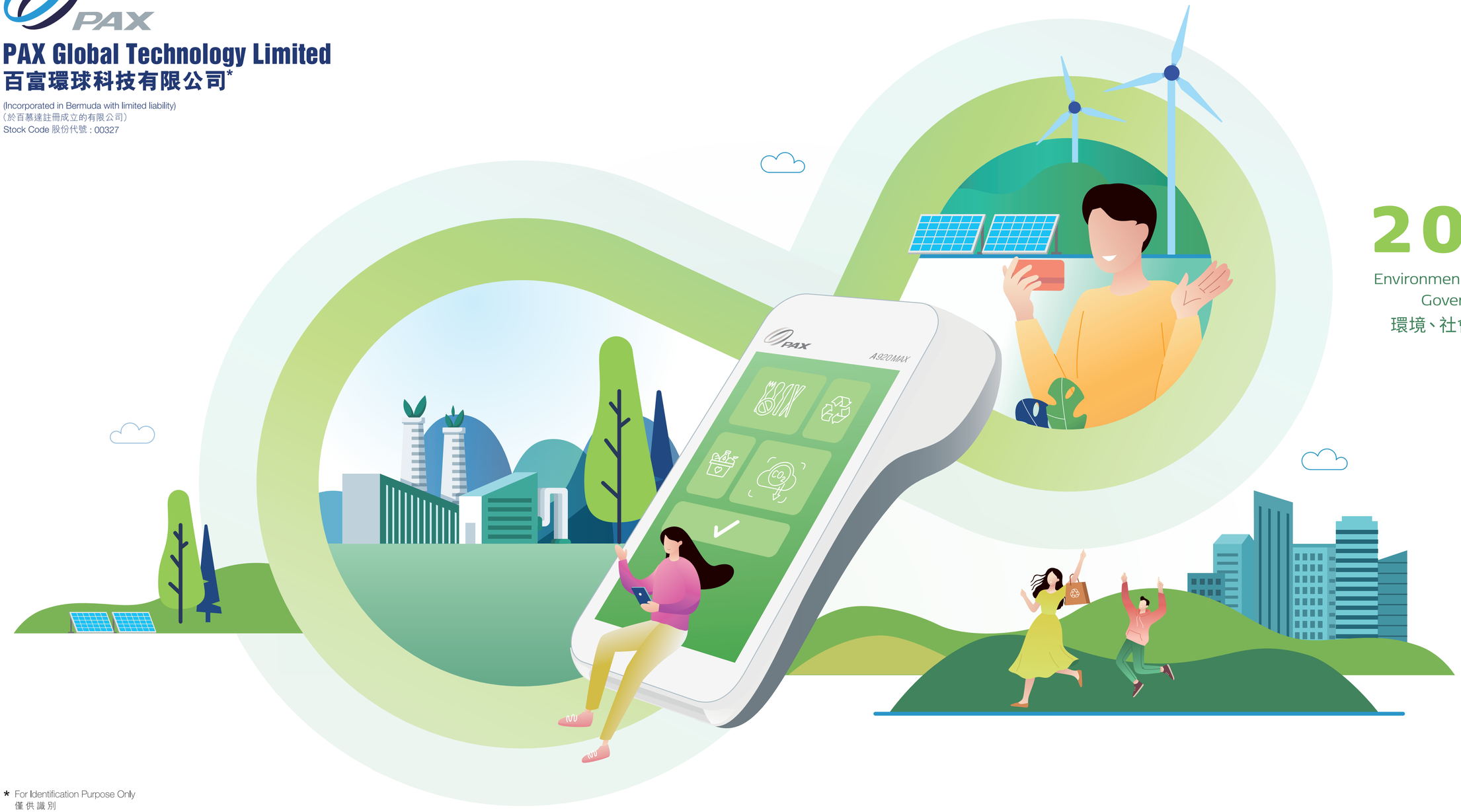
PAX Global Technology Limited
百富環球科技有限公司*

(Incorporated in Bermuda with limited liability)
(於百慕達註冊成立的有限公司)
Stock Code 股份代號 : 00327



2025

Environmental, Social and Governance Report
環境、社會及管治報告

* For Identification Purpose Only
僅供識別



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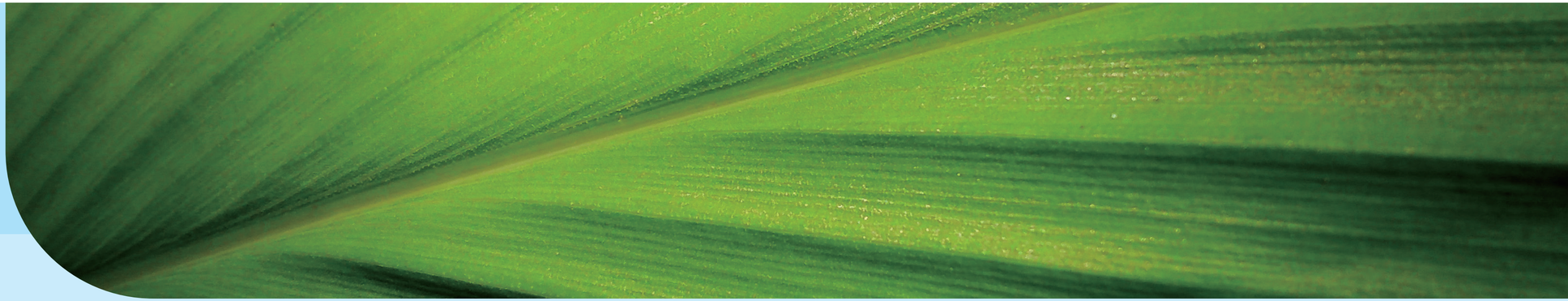
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PAX 2030 Sustainability Vision

Aspect	Base Year	Progress As of 31 December 2025	2030 Target (vs. Base Year)
Greenhouse Gas (GHG) Emissions	2024	↑ GHG emission intensity of (Scope 1 and Scope 2) increased 4%	↓ GHG emission intensity of (Scope 1 and Scope 2) Will decrease 10%
Energy Consumption	2024	↑ Total energy consumption intensity increased 1%	↓ Total energy consumption intensity Will decrease 6%
Sustainable Supply Chain	2024	100% of Suppliers[1] Have Signed Declaration of Non-Use of Conflict-Minerals	100% of Suppliers[1] Have Signed Declaration of Non-Use of Conflict-Minerals
Eco-Friendly Packaging	2024	100% Plastic-Free Packaging[2]	100% Plastic-Free Packaging[2]
Environmental Management System	2024	100% Acquisition of ISO 14001:2015 Environmental Management System Certification[3]	100% Acquisition of ISO 14001:2015 Environmental Management System Certification[3]
Quality Management System	2024	100% Acquisition of ISO 9001:2015 Quality Management System Certification[3]	100% Acquisition of ISO 9001:2015 Quality Management System Certification[3]
Information Security Management System	2024	100% Acquisition of ISO/IEC 27001:2022 Information Security Management System Certification[3]	100% Acquisition of ISO/IEC 27001:2022 Information Security Management System Certification[3]
IT Service Management System	2024	100% Acquisition of ISO/IEC 20000-1:2018 IT Service Management System Certification[3]	100% Acquisition of ISO/IEC 20000-1:2018 IT Service Management System Certification[3]
Occupational Health and Safety Management System	2024	100% Acquisition of ISO 45001:2018 Occupational Health and Safety Management System Certification[3]	100% Acquisition of ISO 45001:2018 Occupational Health and Safety Management System Certification[3]

1 Suppliers of materials containing tin, tantalum, tungsten, gold (collectively, "3TG") and cobalt.
2 Covering the outer packaging used for product sales only.
3 Covering major production sites only.

PAX 2025 Sustainability Highlights



Innovation

Advancing Technology and Driving Continuous Innovation

100%
Acquisition of ISO 9001:2015 Quality Management System Certification[3]

100%
Acquisition of ISO/IEC 27001:2022 Information Security Management System Certification[3]

100%
Acquisition of ISO/IEC 20000-1:2018 IT Service Management System Certification[3]

100%
Providers signed Declaration of Non-Use of Conflict Minerals[1]

3,000+
Valid product certification certificates

750+
Patents

820+
Software copyrights

Employees

Caring for Employees to Build a Diverse and Inclusive Workplace

100%
ESG training coverage for directors

100%
ESG training coverage for employees

100%
Acquisition of ISO 45001:2018 Occupational Health and Safety Management System Certification[3]

2:1
Ratio of male to female employees

Environment

Accelerating Decarbonization for a Greener Future

100%
Acquisition of ISO 14001:2015 Environmental Management System Certification[3]

Completed the screening of GHG emissions within Scope 3 and identified **11** key emission categories

Utilized the **NGFS**[4] scenarios to conduct climate scenario analysis for assessing climate resilience

Community

Enriching Communities through Nurture and Care

3
Key areas of community projects

HKD120,000
Total charitable donations

[4] Network for Greening the Financial System (NGFS).

Promoting Sustainable Products



A920MAX

We are committed to integrating customer-centric values and sustainability principles into our product and service innovation. We have introduced a series of high-performance, high-security and high-quality products to satisfy needs of diverse clients. Among which, our Android smart payment solution A920MAX not only retains these core features, but also integrates consideration for the product chemical safety and sustainability. Additionally, the design aesthetics and product performance have been further enhanced. For details, please refer to the "Emphasis on Eco-Product Design" section.

Design for safety and security

First Asian payment terminal provider elected to the Payment Card Industry Security Standards Council ("PCI SSC") Advisory Board

ISO/IEC 27001:2022 Information Security Management System Certification

100% of the Software as Services ("SaaS") and POS products are compliant with Payment Card Industry Data Security Standard ("PCI DSS") and standards of Payment Card Industry PIN Transaction Security ("PCI PTS")

High quality and durability

ISO 9001:2015 Quality Management System Certification

96%+ Customer Satisfaction Rate (2025)

Accessibility Functions

Accessibility Mode
With read-aloud function

Haptic Stickers
Assist the visually impaired with password entry

More environmental friendly, more durable and more efficient[5]

Environmentally friendly lithium-iron phosphate battery
Apply clean tech to the product: a longer lifespan than conventional ternary batteries

Faster Processor
Equipped with Cortex-A53 quadcore processor for lower power consumption

eSIM Technology
Reducing plastic waste & electronic waste

Higher Energy Efficiency
Higher energy efficiency, batteries can support 10% more transactions

Compatibility with Electronic Receipt Solutions
Reduce the use of paper

Electronic Product Manuals
Paper conservation & reduced carbon footprint

Natural (Uncoloured) Injection Moulding instead of oil spraying technology
Reduced paint use for higher chemical safety

[5] The relevant core features are only available in the Android smart payment solution A920MAX.

About the Report

Reporting Purpose, Period and Scope

PAX Global Technology Limited ("PAX" or the "Company", together with its subsidiaries the "Group" or "We") is pleased to publish our Environmental, Social and Governance ("ESG") Report (this "Report"). This Report aims to provide our key stakeholders with comprehensive disclosure and highlight of the Group's management approach, strategies, policies, systems, measures and performance of our material sustainability issues. This Report also provides a thorough overview of the Group's performance in relevant areas through detailed data disclosure.

Unless otherwise stated, this Report covers the period from 1 January 2025 to 31 December 2025 (the "Reporting Period"), focusing on the Group's core business in the People's Republic of China (for the purpose of this Report, excluding Hong Kong Special Administrative Region ("Hong Kong"), Macau Special Administrative Region and Taiwan) (the "PRC") and Hong Kong, which include the following subsidiaries:

- Pax Technology Limited;
- Pax Computer Technology (Shenzhen) Co., Ltd.;
- Wonder Pax Technology (Shenzhen) Co., Ltd.; and
- Huizhou Pax Intelligent Technology Co., Ltd.

Based on the reporting principle of materiality, the reporting boundary is determined by factors such as the revenue proportion, business scale, number of employees of each subsidiary as well as the impact on sustainability. Among them, Huizhou Pax Intelligent Technology Co., Ltd. was included in the reporting scope for the first time in this year, so as to represent our ESG performance comprehensively and transparently.

An analysis of the revenue of the Group by geographical segments for the Reporting Period is set out in Note 6 to the consolidated financial statements in the Annual Report 2025 of the Company.

Reporting Standards

This Report is prepared in accordance with the provisions of the Environmental, Social and Governance Reporting Code (the "ESG Reporting Code") in Appendix C2 to the Rules Governing the Listing of Securities on the main board of The Stock Exchange of Hong Kong Limited (the "HKEx").

For details of the corporate governance of the Group, please refer to the section headed "Corporate Governance Report" in the Annual Report 2025 of the Company.

Reporting Principles

In the preparation of this Report, the Group has adhered to the four reporting principles set out in the ESG Reporting Code, to ensure that the content of this Report is presented with clear and effective disclosure of the Group's sustainability performance and impact on stakeholders.

Reporting Principles	Explanations	The Group's Responses
Materiality	When the ESG issues covered in this Report have a material impact on investors and other stakeholders, the Group should provide relevant disclosures. In addition, in accordance with the requirements of Part D of the Environmental, Social and Governance Reporting Code, when climate-related risks and opportunities are reasonably expected to potentially affect the Group's short-term, medium-term or long-term cash flows, financing channels, and cost of capital, the Group shall also make relevant disclosures.	We maintain effective communication with our stakeholders through various channels. We conduct the annual materiality assessment and analysis to identify material sustainability issues that are relevant and important to both the Group and our stakeholders.
Quantitative	This Report shall set up measurable targets aimed at mitigating individual impact. This approach facilitates the evaluation and validation of the effectiveness of our ESG policies and our management systems. Quantitative information should be accompanied by explanations of its purpose, impacts, and a comparative data where appropriate.	In this Report, we present quantitative environmental and social key performance indicators ("KPIs") and appropriate historical data comparisons. Our sustainability framework and strategy and historical data comparisons have enabled us to keep track of our performance while assisting in corresponding strategic pillars, directions as well as goals and targets settings. Relevant standards, methodologies, assumptions, and conversion factors should be disclosed when reporting the Group's emissions and energy consumption.
Balance	This Report should impartially present the performance of the Group, avoiding any potential influence on the reader's decision-making or judgment through biased choices, omissions or reporting formats.	The Group has disclosed the environmental and social impacts and performance related to our business in a balanced manner in this Report, covering our achievements, challenges and room for improvement in relation to material issues, as well as reporting comprehensive KPIs and data.
Consistency	The Group shall continuously prepare this Report in accordance with the ESG Reporting Code of HKEx and use consistent methodologies for meaningful comparisons of ESG data over time.	Unless otherwise stated, we adopt consistent methodologies for the calculation of KPIs and conduct appropriate yearly comparisons in this Report.

Data Collection Method

The data and information cited in this Report are extracted from the Group's official documents and statistical data, approved by the board of directors of the Company (the "Board") in March 2026. The Group will improve its data collection process through training, systematisation and optimised data collection methods, in order to provide a more comprehensive view of the Group's sustainability performance.

Access to This Report

This Report is available in both Chinese and English versions on the websites of PAX and the HKEx. In case of discrepancies between the two versions, the Chinese version shall prevail.

Feedback

The Group attaches great importance to the opinions of our diverse stakeholders and endeavours to respond to them whenever feasible. Your valuable feedback serves as the driver for our continuous improvement. The Board extends its gratitude to all our stakeholders who participated and contributed valuable insights in the stakeholder engagement exercise during the Reporting Period. Should you have any inquiries or feedback regarding this Report or the Group's sustainability performance, please contact us at ir@pax.com.hk.

Major Awards, Recognitions and Certifications



Awards & Recognitions

Enterprise Credit Rating Certificate (AAA Grade)

China Software Industry Association

Top 100 Enterprises in Terms of Software Business Revenue in Shenzhen in 2024

Shenzhen Software Industry Association

Top 100 Industrial Enterprises in Longgang District, Shenzhen in 2024

Industry and Information Technology Bureau of Shenzhen Municipality

Ranked 8th among Embedded (Software) Enterprises in Guangdong's Top 100 Software Companies in 2025

Guangdong Software Industry Association

Top 500 Enterprises in Guangdong in 2025

Guangdong Provincial Enterprise Confederation, Guangdong provincial Association of Entrepreneurs

Top 500 Manufacturing Enterprises in Guangdong Province in 2025

Guangdong Province Manufacturing Industry Association, Guangdong Academy of Development and Reform Studies, Jinan University Industrial Economics Research Institute

Certifications

Cybersecurity

The Payment Card Industry Data Security Standard

•

UnionPay Card Acceptance Terminal Product Application Certification

•

ISO/IEC 27001:2022 Information Security Management System Certification

•

ISO/IEC 20000-1:2018 IT Service Management System Certification

Payment Terminal Safety

Products have obtained PCI PTS certification as approved devices

•

Certificate for China Compulsory Product Certification

•

China UnionPay Payment Terminal Equipment Security Certification

Environmental Management

Restriction of Hazardous Substances ("RoHS") Directive of the European Union ("EU")

•

ISO 14001:2015 Environmental Management System Certification

Other Management Systems

ISO 9001:2015 Quality Management System Certification

•

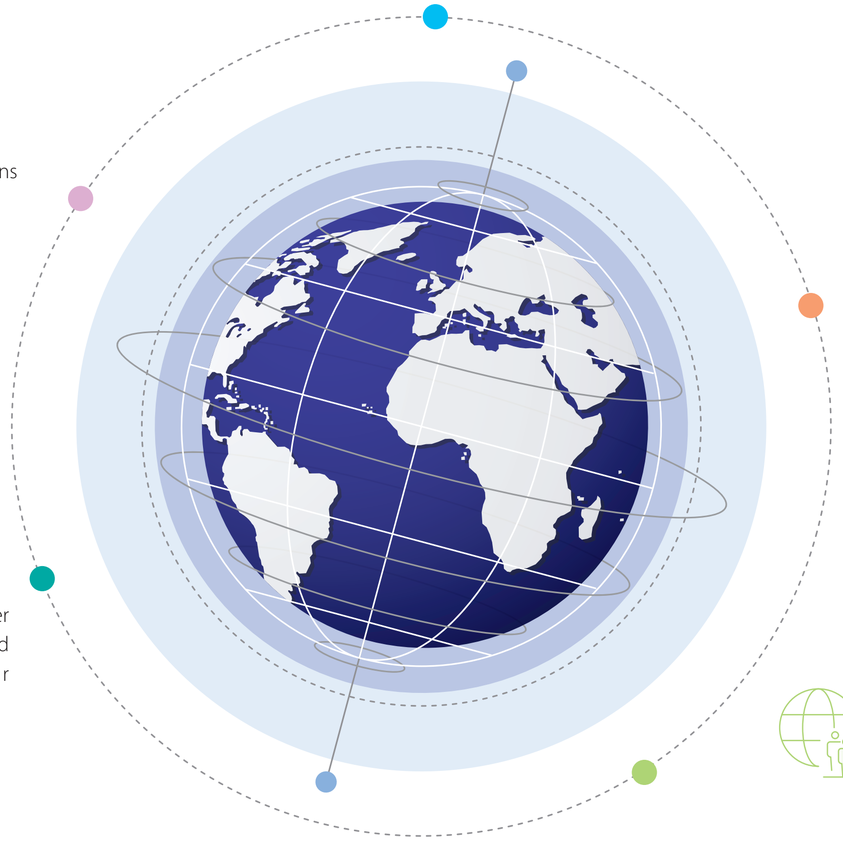
ISO 45001:2018 Occupational Health and Safety Management System Certification

About the Group

PAX was established in 2000, and publicly listed on the main board of the HKEx on 20 December 2010. The Group is principally engaged in the development and sales of E-payment Terminals products, provision of maintenance and installation and payment solution services. As the world's leading electronic payment terminal enterprise, PAX is steadfast in its commitment to investing in the future, driving business and sustainable development. Through Android smart payment terminals and SaaS solutions, PAX also strengthened its collaboration with acquiring banks, payment service providers ("PSPs"), and channel partners worldwide to explore new synergies, enhancing the agility and digital competitiveness of merchants and creating sustainable value.

101M+
Total Global Cumulative Shipments of POS

120+
Countries and Regions Business Coverage



1,400+
Staff

First
- Asian Payment Terminal Provider elected to PCI SSC Advisory Board
- Payment Terminal Provider Certified with PCI PTS POI v7.0

Third[6] largest global
POS Terminal Provider

[6] According to the Nilson Report published in November 2025

Global Leader in Payment Terminal Solutions

Set out to create the most innovative and user-friendly payment terminals

We are dedicated to technological R&D, striving to create products that meet safety standards and deliver outstanding performance.

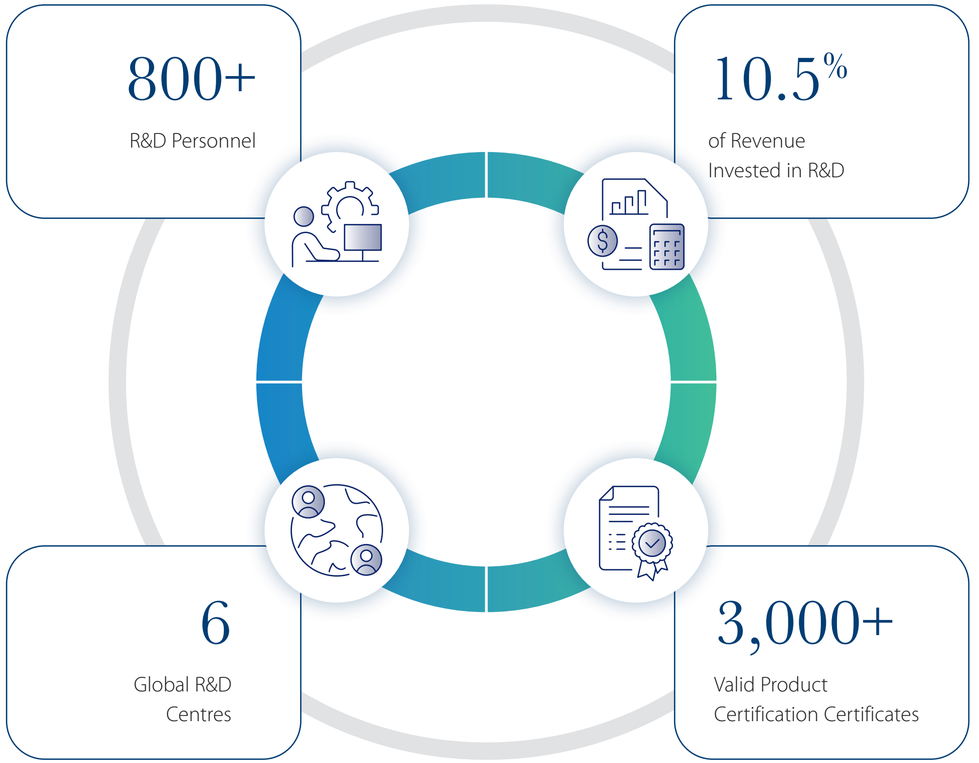
Much more than a payment device

Payments are the beginning of opportunities. We are improving the user experience through digitalization.

Providing solutions to the acquiring business

Through value-added services, we effectively assist merchants in smart operations, promoting their business and enhancing consumers' payment experience.

Focus on R&D & Pursue Excellence in Quality



Key Milestones of the Group



2020 – Present

2024

- PAX new headquarters building in Shenzhen, China and PAX Smart Terminals Industrial Park in Huizhou, China commenced operations

2022

- MAXSTORE achieved high standards of financial data security with PCI DSS Certification

2025

- PAX continued to serve on the PCI SSC Advisory Board, becoming the only Asian payment terminal provider among over 60 global members
- PAX became the first payment terminal provider in the industry certified with PCI PTS POI v7.0

2023

- Elected to the PCI SSC Advisory Board

2010 – 2019

2016

- Launched the first Android-based smart payment terminal model – A920

2013

- Listed in Forbes Asia's 200 Best Under A Billion Companies

2017

- Launched MAXSTORE (formerly known as PAXSTORE) – a self-developed cloud SaaS platform

2015

- Completed the first overseas acquisition (Pax Italia S.r.l.)

2010

- Successfully listed on the HKEx

2000 – 2009

2009

- Qualified as a National New High-Tech-Enterprise

2007

- Ranked top 10 e-payment terminals provider globally

2008

- Set up a US subsidiary and entered US market

2000

- Set up with a mission to be a leading global player

2001

- Became the first EMV 2000 certified POS terminal solution provider in Asia

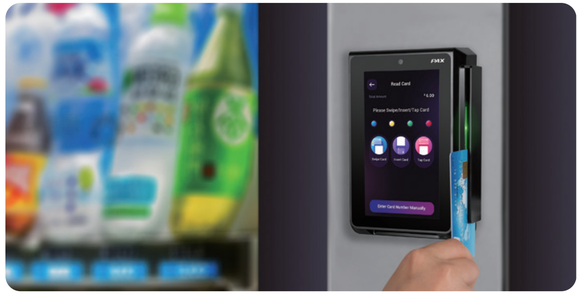
Products Highlights (for Reference Only)

Android Smart E-Payment Solutions

General features:

Powered by PCI PTS certified. Compact, portable, equipped with a large high resolution touch screen and inbuilt camera. Support various kinds of payment options, including bank card payments, Near Field Communication ("NFC") contactless and QR code payments.





Unattended Solutions

General features:

Ideal for self-service sales points such as railway stations, petrol stations, parking lots and kiosks. Products are certified with PCI PTS and have met required standards for anti-vandalism and waterproof. Support various kinds of payment options and connectivity options include 3G, 4G, WiFi and Bluetooth.

Classic E-Payment Solutions

General features:

Traditional Linux portfolio with PCI PTS certified, ranging from the D-Series, Q-Series, S-Series, and more. Support bank card payments, NFC contactless payments, and more.



Commercial EPOS Solutions

General features:

Designed for business Internet of Things environments and supports connectivity with a range of peripherals, such as the handheld scanner, the external printer, as well as a commercial Kitchen Display System. Powered by Android, these devices seamlessly interconnect and collaborate across instore POS devices.



MAXSTORE

MAXSTORE, a cloud-based SaaS platform, connects PSPs, acquiring banks, application developers and merchants, providing one-stop terminal management and value-added services.

- **Advanced terminal management**

  Industry-leading terminal management features designed to enable PSPs and acquiring banks manage payment terminals in real time.

- **Powerful value-added services hub**

  Rich industry value-added tools, deliver business management for merchants across diverse business segments.



16M+
Connected terminals

18,000+
Application

4,600+
Application developers

Sustainability Management Approach

Sustainability Strategy and Achievements

PAX has been committed to integrating sustainability into the Group's operations and development strategies to remain competitive and achieve success over the long term. Our sustainability framework is based on four strategic pillars: (1) **Innovation**, (2) **Employees**, (3) **Environment**, and (4) **Community**. These strategic pillars provide a sustainability framework that guides the Group in fully integrating sustainable practices into its operations. Approved by the Board, the ESG policies direct us to embed sustainability principles across all business operations, thereby enabling the management team to address key sustainability challenges.

As a leading global electronic payment terminal enterprise, we support the universal call of the United Nations Sustainable Development Goals ("UNSDGs"), so as to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030. We are committed to developing an environmental, social and governance strategy that is consistent with the UNSDGs, thereby aligning our sustainability focus areas with these goals. From the 17 UNSDGs, we have identified and selected 14 that are most relevant to our business. These have been aligned with our four strategic pillars and integrated into our strategy. To further strengthen our commitment to sustainable development, we have established the PAX 2030 Sustainable Development Vision. To achieve this vision, we have set sustainable development strategies to review and manage our environmental and social impacts; we are dedicated to integrating the concept of sustainability into every aspect of our operations through improving internal workflows and developing new products, while providing high-quality and practical products and services to our customers.



Innovation

Advancing Technology and Driving Continuous Innovation

GOAL: To lead industry upgrade by focusing on product R&D and strengthening global sales networks

The following outlines our progress in implementing these sustainable development goals during the Reporting Period:

Key Areas	Commitments	Progress and Achievements in 2025		Corresponding UNSDGs
• Pursuing Excellence and Innovation	Promote a safe and reliable global payment ecosystem through outstanding innovation and international standards • 100% acquisition of ISO 9001:2015 Quality Management System Certification in our major production sites • 100% acquisition of ISO/IEC 27001:2022 Information Security Management System Certification in our major production sites • 100% acquisition of ISO/IEC 20000-1:2018 IT Service Management System Certification in our major production sites	• 100% acquisition of ISO 9001:2015 Certification in our major production sites • 100% acquisition of ISO/IEC 27001:2022 Information Security Management System Certification in our major production sites • 100% acquisition of ISO/IEC 20000-1:2018 IT Service Management System Certification in our production sites • Continue to increase investment in security certification for Android payment terminals, driving the product safety standards to a leading level in the industry. Models such as the A920Pro and Android MiniPOS A77 have taken the lead in meeting the latest PCI PTS v7.0 payment security certification standard, with the A920Pro also complying with the EMVCo Contactless Kernel C-8 specification		9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Key Areas	Commitments	Progress and Achievements in 2025		Corresponding UNSDGs
• Responsible Supply Chain Management	Promote responsible sourcing and build a transparent, conflict-free supply chain	• Established and continuously optimized the ESG management framework and assessment mechanism to enhance supply chain compliance and sustainable performance • 100% of core suppliers have obtained the ESG-related certifications • 100% of our suppliers have signed Quality Agreements • 100% of suppliers who provide materials with 3TG and cobalt have signed agreements/declarations related to conflict minerals • Established a supply chain traceability management system, disclosing the sources of 100% of key raw materials by newly admitted suppliers	●	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
• Excellent Product	Ensure product quality and customer trust through rigorous product safety management and quality control	• Focusing on customer satisfaction, maintained a zero record of major complaints regarding products and services throughout the year	●	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
• Chemical Safety	Comprehensively manage chemical risks to protect environmental safety and personnel health	• Optimized chemical hazard management systems and related operational procedures • Formally optimized the phased elimination plan for hazardous chemicals	●	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
• Excellent Service	Continuously enhance customer engagement and satisfaction while protecting customer privacy and information security	• Maintained the operation of the satisfaction survey mechanism, with overall customer satisfaction with service and product quality consistently exceeding 95% throughout the year (for three consecutive years) • Continuously ensured customer privacy and data security, with no major personal data breaches occurring	●	12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Key Areas	Commitments	Progress and Achievements in 2025		Corresponding UNSDGs
• Anti-Corruption, Whistleblowing and Business Ethics	Continuously uphold the high standards of integrity in business operations and establish comprehensive prevention and reporting mechanisms	• Operations were conducted with the high standards of integrity, with no major cases of corruption or fraud occurring throughout the year • Anti-corruption and business ethical standards training has already covered 100% of employees and directors	●	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
• Intellectual Property Protection	Strictly protect intellectual property and innovative achievements, ensuring the security of the Company's and partners' intellectual assets	• An intellectual property management system and application process have been established and continuously improved to protect core assets such as patents, trademarks, and copyrights • Conducted intellectual property protection and compliance training for employees and partners to enhance their awareness of legal and compliance knowledge related to intellectual property	●	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
• Advertising and Labelling	Ensure that advertisements and product labels are truthful, transparent, and comply with relevant regulations, protecting consumers' right to know and their ability to make informed choices	• Established and continuously optimized the advertising and labeling review process to ensure that all promotional contents comply with regulations • Conducted training for the marketing and product teams on advertising compliance and label accuracy to raise internal awareness • No major false advertising or labeling incidents occurred within the year	●	12 RESPONSIBLE CONSUMPTION AND PRODUCTION

● Achieved ◐ Proceeding as planned



Employees

Caring for Employees to Build a Diverse and Inclusive Workplace

GOAL: To foster a culture of care through building a diverse talent pool and strengthening employee relations

Key Areas	Commitments	Progress and Achievements in 2025		Corresponding UNSDGs
• Diversity and Fairness	Committed to building a diverse, equitable, and inclusive work environment	• For creating a family-friendly workplace, we have introduced family-friendly arrangements and support programs. These include offering flexible working hours and shortened work schedule during the nursing period to employees in need	●	5 GENDER EQUALITY, 10 REDUCED INEQUALITIES
• Freedom of Association and the Right to Collective Negotiation	Follow the conventions of the International Labor Organization and respect and protect employees' rights to freedom of association and to engage in collective negotiation in accordance with the law	• We respect employees' freedom of association and their right to collective negotiation, encouraging the management and employees to maintain effective communication regarding remuneration, working conditions and other workplace-related matters • Both online and offline communication channels cover all employees, achieving a 100% coverage rate	● ●	8 DECENT WORK AND ECONOMIC GROWTH
• Human Right Protection	Implement international human rights standards throughout operations and the value chain, safeguarding the fundamental rights and dignity of all stakeholders	• Throughout the year, high-level human rights standards have been consistently upheld in our operational processes, with no significant violations involving child labor or forced labor occurring	●	8 DECENT WORK AND ECONOMIC GROWTH
• Talent Retention	Provide competitive compensation and benefits, clear career paths, and supportive work environment	• We developed various training programs and implemented a mentorship program, and collaborated with universities to organize internship programs • We have an internal remuneration and welfare management system, and constantly review compensation and benefit packages	● ●	8 DECENT WORK AND ECONOMIC GROWTH
• Talent Development	Continuously invest in the growth and development of employees, helping each employee enhance their professional skills and career potential • 100% ESG training coverage for directors • 100% ESG training coverage for employees	• 100% of directors have completed ESG-related training • 100% of employees have completed ESG related training	● ●	4 QUALITY EDUCATION, 8 DECENT WORK AND ECONOMIC GROWTH
• Occupational Health and Safety	With the goal of "Zero Accident", continuously strengthen the safety culture, provide protective equipment and training, and ensure the physical and mental well-being of employees • 100% of major production sites are certified under the ISO 45001:2018 Occupational Health and Safety Management System	• 100% of major production sites have been certified under the ISO 45001:2018 Occupational Health and Safety Management System • No major occupational health and safety incidents occurred during the year	● ●	8 DECENT WORK AND ECONOMIC GROWTH

● Achieved ◐ Proceeding as planned

Environment

Accelerating Decarbonization for a Greener Future

GOAL: To advance eco-design for our products to minimize environmental footprint and enhance climate resilience

Key Areas	Commitments	Progress and Achievements in 2025		Corresponding UNSDGs
• Emphasis on Eco-Product Design	Make environmental impact a primary consideration in product design, promoting green material selection, recyclable design, and full lifecycle assessment to reduce the product's carbon footprint • 100% of major production sites are certified under the ISO 14001: 2015 Environmental Management System	• 100% of major production sites have been certified under the ISO 14001: 2015 Environmental Management System • A product life cycle carbon emission assessments have been conducted to reduce the products' embodied carbon • No major environmental or natural resource impact incidents occurred during the year • We have implemented an electronic waste recycling program	●	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
• Opportunities and Application of Clean Tech	Actively explore and apply clean tech and innovative solutions, seizing opportunities for green transformation	• In our product design and production process, we actively apply clean tech and innovative processes such as high efficiency, low energy consumption, and resource recycling • We are committed to explore innovative ideas in various sustainable development fields both within and outside the Group. We made investments in the research and development of clean tech in 2025	●	13 CLIMATE ACTION
• Climate-Related Disclosures	Identify, assess, and manage climate-related risks and opportunities while enhancing the climate resilience of operations and supply chains	• Following the recommendations of the IFRS S2, we have further deepened our climate strategy planning by systematically assessing the financial and non-financial impacts of climate change on the Group across business operations, supply chains, and market environments, thereby strengthening climate change management • We conducted a climate scenario analysis for the first time to proactively assess transition and physical risks under different pathways	●	7 AFFORDABLE AND CLEAN ENERGY 13 CLIMATE ACTION
• Energy, Air and GHG Emissions	Establish the "2030 Greenhouse Gas Emission Reduction and Energy Saving Targets" to implement low-carbon operations • Using 2024 as the base year, reduce the total emission intensity of greenhouse gases (Scopes 1 and 2) by 10% by 2030 • Using 2024 as the base year, reduce hazardous and non-hazardous waste density by 10% by 2030 • Using 2024 as the base year, reduce the total energy consumption density and energy usage by 6% by 2030 • 100% plastic-free packaging by 2030	• We have already achieved 100% plastic-free packaging[2] • We conducted a greenhouse gas (Scope 3) emission screening, established a greenhouse gas (Scope 3) inventory, and identified 11 significant emission categories from the inventory	●	7 AFFORDABLE AND CLEAN ENERGY 13 CLIMATE ACTION 17 PARTNERSHIPS FOR THE GOALS

● Achieved ◐ Proceeding as planned



Community

Enriching Communities through Nurture and Care

GOAL: To embrace corporate social responsibility to collectively drive societal progress and create shared value

Key Areas	Commitments	Progress and Achievements in 2025		Corresponding UNSDGs
• Digital Inclusion	Promote inclusive development of digital technology, ensuring that individuals and groups from different backgrounds and abilities have equal opportunities to access digital resources and participate in the digital society	• Developed accessible products to provide a barrier-free payment experience for blind and visually impaired individuals	●	4 QUALITY EDUCATION, 10 REDUCED INEQUALITIES
• Community Care	Participate in and support community development by investing resources, volunteering, and collaborating locally, caring for vulnerable groups, and promoting the long-term improvement of community health, education, and well-being	• 100% PAX Community Investment Scheme is targeted at disadvantaged groups, including the visually impaired, youth, grassroots families and the elderly • "PAX Volunteer Team" officially commencing its service to promote staff participation in community activities. Care for the underprivileged in the community and foster friendships among staff members through volunteer service activities	● ●	1 NO POVERTY, 2 ZERO HUNGER, 3 GOOD HEALTH AND WELL-BEING, 4 QUALITY EDUCATION, 10 REDUCED INEQUALITIES, 14 LIFE BELOW WATER, 15 LIFE ON LAND

● Achieved ◐ Proceeding as planned



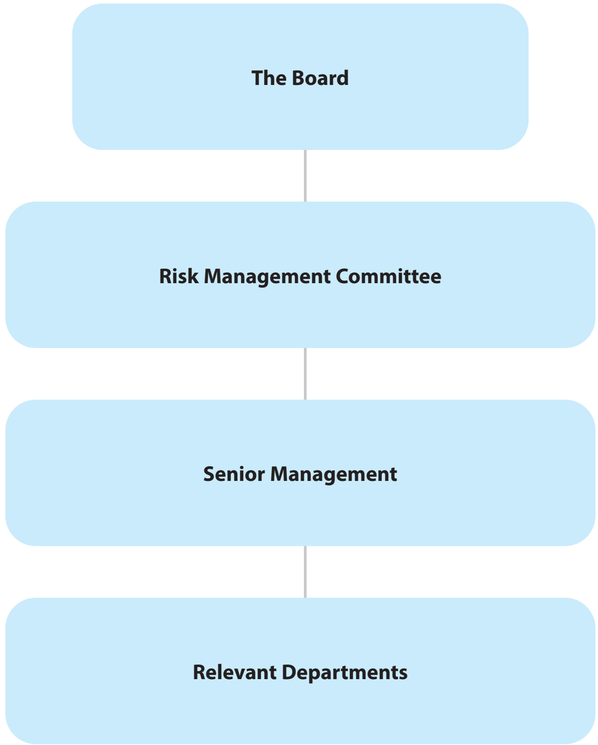
Sustainability Governance and Board's Oversight

As the highest governance body of the Group, the Board assumes overall responsibility for the Group's sustainability strategies (including but not limited to climate-related topics, risks, and opportunities) and reporting while overseeing sustainability-related issues, setting the direction for the Group's long-term development and positioning. Our Risk Management Committee, authorized by the Board, is responsible for supervising sustainable development management policies and strategies, and regularly provides recommendations to the Board on various sustainability-related issues including but not limited to the below:

- Formulation and review (if necessary) of the Group's sustainability management approach, strategy, policies, goals and targets;
- Identification, evaluation, prioritization and management of ESG-related risks and opportunities (including but not limited to climate-related risks and opportunities, and environmental and social risks along the supply chain) and formulation of mitigation measures;
- Oversight and regular reviews of performance and progress made against our sustainability-related goals and targets, ensuring timely updates when necessary;
- Conducting a materiality analysis to evaluate, prioritize and manage material sustainability issues;
- Formulation and monitoring of the implementation of the Group's sustainability-related initiatives;
- Coordination with employees of core businesses to implement ESG-related matters in daily operations;
- Compilation of the Group's annual ESG Report for approval by the Board.

For details of the climate-related governance of the Board and Management, please refer to the section headed "Climate-related Disclosures".

Sustainability Governance Structure



Sustainability Opportunity and Risk Management

The Group understands that the integration of sustainability-related risks and opportunities into the existing risks and opportunities management system enables the Group to accurately assess the impact of these risks and opportunities on areas such as the Group's operations and finances. Our Risk Management Committee, delegated by the Board, is responsible for identifying, evaluating, prioritizing and managing material sustainability-related risks and opportunities (including but not limited to climate-related risks and opportunities, as well as environmental and social risks along the supply chain) on a regular basis. The Board retains ultimate responsibility for overseeing the management of sustainability risks and opportunities within the Group.

Identification

By referencing the latest market and international ESG disclosure standards as well as the materiality matrix provided by authoritative ESG rating agencies, including the Sustainability Accounting Standards Board ("SASB") standards, International Financial Reporting Standard S1 – General Requirements for Disclosure of Sustainability-Related Financial Information ("IFRS S1"), International Financial Reporting Standard S2 – Climate-Related Disclosures ("IFRS S2"), and MSCI's ESG Sector Materiality Matrix, we have identified sustainability-related risks pertinent to our group's business. Furthermore, we have incorporated climate-related risks and opportunities, as well as environmental and social risks in our supply chain.

With the assistance of professional sustainability consultants (being independent third-parties), we identify sustainability-related risks (including but not limited to climate-related risks and environmental and social risks along the supply chain) as well as climate-related opportunities of the Group.

In response to the increasing concerns of stakeholders, we have identified and disclosed climate-related risks and opportunities in this Report. For details, please refer to the section "Climate Change Adaptation Capacity and Scenario Analysis".

Evaluation

We evaluate the potential impact and likelihood of sustainability-related risks. Quantitative analysis is based on historical data, while qualitative analysis encompasses industry development trends, economic conditions, and recent significant events and disaster–related factors.

Prioritisation

We assess the potential impacts and likelihood of significant sustainability risks and opportunities with a prioritization of their risk levels, and prioritize climate-related risks alongside other types of risks and opportunities to ensure they are evaluated on a consistent basis within the Group's overall risk and opportunities management framework.

Management

Our Risk Management Committee assists the Board in managing and monitoring identified sustainability risks, formulating corresponding control measures, and regularly submitting a risk assessment report to the Board for discussion. As part of its oversight responsibility, the Board regularly reviews the effectiveness of risks and opportunities response measures and provides recommendations for improvement of the measures when necessary.

For details of the climate-related risks and opportunities, please refer to the section headed "Climate-related Disclosures".

ESG Policy

To ensure that the Group's sustainability strategy is effectively implemented and that sustainability and climate change related elements are incorporated into business operations and decision making processes, the Group has formulated the ESG Policy. The Policy provides clear guidance for the Group's ESG management.

We regularly review and update the ESG Policy as appropriate to ensure that the Group can formulate policies in response to changes in the operating environment and community needs.





Stakeholder Engagement

Sustainable development requires the support and participation of stakeholders. The Group recognizes the importance of stakeholder engagement and actively builds positive and close relationships with them. During the Reporting Period, we employed a range of measures to engage various significant stakeholders, including employees, customers, distributors, business partners, shareholders, suppliers, government or regulatory bodies, as well as the general public. We will also seize opportunities for communication and liaison, through proactively sharing our initiatives with relevant stakeholders and collecting their views and expectations.

Our Stakeholder Types and Communication Channels

Employees

- Face-to-face Communications
- Physical or Virtual Meetings
- Employee Newsletters
- Annual Performance Reviews
- Team Collaboration and Volunteer Activities

Customers, Distributors and Business Partners

- Customer Service Hotlines
- Partner Meetings
- Exhibitions
- Customer Satisfaction Surveys

Shareholders

- Shareholder Meetings
- Annual Reports, Interim Reports, Announcements and Circulars
- Email and Fax

Suppliers

- On-Site Inspections or Assessments
- Supplier Quality Meetings
- Supplier Evaluations

Government or Regulatory Bodies

- Corporate Reports and Announcements
- Policy Consultations
- Compliance Monitoring

The Public

- The Group's Website and Social Media Platforms
- Annual Reports, Interim Reports, Announcements and Circulars
- Email and Fax
- Volunteer Activities

Dual Materiality Assessment

Step 1: Establish ESG Topics

Analyze the Group's business

- Review the existing issue database
- Evaluate corporate activities and business relationships
- Analyze the external objective environment of the Group

Extract material topics

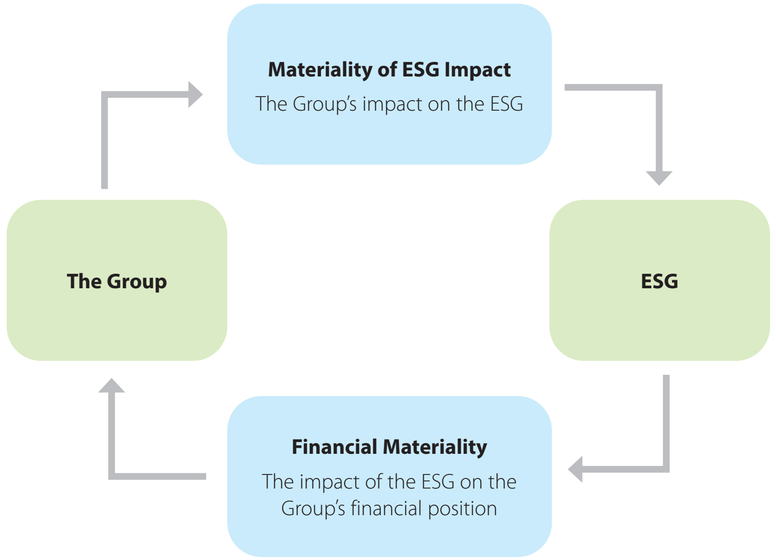
- Analyze SASB standards and MSCI's material topics specific to the industry
- Reference to the key points and latest trends of ESG disclosure in the industry

Form the agenda pool for the year

- Under the four core pillars of **Innovation, Employees, Environment and Community**, a total of 30 topics are generated

Step 2: Impact Analysis Based on Dual Materiality Assessment

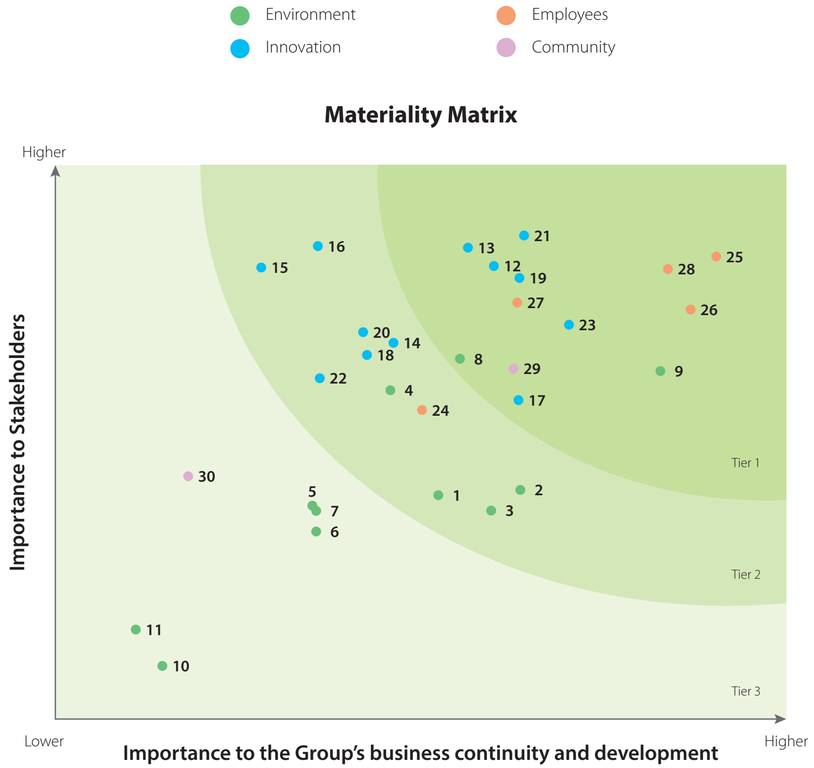
With the assistance of an independent third-party sustainability consultant, we invited multiple key stakeholder groups to participate in an online survey, conducting a dual-importance assessment on 30 sustainability-related topics and collecting feedback from approximately 48 individuals representing key stakeholder groups.



Based on the survey results and in consultation with Management, a dual materiality analysis, assessment, and ranking are conducted to develop a dual materiality matrix. The results of the dual materiality matrix are then reviewed and confirmed by the Board.

Step 3: Arrange and Finalize the Final Agenda

Tier 1: Most Material Topics | **Tier 2: Material Topics** | **Tier 3: Relatively Less Material Topics**



List of ESG-related Material Topics

ESG-related Material Topics	Report Sections	Pages
Tier 1: Most Material Topics		
8 Development of Circular Economy Products	Emphasis on Eco-Product Design	42
9 Utilisation of Green and Clean Tech	Green Building, Emphasis on Eco-Product Design	42
12 Capabilities in R&D and Innovation	Pursuing Excellence and Innovation	22
13 Responsible Supplier Management	Responsible Supply Chain Management	24
17 Product Chemical Safety and Sustainability	Chemical Safety, Emphasis on Eco-Product Design	26, 42
19 Intellectual Property Management	Intellectual Property Protection	32
21 Network Security and Data Privacy	Product Safety Management, Customer Privacy	28, 31
23 Business Ethics and Integrity	Anti-Corruption, Whistleblowing and Business Ethics	31
25 Employment Practices and Labour Standards	Employees	33
26 Occupational Health and Safety	Occupational Health and Safety	39
27 Employee Training and Development	Talent Development	36
28 Employee Well-being and Communication	Communication Channels	35
29 Community Contribution	Community	57

Tier 2: Material Topics

- 1 Management of Energy and Carbon Emissions
- 2 Water Resources Management
- 3 Waste Management
- 4 Responsible Sourcing of Raw Materials and Green Procurement
- 14 Environmental and Social Risk Management in the Supply Chain
- 15 Product and Services Quality
- 16 Customer Service and Experience
- 18 Prohibition of Procurement of Conflict Minerals and Controversial Raw Materials
- 20 Responsible Marketing
- 22 Emergency Plan
- 24 Equal Opportunities, Diversity and Inclusion

Tier 3: Relatively Less Material Topics

- 5 Consumption of Packaging Materials
- 6 Product Energy Efficiency and Carbon Footprint
- 7 End of Product Life Cycle Management
- 10 Biodiversity
- 11 Climate Resilience and Adaptability
- 30 Promotion of Digital Inclusion



Innovation

Innovation

Advancing Technology and Driving Continuous Innovation

GOAL: To lead industry upgrade by focusing on product R&D and strengthening global sales networks

Most Material topics covered in this chapter:

- Capabilities in R&D and Innovation
- Responsible Supplier Management
- Product Chemical Safety and Sustainability
- Intellectual Property Management
- Network Security and Data Privacy
- Business Ethics and Integrity

UNSDGs addressed in this chapter:



Strategy and Management

As a leading international electronic payment terminal enterprise, we are dedicated to propelling the Android smart payment terminal industry forward through research and development and innovative technology. Our commitment is rooted in developing products that not only meet but exceed international security standards while delivering exceptional performance. We strive to drive digital transformation and optimize business operations for merchants and partners across diverse sectors, including retail, services, transportation and self-service, so as to deliver a secure and flexible payment service experience for both enterprises and consumers alike.

Our Policy

We adhere to all applicable laws, regulations and industry standards concerning health and safety, advertising, labelling, and privacy matters relating to our products and services. Policies and procedures, including the "Quality Manual" and the "After-Sales Service Department Management Manual", have been established to provide our employees with guidelines aligned with international standards and our commitment to quality control excellence.

Quality and Information Security Management System

For 100% of the major production sites within the reporting scope of the Group, their quality management system and information security management system, covering the design and production of POS terminal and PINpad, which have obtained internationally recognised certifications such as ISO 9001:2015 for Quality Management System and ISO/IEC 27001:2022 for Information Security Management System. These certifications ensure effective oversight of quality management and information security within our operations.

Pursuing Excellence and Innovation

The global shift towards cashless transactions presents both opportunities and demands for the E-payment Terminals solutions industry. In order to maintain the Group's leading edge in this dynamic field, we remain steadfast in our dedication to product innovation and R&D, and provide the support and resources to nurture our technical and R&D teams. As at 31 December 2025, our R&D team comprises approximately 800 skilled professionals, representing more than half of the core business personnel in Shenzhen and Hong Kong. During the Reporting Period, we continued to secure various technological patents for our products, including but not limited to:



- **POS Machine Stand (PS300)**
- **POS Terminal (B3700)**
- **Self-service Payment Terminal (IM28)**
- **Main Body of Mobile Payment POS Machine (Q96)**
- **NFC Expansion Device and System**

The Group seizes emerging trends in Android smart payment terminals and focuses on developing smart payment terminal products. During the Reporting Period, the Group continued to strengthen its Android terminal portfolio through ongoing security certifications and functional upgrades. The A920Pro, widely recognised as one of the industry's most iconic smart payment terminal designs, has achieved compliance with the latest industry standards, including PCI PTS POI v7.0 and EMVCo Contactless Kernel C-8. These certifications highlight strong security capabilities while helping acquiring banks and PSPs reduce integration complexity and facilitate smoother adoption of future regulatory requirements and industry standard migrations.



The following models have complied with the latest PCI PTS v7.0 payment security certification standards:

- **Android SmartPOS A920Pro**
- **Android MiniPOS A77**

Positive Influence in Shaping the International Payment Arena

PAX was elected to the Board of Advisors of the PCI SSC, distinguishing itself as the first payment terminal provider in Asia to take up the role, further solidifying its leading position in the international payment solutions domain.



Number of R&D Staff:

800+



Number of patents:

750+



Number of Copyrights:

820+

Advancing Cashless Tax Payments in Hong Kong

Case Study

PAX, in collaboration with Payment Cards Group and BigBoss Taxi, provides technical support for the digital transformation of the taxi industry in Hong Kong.

Through collaboration with Octopus and Yedpay, the A920Pro smart payment terminal has been integrated with the taxi metering system, providing passengers with a faster, safer, and more convenient payment experience, thereby facilitating the development of a more modern travel service.

Supporting Inclusive Taxi Payments in Japan

Case Study

In Japan, Seiko Solutions Co., Ltd. has launched the AT-P100 taxi meter-linked payment terminal, using PAX A35 Android PINpad.

Designed for local passengers & inbound travelers, the device supports Japanese & English, enabling seamless payments via credit/debit cards, Suica, PASMO, PayPay, Rakuten Pay, Alipay and WeChat Pay. This solution promotes operational efficiency in the taxi industry, improves passenger convenience and supports the transition to a cashless society.



Responsible Supply Chain Management

The Group is dedicated to building a sustainable supply chain that aligns with ESG principles. With an aim to monitor and evaluate supplier' performance effectively, enhance the supply chain management and facilitate the development of sustainable supply chain, the Group has established comprehensive policies regarding the supplier management system, including "Quality Agreement", "Outsourcing Processing Manufacturers Agreement", "Suppliers Management Policy", etc., and incorporated environmental and social considerations into the Group's risk assessment mechanism to analyse the risks of suppliers from different aspects.

The Board is responsible for oversight of environmental and social risks and opportunities within the supply chain. During the Reporting Period, with the assistance of an independent sustainability consulting firm, the Group further optimized its supply chain risk and opportunity assessment framework, and identified environmental and social risks and opportunities within the supply chain. In addition, the Group has established control measures, including the development of a series of internal procedures for procurement and vendor management, so as to mitigate relevant environmental, social, and governance risks and ensure that suppliers meet the Group's requirements.

During the Reporting Period, all of the 301 (2024: 300) primary suppliers who collaborated with the Group in our core operations in the PRC and Hong Kong were from the PRC and Hong Kong. The Group implemented the above engagement practices on all suppliers.

During the Reporting Period, we identified and closely monitored material ESG-related risks along the supply chain , for which the following control measures were implemented:

1 Supplier Selection



In our supplier selection process, we conduct qualification reviews, on-site assessments and evaluations. In addition to considering the delivery capability, pricing, and reputation of the suppliers, we also consider various sustainability factors:

- Product and Service Quality
- International Authoritative Certifications
- Employee Professional Training
- RoHS Hazardous Substance Management
- Prioritising Green Procurement Practices and Initiatives
- Social Performance
- Commitment to Avoid Controversial Raw Materials
- Use and Investment in Green Technologies

2 Sustainable Supply Chain Risk Management



Suppliers are required to sign a "Quality Agreement" which sets out our expectations on sustainability and suppliers' environmental and social standards, encompassing various aspects such as:

- Product Quality and Reliability
- Ethical Standards
- Employee Rights and Benefits
- Environmental Protection
- Occupational Health and Safety
- Promoting Social Harmony and Development
- Avoidance of Controversial Raw Materials

Suppliers are required to sign a "Commitment Certificate for Non-Use of Harmful Substances", committing to compliance throughout the product's production, manufacturing, packaging, storage and delivery processes with:

- European Union's Restriction of Hazardous Substances Directive standard (RoHS)
- "Measures for the Control of Pollution from Electronic Information Products" in the PRC

3 Monitoring Supplier Performance



Through regular assessments, quality meetings and other communication channels, we evaluate existing suppliers, with consideration of various factors such as:

- Cost
- Punctuality
- Product Quality
- Other Sustainability Performance

Only those suppliers meeting our standards are deemed eligible for inclusion in our approved supplier list.

Should a supplier fail to meet the standards of the Group, either by delivering non-compliant products, experiencing significant delays in delivery, or encountering major quality issues, we will promptly notify the supplier. We will then collaborate with them to develop improvement plans and closely oversee the rectification process.

If a supplier fails to meet the required qualifications and does not demonstrate improvement within the specified timeframe, we will terminate our business relationship with them to mitigate risks within the supply chain.

ESG Certifications for Suppliers

We are committed to promoting sustainability in the supply chain and have included ESG performance as part of our assessment criteria for our suppliers. During the Reporting Period, our core suppliers have obtained the ESG-related certifications in a variety of areas, including but not limited to:

- EU RoHS Directive
- QC080000 Hazardous Substance Process Management System
- Forest Stewardship Council ("FSC")
- Global Recycled Standard
- ISO 14001 Environmental Management System
- ISO 14064 Greenhouse Gas Inventory and Verification Standard
- ISO 45001 Occupational Health and Safety Management System
- ISO 50001 Energy Management System
- ISO 9001 Quality Management System
- SMETA Ethical Trade Audit
- EcoVadis
- amfori Business Social Compliance Initiative
- RBA Responsible Business Alliance Code of Conduct

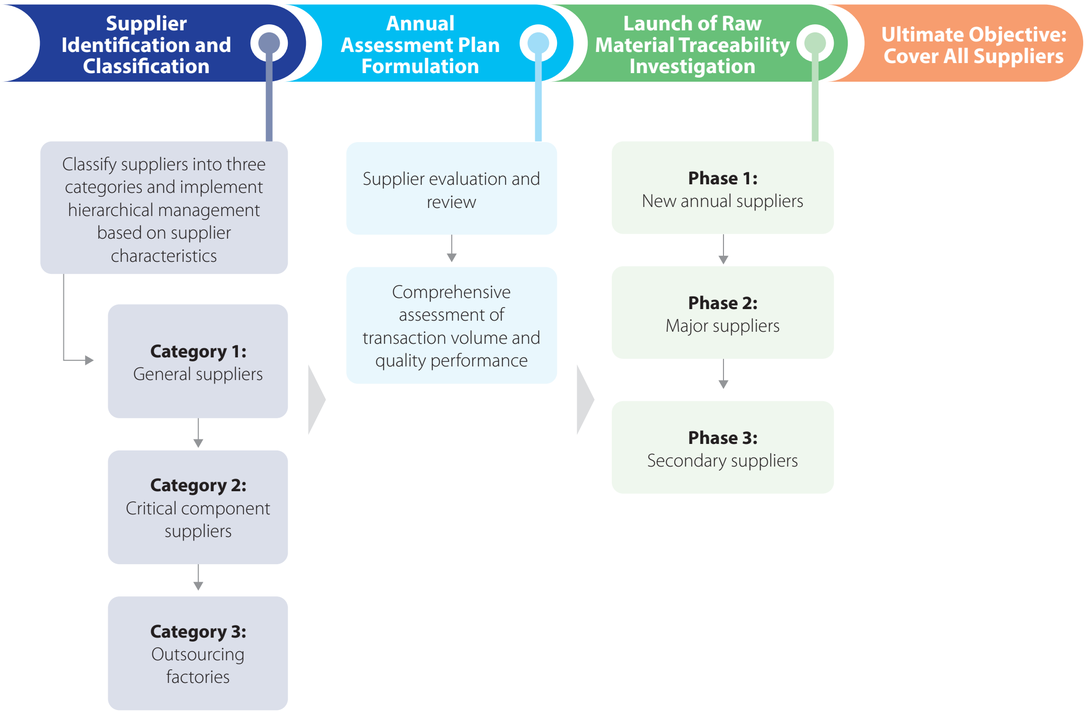
In addition, we have commissioned on-site due diligence from certified third party external organizations and will take measures to improve the traceability of raw materials used in our products.

Promoting Sustainable Practices and Conflict-Free Minerals and Controversial Sourcing

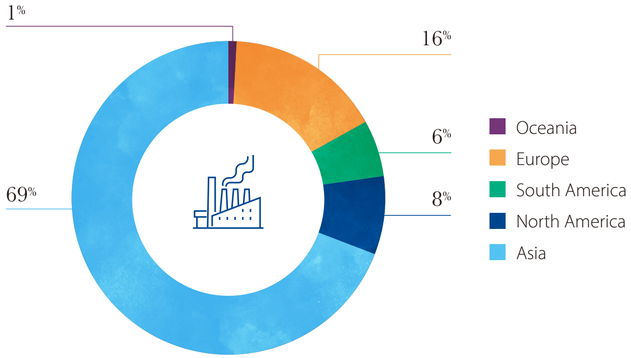
Our Quality Agreement clearly sets out our expectations on sustainability and suppliers' environmental and social standards, covering areas such as anti-discrimination, limitation of working hours, prohibition of child and forced labor, prohibition of corporal punishment/improper disciplinary action, payment of a minimum living wage, protection of health and safety, respect for the freedom of association and the right to collective negotiation, and provision of acceptable living conditions. During the Reporting Period, approximately 100% of our suppliers have signed Quality Agreements.

The Group boasts a diverse product portfolio with a wide range of applications. Our raw material suppliers include original equipment manufacturers (OEMs), agents, and outsourcing factories. During the Reporting Period, we have established a supply chain traceability and transparency system. By gradually capturing information at each stage of the production chain, we have deepened our understanding of the environmental and social impacts associated with material sourcing, manufacturing processes, and the full lifecycle of materials. To ensure effective supplier management, we have centered on quality management requirements and classified suppliers into three categories based on their supply characteristics, implementing tiered management to enhance supplier management effectiveness: (i) General suppliers (those not falling into the second or third categories); (ii) Critical component suppliers (if a supplier meets both the first and second category criteria, it will be prioritized and managed under the second category); and (iii) Outsourcing factories.

In terms of evaluation and supervision, we consider factors such as transaction volume and quality performance to develop an annual assessment plan for evaluating manufacturers. Outsourcing factories are required to undergo annual audits. Regarding raw material traceability, we are committed to conducting supplier raw material traceability investigations. Currently, the initial phase focuses on newly admitted suppliers each year, with plans to gradually expand to major and minor suppliers, ultimately covering all suppliers to encompass the entire supply chain.



Distribution of raw material suppliers[7]



We also have a policy on conflict-free minerals and controversial procurement in place to ensure that materials procured and used do not contain conflict minerals originating from the Democratic Republic of the Congo (DRC) or its adjoining countries, where illegal activities are associated with such minerals. We are committed to the proactive elimination of conflict minerals from our products and supply chain.

The Group has adopted international standards for the supervision of conflict minerals, and has established conflict minerals management processes in compliance with applicable regulatory requirements. The Group actively supports the Responsible Mineral Initiative ("RMI") and promotes the prohibition of conflict minerals, thereby advocating social responsibility in human rights protection and environmental conservation.

The Group conducts annual mineral source investigations on newly admitted suppliers through the RMI's Conflict Minerals Reporting Template (CMRT), to understand the names and locations of all suppliers of tin, tantalum, tungsten, or gold (collectively, "3TG") and cobalt materials used in products, thereby identifying and tracing the sources of relevant materials. We require our suppliers to complete conflict mineral usage report questionnaires and provide written confirmation to demonstrate that they have not used conflict minerals. In addition, the Group encourages suppliers to purchase minerals from smelters that have obtained certification from the Responsible Mineral Assurance Process ("RMAP"). During the Reporting Period, approximately 100% of suppliers who provide materials with 3TG and cobalt have signed agreements/declarations related to conflict minerals.

Supplier RMAP Certification Related to Conflict Minerals[8]

	Total	Tantalum	Tin	Tungsten	Gold
RMAP Certification Rate	89%	100%	80%	90%	99%

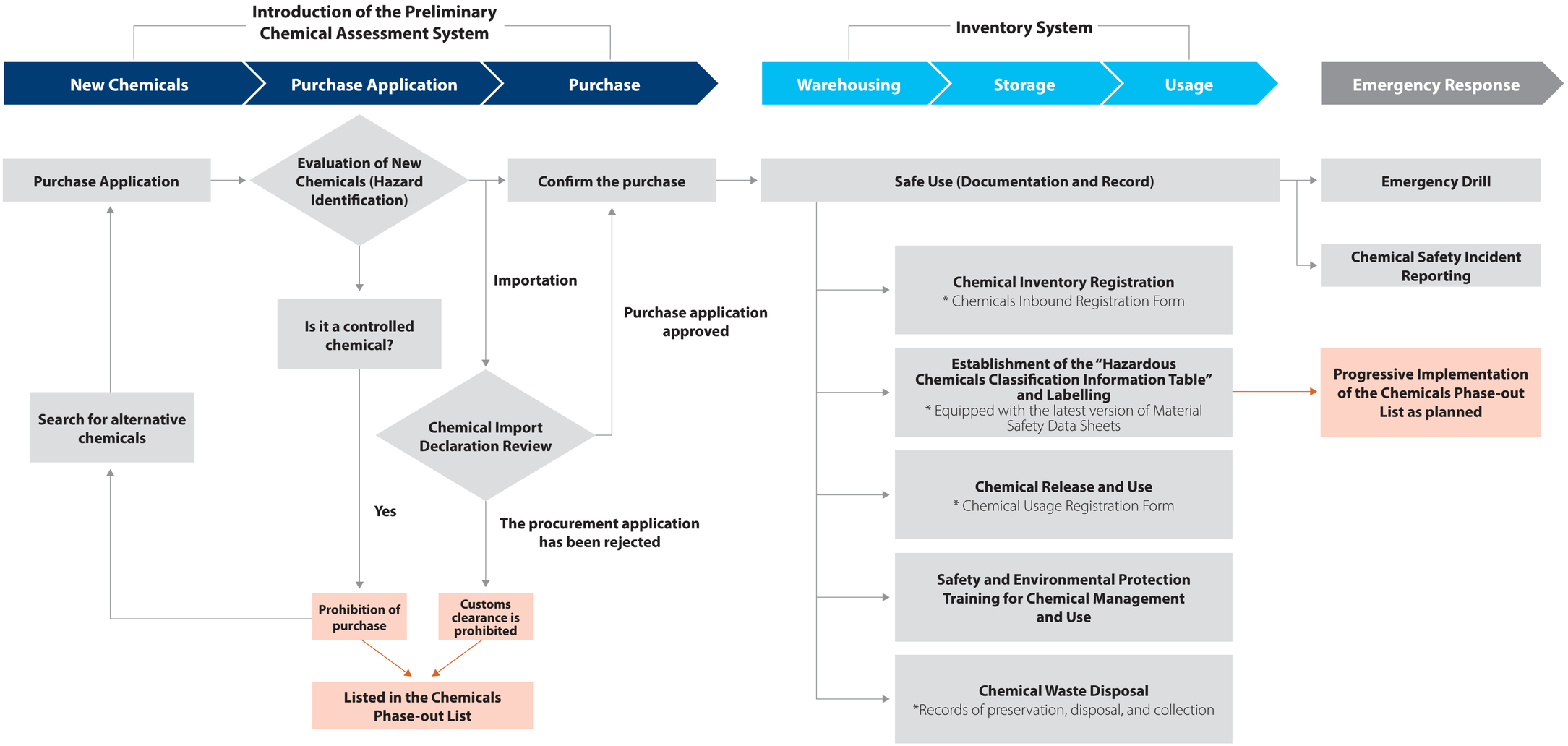
7 Geographical distribution of raw material suppliers was categorized by mineral source regions.
8 Supplier RMAP certification for conflict minerals was based on survey data of mineral source regions for newly admitted suppliers in 2025.

Excellent Product

Chemical Safety

During the Reporting Period, the Group has established a comprehensive management system for hazardous chemicals and formulated various policies/procedures, including the "Regulations on the Management of Hazardous Chemicals," "Management System for Chemical Warehouse," "Registration Form for Chemicals Warehousing," and "Registration Form for Chemicals Requisition." These policies comprehensively regulate the end-to-end management of chemicals and hazardous materials from procurement to waste disposal, in compliance with environmental regulations such as the European Union's RoHS standard and the Regulation Concerning the Registration, Evaluation, Authorization and Chemical Restriction ("REACH"), which restrict the use of specific hazardous substances. We will continuously monitor and systematically respond to new regulations and regulatory standards, and replace or reduce the quantity of chemicals with high regulatory risks to mitigate potential risks. The following is our chemical safety control process:

1. Regulatory Risk Substances	• Fully identify and list all chemicals used, ensuring compliance with international and regional safety regulations and legal statutes, and incorporate them into the Chemical Inventory List.
2. Chemicals Phase-out Plan	• Develop and implement a chemical phase-out mechanism to gradually eliminate substances of concern and regulated substances, especially those chemicals listed in national standards.
3. Registration and Use of Regulated Substances	• Continuously monitor the registration and use of all regulated substances, providing chemical use control information for internal review.
4. Level of Product Formulation Disclosure	• We adhere to global hazardous substance regulations, formulating the relevant formulation of multiple products. We collaborate with suppliers to ensure the safety and detail of products ingredient. The "Environmental Management Substance Control Measures" ensures that the products sold by our Group comply with global environmental regulations.
5. Chemical Procurement	• Plan purchases based on actual needs, complete the "Purchase Requisition Form", select products with lower toxicity and hazard levels, and ensure that transportation meets safety requirements. Chemicals that are regulated and fail to pass the "Chemical Import Declaration Review" are prohibited from procurement and are included in the "Chemical Elimination List".
6. Chemical Storage	• Hazardous chemicals are stored centrally in compliant warehouses, classified management and with strictly controlled quantities. Regular inspections are conducted and recorded in the "Chemical Warehouse Entry Registration Form". Additionally, a "Hazardous Chemicals Classification Information Table" is established and accompanied by the latest version of the Chemical Safety Data Sheets.
7. Management of Hazardous Chemicals Reception and Distribution	• Chemicals are managed by designated personnel, following the first-in, first-out (FIFO) principle, and equipped with protective devices and emergency equipment. Users are required to fill out the "Chemical Requisition Registration Form" to confirm the amount of chemicals used and maintain inventory records.
8. Waste Disposal	• Classify chemical waste in accordance with the Hazardous Waste Management System, entrust qualified institutions for disposal, and record information on production, storage, and disposal to ensure regular reporting to the local environmental protection department.
9. Education and Training	• Regular safety and environmental protection training on chemical management and use shall be conducted to ensure that employees are proficient in emergency measures, and emergency drills shall be carried out periodically.
10. Emergency Response	• In the event of a chemical safety incident, the Group shall promptly implement response measures in accordance with the "Emergency Preparedness and Response Control Procedure", and taking appropriate actions based on the chemical safety data sheet. Afterwards, the chemical safety incident shall be reported in accordance with the established procedures.


Introduction of the Preliminary Chemical Assessment System
New Chemicals
Purchase Application
Purchase
Inventory System
Warehousing
Storage
Usage
Emergency Response
Purchase Application
Evaluation of New Chemicals (Hazard Identification)
Confirm the purchase
Safe Use (Documentation and Record)
Emergency Drill
Chemical Safety Incident Reporting
Importation
Is it a controlled chemical?
Purchase application approved
Chemical Inventory Registration
* Chemicals Inbound Registration Form
Search for alternative chemicals
Chemical Import Declaration Review
Establishment of the "Hazardous Chemicals Classification Information Table" and Labelling
* Equipped with the latest version of Material Safety Data Sheets
Progressive Implementation of the Chemicals Phase-out List as planned
Yes
The procurement application has been rejected
Chemical Release and Use
* Chemical Usage Registration Form
Safety and Environmental Protection Training for Chemical Management and Use
Prohibition of purchase
Customs clearance is prohibited
Chemical Waste Disposal
*Records of preservation, disposal, and collection
Listed in the Chemicals Phase-out List

Phase-out Plan for Hazardous Chemicals

The Group's "Chemical Substance Phase-out List" Classification and Management System

Tier 1 (Highest priority for elimination)
The 10 hazardous substances specified in the EU RoHS Directive are as follows: (Including lead, cadmium, mercury, hexavalent chromium and its compounds, polybrominated biphenyls, polybrominated diphenyl ethers, and four types of phthalates)

Tier 2
In addition to the RoHS Directive, regulated substances prohibited by national laws and regulations or international conventions, as well as substances requested by customers as prohibited, are also subject to consideration. (Including: polychlorinated biphenyls (PCBs), polychlorinated naphthalenes (PCNs), asbestos, organotin compounds, ozone-depleting substances, etc)

Tier 3
Substances that must be voluntarily replaced/eliminated prior to the expiration of the regulatory exemption period (Including: Volatile Organic Compounds, substances subject to RoHS exemption clauses, etc)

Tier 4 (Voluntary Withdrawal)
Substances that require monitoring or are recommended for reduced use, as well as substances that are currently available but are expected to be banned in the future (Including: Substances of Very High Concern under REACH, etc)

Product Safety Management

To enhance the recognition of our product safety, we are dedicated to obtaining various international and industry-specific product safety certificates, including but not limited to:



- ISO/IEC 27001:2022 Information Security Management System certification
- Certificate for China Compulsory Product Certification
- RoHS standard of the European Union
- China UnionPay UnionPay Card Acceptance Terminal Application Specification
- China UnionPay Smart Point of Sales Terminal Technical Specifications

Our products also support a variety of payment methods and comply with specifications from different payment methods, including but not limited to:



- MasterCard Contactless Reader Specification
- Visa Contactless Payment Specification
- EMVCo Payment Standard for Contact and Contactless Chip Card Acceptance Terminal Products
- PCI PTS standards

As of 31 December 2025, the Group held more than 3,000 certifications related to product safety management.

E-payment Terminals Products

Our E-payment Terminals products comply with the security standards set by the PCI SSC. In addition to hardware protection, we incorporate various data security features such as secure processors and tamper detection and response mechanisms to safeguard customer data. As the first payment terminal provider in Asia to be elected and subsequently re-elected to the PCI SSC Advisory Board, we remain vigilant in tracking industry policy trends and continually enhance our product security management to align with the evolving requirements.



Terminals Safety Team composed of experienced security management personnel

- Dedicated security reviews are integrated into the product development life cycle
- Adopting effective security management measures and industry-applicable security standards:
  - Physical security procedures
  - Logical security measures
  - Product lifecycle management
  - Vulnerability management

Cloud-based Software as a Service Platform

Our cloud-based SaaS platform complies with the PCI DSS. We partner with reputable vendors who provide stable and reliable cloud services to ensure the highest level of security. Our SaaS platform incorporates multiple security features, including data access restrictions, dual authentication and encryption of merchant data, to protect against unauthorised access and ensure the data safety of both merchants and users.



SaaS Information Security Team comprised of employees from various departments

- Manage and protect:
  - Security in product design
  - Security in technical R&D
  - Security in technical operation and maintenance
  - Physical safety of personnel
- Regularly conduct security assessments and penetration tests with corresponding corrective measures in place



Information Technology Management

- Implement a series of security measures to detect abnormal events and enhance defense against malicious software, including:
  - The installation of firewalls and use of intrusion detection systems
  - Regular back up for critical data



Employee Training

- Enforce strict ethical standards for employee conduct
- Conduct regular training on data security, covering topics such as:
  - Network security incidents
  - Vulnerability management
  - Industry security standards and the latest security-related practices and information

Quality Control

We are committed to elevating the quality of products while ensuring compliance with relevant laws and regulations regarding product quality and safety[9]. Our "Quality Manual" is developed in accordance with the ISO 9001:2015 Quality Management System, ensuring the effectiveness of quality management practices and quality assurance procedures. With dedicated quality management teams in our core operations in the PRC and Hong Kong, we strictly oversee and control the quality of terminals products along the entire process – from R&D, production, testing, and shipping to inspection and maintenance.

During the Reporting Period, there were no health and safety-related product recalls with a material effect on the Group's operations or financial performance (2024: none). Additionally, the Group did not receive any material complaints[10] about products and services (2024: none).

Our quality assurance process is shown below:



Raw Material Inspection

- Conducting rigorous inspections of component and raw material quality, including sampling inspections of incoming products based on the "Code for Inspection of Finished Machines", taking into consideration of the below:
  - Appearance
  - POS functionality
  - Power Supply
  - Packaging
- Initiating immediate returns or repairs for any components or raw materials found not to meet specifications and our requirements
- Maintaining a record of the quantity and issues of non-conforming products in the monthly "IQC Incoming Material Inspection Monthly Report" and following up with suppliers to rectify the issues

Production

- Meticulously monitoring product quality through sample inspections of outgoing finished products, following guidelines out lined in the "Code for Inspection of Finished Machines" and taking into consideration of the below:
  - Appearance
  - Functionality
  - Packaging
- If products fail to meet inspection requirements, implementing corrective measures and repeating the sampling inspection to ensure compliance with relevant standards before providing the products to customers

After-sales Support

- Strictly follow the standards and guidelines set forth in the "Standard for Quality Inspection of Maintenance Machines" to provide maintenance services, inspecting the following aspects:
  - Functional Fault Points
  - Appearance
  - Software
  - Overall Functionality
- Promptly recalling any non-conforming products from customers upon identification to prevent the use of non-compliant goods
- Conducting investigations to determine the root cause of non-compliance and implementing necessary corrective actions to prevent recurrence of similar incidents

[9] Please refer to the "Significant Laws and Regulations" section for a list of product responsibility-related laws and regulations significant to the Group's business operations.

[10] Material complaints are defined as those that would result in long-term significant impact on our customers, or a failure to deliver agreed-upon service requirements.

Excellent Service

In order to enhance the customer experience, we have established a comprehensive customer service mechanism. We actively interact with customers through the following channels and encourage them to share feedback on our services.



Email and Fax



Face-to-face Communications



Customer Satisfaction Surveys



Customer Service Hotlines



Online customer questionnaires

We highly value customer feedback and have a structured response mechanism in place to address complaints and disputes. To ensure that our staff are familiar with the process and requirements of customer service, we have formulated the "Management Procedure of Customer Complaints" to strictly control the quality of staff service and the response to complaints, thereby ensuring timely and effective responses to customer feedback.



Our Service Commitment:
All Customer Complaints **Response Within 24 Hours**

We have formulated the "After-Sales Service Regulation" and established after-sales service centres nationwide to provide customers with various efficient after-sales service support.



Product Returns and Exchanges

In an event that customers discover any defective products upon unpacking, we will tailor our response based on the specific circumstances, which may involve arranging for complimentary replacement of the defective products.



On-Site Maintenance

We provide on-site maintenance services for our customers and have established policies for our maintenance process. These policies outline the job requirements for maintenance personnel, set standards for maintenance procedures as well as define clear timeframes to ensure the quality of our maintenance service.



Operation Training

We tailor training programs to meet the specific needs of our customers to ensure that they gain proficiency in basic POS operation procedures. Simple troubleshooting scenarios and their respective solutions are covered.



Routine Inspection

We conduct regular on-site inspections and provide necessary training such as failure handling, equipment maintenance and program downloads as needed.

Customer Engagement and Satisfaction

Each year, we invite our key customers to participate in our annual customer satisfaction survey. This valuable feedback enables us to gain insights into their opinions and expectations, which in turn drives our efforts to enhance the quality of our products and services. During the Reporting Period, we collected a total of 73 satisfaction surveys from both domestic and international customers. Our customers consistently express satisfaction with our services and product quality, maintaining an overall satisfaction rate that has exceeded 95% for three consecutive years. Our unwavering commitment remains focused on improving the quality of our products and services, with the ultimate goal of meeting and exceeding customer expectations.

Annual customer satisfaction survey results:



Customer Privacy

As the Group's business involves the collection and use of customers' personal information, the Group adheres to the "Personal Data (Privacy) Ordinance (Cap. 486 of the laws of Hong Kong)", the "Personal Information Protection Law of the PRC"《中華人民共和國個人信息保護法》of the Laws of PRC and other relevant laws and regulations, handling customers' data with great care, so as to safeguard the rights and privacy of our customers. The Group implements a range of data protection procedures and privacy policies to safeguard the secure collection and usage of customers' personal information. We strictly adhere to relevant laws and regulations[11], supplemented by the requirement for employees to sign a "Confidentiality and Intellectual Property Agreement". Employees are prohibited from disclosing the Group's confidential information and customer's personal data to any unauthorized parties. Prior consent from customers is essential before their personal information is utilised.

In addition, the Group has established a comprehensive information security management system and relevant internal policies, clearly defining employees' responsibilities in protecting customer privacy. All employees are required to undergo confidentiality training and strictly adhere to the relevant regulations in their daily work. In the event of any privacy breaches, losses, or significant hidden risks in management, employees must promptly report to the relevant departments. The responsible departments will then investigate the causes in accordance with established procedures and implement appropriate corrective and preventive measures. Meanwhile, the information security team is tasked with overseeing the use of network equipment and data storage devices, as well as managing remote access and network services to ensure the security of customer information.

Anti-Corruption, Whistleblowing and Business Ethics

We are committed to upholding the high standards of business ethics and maintaining a zero-tolerance stance towards corruption and bribery. We strictly adhere to laws and regulations[12] pertaining to the prevention of bribery, extortion, fraud and money laundering.

Preventive Measures and Whistleblowing Procedures

We foster a culture of integrity through multiple measures:

- The Senior Management is responsible for overseeing and monitoring anti-corruption risk management to prevent and address corruption risks
- **We proactively communicate anti-corruption messages to our employees** and have incorporated relevant content on corporate governance and business ethics in our **"ESG Policy"**
- We have formulated an **"Anti-Corruption Policy"** that sets out the conduct standards for directors, employees and individuals acting on behalf of the Group in an agency or delegated capacity (such as agents, clients, suppliers, consultants, and contractors), including:
  - Preventing corruption
  - Prohibiting the provision or acceptance of benefits and hospitality
  - Avoiding conflicts of interest
- We encourage and assist employees and third parties (such as customers and suppliers) to report suspected cases of corruption, fraud, and misconduct through our **24/7 independent reporting mechanism**
  - Employees can report any suspected cases of illegal or non-compliant behavior by the Group's employees or third parties to the Group's internal auditors at any time, either in person or in writing (in the **local language** of his/her choice).
  - The Group's **"Whistleblowing Policy"** outlines the types of misconduct and describes how the identity of the whistleblower will be kept confidential during investigations. Employees are protected from unfair dismissal, harm or unjust treatment due to reporting.

The relevant measures are monitored through the internal control system, ongoing compliance reviews and regular internal audits.

During the Reporting Period, we did not receive any reports regarding corruption or suspicious activities.

We handle reported information with utmost care and conduct fair and impartial investigations into cases. Upon confirming corruption or other criminal activities, we promptly report them to the relevant law enforcement authorities and implement corrective measures to prevent similar incidents. The Audit Committee regularly assesses and monitors the reporting and investigation procedures to ensure their effectiveness.

[11] Please refer to the "Significant Laws and Regulations" section for a list of product responsibility-related laws and regulations significant to the Group's business operations.

[12] Please refer to the "Significant Laws and Regulations" section for a list of anti-corruption laws and regulations significant to the Group's business operations.

Communication and Training

To enhance the Group's anti-corruption awareness and ensure that directors and employees are informed and understand the relevant local procedures and regulations, we have implemented the following measures:

- Circulate the "Whistleblowing Policy" to all directors and employees
- Introduce the Group's "Anti-corruption Policy" to new employees
- Regularly conduct anti-corruption training for directors and employees

During the Reporting Period, we provided anti-corruption training to directors and employees, providing them with anti-corruption guidance, regulatory information and internal requirements of the Group.

During the Reporting Period, the Group was not aware of any material non-compliance with applicable laws and regulations relating to bribery, extortion, fraud and money laundering. Additionally, the Group was not aware of any concluded legal cases regarding corrupt practices brought against the Group and its employees during the Reporting Period (2024: none).



Intellectual Property Protection

We recognise the importance of protecting intellectual property rights and ensure that our operations comply with relevant laws and regulations[13]. To guarantee the effective protection of the Group's intellectual property rights, we have set out guidelines and comprehensive protective measures on intellectual property in our "Confidentiality and Intellectual Property Agreements" for employees. Employees are mandated to adhere to the provisions therein and to apply for patents and copyrights, including invention patents, design patents, utility model patents and software copyrights, for the Group's R&D achievements. Additionally, employees must seek approval from the Group before showing any relevant intellectual property to external parties.

Advertising and Labelling

The Group is committed to providing customers with truthful and reliable information while strictly adhering to laws and regulations[14] related to advertising and promotion, so as to protect consumer rights and their access to transparent information. Prior to printing, all labels related to product production and sales undergo thorough review by the Group to ensure that all advertising and promotional content contains no misleading or false information.

[13] Please refer to the "Significant Laws and Regulations" section for a list of laws and regulations significant to the Group's business operations.
[14] Please refer to the "Significant Laws and Regulations" section for a list of laws and regulations significant to the Group's business operations.

Employees



Employees

Caring for Employees to Build a Diverse and Inclusive Workplace

GOAL: To foster a culture of care through building a diverse talent pool and strengthening employee relations

Most Material topics covered in this chapter:

- Employment Practices and Labour Standards
- Occupational Health and Safety
- Employee Training and Development
- Employee Well-being and Communication

UNSDGs addressed in this chapter:



Strategy and Management

We prioritise building strong relationships with our employees with an emphasis on human capital development and fostering a culture of care. Recognizing the importance of our staff, we provide competitive remuneration and benefits, ample training and development opportunities to cultivate a safe, fair and inclusive workplace environment.

Our Policy

The Group adheres to local laws and regulations[15] in our business operations, covering aspects such as human capital development, employment, labour standards, health and safety, as well as development and training. Our policies and commitment on topics such as compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare are outlined in our "Employee Handbook", "Employee's Code of Conduct", and other human resources-related policies. During the Reporting Period, we were not aware of any material non-compliance of laws and regulations relating to employment and labour standards.

Occupational Health and Safety Management System

To enhance workplace safety awareness and promote employee well-being, 100% of the major production sites within the reporting scope have obtained ISO 45001:2018 certification for Occupational Health and Safety Management System. This certification standardizes occupational health and safety measures across business units to mitigate health and safety risks for our employees in the workplace.

[15] Please refer to the "Significant Laws and Regulations" section for a list of employment and labour standards-related laws and regulations significant to the Group's business operations.

Diversity and Fairness

In our pursuit of workplace diversity and ensuring equal opportunities, we appreciate each individual's unique contributions and prioritise employees based on their job performance and personal attributes. We have formulated a series of policies and measures with reference to the International Labor Organization Conventions to ensure that our employees are free from any discrimination and harassment based on age, gender, colour, race, nationality, religion, sexual orientation, family status, and we respect the freedom of association of our employees and their right to collective negotiation. For example, we provide regular diversity and anti-discrimination training to management and all employees, establish a confidential reporting line, and set up a Diversity and Inclusion Working Group. We hire diverse talents through various recruitment channels, including online recruitment, job fairs, head-hunters, campus recruitment and internal referrals. We recruit and adjust the salaries and positions of our employees based on the results of performance appraisals to ensure that all employees are given equal opportunities and that their treatment is not affected by factors unrelated to their work ability and qualifications.

Freedom of Association and the Right to Collective Negotiation

We refer to the International Labour Organization (ILO) conventions and adhere to international labour standards, stipulating that employees enjoy the right to freedom of association and may independently form or join organizations that safeguard their own rights and interests, without undue interference. This right applies to all employees, and should not be restricted based on occupation, gender, skin color, race, belief, nationality, or political views.

The Group has committed to respecting employees' freedom of association and their right to collective negotiation; it encourages employees to engage in labor-management communication with the Management regarding remuneration, working conditions and other workplace-related matters through online feedback channels for employees' opinions and offline face-to-face communication mechanisms. During the Reporting Period, these relevant online and offline communication channels covered all employees, achieving a 100% coverage rate.

Human Right Protection

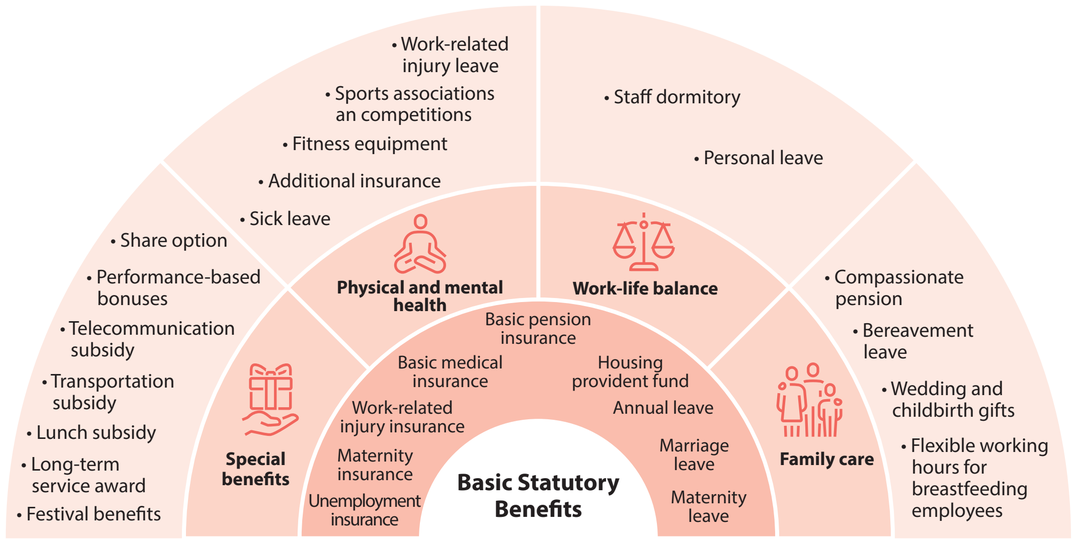
We maintain a zero-tolerance stance for child labour and forced labour. Our "Employee's Code of Conduct" clearly outlines labour-related policies, including remuneration, working hours, overtime, holidays, dismissal and termination, guaranteeing adequate rest periods for employees and avoiding any instances of forced labour in our business operations.

During the recruitment process, our Human Resources department checks and verifies the applicant's identification documents, age, work experience, education level and other relevant information to prevent the hire of child labour or any other illegal recruitment practices. Upon identifying instances of child labour or forced labour, we promptly terminate the employment relationship and, if deemed necessary, report the matter to the relevant government authorities. Our Human Resources department periodically reviews employment practices to ensure the effectiveness of existing measures to prevent child labour and forced labour. During the Reporting Period, the Group was not aware of any severe noncompliance of applicable laws and regulations[16] regarding child labour and forced labour.

[16] Please refer to the "Significant Laws and Regulations" section for a list of employment and labour standards-related laws and regulations significant to the Group's business operations.

Talent Retention

The Group has a comprehensive remuneration and welfare management system, and constantly review compensation and benefit packages to enhance employment conditions and maintain competitiveness within the industry. Full-time employees are entitled to statutory and public holidays, personal leave, sick leave, annual leave, work-related injury leave, marriage leave, bereavement leave, and maternity leave. The Company operates a share option scheme to recognise the contribution or future contribution of the eligible participants for their contribution to the Group by granting options to them as incentives or rewards and to attract, retain and motivate high-calibre eligible participants for the benefits of the growth of the Group. For details of the Company's share option scheme, please refer to Report of the Directors in the Annual Report 2025 of the Company. Employee benefits and non-compensation benefits include but are not limited to:



Creating a Family-Friendly Workplace

Case Study

To promote workplace inclusiveness and to support female employees through pregnancy, childbirth and breastfeeding periods, we have implemented family-friendly arrangements and support programs. For instance, at Pax Computer Technology (Shenzhen) Co., Ltd, we offer flexible working hours and shortened work schedule during the nursing period to employees in need.



Communication Channels

Effective communication and a positive corporate culture are crucial for driving the development of both individuals and the Group. The Group is committed to fostering an open feedback culture through formal mechanisms and actively enhancing employee engagement through regular communication and various staff activities. During the Reporting Period, we have established multiple communication channels to maintain close connections with employees.

- **Face-to face Communications with Employees**
- **Online Employee Questionnaires**
- **Employee Newsletters**
- **Physical or Virtual Meetings**
- **Whistleblowing Policy**

To encourage employees to share their ideas, suggestions and concerns, we have established internal procedures to promptly address employee feedback. We will also reassess relevant human resources strategies and management approaches if necessary.

Emphasis on Employee Well-being

Case Study

We regularly organize a variety of employee activities, such as birthday parties, holiday celebrations and annual dinners, to enhance team cohesion and further cultivate a positive and harmonious corporate culture.





Performance Appraisal and Incentives

We uphold fairness and development-oriented principles in performance management and employee incentives, ensuring that rewards are closely aligned with individual contributions while supporting employee motivation and retention through clear and rewarding career pathways. We continuously strengthen our career development framework and promotion mechanisms. Performance appraisals are conducted on a regular basis to assess employees' achievements and growth, including those of permanent employees. Outstanding employees are promoted in line with their career goals, enabling them to develop along either the management path or the professional path.

Talent Development

We have established a comprehensive training system, offering sufficient internal and external training opportunities for our employees. Fostering a culture of on-the-job mentorship, we provide dedicated mentors to guide new colleagues and tailor specific training programs to assist them in continuously enhancing their job performance. We have set a 2030 human capital development target to achieve 100% ESG training coverage for all directors and employees (including new and existing employees), covering topics such as environmental protection, occupational health and safety, quality management and anti-corruption. Through training initiatives, we aim to support employees in adapting to the evolving business landscape, ensuring they stay equipped with the necessary professional knowledge and skills to meet the Group's evolving demands. Additionally, we conduct assessments to evaluate the effectiveness of our training implementations, ensuring the successful outcomes of these developmental programs.

3,500+	40+	3+
Total Training Hours	Training Courses	Average Training Hours per Employee

Enhancing Work-Life Balance for Employees

Case Study

The Group sponsors various sports programmes, including running, football, basketball, badminton, etc., and regularly organize internal and external sports competitions, so as to encourage employees to engage in physical activities, alleviate stress and improve overall fitness. These activities also fostered teamwork, enhanced cross-departmental communication and collaboration skills among colleagues, and strengthened the cohesion of the Group.





During the Reporting Period, the training programs attended by our employees included, but were not limited to:



Orientation Training

- Corporate code of practices
- Introduction for product market
- Information security
- Financial system
- Introduction to the patent system



Business Training

- Paydroid、Prolin、MAXSTORE operating systems
- POS industry security standards
- Introduction to key system and PED system
- TP/LCD testing standards
- Product market feedback: problem analysis, causes, and improvement measures
- Product physical security and reliability Design



Sustainability Training

- Anti-corruption
- ESG
- Requirements on Climate-Related Disclosures proposed by the HKEx
- Introduction to new products and product lifecycle management



Personal Development Training

- Workplace skills and professional ethics, such as communication, work attitude, email etiquette, and occupational ethics
- Career development
- Knowledge of laws and regulations
- Language proficiency

Training for the Enhancement of Information Security Awareness of Employee

Case Study

During the Reporting Period, Pax Computer Technology (Shenzhen) Co., Ltd conducted information security awareness training for its employees. Through methods such as simulated phishing exercises and case studies, the training aimed to enhance employees' ability to identify and respond to cyber threats. Additionally, employees were required to complete relevant written tests to assess their level of information security knowledge. This not only enhanced staff awareness of security protection, but also strengthened the Group's overall information security protection, ensuring that the Group maintains a high level of security in the complex network environment.



Occupational Health and Safety

We prioritise the safety of our employees, continuously enhancing workplace safety awareness and promoting employee well-being. We adhere to all applicable laws and regulations[17] related to occupational health and safety and 100% of the major production sites within the reporting scope have obtained ISO 45001:2018 certification for Occupational Health and Safety Management Systems. Our "Environmental and Occupational Health and Safety Manual" is developed in accordance with the requirements and usage guidelines of GB/T 24001-2016 for Environmental and Occupational Health and Safety Management Systems, as well as ISO 45001:2018 standards. This manual standardises occupational health and safety measures across business units, aiming to provide safe working environment and protect employees from occupational hazards. The Group has also formulated the "Occupational Health Management System" in accordance with relevant regulations such as the "Law on the Prevention and Control of Occupational Diseases" and the "Interim Provisions on the Supervision and Administration of Occupational Health in Workplaces," with the aim of strengthening the prevention and control of occupational hazards and promoting sustainable production development.

Occupational Health and Safety Targets



Electric shock injuries

Zero occurrences of electric shock accidents



Potential fire/explosion

Zero occurrences of fire accidents

Target Achieved

During the Reporting Period, the Group was not aware of any material non-compliance of applicable occupational safety laws and regulations. At the same time, the Group has recorded no work-related fatalities in each of the past three years (including the Reporting Period), as well as lost days due to work injuries (2024: 0 days).

[17] Please refer to the "Significant Laws and Regulations" section for a list of health and safety-related laws and regulations significant to the Group's business operations.

The measures implemented by the Group for occupational health and safety include:



Safeguarding Employees' Health and Safety

- Providing personal protective equipment such as gloves, protective goggles, and face shields for relevant employees
- Installing exhaust collection pipeline systems in areas with printing and welding equipment
- Conducting regular medical and body check-up services for employees
- Regularly cleaning and disinfecting the office premises



Safety Supervision and Training

- Establishing food hygiene systems in the canteen of the Huizhou factory
- Providing anti-static bracelets, anklets and mats for employees involved in equipment maintenance
- Conducting fire inspections and providing fire prevention training for employees on a regular basis
- Providing occupational health promotion, education and training
- Provide specialized training for security personnel in fire management, visitor reception and security patrols, etc.



Safety Emergency Plans

- Developing emergency plans for accidents such as electric shock, falling from heights, burns, fires, etc.
- Organizing emergency rescue team to assist in inspecting and managing preventive measures and preparing for emergency response

In order to safeguard the health of our employees, the Group continues to implement comprehensive safety and health measures to enhance staff hygiene awareness and to reduce the risk of employee infection and injuries including:

- Periodically reviewing and monitoring the effectiveness of our health and safety measures by designated staff
- Disseminating the latest epidemic prevention and health information to employees



Environment

Environment

Accelerating Decarbonization for a Greener Future

GOAL: To advance eco-design for our products to minimize environmental footprint and enhance climate resilience

Most Material topics covered in this chapter:

- Development of Circular Economy Products (such as product packaging development, product repairability, etc.)
- Utilisation of Green and Clean Tech

UNSDGs addressed in this chapter:



Strategy and Management

We firmly believe in our responsibility to drive climate action and shape a greener future for generations to come. Beyond implementing green practices within our operations, as a global leader in payment terminal solutions with a presence in over 120 countries, we are also actively engaged in promoting a sustainable and climate-resilient future. Through innovative R&D and the creation of environmentally friendly products, we are dedicated to fostering a circular economy and building a more sustainable future.

Our Policy

We comply with environmental laws and regulations[18]. The Group has formulated an "Environmental Manual" to guide environmental initiatives and implemented internal environmental supervision measures to minimise the impact of our operational processes on the natural environment as much as possible.

Environmental Management System

100% of our major production sites within the reporting scope, including POS production and design processes, have obtained the internationally recognized ISO 14001:2015 Environmental Management System certification, systematically assisting us in improving environmental performance throughout our operations. This certification enables us to consistently reduce the impact of our daily operations on the natural environment.

During the Reporting Period, the Group was not aware of any material non-compliance with environmental laws and regulations at our business operation locations.

[18] Please refer to the "Significant Laws and Regulations" section for a list of environmental laws and regulations significant to the Group's business operations.

2030 Greenhouse Gas Emission Reduction and Energy Saving Targets

To support China's "3060 targets" which aim to achieve carbon peaking by 2030 and carbon neutrality by 2060, and align with the Paris Agreement—an international climate accord aimed at limiting global warming to within 1.5°C above pre-industrial levels. The Group has established green objectives based on its business characteristics, focusing on air and GHG emissions, waste management, energy efficiency and water efficiency, enabling the Group to more effectively monitor its environmental management performance. We regularly review the progress of these targets to ensure their effectiveness. We actively improved the achievement of the following green targets and continuously strengthened our resilience to climate-related risks to address climate change.

During the Reporting Period, we have established the carbon emission and energy targets and regularly reviewed the achievement of the targets, so as to take corresponding measures to realize them. To achieve these targets more effectively, we are committed to actively increasing our investment in clean tech. This will not only accelerate our transition to a low-carbon economy, but also enhance our competitiveness in environmental protection and innovative technologies. For details regarding the monitoring and regular review of sustainability-related objectives, and their performance and progress, please refer to the section "Sustainability Governance and Board's Oversight".

Our "2030 Greenhouse Gas Emission Reduction and Energy Saving Targets"		Implementation Status	Progress
Air and GHG Emissions[19]	• To reduce the total emission intensity of greenhouse gases (Scope 1 and 2) by 10% by 2030, 2024 as the base year	• Continuously implementing environmental protection measures (for details, please refer to page 55 of this Report.)	In progress
Waste Management	• To reduce the intensity of hazardous and non-hazardous waste by 10% by 2030, 2024 as the base year	• Implementing a series of waste management and resource recycling measures (for details, please refer to pages 56 of this Report.)	In progress
Energy Efficiency	• To reduce the total energy consumption intensity by 6% by 2030, 2024 as the base year.	• Implementing a series of green office energy-saving and environmental protection measures (for details, please refer to page 55 of this Report.)	In progress
Packaging Materials	• 100% plastic-free packaging by 2030[20]	• 100% plastic-free packaging realized	Achieved
Water Efficiency	• To reduce water intensity in offices and factories through implementation of various water conservation measures	• Implementing a series of water resource management measures (for details, please refer to page 55 of this Report.)	In progress

[19] Our GHG emissions reduction targets apply to our core business operations, for specific details on the scope, please refer to the section "Reporting Purpose, Period and Scope". We will consider incorporating high-quality carbon credits and Renewable Energy Certificates ("RECs") as part of our decarbonisation pathway, while continuously monitoring guidelines related to carbon credits and GHG emissions offsets to achieve our GHG reduction targets.

[20] Covering the outer packaging used for product sales only.

Green Building

Throughout the entire building lifecycle, we prioritized environmental considerations. We adhered to regulations and planning requirements, as well as strived to minimize the impact on the surrounding environment during construction. For example, at our office building in Shenzhen and the PAX Smart Terminals Industrial Park in Huizhou, emissions from the construction process, including sewage, emissions, fumes and noise, were thoroughly monitored to ensure compliance with the relevant standards. Our commitment lies in enhancing the energy efficiency of our facilities. Additionally, we have conducted assessments for green building certification and energy efficiency.

In addition, both our office building in Shenzhen and the PAX Smart Terminals Industrial Park in Huizhou are equipped with the electric vehicles charging piles, fully supporting and encouraging employees to use electric vehicles.

PAX Shenzhen Building – Integrating Green and Clean Tech

Case Study

In our green building project in Shenzhen, we have taken a thorough approach to consider eco-conscious and ESG-related factors. From carefully selecting the site and construction to investing in cutting-edge clean tech for both design and operation, our aim is to maximize energy efficiency while minimizing our environmental footprint.

The building incorporates a comprehensive array of energy-saving measures. For instance, we have adopted variable refrigerant volume multi-connection terminal devices for our air conditioning system, facilitating intelligent adjustments to cooling or heating efficiency. Additionally, one-touch switches have been installed in the building to mitigate the risk of employees inadvertently leaving certain systems on. In terms of lighting, we have adopted for high-efficient LED energy-saving fixtures, complemented by a smart system that automatically controls switches in stairwells. For the glass, aluminium alloy low-emissivity coating insulated glass windows are used, effectively blocking UV penetration and, consequently, reducing the need for excessive air conditioning or heating.



Emphasis on Eco-Product Design

We have consistently focused on developing and designing products from a sustainable perspective. In addition to ensuring products that meet required functionalities, lifespans, quality, aesthetics and other criteria, we minimise the usage of packaging materials by the simple packaging design. Simultaneously, we prioritise the selection of materials with smaller environmental footprints and greater sustainability to work towards the goal of a circular economy and to minimize the impact on natural resources.

We choose the packaging carefully

Sustainable Procurement

- We are committed to utilizing recycled materials, such as recycled cardboard or environmentally friendly paper certified by the FSC, to reduce plastic usage. Simultaneously, we ensure that the packaging raw materials originate from responsibly managed forests, guaranteeing the traceability of the raw materials
- We prioritise a natural and minimalist design, explore streamlined packaging designs and make rational adjustments to packaging dimensions to minimize and eliminate unnecessary packaging whenever possible

Recyclability in the Product Design

Product Energy Efficiency
Utilizing clean tech to maximize energy efficiency

Durability and Maintainability
During the product design phase, taking the extension of the product lifecycle into account

Circular Economy Recycling and Reuse
Implementing a POS machine recycling program for customers, collaborating with a recycling partner accredited by the "Guangdong Provincial Hazardous Waste Management License"(《廣東省危險廢物經營許可證》), ensuring proper handling of machine components for recycling and reuse

Environmentally Friendly Raw Materials
Adopting environmentally friendly raw materials to reduce the carbon footprint of our products

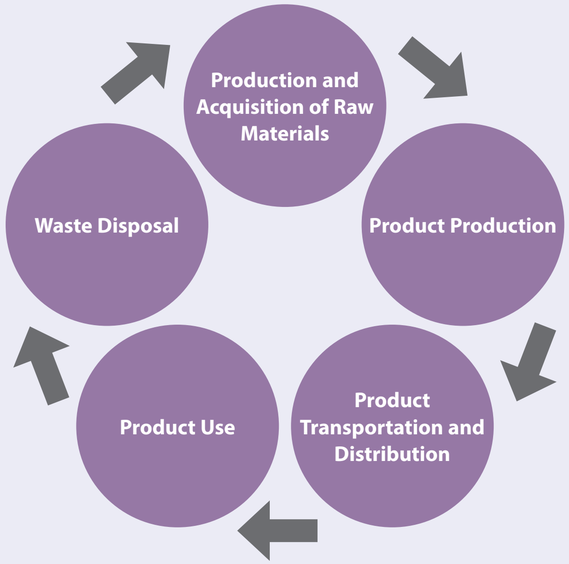
Engagement with Stakeholders for Environmental Sustainability
Utilizing website promotion to enhance customer awareness of product sustainability

Life Cycle Assessment for Greenhouse Gas Emissions of Products

Case Study

During the Reporting Period, we conducted Products Life Cycle Assessment ("LCA") for Android Mobile POS A8900, Smart Mini POS A50 and Unattended Payment Terminal IM25 to systematically calculate and analyze the product's carbon emissions over the life cycle. The LCA was conducted in strict accordance with the ISO 14067:2018 international standard, covering the entire process from raw material sourcing, production, transportation, use to final disposal, and realizing the quantification of a comprehensive carbon footprint from cradle to grave.

Through LCA, we are able to gain a deeper understanding of the environmental impact of each stage of the product life cycle, so as to identify high-emission areas and develop targeted improvement measures.



Opportunities and Applications of Clean Tech

We are committed to establishing a platform for exploring innovative concepts in sustainable development, focusing on high efficiency, low energy consumption and resource recycling; we also assess and support the research and development of promising clean tech and innovative processes.

Investment and R&D Areas	
High-efficiency and low-energy consumption related technologies	Sustainable Materials and Resource Recycling and Related Technologies

High-efficiency and Low-energy Consumption Related Technologies

Case study

In our product design, production and application processes, we actively apply advanced clean tech and innovative processes to enhance efficiency and reduce energy consumption.



Opportunities of Clean Tech	Specific Measures
High-efficiency: Enhancing overall operational efficiency through modular architecture	• The IM25 self-service payment terminal adopts a modular hardware design, integrating core functions into a layered architecture. This helps improve system coordination efficiency and stability, and enhances the convenience of maintenance and component replacement. Simultaneously, this design supports flexible deployment of multiple use cases, reducing the time required for installation and modification, thereby improving overall operational efficiency.
Low-energy consumption: Reducing energy consumption through ultra-low-power sleep mechanisms	• For the operation characteristic of "long standby time and intermittent use" in unattended equipment, the IM25 is equipped with a comprehensive energy management mechanism that supports low-power standby and rapid wake-up, effectively reducing power demand during operational standby periods. At the same time, it reduces labor and material costs associated with frequent charging and maintenance, further enhancing energy and resource utilization efficiency.

Technologies Related to Sustainable Materials and Resource Recycling and Utilization

Case study

In our product design and production processes, we continuously introduce more environmentally friendly material selection and optimize the production process. By reducing the input of raw material resources, enhancing the repairability and replaceability of components, as well as minimizing material consumption and pollution emissions during production, we promote resource recycling and enhance the environmental benefits throughout the entire product lifecycle.

Opportunities in Clean Tech	Specific Measures
Resource recycling and processing technology optimization	• Adopt modular design for easily worn components to enhance maintainability and replaceability. When maintenance or upgrades are required, individual components can be replaced in priority to avoid full replacement, thereby extending product lifespan and reducing electronic waste • Product research and development, as well as mass production, are undertaken with reference to relevant environmental requirements (e.g., RoHS, REACH) to support a more responsible material management • The bonding process of the screen and plastic casings is changed from hot melt adhesive to reusable double-sided adhesive • Reduce the use of rare metals, i.e. utilising lead-free solder paste and lead-free solder wire in the manufacturing process • Reduce coating, printing and other processes, and opt for the inherent color of the plastic materials • Introduce laser engraving technology to engrave directly on the product, replacing traditional nameplate labels • Introduce metal casing stretching/extrusion process to reduce energy waste caused by metal cutting
Switching to INCELL technology for LCD screens	• INCELL technology integrates the touch layer into the display panel, reducing the use of optically clear adhesive (OCA) • INCELL technology reduces energy consumption by reducing the number of touch layers and driver ICs compared to conventional LCDs
Improving production efficiency	• Flash lens is assembled by direct press-fitting, no welding process is required • LCD screens converted to double-sided adhesive process, no need to use a dispenser
Design simplification and reuse	• Certain products adopt foldable structure to reduce package size
Introduction of electronic processes	• 3D printing technology is widely used for structural prototyping, reducing waste generated from traditional machining processes • Suppliers are required to use eco-friendly circulating boxes, so as to realise highly efficient reuse

Seizing Opportunities in Clean Tech and Enhancing Product Chemical Safety

Case Study

We have been committed to applying the clean tech and enhancing the chemical safety of our products. For example, the next-generation smart payment terminal, A920MAX, adopts natural (uncoloured) injection moulding technology for its casing. This not only eliminates the necessity of traditional spray-painting, but also reduce the use of chemical inks, thereby minimising the chemical safety risks and environmental impact of the manufacturing process.

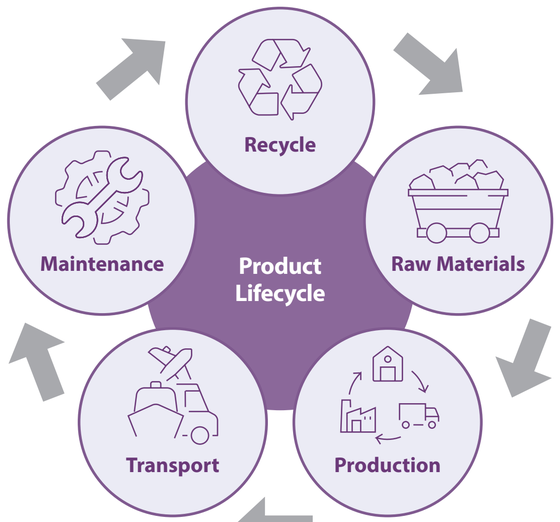


In addition, to enhance the user experience with clean tech, the smart payment terminal A920MAX uses lithium iron phosphate batteries, whose lifespan is five times that of conventional ternary lithium batteries on the market. A single battery can last throughout the entire life cycle of the POS without the need to replace the battery midway. This not only increases the product's recyclability but also extends its lifespan, reducing the generation of hazardous waste.

Characteristic	lithium iron phosphate battery
Safety	Relatively better • Excellent high temperature resistance and chemical stability • Relatively safer even under special conditions such as short circuit, overcharging and squeezing
Circularity	Longer cycle life (over 80% of the original capacity of the battery is required after the cycle test) • Over 1,500 cycles at room temperature

Sustainable Product Lifecycle

In order to reduce the impact of the Group's products on the environment and natural resources, we rigorously manage every aspect of the product lifecycle to reduce waste generation, reduce pollution and optimize the use of resources. During the Reporting Period, the Group's operations did not have a significant impact on the environment and natural resources.



5

Avoid negative environmental impacts from scrapped equipment materials such as metal and plastic:

- Implement a unified collection system for scrapped equipment from customers. Entrust recyclers accredited with the "Guangdong Provincial Hazardous Waste Management License" (《廣東省危險廢物經營許可證》) to uniformly process equipment in an environmentally friendly manner, fulfilling our commitments to circular economy

4

Provide repair and maintenance services:

- Inspect various aspects, including functional failure points, appearance, versions and overall functionality, to prolong the product lifecycle

1

Reduce the risk of environmental pollution and ensure the safety of employees and customers:

- Requiring relevant suppliers to sign RoHS declarations, undertaking that their products do not contain prohibited hazardous substances

2

Ensure the factory's emissions of exhaust gases and dust do not exceed standard limits:

- Engaging recognised third-party testing agencies to test emissions of exhaust gases and noise on a regular basis
  - Ensure compliance with regulatory standards such as Guangdong Province's "Emission Limit of Atmosphere Pollution Emissions" (《大氣污染物排放標準排放限值》) and "Emission Standard for Industrial Enterprises Noise at Boundary" (《工業企業廠界環境噪聲排放標準》)

3

Reduce pollutants and GHG emissions during the supply chain transportation process:

- Strive to adopt lightweight packaging to reduce transportation weight. Prioritise the engagement of local suppliers to minimize pollutants and GHG emissions in the supply chain transportation process

E-waste Recycling

Case Study

In support of the New Battery Regulation (EU) 2023/1542, we have partnered with an authorised Producer Responsibility Organisation ("PRO") for the safe disposal of e-waste from across India.

- **Buyback Scheme**
  With the assistance of PRO, e-wastes (such as disused batteries) from consumers, individual users and residents' associations are recycled. Recycling bins will be installed in residents' associations to facilitate drop-off.

- **Redemption and Coupons**
  We will offer a 1% discount coupon to customers who return end-of-life products, available for use as credit for future purchases of our products.

Climate-Related Disclosures

Although the Group is not an energy-intensive enterprise, with the increasing frequency and severity of extreme weather events, rising sea levels and shifting climate patterns, we recognize that all of which pose substantial threats to ecosystems, human health and economic stability. Therefore, we recognize the importance of identifying and effectively managing climate risks and opportunities and enhancing the Group's resilience to climate change. During the Reporting Period, having reviewed the risks and opportunities associated with climate change, the Group optimized relevant policies to enhance its resilience and formulated response measures for mitigation and adaptation.

Since 2023, the Group has been making climate-related financial disclosures with reference to the framework recommended by the Task Force on Climate-related Financial Disclosures (the "TCFD"). Starting from this year, the "Climate-Related Disclosures" section will be prepared in accordance with Part D of the ESG Reporting Code, which incorporates the standards of IFRS S2 and introduces more comprehensive climate-related disclosure requirements. We have conducted risks and opportunities assessments on climate change and formulated a climate management approach. The following is the Group's approach to climate management, which covers climate-related disclosures across four core elements of (1) Governance; (2) Strategy; (3) Risk management; and (4) Metrics and Targets.



Governance

Board Oversight

The Board takes ultimate responsibility for the oversight of climate-related risks and opportunities. The Board, with the assistance of the Risk Management Committee, is responsible for overseeing the Group's climate-related issues, including climate change policies, management of climate-related risks and opportunities and progress towards "Carbon Emissions, Energy and Green Targets". The Risk Management Committee reports to the Board at least once a year through meetings on relevant sustainability matters, covering climate-related issues, climate-related risks and opportunities, as well as the consideration of climate factors in strategy, major transaction decisions and risk management processes, along with the progress of implementing climate targets. When formulating strategies, making decisions on material transactions and managing risks, the Board should balance trade-offs between climate-related issues and other business, financial, and operational priorities, while considering progress in implementing climate objectives, so as to ensure climate considerations are integrated into the Board's overall decision-making process.

The Board and its members are equipped with knowledge of climate-related issues and have a thorough understanding of their impact on the Group's business and operations. To ensure that the Board and the Risk Management Committee are well-informed and up-to-date, we regularly provide training and educational materials on climate-related topics.

Management's Role

Under the supervision of the Risk Management Committee, the Senior Management is responsible for assessing and managing climate-related risks and opportunities, designing and implementing of climate-related measures, as well as reviewing climate-related policies to ensure that the Group incorporates climate-related considerations into its day-to-day operations. For details of the climate-related governance of the Board and Management, please refer to the section headed "Sustainability Governance and Board's Oversight".



Strategy

Identification of Climate-related Risks & Opportunities

Through our sustainability risks and opportunities management mechanism, we identify and manage both physical and transitional climate-related risks, as well as climate-related opportunities.

Faced with the long-term challenges posed by climate change, we continuously strengthen our ability to identify and manage climate-related risks and opportunities, integrating them into our sustainable development risk management mechanism. During the Reporting Period, we have deepened the breadth and depth of our climate strategy planning, assessing the financial and non-financial impacts of climate change on the Group from various dimensions, including business operations, supply chains and market environments, thereby further enhancing our climate resilience.

Strategy

The following table summarizes the key climate-related risks and opportunities we have identified, their potential impacts on our business, and our corresponding measures. However, given that information availability and quantification methodologies are still evolving, we will closely monitor developments and, where applicable, clarify the concentration of climate-related risks and opportunities within our business model and value chain. As relevant research matures, we aim to deepen our understanding of these risks and opportunities to better identify their potential impacts on our core business.

Climate-related Risks and Opportunities	Financial Impact	Non-Financial Impacts (on Business Model and Value Chain)	Our Response Actions
Physical Risks			
Acute Risks Ⓢ Ⓜ Ⓛ • Increased frequency and intensity of extreme weather events (e.g., typhoons, floods due to heavy rainfall, extreme heat), causing direct physical impacts on enterprise production, business models and supply chains	**Current Financial Impact** • Increased equipment maintenance and replacement costs; • Business or supply chain disruptions due to logistics and transportation obstructions, leading to reduced current revenue and increased additional warehousing costs **Expected Financial Impact** • Increased costs for preventive measures (e.g., strengthening and maintaining infrastructure) in the short to medium term; • Potential increases in property insurance premiums due to frequent extreme weather events in the medium to long term	**Current and Expected Impact** • Extreme weather increases safety risks for employees during commuting or operations	• Remind employees about safety precautions and work arrangements during extreme weather conditions • Establish emergency mechanisms, including emergency plans and drills, to ensure employees are familiar with crisis management measures • Adjust flexible working hours based on weather warnings to prevent accidents • Insure machinery, equipment, and inventory in the factory to avoid economic losses • Maintain strong relationships with suppliers to cope with delays caused by extreme weather
Chronic Risks Ⓜ Ⓛ • Long-term changes in climate patterns (e.g., rising sea levels, persistent high temperatures, droughts), leading to a deterioration of the operating environment	**Current Financial Impact** • No significant financial impact at present **Expected Financial Impact** • Increased energy costs due to higher demand for air conditioning in the medium to long term • Increased equipment maintenance costs due to high-temperature wear and tear in the medium to long term • Potential power outages or water supply disruptions, leading to operational obstructions and reduced revenue in the medium to long term	**Current and Expected Impact** • Persistent high temperatures may increase the risk of heatstroke among employees, raise equipment failure rates, affect supply chain stability, and potentially increase operational compliance pressure due to water restrictions	• Developed the ESG Policy, including a climate change policy, to enhance the Group's climate resilience and response capabilities • Optimize the operational efficiency of heating, ventilation and air conditioning systems to reduce power consumption despite rising temperatures • Enhance employees' energy-saving awareness through training and various employee engagement activities

Ⓢ Short-term(2030) Ⓜ Medium-term(2040) Ⓛ Long-term(2050)



Strategy

Climate-related Risks and Opportunities	Financial Impact	Non-Financial Impacts (on Business Model and Value Chain)	Our Response Actions
Transition Risks			
Policy and Legal Risks Ⓜ Ⓛ • Global and local regulatory bodies are accelerating efforts to promote emission reduction requirements, including China's "Dual Carbon" strategy, carbon pricing and the expansion of carbon markets, which may impact the Group's finances and reputation	**Current Financial Impact** • No significant financial impact at present **Expected Financial Impact** • Reduced revenue due to reputational damage and/or loss of social license in the medium to long term	**Current and Expected Impact** • Failure to adapt to policy changes or meet disclosure requirements may lead to strategic misalignment, regulatory penalties and damage to brand reputation	• Closely monitor changes in relevant laws and regulations, government's policy trends, technological developments, and market trends • Recycle e-waste through PRO and install recycling bins, encourage consumers to use a toll-free hotline to coordinate and provide awards to promote reuse
Market Risks Ⓜ Ⓛ • Market consumers and capital market investors are increasingly shifting towards green and low-carbon products and companies with excellent ESG performance	**Current Financial Impact** • Reduced revenue due to a shift in consumer preferences towards environmentally friendly alternatives, potentially decreasing demand for traditional high-carbon products or services; • Increased current operating costs for applying for additional ESG product certifications and labels **Expected Financial Impact** • Reduced revenue due to reputational damage and/or loss of social license in the medium to long term; • High carbon emissions or non-compliance with sustainable development practices may lead to reduced revenue and reputational damage in the medium to long term	**Current and Expected Impact** • Sustained high carbon emissions may damage the Group's reputation and reduce market competitiveness	• Consider environmental and sustainable development principles in product development and design • Conduct product lifecycle assessment on selected products (e.g. Android Mobile POS A50, A8500, A8900, D177 etc.) and obtain Product Carbon Footprint Certificates to calculate and analyze their full lifecycle carbon emissions

Ⓢ Short-term(2030) Ⓜ Medium-term(2040) Ⓛ Long-term(2050)

Strategy

Climate-related Risks and Opportunities	Financial Impact	Non-Financial Impacts (on Business Model and Value Chain)	Our Response Actions
Climate-related Opportunities			
Resource Efficiency Ⓢ Ⓜ • Invest in high-energy-efficiency equipment and optimize operational management	**Current Financial Impact** • Adopting higher energy-efficiency equipment and improving resource use efficiency in daily operations helps reduce operating costs **Expected Financial Impact** • Reduced regulatory expenditures (e.g., carbon taxes, carbon quota purchases) in the short to medium term	**Current and Expected Impact** • Reducing carbon emissions during operations to meet increasingly stringent carbon emission regulations and disclosure requirements, while enhancing brand reputation and market competitiveness	• Equip the office spaces with high-energy efficient LED lights and give priority to purchasing energy-saving devices • Implement a "paperless office" approach, for instance, encouraging employees to use electronic communication channels • Regularly provide employees with training on energy and water conservation
Products and Services Ⓜ Ⓛ • Market demand for green and low-carbon products and services has significantly increased	**Current Financial Impact** • Providing customers with low-carbon electronic payment terminal solutions that meet market demand enhances market attractiveness, revenue growth and market share expansion **Expected Financial Impact** • Expanding the sustainable electronic payment terminal market in the medium to long term	**Current and Expected Impact** • Enhancing brand reputation and market competitiveness	• Develop and design low-carbon products from a sustainable development perspective, aiming to extend product lifecycle as much as possible and reduce carbon emissions. Practical cases (such as the case study of A920MAX) can be referenced • Prioritise the use of local suppliers to reduce pollutants and GHG emissions generated during the supply chain transportation process
Energy Source Ⓜ Ⓛ • Adopt renewable energy generation, alternative energy sources, and/or purchase renewable electricity at operational sites	**Current Financial Impact** • Reducing expenditures on purchased electricity **Expected Financial Impact** • Opening up new revenue sources in the medium to long term by selling surplus green electricity and green certificates	**Current and Expected Impact** • Enhancing brand reputation and market competitiveness, while avoiding regulatory risks, to reduce reliance on traditional fossil fuels	• Actively promote green operations and has put in place a series of energy saving measures and policies. For example, photovoltaic panels have been constructed in Shenzhen PAX Technology Building to promote energy saving and emission reduction

Ⓢ Short-term(2030) Ⓜ Medium-term(2040) Ⓛ Long-term(2050)

Strategy

Climate-related Risks and Opportunities	Financial Impact	Non-Financial Impacts (on Business Model and Value Chain)	Our Response Actions
Climate-related Opportunities			
Market Ⓢ Ⓜ • Obtain new assets and territories to be insured	**Current Financial Impact** • No significant direct financial impact at present **Expected Financial Impact** • Reducing costs through green financing in the short to medium term, optimizing the capital structure, enhancing the sustainable development image, and increasing competitiveness	**Current and Expected Impact** • Enhancing the Group's sustainable development image, further increasing market competitiveness and investor attractiveness	• Explore green financing, reduce costs through green bonds and pegged loans, while assisting the development of environmentally friendly projects to achieve low-carbon transformation
Resilience Ⓜ Ⓛ • Enhance adaptability to climate change through efficiency improvement, design of new processes and development of new products	**Current Financial Impact** • Directly reducing operating costs by optimizing production processes and improving energy and resource use efficiency **Expected Financial Impact** • Enhancing operational stability and sustainable development capabilities in the medium to long term, while increasing market competitiveness and long-term value creation potential.	**Current and Expected Impact** • Establishing and improving a sustainable development risk management mechanism to systematically identify, assess, and manage climate-related physical and transition risks, and develop corresponding response plans to support the implementation of long-term sustainable development strategies	• Identify and manage climate-related physical and transformational risks through its sustainability risk management mechanisms and develops solutions to address such risks • Conducted the carbon footprint assessment for the Android Mobile POS A920 from cradle to grave, and will continue to develop products with lower environmental footprints and higher energy efficiency in the future

Ⓢ Short-term(2030) Ⓜ Medium-term(2040) Ⓛ Long-term(2050)

Strategy

Decarbonisation Roadmap

The Group has established GHG emissions reduction targets, using 2024 as the base year, and aims to achieve a 10% reduction in the intensity of total Scope 1 and 2 emissions by 2030. To realize these objectives, the Group has identified and is progressively implementing the following key mitigation measures.

Our decarbonisation roadmap is based on certain key assumptions and dependencies, including external factors beyond our control such as government policies, regional infrastructure and technological developments. Going forward, we will continue to refine our roadmap to reflect evolving methodologies, emerging insights and best practices.

Key Emission Reduction Levers

Operational Energy Efficiency Improvements

Purchased electricity constitutes the primary source of the Group's overall energy consumption, accounting for over 80% of total energy use in both 2024 and 2025. To enhance energy efficiency and promote emission reductions, the Group has implemented multiple energy management measures, including: (i) Adoption of variable refrigerant flow (VRF) multi-split terminal units in air conditioning systems to intelligently regulate cooling and heating efficiency; (ii) Installation of energy-efficient LED lighting fixtures; (iii) Deployment of intelligent lighting control systems for automated on/off functionality; (iv) Use of aluminum alloy low-emissivity coated insulated glass windows to block ultraviolet penetration, reduce building heat absorption and lower thermal loads; and (v) Utilization of renewable solar energy for domestic hot water heating.

Additionally, the Group continues to engage employees in energy conservation efforts by raising awareness and promoting measures such as turning off unused lighting, encouraging low-carbon practices in daily operations.

Transition to Electric Vehicles

Vehicle emissions accounted for approximately 10% of the Group's operational emissions in 2024 and 2025. The Group has integrated Electric Vehicle adoption into its carbon reduction strategy and plans to gradually replace conventional fuel vehicles with electric alternatives, considering operational requirements, infrastructure readiness and cost-effectiveness. To support this transition, the Group will prioritize EV adoption where feasible to reduce fuel consumption and associated GHG emissions, fostering a shift toward low-carbon transportation.

Renewable Energy

Renewable energy represents a critical pathway for the Group to achieve its carbon reduction goals, offering flexibility and scalability. Currently, RECs serve as the most viable renewable energy solution in the regions where the Group operates. Recent assessments indicate that REC supply can support current emission reduction targets. However, in the future, their long-term availability will depend on further development of renewable energy infrastructure and market dynamics. The Group will continuously evaluate and explore appropriate renewable energy procurement arrangements, including REC purchases and other feasible options, to advance its decarbonisation journey.

Carbon Credits

Carbon credits are tradable units representing the reduction or removal of one metric ton of carbon dioxide ("CO_2") or its equivalent in carbon dioxide equivalents ("CO_2e") from the atmosphere. When evaluating the potential application of carbon credits within the Group's carbon reduction pathway, the Group will carefully consider multiple factors, including the credibility of third-party certification mechanisms, the quality and integrity of carbon credits, and the nature of the underlying projects. Concurrently, the Group will continue to focus on relevant regulatory requirements, guidance and market developments, including the guidelines published by HKEx on utilizing carbon credits to offset GHG emissions for achieving emission reduction targets, to ensure compliance with regulatory expectations and market practices.

Strategy

Climate Change Adaptation Capacity and Scenario Analysis

During the Reporting Period, the Group conducted climate scenario analysis for the first time to assess the resilience of our strategies and business models when faced with a range of potential climate risks. The analysis covers our core operations at the Group level in Chinese Mainland and Hong Kong, aiming to provide a basis for strategic planning and risk management. The analysis results have served as a reference for our strategic planning, risk management, and resource allocation across different time horizons.

Scenario and Model Application

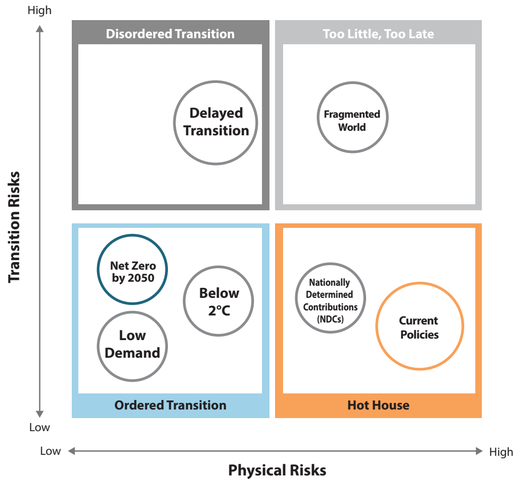
We utilized the database of the Network for Greening the Financial System ("NGFS")[21] as our primary data source, selecting a low-carbon scenario (i.e., the "2050 Net Zero Emissions Scenario") and a high-carbon scenario (i.e., the "Policy Maintenance Status Quo Scenario"). These scenarios are internationally recognized and publicly available, directly relevant to the Group's operating environment, thus suitable as an assessment basis. This scenario analysis is not intended to predict the future but rather to conduct stress testing on the Group's business through several potential future scenarios. The assessment is subjected to uncertainties,including the current limitations in available literature and data in quantifying the influence of climate with a high degree of certainty. Our current approach is based on a snapshot of the present situation, assuming no changes in our major business operations, operational locations or carbon reduction measures, and that there is no correlation between different climate risk variables. Going forward, as new credible data and methodologies emerge, we will continue to refine our climate scenario analysis approach.

In terms of analysis indicators, we integrated global climate models, regional climate data and industry forecasts to assess physical and transition risks highly relevant to the Group's operations. The coverage includes physical risk indicators such as tropical cyclones, flooding, and heatwaves, as well as carbon pricing levels that may affect operational costs and transition pressures. The analysis indicates that under all assessed climate scenarios, all risks are classified as low. Please refer to the table below for an overview of the selected time horizons, climate scenarios and analysis results.

Climate Resilience and Adaptive Capacity

The results of the climate-related scenario analysis assist the Group in evaluating the resilience of our strategies and operational models under different scenarios and time horizon. This analysis enhances our understanding of how climate change may impact our operations and strategic positioning, and provides a basis for identifying key areas that require strengthened risk management, strategic adjustments, or resource allocation.

Through the existing risk management and strategic planning processes, the Group maintains the capability to adjust strategies and operational models in the short, medium-term, and long term. The results of the scenario analysis have been incorporated into relevant processes, aiding the Group in implementing timely and prudent decisions to effectively respond to evolving climate-related risks and opportunities, thereby strengthening long-term operational resilience and driving sustainable value creation.



[21] NGFS is a group comprising central banks and regulatory authorities. It facilitates the sharing of best practices to support the financial sector in developing climate and environmental risk management capabilities, while mobilizing mainstream finance to drive the transition toward a sustainable economy.

Time Horizon and Climate Scenario Selection

Risk Category	Time Horizon		NGFS Scenario Selection
Physical Risk	**Acute Risks:** • Tropical cyclones • Flooding **Chronic Risks:** • Heatwaves	2030 (short-term) 2040 (medium-term) 2050 (long-term)	**2050 Net Zero Scenario (Orderly Pathway):** • Assumes rapid climate policies and technological transitions, achieving net zero carbon dioxide emissions by around 2050, limiting warming to 1.5°C with only minimal overshoot, resulting in limited physical risks but relatively high transition risks.
Transition Risk	**Policy and Legal Risks:** • Carbon pricing		**Current Policies Scenario (Hot House World Pathway):** • Assumes only currently implemented policies are maintained, leading to continuous emission growth until 2080, with warming of approximately 3°C, triggering various severe physical risks, including irreversible impacts such as sea-level rise.

Scenario Analysis Results

Risk Category		Chinese Mainland	Hong Kong	Impact Level: 2050 Net Zero Scenario 2030	2040	2050	Current Policies Scenario 2030	2040	2050
Physical Risk	Tropical Cyclones	✓	✓	●	●	●	●	●	●
	Flooding	✓	✓	●	●	●	●	●	●
	Heatwaves	✓	✓	●	●	●	●	●	●
Transition Risk	Carbon pricing	✓	✓	●	●	●	●	●	●

Risk level: ● High ● Medium ● Low

Risk Management

The Board bears ultimate responsibility for establishing and implementing the risk management mechanism. Under the supervision of the Risk Management Committee, and with the assistance of independent third-party professional consultants, we have conducted sustainability risks and opportunities assessments including climate-related risks and opportunities. We have evaluated and prioritised the climate-related risks and opportunities in terms of their potential impacts and likelihood. Mitigation measures are formulated based on the assessment results to enhance our risk response capabilities and climate resilience.

For details, please refer to the section "Sustainability Opportunity and Risk Management".

Metrics and Targets

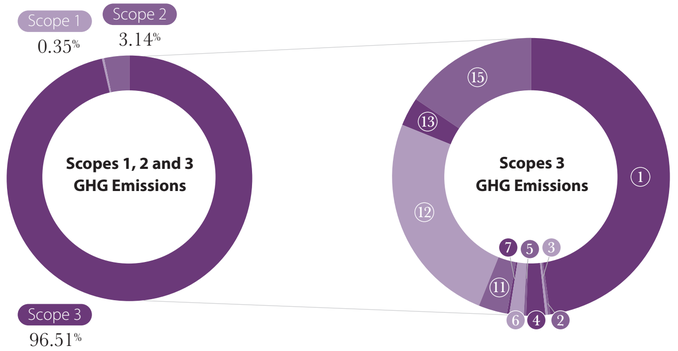
Our key climate-related metrics, such as greenhouse gas (Scope 1 and Scope 2) emissions as well as energy consumption, are available on our annual ESG reports. Additionally, we have formulated our "2030 Greenhouse Gas Emission Reduction and Energy Saving Targets" during the Reporting Period. We report to the Board annually on the achievement status of these targets and metrics. This consistent reporting approach ensures ongoing oversight of our environmental performance. For details, please refer to the section "2030 Greenhouse Gas Emission Reduction and Energy Saving Targets".

The Group's direct and indirect energy consumption, as well as greenhouse gas (Scope 1 and Scope 2) emissions are available in the "ESG Performance Data Summary" section of this Report. During the Reporting Period, we have disclosed the data of greenhouse gas (Scope 3) emissions relevant to our business. While the Group may have limited influence over some of our Scope 3 categories, we will continue to monitor and aim to further refine our disclosures in the near future to reduce carbon emissions across the value chain. For details, please refer to the section "Overview of Greenhouse Gas Emission".

Metrics and Targets

Overview of Greenhouse Gas Emission

The distribution of the Group's greenhouse gas emissions in 2025 is shown in the pie chart below:



Breakdown of Scope 3 Emissions by Category

1	Purchased Goods & Services	47.52%
2	Capital Goods	0.26%
3	Fuel-and Energy-related Activities (Not Included in Scope 1 or Scope 2)	0.29%
4	Upstream Transportation and Distribution	2.38%
5	Waste Generated in Operations	0.14%
6	Business Travel	1.69%
7	Employee Commuting	0.18%
11	Use of Sold Products	3.77%
12	End-of-life Treatment of Sold Products	25.24%
13	Downstream Leased Assets	3.22%
15	Investments	15.31%

Energy, Air and GHG Emissions

The energy consumption, air and GHG emissions of the Group primarily stem from the external purchase of electricity for offices and factories, fuel consumption of company vehicles, and employee canteens and dormitories. Additionally, there is a minimal generation of emissions during production processes, including particulate matter ("PM"), tin and its compounds, and volatile organic compounds.

We have implemented various green operational measures:



Factory Environmental Protection Measures

- Conducting waste gas treatment before emissions
- Engaging certified third-party testing institutions to conduct inspection on exhaust waste gases from factories regularly



Staff Dormitory Environmental Protection Measures

- Using renewable solar energy to heat domestic water



Green Office Initiatives

- Using high energy-efficient LED lights
- Prioritising the purchase of energy-saving electronic devices
- Reminding employees to switch off idle devices before leaving
- Assigning personnel to check whether power is turned off when off work
- Setting the cooling function of air conditioning at temperatures above 26 degrees Celsius
- Encouraging employees to regularly monitor and record energy consumption data

Water Resource Management

Our water resource consumption primarily comes from municipal water usage in our offices and factories, with the production processes also contributing to sewage discharge. During the Reporting Period, the Group had no issues in sourcing water that is fit for purpose in the locations of our business operations, nor were we aware of any material discharge of waste into water and land.

In our commitment to conserving water resources and minimizing pollution, we have implemented several water resource management measures:



Factory Water Resource Management Measures

- Strictly monitor the water quality of discharged sewage
  - Implement pre-treatment through the factory's three-tier septic tanks and three-tier oil-water separator
- Install a rainwater and sewage diversion drainage system
  - Ensure that treated sewage discharge complies with the emission standards specified in Guangdong Province's "Discharge Limits of Water Pollutant"(《水污染物排放限值》)(DB44/26-2001)



Office Water Resource Management Measures

- Repairing leaking faucets promptly
- Prioritising the use of water-saving equipment

Waste Management and Resource Conservation

We do not dispose of a significant amount of waste considering the business nature of the Group. The Group's office operations generate non-hazardous waste such as paper and office garbage. In our production processes, we generate non-hazardous waste such as paper, food waste, plastic, and other general waste as well as a small quantity of hazardous waste such as electronic waste, spent activated carbon, waste packaging drums, used engine oil and discarded printed circuit boards.

We have implemented various measures to reduce waste generation:



Green Office Initiatives

- Implementing a "Paperless Office" approach:
  - Electronic communication channels
  - Recycle envelopes, paper, paper bags and other paper products
  - Reduce the use of disposable paper cups
- Choosing sustainably sourced paper approved by the FSC for printing financial reports
- Posting visible signs in office areas to remind employees to reduce paper usage

We implement waste management and resource recycling measures to reduce the environmental impact of waste and products after use:



Waste Management Measures

- Implementing waste sorting, collection and storage procedures
- Handing over non-hazardous waste to government departments for centralized collection and disposal
- Disposing kitchen waste in accordance with laws and regulations
- Handling and recycling hazardous waste by qualified and recognized recyclers
- Offering customers a decommissioned POS machine recycling program
  - Entrusting recyclers approved by the "Guangdong Provincial Hazardous Waste Management License" (《廣東省危險廢物經營許可證》) to properly handle the casing and components of the machines

Green Procurement

We incorporate green procurement principles into our procurement process to foster the use of environmentally preferable products and services. This includes practices such as reducing the use of packaging materials when appropriate, considering the energy and water consumption and efficiency of materials, and minimizing or avoiding the use of single-use disposable items. Additionally, the Group prioritises the engagement of local suppliers to reduce pollution and GHG emissions generated during the transportation process along the supply chain. In terms of supplier management, we require all raw materials to be procured exclusively from qualified suppliers that comply with the Environmental Management Substance Control Measures, and the suppliers are required to provide third-party RoHS test reports, Declarations of Non-use of Hazardous Substances and Material Safety Data Sheets (MSDS). Our R&D team is responsible for verifying the validity and compliance of RoHS test reports to ensure purchased materials meet environmental protection standards. For raw materials, semi-finished products and finished goods that fail to meet environmental requirements, we have established an immediate reporting and handling mechanism which includes labeling and segregating non-compliant batches, as well as tracing inventory, semi-finished products, and shipment records, so as to ensure effective control and remediation.

Community



Community

Enriching Communities through Nurture and Care

GOAL: To embrace corporate social responsibility to collectively drive societal progress and create shared value

Most Material topics covered in this chapter:
Community Contribution

UNSDGs addressed in this chapter:



Strategy and Management

As a socially responsible enterprise, we are committed to integrating sustainability into all aspects of our business, caring for and contributing to our community and creating shared value to meet the community's needs. During the Reporting Period, we made donations and organized employee participation in volunteer activities, focusing on areas such as digital inclusion, community care, ecological conservation, and more.

During the Reporting Period, the total value of donations and resources assistance amounted to

HKD120,000

Digital Inclusion

We are dedicated to building an inclusive and sustainable digital economy that benefits individuals worldwide, regardless of their location. The barrier-free digital financial service plays a vital role in creating economic opportunities, reducing social inequality, fostering global economic growth and enhancing people's quality of life. Through collaboration with partners, we aim to offer society straightforward, comprehensible, secure and reliable financial services.

Advancements in Accessible Product Development

The Group is dedicated to promoting social diversity and inclusion, and strives to empower vulnerable communities through the development of accessible products. As payment devices continue to evolve with touchscreen interfaces, consumers with visual impairments or blindness encounter challenges in handling transactions. In response, since 2018, PAX has partnered with the Royal National Institute of Blind People in the United Kingdom to create a payment feature for visually impaired people that enables PIN entry on touchscreen displays. In addition, PAX is committed to embedding inclusive design as one of the core principles in its product development. In France, PAX has successfully obtained the CB B3V2.1 certification issued by GIE CB, demonstrating compliance with relevant international safety standards and payment terminal specifications, and reinforcing its commitment to enhancing accessibility for users with visual impairments. This achievement highlights PAX proactive approach to advancing inclusive payment solutions and driving a more accessible digital payment ecosystem.

Inclusive Payment Experience for the Blind and Visually Impaired

Case Study

When visually impaired customers need to pay, merchants can turn on "Accessibility Mode" on the PAX payment terminal. This prompts the device to audibly announce the payment amount and provide intuitive navigation instructions, supported by innovative buzzing techniques for enhanced screen keyboard navigation. The displays of PAX payment terminals are engineered for utmost clarity, featuring high-contrast number keys and buttons to facilitate ease of use for individuals with visual impairments. Additionally, selected Android Mobile POS A920 are equipped with haptic stickers on the screen frame, further enhancing accessibility for visually impaired customers.



Community Care

Helping Vulnerable Communities

During the Reporting Period, we actively supported the local underprivileged, especially the needy teenagers, students from grassroot families and the elderly, by making donations to help them grow and develop. Beneficiaries included non-profit organizations such as Youth Global Network Limited, Lok Sin Tong and HOPE Worldwide, among others.

Donations are mainly used in the following areas:

- Education and Employment Support
- Medical Services
- Care Services

These efforts not only directly improved the quality of life of vulnerable communities, but also promoted social equity and sustainable development, fully demonstrating the corporate social responsibility and humanistic care of PAX.

Promote Ecological Conservation

Micro-wetland Management Experiential Activity

We recognize the critical importance of wetlands in maintaining biodiversity and safeguarding ecological balance. To enhance our employees' awareness of ecological conservation, during the Reporting Period, we participated in a micro-wetland management experiential activity organized by the World Wide Fund for Nature. This enabled our employees to gain a systematic understanding of micro-wetland management concepts and personally engage in the practical management of a mini-wetland.

This activity not only deepened our employees' understanding of the key aspects of wetland conservation and management but also strengthened their sense of ecological protection responsibility and proactive engagement, fostering teamwork and cohesion. We encourage our employees to integrate conservation principles into their daily work and lives, supporting sustainable development and promoting ecological environmental optimization through practical actions.





ESG Performance Data Summary

Environmental Aspect[22] [23]

The following table outlines the key environmental data for the Group during the Reporting Period:

Indicator	2025	2024	Unit
Emissions			
Air Emissions			
Nitrogen oxides (NO_x)	**123.91**	139.78	Kg
Sulphur oxides (SO_x)	**3.16**	3.55	Kg
Particulate matters (PM)	**9.12**	10.25	Kg
Greenhouse Gas Emission			
Total emissions (Scope 1 & 2)	**6,115.27**	5,875.46	Tonnes CO_2e
Total emissions (Scope 1 & 2& 3)	**162,845.30**	180,390.00[24]	Tonnes CO_2e
– Direct emission (Scope 1)	**571.39**	650.99	Tonnes CO_2e
– Energy indirect emission (Scope 2)(Based on geographical criteria)	**5,543.88**	5,224.47	Tonnes CO_2e
– Other indirect emissions (Scope 3)[25]	**156,730.03**	174,514.54[24]	Tonnes CO_2e
Total emissions (Scope 1 & 2) intensity	**0.02**	0.02	Tonnes CO_2e/m^2
Total emissions (Scope 1 & 2 & 3) intensity	**0.56**	0.62[24]	Tonnes CO_2e/m^2
Hazardous Waste			
Total hazardous waste generation	**11.87**	0.41	Tonnes
Total hazardous waste generation intensity	**0.00**	0.00	Tonnes/m^2

Indicator	2025	2024	Unit
Non-hazardous Waste			
Total non-hazardous waste generation	**452.15**[26]	84.33	Tonnes
– Amount disposed	**358.63**	62.36	Tonnes
– Amount recycled	**93.52**	21.97	Tonnes
Total non-hazardous waste generation intensity	**0.00**	0.00	Tonnes/m^2
Use of Resources			
Energy			
Total energy consumption	**11,551.94**	11,395.26	MWh
– Direct energy consumption	**1,956.14**	2,237.11	MWh
– Unleaded petrol	**1,956.14**	2,197.56	MWh
– LPG[27]	**–**	39.55	MWh
– Indirect energy consumption	**9,595.80**	9,158.15	MWh
– Purchased electricity	**9,595.80**	9,158.15	MWh
Total energy consumption intensity	**0.04**	0.04	MWh/m^2
Water			
Total water consumption	**77,656.97**	59,006.11	m^3
Total water consumption intensity	**0.27**	0.20	m^3/m^2
Packaging Material			
Total amount of packaging material	**3,306.90**	3,154.79	Tonnes
– Paper	**3,205.23**	3,025.57	Tonnes
– Plastic	**101.67**	129.22	Tonnes
Intensity	**0.12**	0.12	Tonnes/m^2

[22] Figures in the table of this section are rounded to the nearest two decimal places for disclosures, so that the totals may not be the sum of the figures shown in this section.

[23] In accordance with The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition) published by the World Business Council for Sustainable Development and the World Resources Institute, Scope 1 direct emissions encompass greenhouse gas emissions directly generated from operations owned or controlled by the Group. Scope 2 energy indirect emissions cover "indirect energy" greenhouse gas emissions arising from electricity (purchased or acquired) consumed within the Group. Scope 3 (other indirect) emissions occur within the Group's value chain.

[24] The figures have been adjusted to reflect the actual conditions.

[25] For details, pls refer to the section "Scope 3 Carbon Emissions Inventory and Reporting Methodology".

[26] During the Reporting Period, the total volume of non–hazardous waste increased compared to the previous year. This change was primarily attributable to the optimization of the data collection scope and calculation methods in the current year.

[27] The Group has fully phased out the use of Liquefied petroleum gas (LPG) in 2025, achieving zero consumption.

Scope 3 Carbon Emissions Inventory and Reporting Methodology

Categories of Scope 3	Applicability	Methodology/Justification for exclusion	2025 Tonnes CO_2e	2024 Tonnes CO_2e
1 Purchased Goods & Services	Yes	**Spend-based method** Multiply the raw expenditure data on purchased goods and services by the corresponding Scope 3 greenhouse gas emission factor ("Emission Factors") to calculate the emissions in this category.	74,511.21	76,815.47
2 Capital Goods	Yes	**Spend-based method** The raw expenditure data on fixed assets is multiplied by the corresponding Emission Factors to calculate the emissions for this category.	404.65	2,530.47
3 Fuel- and Energy related Activities (Not Included in Scope 1 or Scope 2)	Yes	**Average data** To calculate emissions for this category, multiply the electricity consumption by the corresponding emission factor of the national average transmission and distribution loss rate.	447.13	426.78[24]
4 Upstream Transportation and Distribution	Yes	**Spend-based method** The expenditure data on transport and distribution of purchased goods were multiplied by the corresponding Emission Factors to calculate the emissions for this category.	3,722.43	5,608.57
5 Waste Generated in Operations	Yes	**Waste-type-specific method** Multiply the weight of the waste by the corresponding emission factor.	224.19	46.73
6 Business Travel	Yes	**Spend-based method** The emission figures for this category are taken from the Group's "Air travel "and "Accommodation" expenditure figures and multiplied by the corresponding Emission Factors to calculate the emissions for this category.	2,646.67	1,589.79
7 Employee Commuting	Yes	**Average-data method** The emission figures for this category are taken from the number of employees in the Group and multiplied by the corresponding emission factors to calculate the emissions for this category.	279.85	289.13
8 Upstream Leased Assets	No	Emissions from leased offices are included in Scope 2 emissions.	–	–
9 Downstream Transportation and Distribution	No	This category is excluded due to the lack of sufficient and reliable data.	–	–
10 Processing of Sold Products	No	The Group is principally engaged in the development and sale of electronic payment terminal products, provision of maintenance and installation and payment solution services. As there is no intermediate product, no disclosure of relevant emission data is required for this category.	–	–
11 Use of Sold Products	Yes	Products that directly consume energy (fuel or electricity) during use Using the expected energy consumption data of the e-payment end-products, the emissions for this category were calculated by multiplying them by the corresponding expected emission factor for the whole usage phase.	5,902.60	7,645.48
12 End-of-life Treatment of Sold Products	Yes	**Waste-type-specific method** The emission figures for this category are taken from the weight of the e-payment terminal product sold, multiplied by the corresponding emission factor for general waste treatment services, and multiplied by the corresponding emission factor to calculate the emission for this category.	39,554.51	50,387.98
13 Downstream Leased Assets	Yes	**Average-data method** The emission figures for this category are taken from the total gross floor area of the Group's leased assets and multiplied by the corresponding emission factor to calculate the emissions for this category.	5,040.35	4,516.92
14 Franchises	No	The Group is principally engaged in the development and sale of electronic payment terminal products, provision of maintenance and installation and payment solution services. As we do not have any franchise business, there are no reportable emissions in this category.	–	–
15 Investments	Yes	**Average-data method** This category emission figure is taken from the investee company's industry and revenues, multiplied by an industry-specific emission factor, and adjusted for our equity stake.	23,996.43	24,660.41[24]

Social Aspect

Indicator	2025	2024	Unit
Number of employees by gender			
Male	**655**	670	person
Female	**318**	327	person
Number of employees by employee category			
Senior Management	**5**	7	person
Middle Management	**79**	60	person
Technical Staff and General Staff	**889**	930	person
Number of employees by age			
30 or below	**223**	254	person
31-40	**524**	536	person
41-50	**200**	178	person
51 or above	**26**	29	person
Number of employees by geographical region			
PRC (excluding Hong Kong)	**947**	969	person
Hong Kong	**26**	28	person
Employee Turnover Rate by Gender			
Male	**9**	16	%
Female	**11**	11	%
Employee Turnover Rate by Age			
30 or below	**8**	17	
31-40	**9**	13	%
41-50	**10**	15	%
51 or above	**35**	7	%
Employee Turnover Rate by Geographical Region			
PRC (excluding Hong Kong)	**10**	14	%
Hong Kong	**12**	4	%

Indicator	2025	2024	Unit
Training Data by Gender			
Percentage of Employees Trained			
Male	**69.6**	68.8	%
Female	**30.4**	31.2	%
Average Training Hours			
Male	**3.46**	2.20	Hour(s)
Female	**3.04**	2.28	Hour(s)
Training data by Employment Category[28]			
Percentage of Employees Trained			
Senior Management	**1.0**	0.9	%
Middle Management	**7.2**	5.4	%
Technical Staff and General Staff	**91.8**	93.7	%
Average Training Hours			
Senior Management	**1.11**	4.43	Hour(s)
Middle Management	**6.87**	9.56	Hour(s)
Technical Staff and General Staff	**3.04**	1.70	Hour(s)

[28] The percentage of employees trained is calculated based on the number of employees in the specified category who took part in training during the Reporting Period, divided by the total number of employees who took part in training during the Reporting Period. The average training hours is calculated based on the total number of training hours for employees in the specified category during the Reporting Period, divided by the number of employees in the specified category at the end of the Reporting Period. The data included resigned employees during the Reporting Period.

Significant Laws and Regulations

Aspect	Significant Laws and Regulations
Aspect A. Environmental	**Laws of PRC** • The Law of the PRC on the Prevention and Control of Atmospheric Pollution • The Law of the PRC on the Prevention and Control of Water Pollution • Food Safety Law of the PRC • Regulation on the Implementation of the Food Safety Law of the PRC • Measures for the Management of Municipal Solid Waste • The Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Waste • Environmental Protection Law of the PRC • The Law of the PRC on the Prevention and Control of Pollution from Environmental Noise • Guangdong Province Environmental Protection Regulations **Hong Kong Legislation** Due to the primarily office-based nature of operations in Hong Kong, there are no significant environmental impacts and no applicable significant laws and regulations.
Aspect B1. Employment **Aspect B4. Labour Standards**	**Laws of PRC** • Employment Promotion Law of the PRC • Labour Law of the PRC • Labour Contract Law of the PRC • Regulation on the Implementation of the Labour Contract Law of the PRC • Social Insurance Law of the PRC • Law of the PRC on the Protection of Rights and Interests of Women • Law of the PRC on the Protection of Minors • Provisions on Special Protection for Juvenile Workers • Provisions on the Prohibition of Using Child Labour • Regulation on Paid Annual Leave of Employees **Hong Kong Legislation** • Cap.57 Employment Ordinance • Cap.282 Employees' Compensation Ordinance • Cap.480 Sex Discrimination Ordinance • Cap.487 Disability Discrimination Ordinance • Cap.527 Family Status Discrimination Ordinance • Cap.602 Race Discrimination Ordinance

Aspect	Significant Laws and Regulations
Aspect B2. Health & Safety	**Laws of PRC** • Law of the PRC on Occupational Disease Prevention and Control • Regulation on Work-Related Injury Insurances of the PRC • Food Safety Law of the PRC • Special Provisions on Labour Protection for Female Employees • Production Safety Law of the People's Republic of China **Hong Kong Legislation** • Cap.509 Occupational Safety and Health Ordinance
Aspect B6. Product Responsibility	**Laws of PRC** • Civil Code of the PRC • Product Quality Law of the PRC • Advertising Law of the PRC • Internet Security Law of the People's Republic of China • Data Security Law of the People's Republic of China • Personal Information Protection Law of the PRC • Regulation on the Management of Security of Cyber Data • Patent Law of the PRC • Trademark Law of the PRC • Copyright Law of the PRC • Regulation on Computers Software Protection **Hong Kong Legislation** • Cap.26 Sale of Goods Ordinance • Cap.362 Trade Descriptions Ordinance • Cap.457 Supply of Services (Implied Terms) Ordinance • Cap.486 Personal Data (Privacy) Ordinance • Cap.528 Copyright Ordinance • Cap.559 Trade Marks Ordinance
Aspect B7. Anti-corruption	**Laws of PRC** • Anti-Unfair Competition Law of PRC • Criminal Law of the PRC • Anti-money Laundering Law of the PRC **Hong Kong Legislation** • Cap.201 Prevention of Bribery Ordinance

Environmental, Social and Governance Reporting Code Index

Indicator		Chapter/Disclosure	Pages
A. Environmental			
Aspect A1: Emissions			
General Disclosure		Environment	P. 40
Information on:		Significant Laws and Regulations	P. 63
(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.			
Note: Waste gas emissions include nitrogen oxides, sulfur oxides and other pollutants regulated by national laws and regulations.			
KPI A1.1	The types of emissions and respective emissions data.	ESG Performance Data Summary—Environmental Aspect	P. 60
KPI A1.2	Repealed 1 January 2025	N/A	N/A
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	ESG Performance Data Summary—Environmental Aspect	P. 60
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	ESG Performance Data Summary—Environmental Aspect	P. 60
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	Environment	P. 40
		Energy, Air and GHG Emissions	P. 55
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.	Environment	P. 40
		Waste Management and Resource Conservation	P. 56
Aspect A2: Use of Resources			
General Disclosure		Environment	P. 40
Policies on the efficient use of resources, including energy, water and other raw materials.			
Note: Resources can be used in production, storage, transportation, buildings, electronic equipment, etc			
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	ESG Performance Data Summary—Environmental Aspect	P. 60

Indicator		Chapter/Disclosure	Pages
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	ESG Performance Data Summary—Environmental Aspect	P. 60
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Environment	P. 40
		Energy, Air and GHG Emissions	P. 55
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.	Environment	P. 40
		Water Resources Management	P. 55
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	ESG Performance Data Summary—Environmental Aspect	P. 60
Aspect A3: The Environment and Natural Resources			
General Disclosure		Green Building	P. 42
Policies on minimising the issuer's significant impacts on the environment and natural resources.		Emphasis on Eco-Product Design	P. 42
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Green Building	P. 42
		Sustainable Product Lifecycle	P. 46
		Emphasis on Eco-Product Design	P. 42

Indicator		Chapter/Disclosure	Pages
B. Social			
Employment and Labour Practices			
Aspect B1: Employment			
General Disclosure		Employees	P. 33
Information on:		Significant Laws and Regulations	P. 63
(a) the policies; and			
(b) compliance with relevant laws and regulations that have a significant impact on the issuer			
relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.			
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	ESG Performance Data Summary—Social Aspect	P. 62
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	ESG Performance Data Summary—Social Aspect	P. 62

Indicator		Chapter/Disclosure	Pages
Aspect B2: Health and Safety			
General Disclosure		Occupational Health and Safety	P. 39
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.			
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Occupational Health and Safety	P. 39
KPI B2.2	Lost days due to work injury.	Occupational Health and Safety	P. 39
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Occupational Health and Safety	P. 39

Indicator		Chapter/Disclosure	Pages
Aspect B3: Development and Training			
General Disclosure		Talent Development	P. 36
Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training. It may include internal and external courses paid by the employer.			
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	ESG Performance Data Summary—Social Aspect	P. 62
KPI B3.2	The average training hours completed per employee by gender and employee category.	ESG Performance Data Summary—Social Aspect	P. 62
Aspect B4: Labour Standards			
General Disclosure		Human Right Protection	P. 34
Information on:		Significant Laws and Regulations	P. 63
(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.			
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Human Right Protection	P. 34
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Human Right Protection	P. 34

Indicator		Chapter/Disclosure	Pages
Operating Practices			
Aspect B5: Supply Chain Management			
General Disclosure		Responsible Supply Chain Management	P. 24
Policies on managing environmental and social risks of the supply chain.			
KPI B5.1	Number of suppliers by geographical region.	Responsible Supply Chain Management	P. 24
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.	Responsible Supply Chain Management	P. 24
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Responsible Supply Chain Management	P. 24
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Responsible Supply Chain Management Green Procurement	P. 24 P. 56

Indicator		Chapter/Disclosure	Pages
Aspect B6: Product Responsibility			
General Disclosure			
Information on:		Innovation	P. 21
(a) the policies; and			
(b) compliance with relevant laws and regulations that have a significant impact on the issuer		Significant Laws and Regulations	P. 63
relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.			
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Quality Control	P. 29
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Quality Control	P. 29
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Intellectual Property Protection	P. 32
KPI B6.4	Description of quality assurance process and recall procedures.	Quality Control	P. 29
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Advertising and Labelling Customer Privacy	P. 32 P. 31

Indicator		Chapter/Disclosure	Pages
Aspect B7: Anti-corruption			
General Disclosure		Anti-corruption, Whistleblowing and Business Ethics	P. 31
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.		Significant Laws and Regulations	P. 63
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.	Anti-corruption, Whistleblowing and Business Ethics	P. 31
KPI B7.2	Description of preventive measures and whistle blowing procedures, and how they are implemented and monitored.	Anti-corruption, Whistleblowing and Business Ethics	P. 31
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Anti-corruption, Whistleblowing and Business Ethics	P. 31

Indicator		Chapter/Disclosure	Pages
Community			
Aspect B8: Community Investment			
General Disclosure		Community	P. 57
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.			
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community	P. 57
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Community	P. 57

Indicator	Chapter/Disclosure	Pages
Climate-Related Disclosures		
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:	Sustainability Governance and Board's Oversight	P. 16
	Climate-Related Disclosures	P. 47
(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;	The Group has not yet incorporated climate-related performance metrics into its remuneration policy. We will explore the feasibility of enhancing our remuneration policy to integrate such metrics.	
(ii) how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities;		
(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; and		
(iv) how the body(s) or individual(s) oversees the setting of, and monitors progress towards, targets related to climate-related risks and opportunities, including whether and how related performance metrics are included in remuneration policies; and		

Indicator	Chapter/Disclosure	Pages
(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:	Refer to response above.	
(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		
(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.		

Indicator	Chapter/Disclosure	Pages
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;	Climate-Related Disclosures — Strategy	P. 47
(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;		
(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		
(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.		
Business model and value chain		
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	Climate-Related Disclosures — Strategy	P. 47
(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).	Since data availability and quantification methods continue to develop or evolve, we will continue to monitor and, where feasible, describe the concentration of climate-related risks and opportunities across our business model and value chain.	

Indicator	Chapter/Disclosure	Pages
Strategy and decision-making		
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:	Climate-Related Disclosures — Strategy	P. 47
(i) current and anticipated changes to the issuer's business model, including its resource allocation, to address climate related risks and opportunities;		
(ii) current and anticipated adaptation and mitigation efforts (whether direct or indirect);		
(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;		
(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		
(b) information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 22(a).		
23. An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 22(a).	Climate-Related Disclosures — Strategy	P. 47

Indicator	Chapter/Disclosure	Pages
Financial position, financial performance and cash flows		
24. An issuer shall disclose qualitative and quantitative information about:		
(a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and	Climate-Related Disclosures — Strategy We have identified major climate-related risks and opportunities and disclosed their current and/or anticipated qualitative financial effects. Given the high level of measurement uncertainty arising from data limitations and evolving climate science and methodologies, the resulting quantitative financial effects may not provide meaningful insights. We will continue to review the feasibility of disclosing such data as our business operations evolve.	P. 47
(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.	There are no material risks of significant adjustments during the next annual reporting period.	N/A
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:	Climate-Related Disclosures — Strategy	P. 47
(i) its investment and disposal plans; and	We have identified major climate-related risks and opportunities and disclosed their current and/or anticipated qualitative financial effects. Given the high level of measurement uncertainty arising from data limitations and evolving climate science and methodologies, the resulting quantitative financial effects may not provide meaningful insights. We will continue to review the feasibility of disclosing such data as our business operations evolve.	N/A
(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.		

Indicator	Chapter/Disclosure	Pages
Climate Resilience		
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:	Climate-Related Disclosures — Strategy	P. 47
(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; and		
(b) how and when the climate-related scenario analysis was carried out, including:	Refer to response above.	
(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.		

Indicator	Chapter/Disclosure	Pages
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:	Sustainability Opportunity and Risk Management	P. 17
(i) the inputs and parameters the issuer uses (for example, information about data sources and the scope of operations covered in the processes);	Climate-Related Disclosures — Risk management	P. 54
(ii) whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related risks;		
(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);		
(iv) whether and how the issuer prioritises climate-related risks relative to other types of risks;		
(v) how the issuer monitors climate-related risks; and		
(vi) whether and how the issuer has changed the processes it uses compared with the previous reporting period;		
(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	Refer to response above.	
(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.		
IV. Metrics and targets		
Greenhouse gas emissions		
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;	Climate-Related Disclosures — Metrics and targets	P. 54
(b) Scope 2 greenhouse gas emissions; and	ESG Performance Data Summary — Environmental Aspect	P. 60
(c) Scope 3 greenhouse gas emissions.	Scope 3 Carbon Emissions Inventory and Reporting Methodology	P. 61

Indicator	Chapter/Disclosure	Pages
29. An issuer shall:	Reporting principles	
(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;	Climate-Related Disclosures—Metrics and targets	P. 54
(b) disclose the approach it uses to measure its greenhouse gas emissions including:	ESG Performance Data Summary—Environmental Aspect	P. 60
(i) the measurement approach, inputs and assumptions the issuer uses to measure its greenhouse gas emissions;	Scope 3 Emissions Inventory and Reporting Methodology	P. 61
(ii) the reason why the issuer has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and	We will explore the feasibility of purchasing quality RECs and carbon credits to offset GHG emissions from our operations.	
(iii) any changes the issuer made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes;		
(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		
(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).		

Indicator	Chapter/Disclosure	Pages
Climate-related transition risks		
30. An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	Reasonable and supportable information was not available at the reporting date without undue cost or effort. We will establish and implement a work plan to comprehensively assess, identify and quantify assets and business activities exposed to climate-related risks and opportunities, with the aim of incorporating the required disclosures in future reporting periods.	N/A
Climate-related physical risks		
31. An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	Reasonable and supportable information was not available at the reporting date without undue cost or effort. We will establish and implement a work plan to comprehensively assess, identify and quantify assets and business activities exposed to climate-related risks and opportunities, with the aim of incorporating the required disclosures in future reporting periods.	N/A

Indicator	Chapter/Disclosure	Pages
Climate-related opportunities		
32. An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.	Reasonable and supportable information was not available at the reporting date without undue cost or effort. We will establish and implement a work plan to comprehensively assess, identify and quantify assets and business activities exposed to climate-related risks and opportunities, with the aim of incorporating the required disclosures in future reporting periods.	N/A
33. An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	Reasonable and supportable information was not available at the reporting date without undue cost or effort. We will establish and implement a work plan to comprehensively assess, identify and quantify assets and business activities exposed to climate-related risks and opportunities, with the aim of incorporating the required disclosures in future reporting periods.	N/A
Internal carbon pricing		
34. An issuer shall disclose:		
(a) an explanation of whether and how the issuer is applying a carbon pricing in decision-making (for example, investment decisions, transfer pricing, and scenario analysis); and	We have not yet incorporated internal carbon pricing into our decision-making processes. We will explore the adoption of internal carbon pricing in the future.	N/A
(b) the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions.		
Remuneration		
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).	The Group has not yet incorporated climate-related performance metrics into its remuneration policy. We will explore the feasibility of enhancing our remuneration policy to integrate such metrics.	N/A
Industry-based metrics		
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.	N/A	N/A

Indicator	Chapter/Disclosure	Pages
Climate-related targets		
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:	Climate-Related Disclosures — Metrics and targets	P. 54
(a) the metric used to set the target;		
(b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives);		
(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.		

Indicator	Chapter/Disclosure	Pages
38. An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including:	Climate-Related Disclosures — Metrics and targets	P. 54
(a) whether the target and the methodology for setting the target has been validated by a third party;	We will explore the feasibility of engaging a third party to verify the Group's targets.	
(b) the issuer's processes for reviewing the target;		
(c) the metrics used to monitor progress towards reaching the target; and		
(d) any revisions to the target and an explanation for those revisions.	No amendments were made during the Reporting Period.	N/A
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.	Climate-Related Disclosures — Metrics and targets	P. 54
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;	Climate-Related Disclosures — Metrics and targets	P. 54
(b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target;		
(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;		

Indicator	Chapter/Disclosure	Pages
(d) whether the target was derived using a sectoral decarbonisation approach; and	Currently, these targets have not been derived using a sectoral decarbonisation approach.	
(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: (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).	We will explore the feasibility of purchasing carbon credits to offset greenhouse gas emissions generated from our operations.	N/A
Applicability of cross-industry metrics and industry-based metrics		
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 cross-industry metrics (see paragraphs 28 to 35) and (ii) industry-based metrics (see paragraph 36).	Climate-Related Disclosures — Metrics and targets ESG Performance Data Summary — Environmental Aspect	P. 54 P. 60