	Total non-hazardous waste produced and intensity.	35, 44
A1.5	Description of emission target(s) set and steps taken to achieve them.	33-36
A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	34-35
A2 Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	37-39
A2.1	Direct and/or indirect energy consumption by type in total and intensity.	39, 44
42.2	Water consumption in total and intensity.	38, 44
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	37-39
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	37-38
A2.5	Total packaging material used for finished products and per unit produced.	nature, daily
		operations of the Group do not has material relevant to packaging

Aspects	Description	Page/Remark
A3 The Environment	and Natural Resources	
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	39-40
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	39-40
A4 Climate Change		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	40-41
44.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	40-41
B1 Employment		
General Disclosure	 Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. 	8, 19-24
B1.1	Total workforce by gender, employment type, age group and geographical region.	23, 45
B1.2	Employee turnover rate by gender, age group and geographical region.	45
B2 Health and Safety		
General Disclosure	Information on: (a) the policies; and	8, 15-17
	 (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards. 	
82.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	46
32.2	Lost days due to work injury.	46
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	15-17



Aspects	Description	Page/Remark
B3 Development and	Fraining	
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	17-18
B3.1	The percentage of employees trained by gender and employee category.	18, 46
B3.2	The average training hours completed per employee by gender and employee category.	18, 46
B4 Labour Standards		
General Disclosure	 Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour. 	8, 19, 22
B4.1	Description of measures to review employment practices to avoid child and forced labour.	19, 22
B4.2	Description of steps taken to eliminate such practices when discovered.	19, 22
B5 Supply Chain Mar	agement	
General Disclosure	Policies on managing environmental and social risks of the supply chain.	30-32
B5.1	Number of suppliers by geographical region.	32, 47
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	30-32
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	30-32
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are	30-32

Aspects	Description	Page/Remark
B6 Product Responsit	pility	
General Disclosure	 Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. 	9, 27-30
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Given its business nature, daily operations of the Group do not involve products subject to recalls for safety and health reasons.
36.2	Number of products and service-related complaints received and how they are dealt with.	29
B6.3	Description of practices relating to observing and protecting intellectual property rights.	29
36.4	Description of quality assurance process and recall procedures.	28
36.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	29
B7 Anti-corruption		
General Disclosure	Information on: (a) the policies; and	7, 9, 25-26
	(b) compliance with relevant laws and regulations that have a significant impact on the issuerrelating to bribery, extortion, fraud and money laundering.	
87.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	7
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	25-26
37.3	Description of anti-corruption training provided to directors and staff.	26, 47



Aspects	Description	Page/Remark		
B8 Community Investment				
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	42-43		
B8.1	Focus areas of contribution.	42-43		
B8.2	Resources contributed to the focus area.	42-43		