泛遠國際控股
FAR INTERNATIONAL HOLDINGS

FAR International Holdings Group Company Limited
泛遠國際控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 2516



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

2025



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CHAIRMAN'S STATEMENT

Dear Stakeholders,

On behalf of the Board of Directors of FAR International Holdings Group Company Limited, I am pleased to present the Group's Environmental, Social and Governance (ESG) Report for 2025. This report provides a comprehensive overview of our commitment to sustainable development and our strategic approach to navigating the complexities of the global logistics industry.

Digital-Empowered Service Excellence

Our mission is to provide clients with simple, efficient, and safe cross-border supply chain solutions, and technology is the enabler. Our proprietary logistics platforms leverage AI-powered routing, real-time tracking, and automated customs compliance to deliver seamless end-to-end visibility and accelerated delivery times. These intelligent systems replace manual processes with data-driven workflows, enhancing customer experience and secure delivery.

Sustainability in Action

We recognize our role and responsibility in carbon emissions. We've integrated climate governance into the core tier of our ESG management framework to ensure systematic identification and management of climate-related risks and opportunities. We have set a target to reduce greenhouse gas emission intensity by 8% by 2030, advancing steadily through fleet electrification, warehouse energy efficiency optimization, green packaging innovation, and green transformation across the value chain.

People-First Philosophy

Technology alone cannot drive transformation; our people do. We safeguard employee rights, and are committed to fostering a diverse and safe workplace. Zero work-related fatalities and comprehensive safety training underscore our conviction that operational excellence and worker welfare are inseparable. Meanwhile, through systematic training programs and clear promotion pathways, we empower career growth and achieve symbiosis between the enterprise and our talent.

Integrity and Transparency

Sound corporate governance is the cornerstone of sustainable development. We have established a comprehensive anti-corruption policy system, and robust data security. We continuously optimize supplier management mechanisms, incorporating environmental and social risks into evaluation criteria to promote responsible procurement and build a sustainable supply chain with our partners.

The Road Ahead

Sustainable development is a journey without a destination. Faced with increasingly stringent regulatory requirements and rapidly evolving market demands, we will continue to deepen ESG governance, enhance the quality of climate-related disclosures, and explore the integration of smart logistics with low-carbon technologies. We look forward to working with all stakeholders to jointly advance the cross-border logistics industry toward a greener, more efficient, and more responsible future.

Sincerely,
Wang Quan
Chairman
FAR International Holdings Group Company Limited
2026.04.15

ABOUT THE REPORT

About this Report

FAR International Holdings Group Company Limited (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**" or "**us**") are pleased to publish the Environmental, Social and Governance Report (the "**ESG Report**"), summarizing the Group's efforts and achievements in environmental and social aspects throughout the previous year.

Reporting Boundary

The ESG report covers the ESG performance of the Group during the period from 1 January 2025 to 31 December 2025 (the "**Year**"). The Group principally engages in end-to-end cross-border logistics business. The environmental and social performance of the Group covers the entire group.

Reporting Framework

The ESG Report has been prepared in accordance with the Environmental, Social and Governance Reporting Code (the "**Code**") issued by the Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). The contents covered in this ESG Report have complied with the "comply or explain" provisions set out in the Guide.

Reporting Principles

The Group has prepared and complied in this ESG Report based on the four reporting principles of materiality, quantitative, consistency and balance, and has applied such reporting principles as set out in the Guide above in the following manners:

- **Materiality:** The content of the ESG Report is determined on the basis of a stakeholder engagement and materiality assessment process which includes identifying ESG-related issues, collecting and reviewing comments and suggestions from management and stakeholders, assessing the relevance and materiality of different issues, and preparing and validating the reported content. The ESG Report covers the key issues which are concerns for different stakeholders.

- **Quantitative:** The disclosure of quantified environmental and social key performance indicators ("**KPIs**") in the ESG Report provides stakeholders with a comprehensive understanding of the Group's ESG performance. Information on the standards, methods, references and data resources for these KPIs are set out where appropriate.

- **Consistency:** To facilitate comparison of the ESG Report of different years, the Group has adopted a consistent reporting format and calculation method as far as reasonably practicable. Any changes to the methodology have also been presented and explained in detail in the corresponding sections.

- **Balance:** The relevant data and contents of the Group are disclosed in an objective and balanced manner.

Comments and Feedback

For details on the environmental, social and corporate governance of the Group, please refer to the official website of the Group (https://www.far800.com/). For any questions or suggestions regarding this report, please feel free to contact us via email: dongban@far800.com.

ABOUT FAR

The Company was incorporated in November 2022 and was listed on the Main Board of the Stock Exchange on 22 December 2023. We are a cross-border e-commerce logistics service provider in the People's Republic of China (the "**PRC**"). With over 50 outlets abroad, we serve over 220 countries and regions around the world. We provide various flexible and reliable cross-border delivery options, which ensure efficient delivery of packages based on the express, standard or economic delivery options selected by our customers. Leveraging our ability to cooperate with suppliers to serve the entire logistics chain, we allow our customers to flexibly select service types and provide them with customised supply chain solutions.

In the future, we will advance globalisation by restructuring traditional logistics resources to better serve global markets and support cross-border e-commerce export growth. We will deepen strategic partnerships with major platforms, optimise operations, enhance service quality, and increase investment in technology R&D and AI integration to elevate digital operations and service capacity.

Vision of the Group

- Become a global cross-border trade preferred integrated fulfillment service platform

Value of the Group

- Customer First, Simple, Believe, Continuous meritorious service

Mission of the Group

- Providing clients with simple, efficient, and safe cross-border supply chain solutions

ESG AWARDS AND ORGANIZATIONS

FY 2025 Obtained Awards of the Group

No.	Award's Name	Issued by	Issued Date
1.	2024年度拱墅區總部企業 2024 Gongshu District Headquarters Enterprise	杭州市拱墅區人民政府 Hangzhou Gongshu District People's Government	1/1/2025
2.	2024年度服務支撐優勝單位 2024 Outstanding Service Support Unit	浙江省快遞行業協會 Zhejiang Express Industry Association	1/1/2025
3.	2024年度產業發展突出貢獻獎 2024 Outstanding Contribution to Industrial Development Award	杭州市拱墅石橋街道 Shiqiao Sub-district, Gongshu District, Hangzhou	2/1/2025
4.	創新領航獎 Innovation Leadership Award	阿里巴巴國際站 Alibaba.com	2/1/2025
5.	2024年首屆金智慧獎年度價值公司 2024 First Golden Wisdom Award Annual Value Company	數智國際／財聯社／慧悅財經 Digital Intelligence International/Cailian Press/Huiyue Finance	4/1/2025
6.	2025年度物流標桿企業 2025 Logistics Benchmark Enterprise	杭州市發改委 Hangzhou Development and Reform Commission	5/1/2025
7.	2024年度跨境電商供應鏈物流創新獎 2024 Cross-border E-commerce Supply Chain Logistics Innovation Award	上海跨境電子商務行業協會 Shanghai Cross-border E-commerce Industry Association	7/1/2025
8.	2024年度中國國際貨代物流營業總收入第38名 2024 China International Freight Forwarding Logistics Ranked 38th in Operating Revenue	中國國際貨運代理協會 China International Freight Forwarders Association	9/1/2025
9.	2024年度中國國際貨代物流空運業務總收入第30名 2024 China International Freight Forwarding Logistics Ranked 30th in Air Transport Revenue	中國國際貨運代理協會 China International Freight Forwarders Association	9/1/2025
10.	優秀跨境電商綜合供應鏈服務商 Outstanding Comprehensive Supply Chain Service Provider for Cross-border E-commerce	中國（深圳）國際物流與供應鏈博覽會 China (Shenzhen) International Logistics and Supply Chain Expo	9/1/2025
11.	AAAAA物流企業 AAAAA Logistics Enterprise	中國物流與採購聯合會 China Federation of Logistics & Purchasing	10/1/2025

No.	Award's Name	Issued by	Issued Date
12.	浙江省國際供應鏈領軍企業 Zhejiang International Supply Chain Leading Enterprise	浙江省供應鏈與倉儲行業協會 首屆浙江省現代供應鏈發展大會組委會 Zhejiang Supply Chain and Warehousing Industry Association First Zhejiang Modern Supply Chain Development Conference Organizing Committee	10/1/2025
13.	上規模民營企業調研優秀企業 Excellent Enterprise in Large-scale Private Enterprise Survey	浙江省工商業聯合會 Zhejiang Federation of Industry and Commerce	12/1/2025
14.	深圳國際貨運代理企業30強 Top 30 Shenzhen International Freight Forwarding Enterprises	深圳市現代供應鏈管理研究院 Shenzhen Modern Supply Chain Management Research Institute 深圳市物流與供應鏈管理協會 Shenzhen Logistics and Supply Chain Management Association	9/2025
15.	2025年寶安區服務業百強企業 2025 Bao'an District Top 100 Service Enterprises	深圳市寶安區企業服務中心 Shenzhen Bao'an District Enterprise Service Center	2025
16.	2024年度開拓創新獎 2024 Innovation and Pioneering Award	SHEIN FTIC–履約與紡織品創新中心 SHEIN FTIC–Fulfillment and Textile Innovation Center	2/2025
17.	最佳協作獎 Best Collaboration Award	四川機場地服SAGS Sichuan Airport Ground Services (SAGS)	2025

Joined Organizations of the Group

No.	Organization's Name	Issued by	Issued Date
1.	浙江省物流協會副會長單位 Zhejiang Logistics Association — Vice President	浙江省物流協會 Zhejiang Logistics Association	1/12/2025
2.	國際貨運代理協會聯合會(FIATA)企業會員 FIATA (International Federation of Freight Forwarders Associations) Corporate Member	國際貨運代理協會聯合會 International Federation of Freight Forwarders Associations	1/11/2025
3.	杭州市生產性服務業促進會副會長單位 Hangzhou Producer Services Promotion Association Vice President	杭州市生產性服務業促進會 Hangzhou Producer Services Promotion Association	6/1/2025
4.	中國物流與採購聯合會物流與供應鏈金融分會副會長單位 China Federation of Logistics & Purchasing — Logistics and Supply Chain Finance Branch Vice President	中國物流與採購聯合會物流與供應鏈金融分會 China Federation of Logistics & Purchasing Logistics and Supply Chain Finance Branch	1/11/2025
5.	中國物流與採購聯合會理事單位 China Federation of Logistics & Purchasing Council Member	中國物流與採購聯合會 China Federation of Logistics & Purchasing	1/7/2024
6.	中國物流與採購聯合會航空物流分會常務理事單位 Air Logistics Branch of China Federation of Logistics & Purchasing Executive Director	中國物流與採購聯合會航空物流分會 Air Logistics Branch of China Federation of Logistics & Purchasing	1/1/2021
7.	國際航空運輸協會(IATA)官方認證貨運代理人 IATA (International Air Transport Association) Officially Certified Freight Forwarder	國際航空運輸協會 International Air Transport Association	1/10/2020
8.	美國無船承運人 Non-Vessel Operating Common Carrier in the United States	FMC美國聯邦海事委員會 Federal Maritime Commission	1/6/2020
9.	杭州企業品牌發展促進會(跨境百人會)會員單位 Branding Development Association of Hangzhou (Cross-Border 100 Association) Member	杭州企業品牌發展促進會 Branding Development Association of Hangzhou	1/4/2020

1 ACCELERATING SUSTAINABLE MANAGEMENT

We recognize the critical role of the board of directors of the Company (the "**Board**") in ESG decision-making and are committed to optimizing the Company's ESG governance system by clearly defining responsibilities at all levels. We also actively maintain regular communication with stakeholders to thoroughly assess ESG issues that significantly impact the Company, ensuring long-term sustainable development.

1.1 Board Statement

The Board has established clear roles and responsibilities and is directly responsible for the implementation of ESG-and climate-related matters and the supervision of ESG performance.

The Board has effectively authorised management and relevant departments to develop and implement ESG policies which are formulated in accordance with the standards set out in Appendix C2 to the Listing Rules. The management and relevant departments will also report on ESG performance at Board meetings. The Group will consider the balance between business growth and ESG considerations in setting each of the KPIs to achieve sustainable development. The Group will regularly review the key KPIs to ensure that they remain appropriate for the needs of the Group.

The Board is fully aware of the results of the assessment of ESG-related risks, as well as the review of existing strategies, objectives and policies, and the materiality assessment. Under the supervision of the Board, the Group actively identifies and monitors short-, medium-, and long-term ESG-and climate-related risks and opportunities, and endeavours to integrate these issues into the business, strategic and financial planning.

The Board reviews progress on ESG-and climate-related matters and ESG-related targets at least annually. The Group publishes an ESG report annually in accordance with the reporting requirements of the Listing Rules, which analyse and disclose significant ESG issues, risk management and performance, and fulfilment of targets. The Board will continue to review ESG issues within the Group through the preparation of the ESG Report.

To facilitate effective and independent assessment of ESG-related risks, the Company has engaged professionals (the "**ESG Consultant**") to provide services and assist the assessment of ESG-related risks, review of existing strategies, objectives and policies, and conduct materiality assessments. The chairman of the Board is responsible for reviewing and approving the ESG policies and the conclusions of the ESG Consultant.

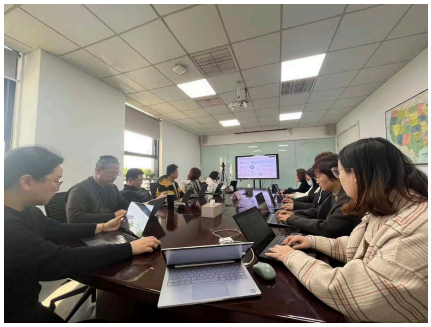
1.2 ESG Governance

The Group has established a three-level ESG governance structure involving the Board, the management, and the relevant departments. In the future, we will consider further optimizing this structure and clearly defining ESG responsibilities at each level. This includes the establishment of clear management processes for key areas such as climate change, stakeholder communication, and ESG information disclosure, aimed at continually enhancing the effectiveness of our ESG management.

the Board	• Oversee the implementation of ESG and climate-related initiatives. • Review ESG and climate-related performance. • Supervise the identification of ESG and climate-related risks.
the Investment Committee	• Formulate and examine policies in relation to ESG to ensure that they are in line with the Company's strategies and regulatory requirements. • Identify, evaluate risks associated with ESG, and provide corresponding management measures. • Monitor and control the Company's performance on ESG, including indicators and targets in terms of environmental impact, social responsibilities and corporate governance, and review regularly the progress of relevant targets of environment, social and governance. • Formulate management objectives and strategies in relation to environment, social and governance, including evaluation, prioritization and management of environment, social and governance related issues of material nature, and report to the Board. • Ensure transparency of the Company's ESG information, and issue relevant reports on regular basis, as well as communicate with stakeholders such progress and results. • Promote employees' understanding and practice of ESG concepts and organize relevant training and activities. • Establish a mechanism to collect comments and feedback on ESG work from investors and other stakeholders, and make regular summaries and reports.
the Relevant Departments	• Collect and report ESG and climate-related information and data. • Promote the implementation of various ESG and climate-related initiatives.

In alignment with the Group's commitment to environmental stewardship and sustainable business practices, we regularly organize training program on sustainable development and climate change to strengthen organizational capabilities in ESG management and climate governance.

Case Study: ESG and climate training



In 2025, we organized a comprehensive training program on sustainable development and climate change, bringing together Board Director and senior department heads.

The program examined ESG regulatory and market forces, hot ESG topics and industry practices, climate governance frameworks. This session enhanced board-level understanding of ESG and climate-related disclosures and regulatory requirements, and established foundational sustainable governance architecture.

1.3 Stakeholder Engagement

The Group recognises the importance of stakeholder feedback in improving the business operations and formulating short-and long-term business development strategies. The Group is committed to fostering effective communication with all stakeholders and has established various communication channels to communicate with stakeholders. The Group recognises the demands and expectations of our stakeholders in terms of our sustainable development and seeks to uphold the highest standards of corporate governance, to ensure sustainable growth and protect the interests of all stakeholders, including but not limited to shareholders, employees, suppliers, customers, other business partners and the general public.

The table below sets out the relevant stakeholders, their demands and expectations for the Group and our corresponding means of communication and response.

Stakeholders	Demands and Expectations	Means of Communication and Response
Government and regulators	• Compliance with national policies, laws and regulations • Promoting local economic development • Bolstering local employment • Paying tax on time	• Regular reporting of information • Regular dialogue with regulators • Case reporting • Inspection and supervision
Shareholders	• Revenue return • Compliant operation • Enhance value of the Group • Clear information flow and effective communication	• General meeting • Group announcement and circular • E-mail, telephone and website of the Group • Case reporting • Site visit
Partners	• Integrity operation • Fair competition • Lawful performance • Mutual benefit	• Review and evaluation meeting • Business communication • Exchanges and seminars • Negotiation for cooperation
Customers	• Quality logistics service • Health and safety • Lawful performance • Integrity operation	• Customer service centre and hotline • Customer opinion survey • Customer communication meeting • Social media platforms • Return visit
Environment	• Compliance with emission standards • Energy conservation and emission reduction • Ecological protection • Reasonable use of water	• Communication with local environment authorities

Stakeholders	Demands and Expectations	Means of Communication and Response
Industry	• Industry standard formulation • Promote industry development	• Communication with local labour authorities • Participating in industry forums • Exchanges and visits
Employees	• Rights and interests' protection • Occupational health and safety • Compensation and benefits • Career development • Humanistic care	• Employee communication meeting • Internal newsletter and Intranet of the Group • Employee mailbox • Training and workshop • Employee activities • Employee representative meeting • Democracy seminars
Community and the public	• Improving community environment • Engaging in public welfare • Open access to information and transparency	• Website of the Group • Announcement of the Group • Media interviews • Social media platforms

1.4 Materiality Assessment

The Group conducted a materiality assessment to identify key ESG issues that are most relevant to the logistics industry and to the jurisdictions in which it operates. This process enhances transparency, fosters stakeholder trust, and supports the achievement of sustainable development goals. During the Year, the Group reassessed the materiality map created in 2024, which was informed by the ESG Industry Materiality Map from Morgan Stanley Capital International and the SASB Materiality Map from the Sustainability Accounting Standards Board. This materiality assessment involved a three-step process and considered various ESG regulatory and rating requirements, as well as current media trends and industry issues.

Identification The materiality map created in 2024 was reassessed during the Year to incorporate various ESG regulatory and rating requirements, along with current industry practice, regulatory and policy developments, leading to the identification of 25 potentially material topics.

Prioritization Pursuant to the "significance of internal stakeholders" and the "significance of external stakeholder", we determined the priority of material issues.

Validation and review The management of the Group reviewed and ascertained material issues and reviewed areas for future improvement.

Materiality Matrix and Corresponding Issues

Based on the results of the materiality assessment described above, the issues of concern to the stakeholders of the Group for 2025 are set out in the following table:



Figure: 2025 Materiality Matrix

ENVIRONMENTAL	SOCIAL	GOVERNANCE
1. Vehicle emission management	9. Logistics safety	22. Anti-corruption practice
2. Green packaging management	10. Protecting customer privacy	23. Risk management
3. Energy management	11. Occupational health and safety	24. Stakeholder communication
4. Greenhouse gas and air emission management	12. Intelligent logistics and technology innovation	25. Sustainability governance
5. Adapting to climate change	13. Employee benefit	
6. Natural resources management	14. Product and service quality management	
7. Waste management	15. Responsible employment management	
8. Water management	16. Supply chain management	
	17. Training and development	
	18. Protecting intellectual property rights	
	19. Diversity and equal opportunity	
	20. Community engagement and charity events	
	21. Economic development in rural areas	

2 STRENGTHENING CORPORATE GOVERNANCE

2.1 Business Ethics and Integrity

The Group is committed to upholding high standards of business ethics and regulatory compliance across its operations. Policies and management measures are in place to promote integrity, prevent bribery and corruption, and safeguard the Group's legitimate interests, including the protection of intellectual property rights. Through these practices, the Group seeks to strengthen internal governance, manage legal and reputational risks, and support sustainable and responsible business development.

Anti-corruption

The Group has always adhered to integrity management, strictly abides by the Criminal Law of the PRC, the Anti-Unfair Competition Law of the PRC and other laws and regulations related to anti-corruption and anti-bribery and advocates a corporate culture of honesty and integrity. The employee handbook formulated by the Group sets out the anti-fraud management and anti-money laundering management and clearly stipulates the ethical conduct that employees should maintain. Any employee who commits corruption, bribery, or fraud will be terminated unconditionally and immediately.

To strengthen the anti-corruption system, the Group has formulated the Anti-Fraud and Anti-Bribery Policy. The policy explicitly prohibits employees from using their official position for personal gain or for the benefit of others. Employees are required to observe the ethical and legal bottom line in their work and not to engage in any form of corrupt behaviour or accept bribes from others. In addition, employees are expected to proactively avoid conflicts of interest and refrain from engaging in relationships of interest with units or individuals related to the Group's business, to ensure fair and equitable business dealings.

To further promote integrity and business ethics, the Group has also established a "Commercial Anti-Bribery Agreement," which explicitly prohibits improper business conduct, illicit benefits, conflicts of interest, dealings with stakeholders, unauthorized discounts or commissions, and violations of contractual responsibilities. The agreement also outlines clear procedures for reporting violations. Furthermore, the Group established the "Integrity Management Policy," which delineates management responsibilities and standards to strengthen the Group's anti-corruption framework, promote a culture of integrity among employees, safeguard operational efficiency, and support the healthy development of the Company.

In 2025, **100%** of new employees signed the integrity pledge.



The Group prohibits employees from obtaining personal benefits in any name or form or obtaining benefits for others. Employees should also take the initiative to avoid conflicts of interest and refrain from engaging in business activities with organisations in which they have an interest. The Group continuously strengthens the supervision and management of its anti-corruption and anti-bribery effort and conducts regular internal reviews and inspections to ensure that the operating activities of the enterprise are following the requirements of laws and regulations. At the same time, the Group is committed to foster a sense of integrity and a culture of probity among employees, raising their legal awareness and moral qualities through education, training and publicity activities, further consolidating the Group's anti-corruption and anti-bribery system, and contributing to the sustainable development of the enterprise and the harmonious progress of the society. Based on the recommendations of the internal control consultant, the Group has developed and adopted an anti-corruption and anti-bribery system. The major anti-corruption and anti-bribery measures include:

- the Group provides employees with anti-fraud and ethics training and distributes anti-corruption and anti-bribery policies to all employees;

- the Group's administration department is responsible for identifying employee misconduct and monitoring inter-departmental activities. The administration department's responsibilities also include providing anti-corruption and anti-bribery compliance advice, investigating potential incidents of corruption or fraud and organising anti-fraud publicity campaigns in conjunction with the Group; and

- the Group has a whistleblowing and complaints handling procedure and the Group will investigate any suspected incidents of bribery, corruption or other related misconduct or fraudulent activity.

No legal proceedings were instituted during the Year against the directors and employees of the Group in relation to corruption or bribery.

0 legal proceedings in relation to corruption or bribery in 2025.



2.2 Data Privacy and Security

The Group places paramount importance on information security and data privacy protection, establishing comprehensive security management systems to ensure safe and reliable logistics services.

Information and Cybersecurity Management System

The Group has put in place various policies for the protection of network information security and data privacy, including the personal information protection management policy, data export management policy, network information security complaint and reporting policy, data storage and expiration destruction policy and the personal information security impact assessment policy.

0 major incidents of data security or personal information security in 2025.



Relevant policies include the definition of data export, contract management, personal information transmission and data security measures, personal information-related rights management, different types of data destruction methods, data export risk assessment, etc. Moreover, the Group has established a document management policy to standardise and regulate customer information. The Group has clearly defined the access rights to customer files and does not allow access to customer files without permission.

At the same time, the Group has formulated the Regulations on the Customers Management of FAR International to clearly define the responsibilities of each department in keeping records, the methods of preserving different types of files, and the penalties and remedial measures in case of loss or leakage of confidential information.

The Group's critical business systems have obtained Level 3 Cybersecurity Protection Certification from the Ministry of Public Security:


网络安全等级保护
备案证明

依据《中华人民共和国网络安全法》和《信息安全等级保护管理办法》的有关规定，
深圳市汇通天下物流有限公司 单位的：
第 3 级 汇通天下业务 系统
予以备案。

证书编号：440300-02367-25001

中华人民共和国公安部监制

备案公安机关公章
2025 年 11 月 27 日

Shenzhen Global Link Logistics Services Limited Level 3 Cybersecurity Protection Certificate


网络安全等级保护
备案证明

依据《中华人民共和国网络安全法》和《信息安全等级保护管理办法》的有关规定，
杭州迈远国际物流有限公司 单位的：
第 三 级 快件 系统
予以备案。

证书编号：530119999114-00001

中华人民共和国公安部监制

备案公安机关公章

Hangzhou FAR International Logistics Co., Ltd. Level 3 Cybersecurity Protection Certificate

Privacy Protection

The Group implements multi-layered protection measures across privacy protection to safeguard personal information, ensure regulatory compliance, and maintain stakeholder trust:

User Informed Consent and Privacy Protection	Service Termination and Account Cancellation	Data Encryption and Masking	Secure Development and Testing	External Data Display
The Group adheres to the minimum necessary principle in data collection, ensuring that the types of personal information collected are directly related to the business functions of products or services.	When users terminate the use of services, the Group ceases the collection and use of their personal information and provides services for account or number cancellation.	The Group enforces encryption for highly sensitive data during storage and transmission. Data masking technology is employed in non-essential scenarios to balance business needs with privacy protection.	When development and testing require the use of data containing sensitive information, the Group utilizes masked data that has undergone fuzzing and anonymization processing.	For external queries, display, and statistical operations involving user sensitive information, the Group implements fuzzy processing following the minimum sufficient principle.

In order to regulate the use of confidential data by employees, the Employee Handbook has included a confidentiality clause that requires employees, whether they are employed or not, to maintain all confidential information relating to the Group or any of the Group's affiliates, customers, suppliers and other partners. All employees are required to provide written confirmation that they understand the handbook and are willing to comply with it. The Employee Handbook also stipulates penalties for employees who disclose confidential information, including termination of the employment contract and compensation for the amount of loss caused by the disclosure of confidential information.

For the protection of employee information, the Group has promulgated the Personal Information Protection Management System to regulate the management of personal information and privacy protection and to ensure that the security control measures in all aspects of personal information and privacy protection comply with the requirements of the Data Security Law and the Personal Information Protection Law of the PRC.

For data export to third parties, the Group has compiled a template of the relevant supplemental agreement in accordance with the Standard Contractual Requirements for Personal Information Export. If the Group's business with any third party involves export of personal information and data, the Group will arrange to enter into a supplementary data privacy agreement with the relevant third party. The content of the agreement will mainly include:

- The location and period of storage of the data outside PRC;
- The measures for handling of the exported data upon expiry of the storage period;
- Completion of the intended use or termination of the legal instrument;
- The restrictive requirements for re-transmission of the data to other organisations and individuals;
- The restrictive requirements for any material change in the actual control or scope of business of the recipient of the data outside PRC or any change in the data security protection policies and regulations and the network security environment in the country or region where the recipient is located, which makes it difficult to protect the data.

In 2025, the Group did not experience any major personal information security incidents.



Data Security

The Group implements multi-layered data security measures across office, endpoint, server, and network environments:

- **Office Security.** The Group deploys an enterprise-grade collaborative platform with security components. All employees use enterprise-owned accounts, automatically reclaimed upon resignation to prevent data leakage. Comprehensive behavior audit and mobile control policies are enabled, monitoring file downloads, sharing, and external links.

- **Endpoint Security.** All computers are installed with data leakage prevention and antivirus software, with unnecessary sharing and ports disabled.

- **Server and Infrastructure Security.** Bastion hosts control server access with strict logging. System-level and interface-level monitoring provides early warnings. Public network exposure is minimized, with deployment on cloud infrastructure protected by firewall, WAF, and security center.

- **Access Control.** The Group follows the least privilege principle, with role-based access requests processed through zero-trust identity authentication, approval workflows, and regular audits.

- **Data Lifecycle Security.** Important data transmission uses encryption. Data is destroyed immediately and unrecoverably upon expiration, user request, or legal requirement, with logs maintained. Real-time log monitoring detects anomalies. Local and remote disaster recovery procedures with regular testing ensure data availability and integrity. Emergency response plans are regularly drilled.

In 2025, the Group did not experience any major data security incidents.



2.3 Intellectual Property

The Group strictly abides by laws and regulations related to intellectual property such as the Patent Law of the PRC, the Trademark Law of the PRC, and Enterprise Intellectual Property Management Regulations. By promoting technological innovation and production technology progress, the Group aims to improve the Group's market competitiveness and economic gains.

The Group regards intellectual property rights as intangible assets that affect the Group's reputation and customer recognition. The Group has established an intellectual property management system to strengthen the creation, utilisation, management and protection of the Group's intellectual property rights, to enhance the capability of independent innovation and to regulate the management of the Group's intellectual property rights.

The Group has registered 18 trademarks in Mainland China, 5 trademarks in Hong Kong and 3 patents in Mainland China and has registered 8 domain names. During the Year, there was no infringement of the Group's intellectual property rights which had a material adverse effect on the business, results of operations, financial condition and prospects, nor was the Group involved in any dispute or litigation relating to infringement of intellectual property rights or aware of any such pending or threatened claims.

3 EMPOWERING PREMIUM SERVICES

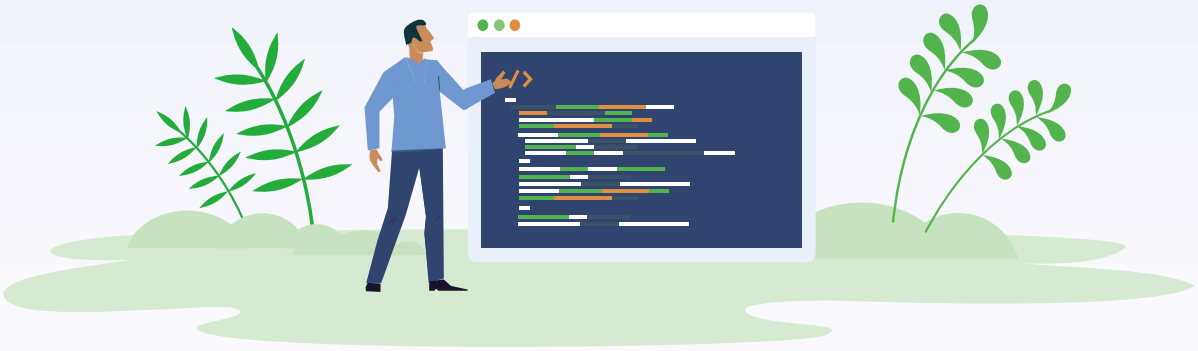
We are dedicated to driving digital transformation and intelligent upgrading of the logistics industry through technology innovation. The Group has established a comprehensive premium service system encompassing smart logistics, secure delivery, service excellence, and supplier collaboration, to provide customers with high-quality and reliable cross-border logistics solutions.

3.1 Smart Logistics

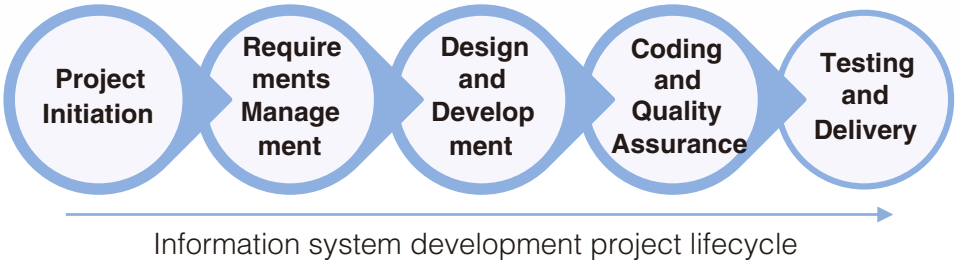
As a leading cross-border e-commerce logistics service provider, FAR International is committed to driving digital transformation and intelligent upgrading of the logistics industry through technology innovation. The Group operates an innovative, in-house logistics and transportation system under a company-owned outlet model, establishing itself as one of the inaugural pilot enterprises in the China (Hangzhou) Cross-border E-commerce Integrated Pilot Zone.

Technology Investment and Innovation

The Group maintains over 80 intellectual property rights in cross-border logistics informatization. With a strong in-house IT team, the Group continuously develops and iterates information systems to adapt to business development and technological advancement. The Group has also increased investment in technology R&D and AI integration to elevate digital operations and service capacity.



The Group maintains a robust technology governance framework anchored by the Information System Development Management Policy across the entire project lifecycle–from project initiation and requirements management to design, coding, testing, delivery, and project closure. This comprehensive lifecycle management ensures that technology innovation, data security, and compliance requirements are systematically integrated at every stage.



Information system development project lifecycle

The Group's technical team actively participates in internal and external industry-leading training programs and technology forums to stay at the forefront of digital transformation trends. In 2025, technical personnel attended multiple specialized training sessions covering AI applications in logistics, digital intelligent productivity enhancement, and scenario-based AI implementation. Notable training initiatives include:

Case Study: Industry technology innovation training programs

In March 2025, our technical personnel participated in a specialized seminar on "Artificial Intelligence Technology Applications in the Logistics Industry".

The training covered five key AI application scenarios in logistics: demand forecasting and dynamic inventory management, intelligent scheduling and transportation route optimization, refined cost analysis for quality improvement, intelligent services and automated process handling, and supply chain collaboration with risk control.





In April 2025, the technical team participated in an exclusive training session on "DingTalk Empowering Digital and Intelligent Productivity Enhancement in the Logistics Industry" delivered by a DingTalk AI expert. The session focused on AI-powered customer service solutions, business process reengineering through PaaS platforms, and intelligent system integration for logistics operations.

Intelligent Logistics Systems

The Group has independently developed multiple intelligent logistics information systems with complete intellectual property rights, covering the full spectrum of cross-border logistics services, including but not limited to:

- **Express Parcel System (快件系統)** — As the Group's core intelligent logistics platform, this system integrates the entire process of "collection, transfer, transport, delivery, and management," achieving digitalization and automation of logistics operations. It significantly enhances operational efficiency and cost control capabilities, providing a stable and efficient information backbone for the entire network's business.

- **Alibaba Warehouse Distribution System (阿里倉配系統)** — As an end-to-end integrated warehousing and distribution solution, this system seamlessly connects trunk transportation, warehouse management, and last-mile delivery. It supports omnichannel order docking and automated compliance processing, effectively improving inventory turnover and fulfilment speed.

- **FAR Dedicated Line System (泛遠專線系統)** — A unified, self-developed logistics information platform, offering high autonomy and leading domestic industry standards. It integrates waybill generation, customs declaration, and internal management systems, supporting key functions such as real-time tracking, automated billing, and AI-assisted decision-making for data validation and route optimization, demonstrating the Company's technological edge in cross-border logistics digitalization.

- **Sea-Air Dedicated Line System (海派專線系統)** — A comprehensive, self-developed cross-border maritime logistics platform that integrates AI to enhance operational efficiency and precision. The system enables seamless data consolidation across branches, accelerates customs clearance, and shifts operations from manual to data-driven processes, reducing errors and strengthening competitive advantage in global logistics.

- **International Freight Forwarding System (國際貨代系統)** — As a digital freight forwarding operations platform, this system improves the responsiveness, operational transparency, and customer communication efficiency of international freight services by integrating data with major carriers, enabling electronic booking and automated waybill processing, and providing real-time milestone notifications via robot assistants.

In 2025, the Group advanced its commitment to technological innovation and sustainable operations through the iterative upgrade of its logistics system, delivering significant improvements in supply chain efficiency, regulatory compliance, and stakeholder collaboration.

Case Study: Customs Declaration System Innovation

End-to-End Digital Collaboration

In 2025, the Group deployed an integrated business system that connects upstream and downstream partners with regulatory authorities through unified data channels. This transformation replaced traditional offline communication with automated, online system-driven processes, standardizing data definitions and operating procedures across operations, on-site handling, and driver coordination.

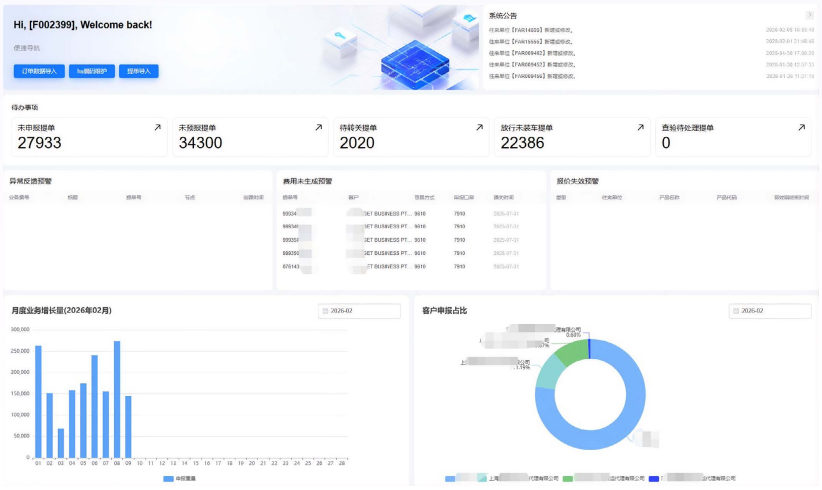
The system enables seamless data sharing across orders, documentation, logistics, declarations, and inspections, substantially reducing redundant labor and ineffective communication while lowering operational costs and enhancing overall supply chain efficiency.



Comprehensive data synchronization across the entire network

Intelligent Customs Compliance Framework

The system directly connects to the customs single window, covering cross-regional transit declarations, automated inspections, and pre-submission validation. Leveraging a localized HS code database, the system enables intelligent compliance prediction, effectively reducing clearance risks and rejection rates. Real-time visibility into business progress enhances clearance efficiency and elevates the customer experience for key accounts.



Unified Operations Platform

3.2 Secure Delivery

The Group consistently regards secure delivery and transportation management as the lifeline of its operations. The Group has established a comprehensive safety management system covering the entire business chain. Through standardized operational procedures, systematic training programs, and normalized supervision mechanisms, we ensure the secure flow of every shipment and the safe operation of every employee.

Safety Culture Building

We believe that a robust safety culture is the foundation of sustainable business development and operational excellence. The Group strictly enforces the "Three Safety Systems" mandated by postal regulations, establishing a comprehensive security checkpoint system:

"Three Safety Systems"

- **Shipper Real Name Verification:** 100% implementation of shipper identity verification
- **Open Box Inspection:** Strict enforcement of cargo security inspections
- **X-Ray Screening:** 100% cargo screening through X-ray machines

We regularly conduct safety trainings to create an environment where every employee understands their role in maintaining secure delivery operations.

Case Study: Safety Month video training	
	In November 2025, our Fenghua Branch launched a Safety Month video training initiative, actively responding to the postal administration's requirements for safe production. From management to frontline employees, staff actively participated in the video training sessions, strengthening their awareness of safe production and sense of responsibility.

We also prioritize driver safety and require all drivers adhere to the "Three-Inspection System" — verifying vehicle condition, safety equipment, and cleanliness before each shift. Key requirements include carrying valid licenses, prohibiting vehicle lending, and strictly banning speeding, overloading, fatigue driving, and driving under the influence.

Prohibited/Dangerous Goods Management

We enforce the mandatory "Three Safety Systems" for all cargo. High-risk accounts undergo enhanced inspection protocols. Our dangerous goods management features dedicated regional coordination, specialized storage areas with spill response equipment, and comprehensive staff training on recognition and rejection procedures. Chemical products and lithium batteries follow strict handling protocols with 24-month record retention.

To continuously enhance employees' ability to identify prohibited or dangerous items, we regularly conduct specialized training programs for the staff. In 2025, we provided trainings to strengthen employees' capabilities in prohibited/dangerous item identification and handling, thereby providing solid safeguards for delivery security.

Case Study: Anti-Drug Knowledge Training



We conducted an anti-drug knowledge training session on March 15, 2025, in collaboration with the local Anti-Drug Office. Frontline staff from key airport operations positions participated in this specialized program, which equipped employees with comprehensive knowledge of various drug types and practical skills in identifying suspicious items.

This initiative enhanced frontline capabilities in spotting and intercepting drug-related shipments, and strengthening our commitment to preventing illicit substance trafficking through our logistics network.

Embargoed goods and counterfeit brand identification training

On September 11, 2025, we organized an operations quality training program for the supervisors and above of our South China location, featuring external expert instructors. This training focused on prohibited items, brand knowledge, and secure delivery protocols. Participants gained in-depth understanding of various embargoed goods and counterfeit brand identification, while mastering essential secure delivery practices.





3.3 Service Quality

We recognize that in the competitive logistics industry, delivering consistent, reliable, and responsive service is not merely an operational imperative — it is fundamental to building long-term stakeholder trust and ensuring customer loyalty. Thus, we are committed to build a comprehensive service system for cross-border logistics that is reliable, efficient and excellent. By leveraging technology, optimising operational processes, and strengthening workforce capabilities, the Group aims to ensure timely, reliable, and efficient services while maintaining high standards of safety and compliance.

Integrated Online and Offline Operational Systems

The Group connects our customer service platform with the Group's operating platform and financial system. Through deep integration of online and offline operational systems, the Group enhances service reliability, response speed and customer experience. Our system offers features such as multi-client end tracking and information querying, we ensure a comprehensive coverage throughout the service journey, granting customers a full-fledged, self-directed service experience. Through collaborative information-sharing platforms, the Group strengthens coordination with upstream and downstream partners in the supply chain, enabling unobstructed information sharing and resource linkage allocation.

Customer Complaints Management

The Group closely monitors the delivery status of parcels through the tracking system, and customers can also maintain close contact with the Group through the 24-hour customer service hotline. To ensure service consistency across all customer touchpoints, we have established a comprehensive Customer Service Standards framework that defines clear response time commitments and escalation protocols for diverse operational scenarios, so as to provide measurable benchmarks for operational accountability.

The Group has promulgated the Express Package Compensation Regulations, which provides for compensation in the event of delay, loss, destruction and discrepancy of contents in the course of parcel delivery and stipulates the procedures for claiming compensation. These regulations align with the contractual terms for major clients, such as those specified in the quotation and agreements, ensuring comprehensive service quality and customer satisfaction.

For resolving complaints such as lost items and timeliness, we implement specific measures including adherence to the terms outlined in the End-to-End Delivery Quotation and Dedicated Line Agreements, which provide detailed compensation policies and resolution timelines.

During the Year, the Group received a total of 3 customer complaints, which were mainly due to lost packages. Among which, there were no product recalls due to safety or health issues. The Group provided compensation to customers in accordance with the Express Package Compensation Regulations. All complaints were properly resolved and understood by the customers.

- 3 customer complaints
- 100% resolved in FY2025



Customer Satisfaction

The Group respects customers' opinions and endeavours to enhance customer satisfaction. We maintain systematic customer satisfaction monitoring to assess service performance and identify areas for enhancement. In FY2025, customer satisfaction improved by over 4 percentage points compared to FY2024.

- >4% year-on-year customer satisfaction growth



As part of our commitment to enhancing service quality, the Group conducts quarterly service quality training sessions for employees. These trainings focus on improving operational standards, customer interactions, and adherence to best practices. Through these initiatives, the Group ensures that employees remain equipped with the skills needed to deliver exceptional service. These training efforts reflect the Group's initiative-taking approach to fostering a culture of quality and professionalism.



Service quality training session

3.4 Supplier Management

Effective supply chain management is a prerequisite for the success of logistics business. Accordingly, the Group has formulated the Regulations on Management of Suppliers to set up criteria for the supplier selection, regulate the management of suppliers, ensure compliance with the stipulated requirements for pre-qualification and registration, supplier control, and supplier evaluation, enhance the stability of cooperation partners and minimise the environmental and social risks associated with suppliers.

Supplier management process

To strengthen the Group's supplier management, we have established a process consisting of five steps: Background Investigation, Information Registration, Further Assessment, Annual Assessment, and Handling Methods. This process aims to comprehensively evaluate and effectively manage suppliers, ensuring the selection of high-quality partners.

Background Investigation	The Group conducts background investigation on suppliers, which includes but is not limited to corporate qualifications, quotation of services or products, payment requirements, transportation timeframe, etc.
Information Registration	Information of suppliers meeting the criteria will be registered in the reserve database.
Further Assessment	When a department commences its business, it conducts further assessment on suppliers, which includes but is not limited to the quality of the suppliers' products, delivery time, production capacity, compliance and other factors. Suppliers meeting the criteria will be included in the list of qualified suppliers.
Annual Assessment	the Group conducts an annual assessment of suppliers and removes from the list of qualified suppliers those who do not meet the co-operation standards.
Handling Methods	Suppliers found to be non-compliant with the Group's policy will be terminated and removed from the list of qualified suppliers until the situation improves.

Supplier evaluation methods

The Group has established corresponding evaluation methods for different categories of suppliers to ensure a comprehensive and accurate assessment of their capabilities and performance.

Supplier Category	Evaluation Methods
Cross-border (China-Hong Kong) and air freight suppliers	• For China-Hong Kong suppliers, the Group adopts a quarterly comparison method, focusing on reducing coordination costs and enhancing efficiency due to the oversupply in the market. The evaluation process includes the use of tools such as the China-Hong Kong supplier comparison and evaluation form, the China-Hong Kong supplier monitoring KPI assessment form, and the quarterly China-Hong Kong supplier quotation statistics form to ensure a systematic and transparent evaluation. • For air freight suppliers, a weekly evaluation process is conducted to ensure resource matching, with the results used to adjust supplier bookings in subsequent transactions.
Other materials and domestic short-haul transportation suppliers	For other materials and domestic short-haul transportation suppliers, these suppliers are primarily chosen through competitive bidding processes. In the case of warehouses, which have specialized operational requirements, the Group prioritizes matching pricing with specific operational needs.

In addition, suppliers are expected to comply with all relevant local and international laws and regulations on anti-bribery, anti-corruption and other unethical business practices. Meanwhile, the Group encourages green procurement and prioritizes procuring or selecting products and services with the lowest impact on the environment. In addition, the Group will prioritise local suppliers or suppliers that are geographically close to the Group to reduce the carbon footprint.

During the Year, the Group has a total of 664 suppliers that are distributed as follows:

Supplier distribution		2025
By Region	North China	**21**
	Central China	**34**
	East China	**293**
	South China	**214**
	Northeast China	**1**
	Northwest China	**0**
	Hong Kong SAR	**3**
	Overseas	**64**
Total		**664**

Suppliers with relevant supplier management	2025
Supplier selection	**664**
Identification and management of environmental risk in the supply chain	**664**
Identification and management of social risk in the supply chain	**664**

4 DRIVING GREEN TRANSFORMATION

As a leading cross-border logistics service provider, we recognise our pivotal role in driving the transformation of the logistics industry towards sustainability. We are dedicated to embedding sustainable practices across our operations to minimise environmental impact, enhance operational resilience, and create long-term value for stakeholders. Our efforts encompass proactive climate change mitigation, resource efficiency optimisation, and the advancement of green logistics. We prioritise the transition to low-carbon operations, contributing meaningfully to the global pursuit of a sustainable future.

The Group is fully committed to meeting the national carbon emission reduction targets and sustainable development objectives and has embedded the concept of environmental protection in long-term development strategy. In terms of environmental compliance, the Group strictly complies with various national environmental laws, including but not limited to the Environmental Protection Law of the PRC, the Law on the Prevention and Control of Atmospheric Pollution of the PRC, the Law on the Prevention and Control of Water Pollution of the PRC, the Law on the Prevention and Control of Environmental Pollution by Solid Wastes of the PRC and the Energy Conservation Law of the PRC, in order to reduce the impact of the environment and natural resources on our operations.

While we have not identified any material negative impacts on the environment and natural resources to date, we will continue to identify, evaluate, and manage relevant impacts as our operations evolve and as industry best practices advance.

- 0 material negative impacts on the environment and natural resources in 2025.



4.1 Climate Action

Governance

The Group recognises climate change as a material ESG issue and has integrated climate-related considerations into its existing ESG governance framework. The Group has established a three-level governance structure comprising the Board, Investment Committee and Relevant Departments, which provides oversight and accountability for climate-related matters.

the Board	• Oversee the implementation of climate-related initiatives. • Supervise the identification of climate-related risks and opportunities.
the Investment Committee	• Identify, evaluate risks associated with climate, and provide corresponding management measures. • Monitor and control the Company's performance on climate, including climate-related indicators and targets, and review regularly the progress of relevant targets. • Formulate climate-related management objectives and strategies, including evaluation, prioritization and management of climate-related issues, and report to the Board. • Ensure transparency of the Company's climate-related information, and issue relevant reports on regular basis, as well as communicate with stakeholders such progress and results.
the Relevant Departments	• Collect and report climate-related and other ESG information and data. • Promote the implementation of various climate-related initiatives.

The Group is committed to the continuous enhancement of its ESG and climate governance framework. Going forward, the Group will consider further optimising its governance structure, including more clearly defining roles and responsibilities for climate-related matters, strengthening internal management processes, and enhancing climate-related disclosures in line with evolving regulatory requirements and best practices.

Strategy

The Group recognises that climate change presents both risks and opportunities that may affect its transportation networks, warehousing operations, service reliability and cost structure. Climate considerations are therefore progressively integrated into the Group's business strategy, operational planning and enterprise risk management framework, with the objective of enhancing operational resilience and supporting long-term sustainable growth.

The Group assesses climate-related risks and opportunities across its core business activities, including freight transportation, warehousing, distribution and cross-border logistics services. These assessments are conducted over short (0–1 years), medium (1–3 years) and long-term (3–10 years) time horizons, aligned with the Group's internal planning cycles, asset lifespans and capital investment decisions.

To strengthen its understanding of potential climate-related impacts under different future pathways, the Group has conducted climate scenario analysis with reference to a range of widely recognised, science-based climate and energy transition scenarios. The scenario analysis is used as a strategic tool to evaluate the resilience of the Group's business model, operational footprint and service capabilities under varying climate assumptions.

The scenarios considered include:

Risk/Opportunity	Scenario	Scenario Description
Physical Risk	RCP-SSP 1–2.6 (below 2°C)	Low-emissions pathway aligned with global efforts to limit temperature rise to well below 2°C, reflecting accelerated decarbonisation of transport and logistics value chains.
	RCP-SSP 5–8.5 (above 4°C)	High-emissions pathway characterised by limited mitigation efforts, resulting in increased frequency and severity of physical climate risks.
Transition Risk and Opportunity	IEA Net Zero Emissions by 2050 (NZE)	Global energy transition accelerates, with renewable energy becoming increasingly widespread. Major countries and regions around the world have announced their respective pathways toward carbon neutrality, and continue to introduce and strictly implement relevant subsidies, standards, tax incentives, renewable energy targets and energy efficiency regulations.
	IEA Stated Policies Scenario (STEPS)	Governments and industries worldwide continue to implement existing climate policies and measures, representing a more gradual and uneven transition across regions.

The scenario analysis focuses on the potential impacts of both physical risks and transition risks, considering the Group's geographic exposure and operational characteristics. The analysis also supports the identification of climate-related opportunities, including improvements in route optimisation and fuel efficiency, adoption of lower-emission vehicles, enhanced warehouse energy management, and the provision of more sustainable logistics solutions in response to increasing customer demand.

Risk severity and likelihood are assessed on a qualitative basis under each scenario, with higher-emission pathways indicating elevated physical risk exposure over the medium to long term, and lower-emission pathways highlighting increased transition pressures alongside strategic opportunities.

Physical Risk Type	Driver	Time Horizon	Potential Impact
Acute	Extreme weather (typhoons, storms, flooding)	Short Term – Long Term	Low to Medium
Risk Description			
The Group's logistics network and physical facilities are exposed to the impacts of extreme weather events. Typhoons and storms may damage logistics hubs, warehouses and on-site infrastructure, resulting in operational disruptions. Storm surges and extreme rainfall pose flood risks to warehouses at coastal hubs, which may lead to service interruptions, damage to sorting equipment and potential loss of customers' goods. Extreme weather events may also affect employees' commuting and on-site operations, leading to heightened health and safety risks for the workforce.			
Mitigation Measures			
The Group implements a localized, safety-first operational strategy. This includes establishing real-time emergency communication channels to issue alerts and government-aligned travel advisories, alongside flexible remote work policies to ensure personnel safety. Logistics operations are dynamically adjusted, with pickups only proceeding when conditions are deemed safe and drivers are instructed to bypass flood-prone routes. Furthermore, the Company reinforces asset protection through strict warehouse protocols such as elevating all cargo on pallets and securing facility perimeters while addressing extreme heat by upgrading onsite ventilation and providing heatstroke prevention supplies to frontline staff.			

Physical Risk Type	Driver	Time Horizon	Impact Level
Chronic	Temperature rise	Short Term – Long Term	Low to Medium
Risk Description			
Rising average temperatures lead to a moderate increase in energy demand for warehouse temperature control logistics, placing incremental pressure on operating costs. Prolonged periods of high temperatures may also result in higher vehicle failure rates, elevated health and safety risks for employees, and additional strain on warehouse temperature-control systems.			
Mitigation Measures			
The Group is implementing a comprehensive heat-stress management program focused on employee health and safety. We will mitigate physical risks by distributing heat-prevention supplies and cooling resources to frontline workers, while simultaneously launching awareness campaigns to educate staff on heatstroke prevention and heat-stress symptoms. By proactively providing essential cooling materials and optimizing work schedules during extreme heat alerts, the Company aims to reduce the physiological strain on our workforce, ensuring a resilient labor environment and minimizing safety incidents caused by high-temperature environments.			
Physical Risk Type	**Driver**	**Time Horizon**	**Impact Level**
Chronic	Sea level rise	Short Term – Long Term	Low to Medium
Risk Description			
Sea level rise exposes coastal distribution centres, ports and warehousing facilities to flooding risks, increasing infrastructure maintenance costs. Certain assets may face premature retirement or require relocation, which could affect the configuration of regional logistics networks and the stability of supply chains. Sea level rise may also affect employees' commuting and on-site operations, leading to heightened health and safety risks for the workforce.			
Mitigation Measures			
The Group has standardized strict facility management policies across all coastal warehouses and offices. We specifically mandate that sensitive electronic equipment, such as computers, must never be placed directly on the floor; furthermore, all cargo must be stored on elevated pallets to prevent water damage from localized flooding or rising water tables.			

Transition Risk Type	Driver	Time Horizon	Impact Level
Policy and Legal	Energy and resource efficiency regulatory requirements	Short Term – Long Term	Low to Medium
Risk Description			
Globally, governments are introducing policies to support the energy transition and reduce emissions and energy consumption. In pursuit of its "dual carbon" goals, China has continued to roll out and implement a series of policy documents and action plans across sectors such as energy, transportation and logistics. To achieve energy transition objectives and improve energy efficiency, the Group may need to increase capital investment to support its green transformation, including energy substitution and the adoption of more efficient transportation and warehousing equipment, which may result in higher financial outlays. An increasing number of countries and regions worldwide have introduced carbon pricing mechanisms, including carbon-related taxes applicable to aviation and maritime transport, which may increase operating costs for air, sea and land transportation services. Tightening carbon market regulations or fuel tax policies may further raise operating costs for diesel-powered vehicles, placing pressure on profit margins.			
Mitigation Measures			
To proactively manage evolving regulatory landscapes, we track dynamic changes in domestic and international environmental laws, ensuring our operations remain aligned with global standards such as the TCFD and emerging green logistics mandates. Simultaneously, the Company will accelerate its transition to a low-carbon model by integrating high-efficiency energy solutions across our supply chain ranging from immediate upgrades like LED lighting in warehouses to the strategic procurement of new energy vehicles thereby enhancing resource efficiency and mitigating long-term policy-driven financial risks.			
Transition Risk Type	**Driver**	**Time Horizon**	**Impact Level**
Policy and Legal	Enhanced requirements for carbon emissions disclosure	Short Term – Long Term	Medium
Risk Description			
National authorities will fully implement a dual control system for both total carbon emissions and carbon intensity and establish a comprehensive framework of incentive and constraint mechanisms covering various market participants, with more stringent requirements for carbon-related data disclosure. The HKEX has strengthened climate-related disclosure requirements for listed companies. Failure to comply with the required disclosure of greenhouse gas emissions data may result in penalties, reputational damage and a loss of investor confidence.			
Mitigation Measures			
We implement a comprehensive carbon accounting and disclosure framework aligned with international standards like the GHG Protocol. We track Scope 1, 2, and 3 emissions with high precision to ensure audit-ready reporting. we also set carbon emission reduction targets, and regularly disclose progress against those targets.			

Transition Risk Type	Driver	Time Horizon	Impact Level
Technology	Low carbon technology R&D and transition costs	Short Term – Long Term	Low to Medium
Risk Description			
Companies may be required to invest capital and time in low-carbon technologies — such as hydrogen fuel cell vehicles, tracking the carbon footprint of shipments, and intelligent scheduling systems which might increase the Group's operating costs.			
Mitigation Measures			
The Group is leveraging advanced data analytics to drive its decarbonization efforts. We plan to implement a system to collect real-time energy consumption data and driver trajectories via GPS for its courier fleet, enabling a granular analysis of delivery patterns. By utilizing this data to perform route optimization, the Company aims to reduce fuel consumption and carbon emissions while simultaneously lowering overall operating costs. This technological integration not only aligns with global green logistics trends but also builds a robust data foundation for future environmental reporting and performance tracking.			
Transition Risk Type	**Driver**	**Time Horizon**	**Impact Level**
Market	Market supply and demand changes	Short Term – Long Term	Low to Medium
Risk Description			
As an increasing number of our clients commit to achieving net-zero targets, demand for low-carbon transportation services is increasing, and companies unable to provide carbon footprint verification may risk losing orders. The trend toward green shipping and low-carbon supply chains is expanding, with inland transportation segments also expected to align with low-emission service requirements. Consumers and shippers are increasingly favouring "zero-carbon logistics", potentially shifting the market in favour of low-carbon operators.			
Mitigation Measures			
The Group is proactively evolving its operations to meet the increasing demand for low-carbon logistics services. We are optimizing our business systems to transition toward a paperless, data-driven workflow, which minimizes manual intervention and enhances system efficiency to reduce overall resource and energy consumption. Recognizing that clients are shifting from encouraging green practices such as recycling packaging and utilizing reusable pallets to potentially mandating strict low-carbon requirements, the Company is pre-emptively implementing circular economy measures, including the replacement of single-use packaging with reusable pallets and the optimization of warehouse space. Furthermore, we are accelerating our green transition through energy-efficiency upgrades like LED lighting and the procurement of new energy vehicles, ensuring we remain competitive and capable of securing future contracts in a market that increasingly prioritizes sustainable transportation providers.			

Opportunity Type	Driver	Time Horizon	Impact Level
Products and Services	Development and/ or expansion of low-emission products and services	Short Term – Long Term	Medium
Opportunity Description			
Companies are offering more sustainable and green solutions, generating additional economic and social benefits. By prioritising carriers that utilise clean fuels, shore power, or green electricity, the Group can also promote low-carbon collaborative transformation across the upstream and downstream segments of the industry value chain.			
Management Measures			
Far International is deploying intelligent digital tools to streamline operations and curb transport emissions. We can utilize data-driven insights to refine and optimize delivery routes. This transition to smart logistics allows for the design of more carbon-efficient transit paths, effectively reducing fuel usage and our overall environmental footprint while offering clients transparent, eco-friendly service alternatives.			
Opportunity Type	**Driver**	**Time Horizon**	**Impact Level**
Market	Shifts in consumer preferences	Short Term – Long Term	Low to Medium
Opportunity Description			
End customers and logistics companies are increasingly incorporating sustainability performance into their procurement decisions and are willing to pay a premium for low-carbon logistics services while establishing long-term partnerships. By proactively developing a low-carbon product line, the Group can not only capture this additional demand but also leverage it to establish long-term collaboration frameworks with high-end clients, secure quality shipments, and expand market share.			
Management Measures			
To capitalize on the growing market preference for sustainable logistics, Far International is committed to proactively evolving its service model through digitalization and resource circularity. We will optimize our operational systems to eliminate paper usage and transition toward fully automated, data-driven workflows, thereby enhancing efficiency and reducing overall energy consumption. Recognizing that clients are increasingly mandating green practices such as the recycling of packaging materials and the reuse of pallets, the Company will stay ahead of market trends by investing early in low-carbon logistics products. By accelerating our green transformation through the adoption of intelligent digital systems, energy-efficient facility upgrades, and the procurement of new energy vehicles, we aim to meet stringent procurement requirements, secure long-term partnerships, and capture a larger market share of eco-conscious global trade.			

Risk Management

The climate-related risk management process considers the Group's business scope, geographical footprint, industry characteristics and a structured risk inventory, and follows a continuous workflow of identification, assessment, prioritisation, management and monitoring. The Group will continue to enhance its climate risk management processes, data collection and internal capabilities over time, with a view to strengthening the robustness of its climate-related disclosures.

Risk Identification

- Climate-related risks are identified through a structured review of internal and external factors relevant to the Group's operations. This includes consideration of business scope, geographical location and industry context. Climate-related risks are identified across physical risk, transition risk and opportunity.

Risk Assessment

- Identified climate-related risks are assessed on a qualitative basis by considering their potential likelihood of occurrence and the magnitude of potential operational, financial or reputational impacts on the Group. Climate scenario analysis is used to support the identification and evaluation of physical and transition risks as well as opportunities under varying climate pathways and time horizons.

Risk Management and Mitigation

- Management and relevant departments are responsible for implementing mitigation measures and operational controls to address identified climate-related risks. These measures may include operational adjustments, efficiency improvements, compliance monitoring, and engagement with suppliers or stakeholders where appropriate. Climate-related considerations are progressively incorporated into operational planning and decision-making processes.

Reporting and Governance Integration

- Management provides regular updates on climate-related risks and mitigation progress to the Board as part of ESG and risk management reporting. This enables the Board to oversee the effectiveness of the Group's climate-related risk management approach and to consider climate-related matters in strategic decision-making.

Metrics and Target

The Group uses climate-related metrics and targets to monitor its environmental performance and manage climate-related risks and opportunities. Key metrics include greenhouse gas ("**GHG**") emissions, energy consumption and other relevant environmental indicators, where applicable. These metrics help the Group track performance, evaluate the effectiveness of its actions, and support management decision-making.

The Group reviews its performance against established targets on a regular basis to monitor progress and identify areas for improvement. Targets are set with consideration of the Group's operational conditions, business plans and data availability.

Environmental aspects	Targets
Greenhouse gas	Reduce greenhouse gas emission intensity by 8% by 2030
Energy consumption	Reduce energy consumption by 8% by 2030

During the Year, information on the Group's greenhouse gas emission is set out below:

Greenhouse gas[1]	2025	2024
Total greenhouse gas emissions *(tonnes of carbon dioxide equivalent)*	**1,774.49**	1,760.95
Scope 1 — Direct emissions *(tonnes of carbon dioxide equivalent)*[2]	**822.88**	692.95
Scope 2 — Energy indirect emissions *(tonnes of carbon dioxide equivalent)*[3]	**322.40**	313.00
Scope 3 — Other indirect emissions *(tonnes of carbon dioxide equivalent)*[4]	**629.21**	755.00
Greenhouse gases emission intensity *(tonnes of carbon dioxide equivalent/RMB millions revenue)*[5]	**0.89**	0.59

1 The Group's greenhouse gas emissions include carbon dioxide, nitrogen oxides and methane. For the ease of reading and understanding, greenhouse gas emissions are presented in the form of tonnes of carbon dioxide equivalent.

2 Scope 1 includes the emissions from vehicles. The emission factors are set out in the "IPCC Global Warming Potential Values" issued by the Greenhouse Gas Protocol and the CDP Technical Note: Conversion of fuel data to MWh.

3 Scope 2 includes the emissions from purchased electricity. The emission factor is sourced from 2023 electricity carbon dioxide emission factor published in the Announcement on the Release of 2023 Electricity Carbon Dioxide Emission Factors issued by the Ministry of Ecology and Environment of the People's Republic of China and the "Guidelines for Accounting and Reporting Greenhouse Gas Emissions".

4 Scope 3 — other indirect emissions include other indirect emissions outside the Group, including hazardous waste, non-hazardous waste, wastepaper and sewage treatment, as well as greenhouse gas emissions from business travel. Its calculation method is based on the "Appendix 2: Reporting Guidance on Environmental KPIs" issued by the Stock Exchange, "Research on Energy Consumption of Urban Water Supply Systems in China", "Emission Factor for Cross Sector Tools", "UK Government GHG Conversion Factors for Company Reporting" and "Statistical Analysis and Quantitative Identification of Energy Consumption Laws of Urban Sewage".

5 In 2025, the increase in greenhouse gas emission intensity was primarily attributable to changes in the Group's revenue, rather than a material increase in absolute emissions. These changes were affected by external factors including changes in U.S. tariff policies. Accordingly, the year-on-year increase in intensity should be interpreted in light of these external factors.

4.2 Green Logistics

In order to minimise the generation of emissions and wastes, the Group strictly complies with national laws and regulations, such as the Law on the Prevention and Control of Atmospheric Pollution of the PRC and the Law on the Prevention and Control of Environmental Pollution by Solid Wastes of the PRC and implements the environmental policy of "strengthening risk control and preventing environmental pollution". The members of the Group adopt a series of measures to control vehicle carbon emission and materials usage, aiming to become a green logistics provider.

Vehicle Management

As a transport-intensive logistics provider, emissions from our vehicle fleet represent our most material environmental impact. Recognising this, the Group has implemented the following measures to strengthen air pollutant and carbon emissions management for logistics vehicles, ensuring our operations not only comply with legal requirements but also contribute to a healthier and more sustainable environment for the communities we serve.

- Implement vehicle management procedures to improve the efficiency of vehicle use and reduce emissions.
- Utilise electric and hybrid vehicles as part of the fleet, which can effectively reduce air emissions as compared to using fossil fuels.
- Maintain the correct tyre pressure through regular inspections and inflation, as well as proper adjustment to vehicles, to ensure that the vehicles are used efficiently to reduce fuel consumption.
- Provides drivers with low-carbon driving training programmes to ensure that they avoid polluting driving behaviours, such as sudden acceleration and engine idling and avoiding running the engine while the vehicle is idling.

During the Year, information on the Group's vehicle emissions is set out below:

Air pollutant[6]	**2025**	2024
Nitrogen oxides *(kg)*	**1,118.58**	1,081.88
Sulphur oxides *(kg)*	**3.55**	3.99
Particulate matters *(kg)*	**81.19**	81.57

The Company is steadily expanding its green fleet, gradually replacing conventional fuel-powered vehicles. In 2025, the electric vehicles accounted for 62% of our newly purchased fleet in our East China region. The transition to electric vehicles not only reduces air pollutants, energy consumption and greenhouse gas emissions.

6 Calculated based on the "Appendix 2: Reporting Guidance on Environmental KPIs" issued by the Stock Exchange.

Sustainable Packaging

Managing packaging materials usage is vital for the Group as it enhances cost efficiency and promotes sustainability. By optimizing packaging, we can reduce waste and expenses while complying with regulations. To achieve this, the Group has taken the following measures to manage the use of packaging materials in the operations.

- The Group assesses the utilisation of materials before procurement to avoid wastage of resources due to overstocking.

- The Group is committed to reducing the use of disposable materials and choosing recyclable, biodegradable alternatives (e.g. cardboard boxes instead of plastic packaging, biodegradable adhesive tapes instead of conventional plastic tapes in warehouses) and recycling reusable materials generated from recycling activities or services without compromising product safety.

- The Group has initiated training programmes for the staff to raise their awareness of the importance of reducing packaging waste, to raise their awareness of recycling materials and to encourage them to actively participate in the training programmes for the sustainable development of the Group.

- The goods delivered to the Group's locations are pre-packaged, resulting in minimal direct interaction with packaging materials.

Case Study: Application of reusable plastic pallets

Starting in mid-2025, the South China Business Division commenced a transition from wooden to plastic pallets. Designed for repeated use, these reusable pallets are projected to yield annual savings of approximately 10,000 wooden pallets.





The Group will continue to explore more practices for lightweight, reusable and recyclable packaging, so as to minimize material consumption, reduce packaging waste, and advance circular economy principles across our logistics operations.

During the Year, information on the Group's use of packaging materials is set out below:

Packaging material use[7]	**2025**	2024
Total packaging materials *(tonnes)*	**372.77**	486.15
Packaging material density *(tonnes/RMB millions revenue)*	**0.19**	0.16

4.3 Green Operations

The Company recognizes that as a logistics service provider, energy consumption and resource use in our operations not only impact operating costs but also relate closely to environmental sustainability. We have integrated green operations into our core sustainable development agenda and commit to minimize the environmental footprint of our operations through technological innovation and management optimization, while maintaining service quality.

Energy Consumption

The Group strictly complies with the Law on Energy Conservation of the PRC and other applicable national laws and regulations. Our primary energy consumption sources are vehicle fuel consumption and purchased electricity. We implement comprehensive strategies across logistics distribution, office lighting, air conditioning, equipment usage, and procurement to maximise energy efficiency and reduce overall energy consumption.

Logistics Distribution	Optimises distribution routes and invests in more efficient equipment and machinery, such as electric or hybrid vehicles, to reduce energy consumption.
Office Lighting	Sets up separate light switches for different lighting areas and adopts high-efficiency lamps and lighting equipment to enhance lighting efficiency and requires the staff to switch off the lighting when the area or room is not in use. Maximises the use of natural light in workplaces as far as practicable to save electricity consumption.
Air Conditioning Settings	Sets a minimum temperature of 25.5 degrees Celsius for the air-conditioning system and avoids installing air-conditioners in areas exposed to direct sunlight.
Equipment Usage	To minimise energy wastage of electronic equipment, computers are set to automatic standby mode when idle and staff are requested to switch off electronic equipment when leaving office.
Group Procurement	Purchases electronic equipment with energy efficiency labels and gives preference to more efficient equipment.

[7] Calculated based on the actual usage of packaging materials of the Group.

During the Year, data on the Group's energy consumption is set out below:

Energy Consumption[8]	**2025**	2024
Total energy consumption *(MWh)*	**3,289.95**	2,804.93
Direct Energy		
Energy consumption from gasoline use *(MWh)*[9]	**1,466.63**	1,212.11
Energy consumption from diesel use *(MWh)*[10]	**1,472.88**	1,265.62
Indirect Energy		
Energy consumption from electric vehicle *(MWh)*[11]	**59.72**	14.21
Energy consumption from purchased electricity *(MWh)*[12]	**290.71**	313.00
Energy consumption intensity *(MWh/RMB millions revenue)*[13]	**1.65**	0.94

Water Stewardship

The Group's water consumption primarily comes from office use and is mainly supplied by the municipal water network, which poses no difficulties in sourcing water. The Group endeavours to reduce water consumption, develops and implements water conservation measures and encourages staff to actively conserve water.

The Group has set a target to reduce water consumption intensity by 8% by 2030, against a 2023 baseline.

Our water conservation measures include:

Behavioural awareness: The Group has reminded staffs to turn off the taps after using water and posted water conservation reminder labels at water supply locations and in all toilets to enhance their awareness of water conservation.

Leak prevention: The Group will regularly check the water meter readings and hidden leakages. In case of dripping taps, the Group will immediately arrange for repairs to ensure effective use of water resources and avoid wastage.

Infrastructure maintenance: The Group conducts regular leakage tests on concealed water pipes and will arrange for immediate repairs if leakage is detected to avoid wastage of water resources.

8 In 2024, we based the energy consumption data calculations on more internationally recognized and authoritative guidelines, which may result in slight changes to the data. Additionally, we have standardized the units of data in both the English and Chinese reports to enhance accuracy.

9 Calculated based on the "CDP Technical Note: Conversion of fuel data to MWh".

10 Calculated based on the "CDP Technical Note: Conversion of fuel data to MWh".

11 Calculated based on the "Regional Power Grid Average Carbon Dioxide Emission Factors in China" and the "Guidelines for Accounting and Reporting Greenhouse Gas Emissions".

12 Calculated based on the Average Carbon Dioxide Emission Factor for National Electricity in 2023 released by the Ministry of Ecology and Environment of the PRC.

13 In 2025, the increase in energy consumption intensity was primarily attributable to changes in the Group's revenue, rather than a material increase in energy consumption. These changes were affected by external factors including changes in U.S. tariff policies. Accordingly, the year-on-year increase in intensity should be interpreted in light of these external factors.

Efficient fixtures: The Group will also use toilet facilities with water-saving features, such as taps with water-saving labels and dual-flush toilets, and at the same time keep an eye on the latest water-saving devices and discuss the possibilities of their application, to further reduce the consumption of water resources.

During the Year, data on the Group's water consumption is set out below:

Water Consumption[14]	**2025**	2024
Total water consumption *(cubic meter)*	**5,318.68**	5,449.10
Water consumption intensity *(cubic meter/RMB millions revenue)*	**2.67**	1.83

Waste Management

The Group recognises that effective waste management not only helps reduce the consumption of natural resources and environmental impact but also enhances operational efficiency and social responsibility. We have identified the types of hazardous and non-hazardous waste involved in our operations and developed targeted management measures to achieve higher resource utilization.

The Group aims to achieve 100% solid waste processing rate by 2030.

Non-Hazardous Waste

Type	**General office waste (wastepaper) and food waste**
Management	• The main method of disposal of non-hazardous waste is recycling. • The Group's workplaces are equipped with waste separation bins to facilitate the recycling of different types of waste. • In order to reduce the generation of non-hazardous waste, the Group regularly evaluates the number of materials used to avoid overstocking. • The Group encourages the staff to reduce the use of disposable and non-recyclable products and to reuse recyclable items, such as reusing envelopes, loose-leaf folders, file cards and reusing pen barrels with pen refills.

[14] Calculated based on the Group's actual water consumption.

Hazardous Waste	
Type	**Office waste (e.g. ink cartridges, computers, etc.)**
Management	• The Group has set up a hazardous waste contingency plan and a standardised hazardous waste management system. In the event of a hazardous waste spillage or fire, the contingency plan will be activated to coordinate the emergency response personnel to prevent the spread of pollution. • The Group has established storage facilities and premises for hazardous waste and classified and collected the hazardous waste generated and posted conspicuous signs stating the names and types of waste. • The Group has established a hazardous waste management ledger and formulated a hazardous waste management plan in accordance with the management ledger and the production plan in recent years. • The Group selects suitable packaging materials and packaging to contain hazardous waste to avoid leakage or incompatible reactions. Hazardous waste is mainly handled by qualified collectors, suppliers or properties for centralised collection and recycling. • The Group collaborates with electronics companies to recycle used computers and other electronic waste. • The office uses recyclable ink cartridges and encourages staff to use rechargeable batteries instead of disposable batteries, to reduce the amount of hazardous waste generated in our office.

During the Year, information on the Group's waste generated is set out below:

Waste	**2025**	2024
Total non-hazardous waste generated *(tonnes)*[15]	**7.54**	11.07
Intensity of non-hazardous waste generated *(tonnes/RMB million revenue)*	**0.0038**	0.0037
Total hazardous waste generated *(tonnes) (Note 2)*[16]	**0.24**	0.48
Intensity of hazardous waste generated *(tonnes/RMB millions revenue)*	**0.00012**	0.00016

[15] According to the statistics of the actual weight of non-hazardous waste generated by the Group.

[16] Calculated based on the actual weight of hazardous waste.

5 BUILDING A PEOPLE-CENTRIC ECOSYSTEM

The Group firmly believes that employees are important assets and recognises that their growth is vital to the success of the business. The Group is committed to respect and protect the rights of employees and is dedicated to safeguard their safety and health. The Group adheres to the core values of "integrity, responsibility, cooperation, co-prosperity ", implements human-centric management and demonstrates care for employees in daily operations. The Group believes that an enterprise and employees are interdependent and that the provision of development opportunities for employees is the key to achieve long-term sustainable development.

5.1 Fair Employment

The Group strictly abides to the Labour Law of the PRC, the Labour Contract Law of the PRC, the Regulations on the Prohibition of Using Child Labor and other relevant laws and regulations to ensure that employees enjoy equal employment and promotion opportunities. To further implement these principles, the Group has formulated the Employee Handbook to protect the rights and interests of employees.

Employee Management

The Group's Employee Handbook clearly stipulates the ethical code of conduct that employees must adhere to, which includes, but is not limited to, compliance with relevant laws and regulations, as well as policies related to the Group's various employment management and labour practices. The Employee Handbook also explains policies and procedures on staff welfare, performance appraisal, professional training and personal development in detail.

The Group firmly opposes any forms of discrimination, whether in terms of sex, sexual orientation, disability, age, race, nationality or family status or any other factors protected by law and is committed to foster a harmonious working environment among all employees and throughout the Group.

In addition, the Group stresses the prohibition of child labour and forced labour. The Group will check the applicant's supporting documents, such as identity cards and academic qualifications during the recruitment process to confirm that his/her age and identity are consistent with the supporting documents he/she has provided, to avoid inadvertent hiring of child labour or forced labour. In the event of wrongful employment of child labour or forced labour, the Group will immediately stop the work of the employee concerned and initiate an investigation to prevent the recurrence of the same incident.

Employee Recruitment

The Group has formulated the Management System for Recruitment and Renewal of Employment Contracts and the Rules for the Management of Resignation to regulate the procedures of recruitment, appointment and exit procedures to ensure that the management is carried out efficiently and in an orderly manner and to safeguard the lawful rights and interests of the employees. Upon receipt of an employee's resignation application, the corresponding department head will conduct an exit interview with the resigning employee to discuss the reasons for resignation. The Group's human resources department also keeps a close watch on the turnover rate of employees to identify potential problems within the Group.

During the Year, the employment data of the Group is as follows:

Employment indicators		2025
	Total employees	**454**
By gender	Male	**275**
	Female	**179**
By age groups	Age < 30	**147**
	Age 30–50	**288**
	Age > 50	**19**
By employment types	Part-time	**1**
	Full-time	**453**
By location	Mainland China	**450**
	Other	**4**

Employment indicators		2025
	Employee turnover rate	**25.99%**
By gender	Male	**27.64%**
	Female	**23.46%**
By age groups	Age < 30	**46.26%**
	Age 30–50	**15.97%**
	Age > 50	**21.05%**
By location	Mainland China	**25.56%**
	Other	**75%**

5.2 Employee Care

The Group is committed to creating a workplace where employees feel valued, supported, and empowered. By prioritizing the needs and development of our workforce, the Group cultivate not only a motivated team but also a thriving and resilient organization.

Employee Benefits

The Group is committed to promoting fairness and equity in the workplace and providing equal opportunities for the employees. The Group has put in place various measures to protect the rights of employees, including but not limited to remuneration and benefits, promotion and development as well as other benefits and entitlements such as working hours and rest time. The Group endeavours to provide fair and open opportunities to all employees in the recruitment process, in the provision of remuneration and benefits, and in training and promotion opportunities. We are committed to ensuring that our decisions are not influenced by age, gender, physical or mental health, marital status, race, nationality or other factors. The benefits we provide to our employees include:

Competitive Remuneration	• Different remuneration systems are used for different positions, including annual salary, monthly salary, year-end performance bonus, personalised remuneration and commission. • The remuneration structure will be evaluated and adjusted every year. • In general, the Group determines the remunerations of employees based on the qualifications, experience and competence of each employee, as well as the prevailing market salary levels.
Social Security Fund	• The Group makes mandatory social security fund contributions for the provision of retirement, medical, work injury, maternity and unemployment benefits for the employees and housing provident fund contributions in accordance with applicable PRC laws and regulations.
Paid Vacation	• The Group offers employees paid annual leave, bereavement leave, marriage leave, maternity leave, and paternity leave, ensuring that they have the necessary time off to rest and attend to family matters.
Free Medical Check-Ups	• The Group provides free medical check-ups to employees every other year to safeguard their physical and mental health.
Welfare Programmes	• The Group provides all employees with a wide range of welfare programmes, including meal subsidies, transport subsidies and year-end bonuses.
Holiday Benefits	• The Group also provides the employees with holiday benefits, including the Spring Festival, Dragon Boat Festival, Mid-Autumn Festival, as well as birthday benefits for employees, to enhance the sense of belonging and cohesion of the employees.

Employee Wellbeing

The Group actively supports the well-being of its employees through practical initiatives that enhance everyday work life. From nursing facilities to regular team-building activities and a range of employee benefits, these measures are designed to foster engagement, strengthen teamwork, and create a supportive and inclusive workplace environment.

Case Study: Celebrating Women's Day

In celebration of International Women's Day, the Group organized an appreciation initiative to recognize the valuable contributions of our female employees. Thoughtfully selected gifts were distributed as a token of gratitude for their dedication, professionalism, and continued commitment to the Company's development. Through this initiative, we aim to foster an inclusive and respectful workplace culture, promote gender equality, and enhance employee engagement.



Women's Day Gift Distribution

Case Study: Nursing Room Facilities

To further support the well-being of our female employees, the Group has established a dedicated nursing room within our office premises. The facility provides a private, clean, and comfortable space for nursing mothers to express milk and attend to personal needs with dignity and convenience. Equipped with essential amenities and maintained to high hygiene standards, the nursing room reflects our commitment to fostering a family-friendly and inclusive workplace environment.



Nursing Room

Case Study: Team Building Program

During the Reporting Year, the Group enhanced its employee engagement initiatives by increasing the budget allocated for team building activities. Previously conducted once every two years, team building activities are now organized annually for each department. This increased frequency provides employees with more consistent opportunities to strengthen collaboration, improve communication, and foster mutual trust among team members. Through these initiatives, the Group aims to cultivate a cohesive and supportive workplace culture, and reinforce teamwork across all levels of the organization.





Team Building Activity

5.3 Talent Growth

The Group attaches great importance to the provision of appropriate training to employees to meet the requirements of different positions. The training department designs suitable training programmes and plans every year, and has established a tiered talent development system. Differentiated development programs are designed for employees at various levels and in different sequences, enabling mutual empowerment between employee growth and organizational development.

2.5 times more average training hours than FY2024



For management, we focused on strategic vision and leadership enhancement, strengthening decision-making capabilities; for frontline staff, we focus on improving on-site management and business operations capabilities; for professionals, we conduct specialized trainings like information security training to enhance their technical expertise.

Besides, we also provide in-house training such as induction training and mentoring programmes. Among them, induction training, helping them understand the Group's culture, while mentoring programmes are conducted by more experienced staff to help new employees enhance their skills and knowledge in daily operations. Additionally, the Group encourages employees to participate in trainings and seminars organised by external organisations.

With regard to the performance and skills of our employees, the Group will give priority to internal promotion rather than external recruitment to recognise and reward the contribution of our employees and spur their motivation. The Group will provide promotion opportunities for capable employees with outstanding performance, while those with insufficient competence will be re-trained to enhance their capability. By providing employees with abundant resources for professional development and clear career paths, the Group has raised staff morale and job satisfaction.

During the reporting period, we delivered training sessions covering diverse topics essential to our logistics operations and business development. These programs collectively engaged employees across all major departments and regional operations, reflecting our commitment to building capabilities at every level of the organization.

Cybersecurity Training

In 2025, we conducted a comprehensive cybersecurity awareness training designed to enhance employees' understanding of network security and equip them with practical skills to identify, prevent, and respond to cyber threats.



During the Year, the training data of the employees of the Group is as follows:

Training indicators		**2025**
	Total employees trained *(person)*	**111**
By gender	Male	**51**
	Female	**60**
By employment level	Senior Employee	**6**
	Mid-level Employee	**9**
	Junior Employee	**96**
	Total employees trained *(%)*	**24.45%**
By gender	Male	**18.55%**
	Female	**33.52%**
By employment level	Senior Employee	**100.00%**
	Mid-level Employee	**100.00%**
	Junior Employee	**21.87%**

Average Training Hours		2025
	Average hours of training for employees *(hours)*	**1.50**
By gender	Male	**1.30**
	Female	**1.81**
By employment level	Senior Employee	**10.67**
	Mid-level Employee	**11.11**
	Junior Employee	**1.18**

5.4 Health and Safety

During the Group's business operations, work safety and the personal safety of employees always come first. The Group strictly complies with relevant regulations, including but not limited to the Work Safety Law of the PRC, the Law on the Prevention and Control of Occupational Diseases of the PRC and the Fire Protection Law of the PRC, and places health and safety standards at the forefront of activities. All employees, including the management, are responsible for complying with the safety measures stipulated in the Group's policies, to maintain a healthy workplace that complies with safety standard.

The Group has implemented health and safety policies and emphasised the importance of workplace safety and health to ensure that the office and working environment meets or exceeds the standards required by applicable laws. The management of the Group endeavours to provide a safe workplace and keep the facilities in a safe and optimal condition. For recognised hazardous work, the Group also has special safety procedures in place to prevent accidents. In addition, the Group has established a clear and effective reporting system for hazards, injuries and illnesses, which requires the responsible parties in the Group to respond to all reports of unsafe and unhealthy working environments and to carry out thorough investigations into the causes of any accidents.

The Group has put in place the necessary policies and procedures to deal with various emergency situations, such as fire accidents and explosions, and has instructed the employees to take immediate action in the event of an accident to minimise the possibility of injury or even death. The Group conducts regular emergency training and drills to familiarise employees with evacuation routes and emergency procedures in advance. To minimise the possibility of fire, smoking is prohibited in the workplace. Any spillage or debris found on site is cleaned up in a timely manner to avoid slips and falls.

Fire Safety Drill

On 21 June 2025, we organized a comprehensive fire safety drill in our Shenzhen location. Employees from the various departments actively participated in the session. Through hands-on training, participants mastered emergency evacuation procedures, learned to operate various firefighting equipment, and gained essential first aid skills — equipping them with critical competencies to respond effectively to fire incidents and safeguard both life and property.





Fire Safety Enhancement Month

In November 2025, our Fenghua Branch launched a comprehensive fire safety initiative. Through "theory plus practice" training, employees at all levels — from management to frontline staff — mastered essential fire extinguisher skills. This hands-on program fortified operational safety across warehousing and transportation, demonstrating accountability to customers, the enterprise, and the wider community.



It is important that employees have adequate knowledge of occupational health and safety. Therefore, the Group provides occupational safety training on workplace hazards based on the competency level and training needs of management and employees to ensure that all employees are aware of the potential hazards they may face and the measures they can take to protect themselves. The Group provides general safety guidance to new employees, including seminars and training programmes on internal safety regulations and emergency procedures, to enhance their awareness and knowledge of occupational health and safety. In addition, the Group provides protective equipment to employees to safeguard their health and safety.

Case Study: Summer Heat Relief for Employees

The Group is committed to ensuring the health and well-being of our employees during extreme weather conditions, including the high heat season. In 2025, the Group implemented a summer heat relief program, where resources were provided by the Group to ensure that employees remained comfortable and safe during the high-temperature months. This initiative was extended to several outlets to make sure that employees received adequate support and measures to cope with the heat.





Summer Heat Relief for Employees

By providing cooling resources and promoting awareness of heat safety, the Group aims to alleviate the physical strain caused by high temperatures, ensuring that employees feel better and are able to continue their work in a safe and supportive environment. This reflects the Group's ongoing efforts to maintain a healthy workplace and demonstrates our commitment to employee welfare during challenging weather conditions.

The Group has not violated any laws and regulations relating to the safe working environment. During the Year, there were 0 work-related injuries and 0 workdays were lost due to work-related injuries.

During the Year, the health and safety data of the Group is as follows:

Health and safety indicators	**2025**	2024	2023
Death incidents *(cases)*	**0**	0	0
Work-related fatality rate *(%)*	**0**	0	0
Work-related injuries *(cases)*	**0**	0	1
Lost workdays due to work injury	**0**	0	58

5.5 Community Impact

The Group deeply recognises the importance of contributing to the society, actively fulfils the corporate social responsibilities and treasures our relationship with the community by paying attention to the needs of the underprivileged and different special groups in the society. The Group is also committed to giving back to the community through community investment and other means, such as participation in volunteer activities and donations to charitable organizations, which focus on, but are not limited to, areas such as poverty alleviation, education, vocational training, environmental protection and community culture.

The Group will actively participate in local community affairs and cooperate with local government and other stakeholders to promote the development and progress of the community. The Group also encourages our employees to participate in community activities in various forms, including but not limited to donations and in-kind donations, to contribute to the building of a harmonious and sustainable society. As the Group has just completed the listing process, it has not formulated community investment related policies. However, we are committed to contribute to the development and advancement of the community by strengthening our cooperation and relationship with the community, formulating relevant policies, making community investments and through other methods.

During the Reporting Period, the Group actively responded to the national rural revitalisation strategy and donated RMB50,000 specifically for the "High-Quality Development Project for Hundreds of Counties, Thousands of Towns and Tens of Thousands of Villages" and rural greening initiatives in Chishi Village, Chishi Sub-district, Shenzhen-Shanwei Special Cooperation Zone, thereby supporting the improvement of the local ecological environment and the construction of beautiful villages.

As part of the commitment to robust governance, the Group leverages external leadership roles to contribute to broader industry best practices. For example, as the Supervisor-in-Chief of the Fuyong Subdistrict Logistics Association, the Group's representative is responsible for assembling a supervisory team, ensuring the Standing Committee's compliance with the Association's charter, and reviewing financial activities.

ESG REPORT INDEX

ESG indicators	Description	Section
Environmental		
Aspect A1: Emissions	**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 air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Driving Green Transformation
KPI A1.1	The types of emissions and respective emissions data.	Driving Green Transformation Green Logistics Green Operations
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity.	Driving Green Transformation Green Operations
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity.	Driving Green Transformation Green Operations
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	Driving Green Transformation Green Operations
KPI 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.	Driving Green Transformation Green Operations
Aspect A2: Use of Resources	**General Disclosure** Policies on the efficient use of resources, including energy, water and other raw materials.	Driving Green Transformation Green Operations
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity.	Driving Green Transformation Green Operations
KPI A2.2	Water consumption in total and intensity.	Driving Green Transformation Green Operations
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Driving Green Transformation Green Operations
KPI 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.	Driving Green Transformation Green Operations
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Driving Green Transformation Green Logistics

ESG indicators	Description	Section
Aspect A3: The Environment and Natural Resources	**General Disclosure** Policies on minimising the issuer's significant impacts on the environment and natural resources.	Driving Green Transformation Climate Action Green Logistics Green Operations
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Driving Green Transformation Climate Action Green Logistics Green Operations
Social		
Employment and Labour Practices		
Aspect 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, antidiscrimination, and other benefits and welfare.	Building a People-centric Ecosystem Fair Employment
KPI B1.1	Total workforce by gender, employment type (for example, full-or part-time), age group and geographical region.	Building a People-centric Ecosystem Fair Employment
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Building a People-centric Ecosystem Fair Employment
Aspect B2: Health and Safety	**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 providing a safe working environment and protecting employees from occupational hazards.	Building a People-centric Ecosystem Health and Safety
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Building a People-centric Ecosystem Health and Safety
KPI B2.2	Lost days due to work injury.	Building a People-centric Ecosystem Health and Safety
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Building a People-centric Ecosystem Health and Safety

ESG indicators	Description	Section
Aspect B3: Development and Training	**General Disclosure** Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Building a People-centric Ecosystem Talent Growth
KPI B3.1	The percentage of employees trained by gender and employee category.	Building a People-centric Ecosystem Talent Growth
KPI B3.2	The average training hours completed per employee by gender and employee category.	Building a People-centric Ecosystem Talent Growth
Aspect 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.	Building a People-centric Ecosystem Fair Employment
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Building a People-centric Ecosystem Fair Employment
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Building a People-centric Ecosystem Fair Employment
Operating Practices		
Aspect B5: Supply Chain Management	**General Disclosure** Policies on managing environmental and social risks of the supply chain.	Empowering Premium Services Supplier Management
KPI B5.1	Number of suppliers by geographical region.	Empowering Premium Services Supplier Management
KPI 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.	Empowering Premium Services Supplier Management
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Empowering Premium Services Supplier Management
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Empowering Premium Services Supplier Management

ESG indicators	Description	Section
Aspect B6: Product Responsibility	**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.	As the Group's business involves providing cross-border logistics services, which do not involve product manufacturing, no disclosure will be made for this aspect.
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	As the Group's business involves providing cross-border logistics services, which do not involve product manufacturing, no disclosure will be made for this aspect.
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Empowering Premium Services Service Quality
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Strengthening Corporate Governance Intellectual Property
KPI B6.4	Description of quality assurance process and recall procedures.	As the Group's business involves providing cross-border logistics services, which do not involve product manufacturing, no disclosure will be made for this aspect.
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Strengthening Corporate Governance Data Privacy and Security

ESG indicators	Description	Section
Aspect B7: Anti-corruption	**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 bribery, extortion, fraud and money laundering.	Strengthening Corporate Governance Business Ethics and Integrity
KPI B7.1	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.	Strengthening Corporate Governance Business Ethics and Integrity
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Strengthening Corporate Governance Business Ethics and Integrity
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Strengthening Corporate Governance Business Ethics and Integrity
Community		
Aspect 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	Building a People-centric Ecosystem Community Impact
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Building a People-centric Ecosystem Community Impact
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Building a People-centric Ecosystem Community Impact

CLIMATE-RELATED DISCLOSURE INDEX

Description	Statement/Section
(I) GOVERNANCE	
19. An issuer shall disclose information about:	
a. the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the issuer shall identify that body(s) or individual(s) and disclose information about:	
i. how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities;	Driving Green Transformation Climate Action
ii. how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities;	Driving Green Transformation Climate Action
iii. how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the issuer's strategy, its decisions on major transactions, and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities;	Driving Green Transformation Climate Action
iv. how the body(s) or individual(s) oversees the setting of, and monitors progress towards, targets related to climate-related risks and opportunities (see paragraphs 37 to 40), including whether and how related performance metrics are included in remuneration policies (see paragraph 35); and	Driving Green Transformation Climate Action
b. management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about:	
i. whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and	Driving Green Transformation Climate Action
ii. whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	Driving Green Transformation Climate Action

Description	Statement/Section
(II) STRATEGY	
20. An issuer shall disclose information to enable an understanding of climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term. Specifically, the issuer shall:	
a. describe climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term;	Driving Green Transformation Climate Action
b. explain, for each climate-related risk the issuer has identified, whether the issuer considers the risk to be a climate-related physical risk or climate-related transition risk;	Driving Green Transformation Climate Action
c. specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons — short, medium or long term — the effects of each climate-related risk and opportunity could reasonably be expected to occur; and	Driving Green Transformation Climate Action
d. explain how the issuer defines "short term", "medium term" and "long term" and how these definitions are linked to the planning horizons used by the issuer for strategic decision-making.	Driving Green Transformation Climate Action
21. An issuer shall disclose information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain. Specifically, the issuer shall disclose:	
a. a description of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain; and	Driving Green Transformation Climate Action
b. a description of where in the issuer's business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	Driving Green Transformation Climate Action
22. An issuer shall disclose information that enables an understanding of the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the issuer shall disclose:	
a. information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the issuer shall disclose information about:	
i. current and anticipated changes to the issuer's business model, including its resource allocation, to address climate-related risks and opportunities;	Driving Green Transformation Climate Action

Description	Statement/Section
ii. current and anticipated adaptation and mitigation efforts (whether direct or indirect);	Driving Green Transformation Climate Action
iii. any climate-related transition plan the issuer has (including information about key assumptions used in developing its transition plan, and dependencies on which the issuer's transition plan relies), or an appropriate negative statement where the issuer does not have a climate-related transition plan;	The Group's current efforts remain at an early stage. It is developing the key assumptions, dependencies, and scenario pathways that will form the basis of a transition plan.
iv. how the issuer plans to achieve any climate-related targets (including any greenhouse gas emissions targets (if any)), described in accordance with paragraphs 37 to 40; and	Driving Green Transformation Climate Action
b. information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 22(a).	Driving Green Transformation Climate Action
23. An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 22(a).	The Group notes that this is its first year of climate-related reporting. As such, there are no prior-period plans to report against.
24. An issuer shall disclose qualitative and quantitative information about:	We do not have sufficient data for reliable quantitative estimates. Therefore, we present qualitative descriptions of the potential effects on our financial position, performance, and cash flows, while actively enhancing our systems to enable full quantitative disclosure once the relief is no longer applicable.
a. how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and	
b. the climate-related risks and opportunities identified in paragraph 24(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	
25. The issuer shall provide qualitative and quantitative disclosures about:	
a. how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration:	
i. its investment and disposal plans; and	
ii. its planned sources of funding to implement its strategy; and	
b. how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	

Description	Statement/Section
26. An issuer shall disclose information that enables an understanding of the resilience of the issuer's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the issuer's identified climate-related risks and opportunities. An issuer shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with an issuer's circumstances. In providing quantitative information, the issuer may disclose a single amount or a range. Specifically, the issuer shall disclose: a. the issuer's assessment of its climate resilience as at the reporting date, which shall enable an understanding of: i. the implications, if any, of the issuer's assessment for its strategy and business model, including how the issuer would need to respond to the effects identified in the climate-related scenario analysis; ii. the significant areas of uncertainty considered in the issuer's assessment of its climate resilience; and iii. the issuer's capacity to adjust, or adapt its strategy and business model to climate change over the short, medium or long term; b. how and when the climate-related scenario analysis was carried out, including: i. information about the inputs used, including: (1) which climate-related scenarios the issuer used for the analysis and the sources of such scenarios; (2) whether the analysis included a diverse range of climate-related scenarios; (3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks; (4) whether the issuer used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change; (5) why the issuer decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties; (6) time horizons the issuer used in the analysis; and (7) what scope of operations the issuer used in the analysis (for example, the operation, locations and business units used in the analysis); ii. the key assumptions the issuer made in the analysis; and iii. the reporting period in which the climate-related scenario analysis was carried out.	Driving Green Transformation Climate Action

Description	Statement/Section
(III) RISK MANAGEMENT	
27. An issuer shall disclose information about:	
a. the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks, including information about:	
i. the inputs and parameters the issuer uses (for example, information about data sources and the scope of operations covered in the processes);	Driving Green Transformation Climate Action
ii. whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related risks;	Driving Green Transformation Climate Action
iii. how the issuer assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the issuer considers qualitative factors, quantitative thresholds or other criteria);	Driving Green Transformation Climate Action
iv. whether and how the issuer prioritises climate-related risks relative to other types of risks;	Driving Green Transformation Climate Action
v. how the issuer monitors climate-related risks; and	Driving Green Transformation Climate Action
vi. whether and how the issuer has changed the processes it uses compared with the previous reporting period;	The Group notes that this is its first year of climate-related reporting. As such, there are no prior-period plans to report changes of the processes.
b. the processes the issuer uses to identify, assess, prioritise and monitor climate-related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and	Driving Green Transformation Climate Action
c. the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer's overall risk management process.	Driving Green Transformation Climate Action
(IV) Metrics and Targets	
28. An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO_2 equivalent, classified as:	
a. Scope 1 greenhouse gas emissions;	Driving Green Transformation Climate Action
b. Scope 2 greenhouse gas emissions; and	Driving Green Transformation Climate Action
c. Scope 3 greenhouse gas emissions.	Driving Green Transformation Climate Action

Description	Statement/Section
29. An issuer shall:	
a. measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions;	Driving Green Transformation Climate Action
b. disclose the approach it uses to measure its greenhouse gas emissions including:	
i. the measurement approach, inputs and assumptions the issuer uses to measure its greenhouse gas emissions;	Driving Green Transformation Climate Action
ii. the reason why the issuer has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and	Driving Green Transformation Climate Action
iii. any changes the issuer made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes;	Not applicable
c. for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 28(b), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer's Scope 2 greenhouse gas emissions; and	Driving Green Transformation Climate Action
d. for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 28(c), disclose the categories included within the issuer's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).	Driving Green Transformation Climate Action
30. An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	At present, we have not yet determined or reported these metrics. This matter may be included in the agenda of the ESG Committee meeting for discussion at an appropriate time.
31. An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	
32. An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.	

Description	Statement/Section
33. An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	We are in the early stages of determining these metrics. This matter may be included in the agenda of the ESG meeting for discussion at an appropriate time.
34. An issuer shall disclose:	
a. an explanation of whether and how the issuer is applying a carbon price in decision-making (for example, investment decisions, transfer pricing, and scenario analysis); and	We currently do not apply an internal carbon price in its investment or decision-making processes.
b. the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions; or an appropriate negative statement that the issuer does not apply a carbon price in decision-making.	
35. An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement. This may form part of the disclosure under paragraph 19(a)(iv).	At present, the Group's remuneration policy does not explicitly incorporate climate-related considerations, performance metrics linked to sustainability or emissions reduction targets.
36. An issuer is encouraged to disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry. In determining the industry-based metrics that the issuer discloses, an issuer is encouraged to refer to and consider the applicability of the industry-based metrics associated with disclosure topics described in the IFRS S2 Industry-based Guidance on implementing Climate-related Disclosures and other industry-based disclosure requirements prescribed under other international ESG reporting frameworks.	We have not disclosed industry-based climate metrics specific to the sector. Current disclosures primarily focus on general environmental indicators, such as energy consumption, emissions, waste and water use.
37. An issuer shall disclose (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the issuer shall disclose:	
a. the metric used to set the target;	Driving Green Transformation Climate Action
b. the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives);	Driving Green Transformation Climate Action

Description	Statement/Section
c. the part of the issuer to which the target applies (for example, whether the target applies to the issuer in its entirety or only a part of the issuer, such as a specific business unit or geographic region);	
d. the period over which the target applies;	
e. the base period from which progress is measured;	
f. milestones or interim targets (if any);	
g. if the target is quantitative, whether the target is an absolute target or an intensity target; and	
h. how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	Driving Green Transformation Climate Action
38. An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including:	
a. whether the target and the methodology for setting the target has been validated by a third party;	The target methodology has been established and validated through our internal management systems to ensure it is deeply aligned with our operational realities. We view this as a critical first step and will consider external validation as we progress to more advanced stages.
b. the issuer's processes for reviewing the target;	Accelerating Sustainable Management ESG Governance Driving Green Transformation Climate Action
c. the metrics used to monitor progress towards reaching the target; and	Accelerating Sustainable Management ESG Governance Driving Green Transformation Climate Action
d. any revisions to the target and an explanation for those revisions.	Not applicable

Description	Statement/Section
39. An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer's performance.	Driving Green Transformation Climate Action
40. For each greenhouse gas emissions target disclosed in accordance with paragraphs 37 to 39, an issuer shall disclose:	
a. which greenhouse gases are covered by the target;	Driving Green Transformation Climate Action
b. whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target;	Driving Green Transformation Climate Action
c. whether the target is a gross greenhouse gas emissions target or a net greenhouse gas emissions target. If the issuer discloses a net greenhouse gas emissions target, the issuer is also required to separately disclose its associated gross greenhouse gas emissions target;	Driving Green Transformation Climate Action
d. whether the target was derived using a sectoral decarbonisation approach; and	Driving Green Transformation Climate Action
e. the issuer's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits, the issuer shall disclose:	The Group did not purchase any carbon credits in this financial year.
i. the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits;	
ii. which third-party scheme(s) will verify or certify the carbon credits;	
iii. the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and	
iv. any other factors necessary to enable an understanding of the credibility and integrity of the carbon credits the issuer plans to use (for example, assumptions regarding the permanence of the carbon offset).	
41. In preparing disclosures to meet the requirements in paragraphs 21 to 26 and 37 to 38, an issuer shall refer to and consider the applicability of (i) cross-industry metrics (see paragraphs 28 to 35) and (ii) industry-based metrics (see paragraph 36).	At present, the Group has not fully adopted or disclosed industry-based climate metrics relevant to the sector.