新礦資源有限公司

NEWTON RESOURCES LTD

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1231



Environmental, Social and Governance Report 2025

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ABOUT THE REPORT

Newton Resources Ltd (the "Company" or "we") and its subsidiaries (collectively, the "Group" or "our Group") engage in the supply and distribution of iron ores and other commodities (the "Resources Business"). We present our 2025 Environmental, Social, and Governance ("ESG") report (the "Report"), providing an annual update of our ESG performance. The main aim of this Report is to nurture continual partnerships and promote shared values with our stakeholders.

Scope of the Report

The Report outlines the Group's ESG management strategies and related achievements within our operational limits for the financial year ended 31 December 2025 (the "Reporting Period" or "2025"). It covers the ESG performance of the Group's Resources Business and corporate functions at our Hong Kong offices. Unless stated otherwise, the scope of the Report is consistent with the previous year.

Reporting Standard

The Report has been prepared in accordance with ESG Reporting Code (the "ESG Reporting Code") outlined in Appendix C2 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited ("HKEx"). In its preparation, we adhere to the reporting principles of materiality, quantitative, balance, and consistency:

Reporting Principles	Description
Materiality	We have identified the significant issues through internal discussions and engagement with key stakeholders. The outcomes are consolidated in the section titled "Materiality Assessment" in the Report.
Quantitative	Adhering to the ESG Reporting Code we have illustrated our ESG accomplishments by employing environmental and social key performance indicators ("KPIs") using sound methodologies. This approach enables the assessment and validation of the effectiveness of our ESG policies and management systems.
Balance	We have calculated and presented the relevant data and information required by the environmental and social KPIs with reference to the ESG Reporting Code. Sound methodologies were adopted as illustrated in the respective sections of the Report. We included year-over-year data comparisons to objectively present our ESG performance.
Consistency	The same methodologies, standard and reporting scope have been adopted for the Report, as compared to the previous year.

The Report has been reviewed and approved by the board of directors (the "Board") of the Company.

ABOUT THE REPORT *(Continued)*

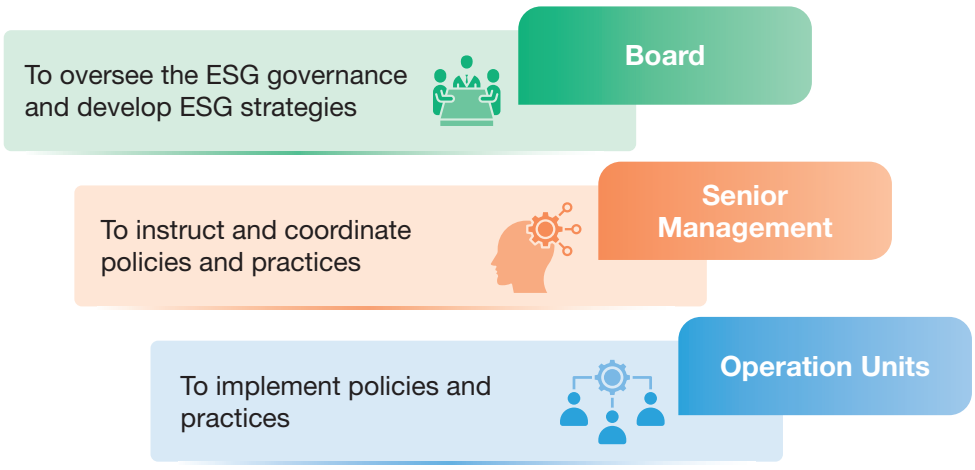
Contact and Feedback

The Group is committed to fostering lasting relationships with key stakeholders and the community. Our ESG strategies are developed with the best interests of our stakeholders in mind. Therefore, we value your input on this Report and our sustainability efforts. If you have any feedbacks or recommendations, please share them with us by sending them to esg@newton-resources.com or contacting us at (852) 2521-8168.

OUR ESG GOVERNANCE STRUCTURE

Upholding a firm and efficient corporate governance framework, supported by strong risk management protocols, is essential in tackling ESG concerns. Our ESG governance structure comprises the Board, senior management and operational units, each fulfilling a vital function.

The Board has primary responsibility for supervising ESG governance, shaping strategic choices, and assessing advancements, including oversight of climate-related risks and opportunities. Furthermore, the Board has assigned the responsibility and answerability for aligning ESG strategies and policies to senior management. This delegation facilitates the implementation of ESG initiatives by staff within each operational unit, seamlessly integrating them into our day-to-day operations.



Our commitment to corporate governance emphasises transparency and complete accountability to all stakeholders, aligning with our ethos of “Creating Shared Value”. To ensure a clear understanding of our ESG priorities, the Group engages an independent consultant to carry out annual materiality assessments and ESG risk evaluations. These evaluation process includes obtaining feedback from various stakeholder groups, such as the board members and employees, to ascertain our critical ESG concerns. This stakeholder engagement process enables us to better understand their concerns and expectations.

OUR ESG GOVERNANCE STRUCTURE *(Continued)*

We recognise the importance of ESG factors in our business operations and have integrated ESG considerations into our risk management framework. Our ESG risk evaluation encompasses the identification, assessment, and mitigation of ESG-related risks, enabling us to pinpoint areas for enhancement. The results of the ESG risk assessment are routinely reviewed and incorporated into the Group's business strategies, ensuring that our approach remains adaptable to evolving ESG challenges.

The following are our responses to some identified ESG risks:

ESG Risks	Potential Impacts	Our Responses
Raw Material Availability Risk	Our Group understands the critical nature of raw material availability risk and its potential impact on our operations. Any disruptions or shortages in the supply of essential raw materials could significantly increase costs, and ultimately impact our ability to meet customer demands. Recognising the importance of proactive measures, our Group is committed to addressing this risk with diligence and foresight.	In response to this challenge, the Group emphasises the importance of maintaining strong supplier relationships and continuously monitoring market dynamics to anticipate any potential supply chain disruptions. By fostering collaborative partnerships with our suppliers and diversifying our sourcing strategies, we aim to mitigate the risks associated with raw material availability. The Group will also continue to identify and explore new sources of supply of iron ores and other commodities to further diversify the Group's product offerings.

OUR ESG GOVERNANCE STRUCTURE *(Continued)*

ESG Risks	Potential Impacts	Our Responses
Climate Physical Risk (Acute and Chronic)	Our Group recognises the significant implications of climate physical risks, both acute and chronic, on our business operations and the broader environment. Acute risks, such as extreme weather events and natural disasters, can cause sudden supply chain disruptions, damage infrastructure, and create safety hazards for our employees. Chronic risks, including gradual changes in temperature, sea level rise, and shifting weather patterns, pose long-term challenges that may impact iron ores supply and procurement and overall business sustainability.	In response to these climate physical risks, our Group is committed to implementing comprehensive risk assessment and management strategies. We prioritise the integration of climate resilience measures into our business planning to strengthen adaptive capacity and minimise vulnerabilities to extreme weather events and ongoing environmental changes. By proactively identifying potential threats and implementing preventive measures, we aim to minimise the operational impact of acute climate events. For chronic risks, our Group focuses on sustainability initiatives to reduce our carbon footprint and enhancing resource efficiency. We focus on climate trends and conduct scenario planning to anticipate and mitigate the long-term impacts of climate change on our business activities.

OUR ESG GOVERNANCE STRUCTURE *(Continued)*

ESG Risks	Potential Impacts	Our Responses
Climate Transition Risk (Policy, Technology, Market and Reputation)	Our Group recognises that the climate transition risks, including the transition of policy, technology, market, and reputation considerations, present significant challenges and opportunities for our Group as we navigate the evolving landscape of climate change mitigation and sustainability. These risks can manifest in different ways, including regulatory changes, technological disruptions, market shifts, and reputational impacts, all of which have the potential to influence our business operations and strategic decision-making.	In response to these climate transition risks, we have integrated climate risk assessment into our risk management practices to evaluate and manage climate risks and identify areas for improvement. We encourage our business partners to explore methods for enhancing resource efficiency. To maintain the effectiveness of our climate change initiatives, we periodically review and, where necessary, update our Climate Change Policy.
Fraud Risk	Our Group understands that fraud risk poses a significant threat to the integrity, reputation, and financial stability of our Group. The potential impacts of fraud can be devastating, leading to financial losses, damage to the trust among stakeholders, and legal consequences. It is crucial for our Group to proactively identify, assess, and mitigate fraud risks to safeguard our assets, operations and reputation.	In response to the threat of fraud, our Group implements stringent internal controls, policies, and procedures designed to prevent, detect, and respond promptly to fraudulent activity. The Group has established a Whistleblowing Policy to provide employees with a dedicated reporting channel and ensure the existence of a proper mechanism to handle the reported incidents. This policy encourages employees to report any concerns or allegations related to corruption, fraud, malpractice, or other misconduct within the Group.

OUR ESG GOVERNANCE STRUCTURE *(Continued)*

ESG Risks	Potential Impacts	Our Responses
Business Continuity	Our Group understands that business continuity is essential for maintaining the resilience and sustainability of our Group in the face of disruptions, emergencies, or unforeseen events. The potential impacts of inadequate business continuity planning can be severe, including operational downtime, financial losses, reputational damage, and diminished customer trust. It is imperative for our Group to proactively address business continuity risks and establish business strategies to ensure the continuity of critical operations.	In response to the potential impacts of business continuity risks, our Group emphasises the development and implementation of comprehensive business continuity plan. The plan sets out clear roles and responsibilities for emergency response and is designed to minimise the impact of disruptions on our operations.
Conflict of Interest Risk	Conflict of interest risk poses a significant threat to the integrity, transparency, and trustworthiness of our Group. The potential impacts of conflict of interest can include compromised decision-making, reputational damage, legal implications, and financial losses. It is essential for our Group to proactively identify, manage, and mitigate conflict of interest risk to uphold ethical standards, protect our reputation, and preserve stakeholder trust.	In response to the potential risks and impacts of conflict of interest, our Group has established policies, guidelines, and procedures to prevent, detect, and address such conflicts effectively. We promote a culture of integrity, transparency, and accountability at all levels to minimise the likelihood of conflict of interest arising and to ensure that decisions are made in the best interests of the Group and its shareholders. Clear disclosure requirements and conflict of interest declarations are integral to our governance framework, enabling employees, executives and board members to report potential conflict of interest promptly and transparently. By promoting open communication and a culture of accountability, we create a mechanism for identifying and addressing conflict of interest in a timely and appropriate manner.

OUR ESG GOVERNANCE STRUCTURE *(Continued)*

Mitigating Climate-Related Risks and Opportunities

The Group has identified climate-related risks and opportunities that could reasonably be expected to affect our cash flows, access to finance, or cost of capital over the short, medium, and long term. Time horizons are defined as: short term (0–2 years), medium term (3–5 years), and long term (5+ years), consistent with our strategic planning.

Risk Category	Specific Climate Risk	Time Horizon	Financial/Business Impact
Climate Physical Risk			
Acute	Extreme weather events (typhoons, floods, storms) disrupting supply chain logistics, damaging infrastructure, and posing safety hazards to employees.	Short to Medium	Medium: Increased operational costs for emergency response, repairs, and logistics re-routing, along with potential revenue loss from delayed iron ore deliveries and higher insurance premiums.
Chronic	Gradual changes in temperature, sea-level rise, and shifting weather patterns affecting raw material production (mining operations of suppliers) and water availability.	Medium to Long	Medium: Reduced availability or higher cost of iron ore from suppliers may increase procurement costs.
Climate Transition Risk			
Policy & Legal	Stricter carbon regulations, carbon pricing mechanisms, and enhanced disclosure requirements in Hong Kong, China, and other jurisdictions where the Group or its suppliers operate.	Medium	Medium to High: Compliance costs for monitoring, reporting, and verification could raise selling and administrative expenses; potential carbon taxes or fees would directly increase operating costs, and non-compliance may lead to penalties or restricted market access.
Technology	Need to adopt low-carbon technologies in shipping, logistics, or supply chain monitoring to remain competitive and meet customer expectations.	Medium	Low to Medium: Capital expenditure for technological upgrades (e.g., fuel-efficient vessels, emission tracking systems) may be required, with a risk of higher operating costs if legacy technologies become subject to carbon surcharges.

OUR ESG GOVERNANCE STRUCTURE *(Continued)*

Mitigating Climate-Related Risks and Opportunities *(Continued)*

Risk Category	Specific Climate Risk	Time Horizon	Financial/Business Impact
Climate Transition Risk *(Continued)*			
Market & Reputation	Investor and customer preference shifting toward low-carbon supply chains; increasing scrutiny of Scope 3 emissions (iron ore mining, shipping).	Medium to Long	Medium: Loss of customers or difficulty in securing contracts could occur if sustainable sourcing is not demonstrated; higher cost of capital may follow from weaker ESG ratings, and reputational damage could affect brand value.

Opportunity	Description	Time Horizon	Potential/Financial Impact
Resource Efficiency	Adoption of energy-efficient office practices (e.g., "No Air Con Night"), reduced paper and electricity consumption.	Short	Low: Lower utility and office supply costs lead to modest improvements in operating cash flow, along with reduced Scope 2 emissions and associated compliance risk.
Sustainable Procurement	Partnering with iron ore suppliers that adopt low-carbon mining practices or certified environmental management systems.	Medium	Medium: Enhanced supply chain resilience reduces the risk of disruption from climate regulations, and the ability to market "greener" products may support premium pricing or customer retention.
Green Supply Chain Collaboration	Working with shipping partners and logistics providers to adopt fuel-efficient vessels, optimise routing, and reduce Scope 3 emissions across the value chain.	Medium to Long	Medium: Improved operational efficiency can lower freight costs over time; early adoption of low carbon logistics may strengthen relationships with environmentally conscious customers and reduce exposure to future carbon taxes on shipping.

OUR SUSTAINABILITY APPROACH

In line with our dedication to sustainability, we have developed our Sustainability Policy based on the Ten Principles of the United Nations Global Compact. We aim to strengthen our governance standards and foster the well-being of our stakeholders across five areas:



Business Operations

- Create long-term value for our stakeholders through a focused strategy and by developing synergy among subsidiaries to connect business success with social progress
- Observe high standards of corporate governance and ensure the effectiveness of our risk management and internal control system
- Maintain high standards of ethics and integrity, and comply with all relevant laws and regulations in our business transactions and operations
- Deliver services and products that are safe and reliable, and do so in an environmentally responsible manner
- Encourage our suppliers and business partners to align with our sustainability standards and expectation to corporate sustainability to create a more sustainable supply chain



Human Capital

- Provide a safe and caring working environment for our employees and strive to prevent work-related accidents, injuries and illnesses
- Promote equal opportunities and ensure that all employees are treated with dignity and respect regardless of age, gender, ethnicity and other forms of diversity
- Provide competitive, fair and equitable remuneration, and invest in professional development and training programmes to help our employees unleash their potential
- Promote a healthy work-life balance and create an inclusive, family-friendly workplace so as to improve employee satisfaction and productivity

OUR SUSTAINABILITY APPROACH *(Continued)*



Value Chain

- Prioritise collaboration with suppliers and business partners who can demonstrate their commitments to align with our sustainability principles
- Develop supplier engagement and monitoring procedures so as to manage environmental and social risks throughout our value chain
- Invest in technologies and innovative solutions to foster communication, safeguard customer privacy protection and protect customer health and safety so as to enhance customer experience



Community Investment

- Strive to enhance the quality of life of our stakeholders and create value for communities where we operate by leveraging our strengths and resources, and go beyond conventional corporate social responsibility framework
- Encourage and empower our employees to contribute to society by participating in volunteering works
- Raise employees' awareness on environmental and social issues



Environment

- Comply with all relevant environmental laws and regulations, and strive to act beyond the legal requirements where possible and practicable
- Take every reasonable and practical measure to conserve resources and minimise waste in our operations
- Strive to manage the Group's direct and indirect impacts on environment
- Contribute to reducing our greenhouse gas ("GHG") emissions by investing in clean and energy-efficient technologies and by reducing our energy consumption
- Promote awareness, motivation and participation in environmentally friendly initiatives among our employees as well as stakeholders in our supply chain

STAKEHOLDER ENGAGEMENT

In alignment with our commitment to "Creating Shared Value", we are committed to nurturing enduring and mutually beneficial relationships with our stakeholders. We maintain multiple communication channels to support active stakeholder engagement and incorporate their feedback into an annual review of our materiality matrix. This ensures our ESG management approaches and policies remain aligned with stakeholder priorities.

The table below outlines the key stakeholder groups identified and the communication channels we use to interact with them:

Investors and Shareholders

- Company website
- Share registrar
- Designated investor relations hotline and email
- Company's announcements and circulars
- Annual general meeting
- Annual and interim reports, ESG reports

Customers

- Virtual meetings and on-site visits
- Periodic follows up by account officers
- Customers' feedback collection
- Industry seminars

Suppliers and Business Partners

- Virtual meetings and on-site visits
- Procurement meetings
- Regular contacts by procurement officers
- Suppliers' feedback collection
- Industry seminars

Employees

- Training and orientation
- Email and notice board
- Performance appraisal
- Staff events

Government Relations

- Forums, conferences, and workshops
- Information submission

Community, Media and the Public

- Corporate website
- Company's announcements
- Community activities
- Charity donations

MATERIALITY ASSESSMENT

The materiality assessment is essential for identifying the ESG topics most important to the Group and our stakeholders. We collect viewpoints and feedback from diverse stakeholder groups via an online survey platform designed by an independent consultant, in addition to the communication channels previously highlighted. This inclusive method enables us to capture a wide range of perspectives. Leveraging the valuable insights shared by our stakeholders, we shape the framework for our Report and formulate our ESG management strategies. This process empowers us to address stakeholder concerns and expectations on ESG matters effectively.

We collaborated with a third-party consultant to update our material ESG topics by engaging with internal and external stakeholders, consulting third-party sources, and considering relevant global frameworks, trends, and regulatory developments to prioritise the topics based on their significance of impact, referencing MSCI and SASB as recommended by our independent consultant.

The top 18 ESG-related topics were identified from stakeholder feedback and prioritised and shown in the materiality matrix on page 14. The topics which fell in the upper right corner of the matrix were determined as the topics that mattered the most to the Group's business operations and our stakeholders as far as they were concerned.



Identification

Create and categorise a list of potential ESG topics and identify the key stakeholder groups.



Engagement

Invite internal and external stakeholders to complete an online survey.



Analysis and Evaluation

Evaluate and prioritise the most material ESG topics.

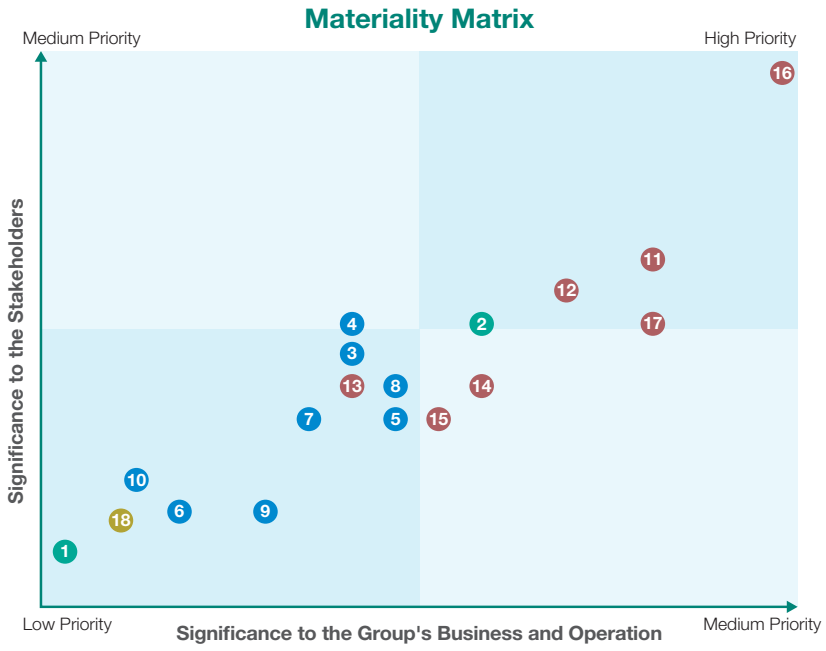


Review

Review the results to determine the priority of the ESG topics for ESG report disclosure and future improvement.

MATERIALITY ASSESSMENT *(Continued)*

The materiality assessment process has identified our most critical ESG topics and enabled us to integrate stakeholder concerns into business decisions. Below is a table outlining the key concerns identified and the strategies we implement to manage these issues effectively:



Environment	Social	
	Employment	Operation
1. Decarbonisation 2. Environmental compliance	3. Labour rights 4. Labour-management relations 5. Employee retention 6. Diversity and equal opportunity 7. Non-discrimination 8. Occupational health and safety 9. Employee training 10. Prevention of child labour and forced labour	11. Customer satisfaction 12. Customer service quality and complaints handling 13. Customer privacy and data protection 14. Responsible supply chain management 15. Intellectual property 16. Business ethics 17. Socio-economic compliance
		Community
		18. Community investment

MATERIALITY ASSESSMENT *(Continued)*

Key Concerns from Stakeholders	Our Responses	Section
Business Ethics	Our Group believes that maintaining mutual trust forms the bedrock of our relationships with stakeholders. To cultivate trust and assurance among our stakeholders, we have implemented comprehensive policies and robust systems aimed at protecting our reputation.	SUSTAINABLE OPERATIONS – Business Ethics
Socio-economic Compliance	Our Group conducts professional testing to verify product compliance and demonstrate our dedication to meeting global standards and customer expectations. Through proactive quality checks and ongoing collaboration with customers and suppliers, we aim to address any quality concerns and maintain accountability throughout the supply chain.	SUSTAINABLE OPERATIONS – Supply Chain Management
Customer Satisfaction	Customer satisfaction is a top priority for our Group, and we are dedicated to ensuring that our products and services consistently meet customer expectations. Our Group maintains stringent quality control measures to deliver products that meet the prescribed quality standards.	SUSTAINABLE OPERATIONS – Enhancing Customer Satisfaction
Customer Service Quality and Complaints Handling	Our Group has established feedback channels and complaint resolution processes to gather insights from customers, understand their preferences, and address any concerns promptly.	SUSTAINABLE OPERATIONS – Enhancing Customer Satisfaction – Feedback Mechanisms
Environmental Compliance	Our Group recognises the importance of environmental compliance as a critical aspect of our operations and actively promotes green practices.	ENVIRONMENTAL PROTECTION



SUSTAINABLE OPERATIONS

Throughout all stages of our business operations, we prioritise the establishment of business resilience grounded in a strong moral and ethical framework. We understand that conducting business ethically is fundamental for sustained success. As a result, we have included ESG considerations into our supplier selection and monitoring processes. This integration ensures that our suppliers adhere to standards that align with our values. By adopting this approach, we collaborate with partners who share our values of sustainability, social responsibility, and ethical conduct.

Furthermore, we have implemented a professional quality control system to ensure the supply of products and services that meet elevated quality benchmarks. This system guarantees our customers receive dependable offerings, reflecting our commitment to excellence and customer satisfaction.

Business Ethics

The Group believes that maintaining mutual trust forms the bedrock of our relationships with stakeholders. To cultivate trust and assurance among our stakeholders, we are steadfast in our dedication to upholding the utmost ethical standards across all facets of our business operations. We have implemented comprehensive policies and robust systems aimed at protecting our reputation.

During the Reporting Period, the Group did not encounter any significant breaches of laws and regulations, including, among others, the Prevention of Bribery Ordinance of Hong Kong (Cap. 201), pertaining to bribery, extortion, fraud, and money laundering. Moreover, there were no legal cases concluded during this Reporting Period regarding corrupt practices brought against the Group or our employees.

Anti-corruption

The Group consistently upholds a zero-tolerance stance towards any instances of corruption and business dishonesty. To ensure clarity and compliance with the expected standards of conduct, we have implemented an internal code of conduct. This code outlines the behaviours and actions expected of all employees, acting as a compass to prevent any decision-making that might deviate from our stakeholders' expectations.

We strictly prohibit all forms of corruption, including the solicitation, acceptance, or provision of illicit benefits or entertainment. Moreover, when selecting and evaluating our business partners, we appraise them to the same professional standards and principles of business ethics. This strategy is designed to safeguard our reputation and ensure that the anti-corruption practices of our business partners align with our dedication to ethical conduct.

During the Reporting Period, in order to maintain awareness and emphasise the importance of anti-corruption practices within the Group, the Company's directors and employees received training materials on "Listed Company Corruption and the Importance of Cross-border Cooperation" provided by the Hong Kong Independent Commission Against Corruption to stay informed about the legal obligations regarding anti-corruption measures.

SUSTAINABLE OPERATIONS *(Continued)*

Business Ethics *(Continued)*

Whistleblowing and Investigation

A crucial aspect of a strong internal control and risk management framework is an effective internal communication system. The Group has established a Whistleblowing Policy to provide employees with a dedicated reporting channel and ensure the existence of a proper mechanism for reporting irregularities. This policy encourages employees to report any concerns or allegations related to corruption, fraud, malpractice, or other misconduct within the Group. To protect the confidentiality of employees who report suspected cases of misconduct in good faith, their identities are strictly protected.

Our aim in providing a secure and confidential reporting platform is to foster an environment where employees feel comfortable and empowered to raise such issues internally. Upon receiving a whistleblower report, the Board and our Audit Committee shall promptly review the matter, followed by a confidential investigation to be conducted by the Risk Management Department.

Data Protection and Privacy

We are committed to safeguarding the privacy of our stakeholders. The Group has implemented a Confidentiality Policy that prohibits our employees from disclosing sensitive information, including customer and supplier data, and business plans, with unauthorised parties without prior approval from the Group. Each employee is also required to sign an agreement upon joining to confirm their understanding of our confidentiality policy. All employees must adhere to the policy by maintaining the confidentiality of the Group's sensitive information.

During Reporting Period, we did not identify any significant breaches of relevant laws and regulations concerning privacy and confidentiality matters.

SUSTAINABLE OPERATIONS *(Continued)*

Supply Chain Management

The Group is committed to promoting a more responsible and environmentally conscious approach within our supply chain management efforts. We prioritise building a sustainable and reliable supply chain by incorporating sustainability considerations into our supply chain management practices. This includes the implementation of sustainable procurement strategies and the enforcement of a Supplier Code of Conduct. When assessing suppliers, we consider their ESG risk and performance to support ethical sourcing and reduce our carbon footprint across our operations. We acknowledge the vital role played by various suppliers, such as iron ore suppliers, vessel owners, shipping agents, professional firms, and other service providers, in our business. Therefore, we maintain open and active communication with them to ensure consistent compliance with our environmental and social standards. During the Reporting Period, we collaborated with two mine suppliers located in Australia and South Africa, respectively.

We have adopted a Sustainable Procurement Principles that prioritises environmental and social factors in our supplier selection process, enabling us to uphold a sustainable supply chain. As part of our commitment to minimising our environmental impact, we assess the lifecycle of products and services to mitigate any adverse environmental and social effects. We prioritise partnerships with suppliers who share our commitment to sustainable development, favouring those who demonstrate a strong commitment to sustainability through the implementation of sustainable policies and adherence to relevant ESG-related laws, as well as our Supplier Code of Conduct.

Sustainability Procurement Principles	
	**Reducing environmental footprint** ✓ Consider the environmental impacts across the full product or service life-cycle ✓ Prioritise environmentally-friendly products when sourcing in the market ✓ Avoid unnecessary purchases and single-use disposable items ✓ Encourage reuse and recycling
	**Responsible and ethical sourcing** ✓ Consider the social impacts and costs across the full product or service life-cycle ✓ Prioritise products and services that promote the health and wellness of end-users as an alternative to conventional options ✓ Avoid products which pose potential environmental, safety, and health concerns ✓ Explore the feasibility of procurement from suppliers that support the local economy and/or socially vulnerable groups

SUSTAINABLE OPERATIONS *(Continued)*

Supply Chain Management *(Continued)*

Supplier Code of Conduct



Environmental guidelines

- ✓ Adhere to all applicable environmental codes and practices, laws and regulations in the jurisdictions where the suppliers operate
- ✓ Have all necessary environmental permits to conduct their business
- ✓ Adopt an effective environmental management system including measurement and reporting of their environmental impacts
- ✓ Utilise all appropriate and reasonable practices to preserve and protect the environment through proper waste management, pollution control and recycling



Social guidelines

- ✓ Practise business integrity in every aspect and avoid business misconduct and conflict of interest in their business
- ✓ Implement legitimate and equitable employment practices and maintain effective internal communication channels
- ✓ Comply with applicable occupational safety and health legislation and requirements and maintain a safe and healthy working environment
- ✓ Educate and practise labour rights and freedoms, and prohibit discriminatory behaviours

SUSTAINABLE OPERATIONS *(Continued)*

Supply Chain Management *(Continued)*

As part of our commitment to sustainability in supplier management, we identify ESG risks and assess supplier performance during selection and evaluations. Suppliers are required to comply our Supplier Code of Conduct, which covers environment, business ethics, labour relations, health and safety, and rights protection. We evaluate ESG risks, and supplier performance for the products and services we procure so we can identify concerns and implement risk mitigation measures. Suppliers with higher ESG risks are encouraged to develop a risk management plan. In cases where satisfactory improvement or compliance with our sustainability standards is lacking, collaboration with non-compliant suppliers may be reconsidered.

Our supplier management process also includes requirements for timely delivery, quality, and overall performance. We conduct background checks and ongoing evaluations of suppliers' credibility and reliability. Suppliers should educate their employees on their rights and responsibilities under the Code of Conduct and implement sustainable procurement policies.

We prioritise transparency and accountability by benchmarking our sustainability performance against global frameworks and engaging stakeholders to evaluate our effectiveness. This policy is reviewed to ensure alignment with our sustainability goals.

Enhancing Customer Satisfaction

Establishing reliable relationships with stakeholders, particularly our customers and the broader community, is the most important to us. From the pre-sales phase to after sales support, we are committed to delivering quality products, services, and support to our clients. We maintain communication channels to understand their needs and sustain ongoing engagement with our customer base.

During the Reporting Period, there were no significant violations of pertinent laws and regulations concerning health, product safety, advertising, labelling, and privacy matters related to the Group's offerings and avenues for resolution.

Quality Assurance

The Group ensures maintaining the quality and specifications of our products. Our products are required to be accompanied by quality certificates issued by reputable mines or suppliers. These certificates validate that our products adhere to strict quality standards and align with the expectations of our customers. To verify the composition of iron ores through physical tests and chemical analyses to ensure their compliance with recognised global standards. These assessments enable us to confirm that the iron ores meet the necessary specifications.

In addition to the initial testing and analysis, we perform quality checks on the items prior to their delivery to our clients. This additional step guarantees that the products meet the expected quality standards and fulfil the agreed-upon requirements. To address any potential quality concerns, we maintain close collaboration with both our customers and suppliers.

SUSTAINABLE OPERATIONS *(Continued)*

Enhancing Customer Satisfaction *(Continued)*

Quality Assurance *(Continued)*

As commodity supplies generally poses minimal safety and health risks, the Group does not have specific product recall procedures in place. However, in the event of deviations in quality from the specified contractual standards, we apply pre-agreed price formulas as a form of recourse. These formulas help offset the impact of quality discrepancies, ensuring a fair resolution for all parties involved.

During the Reporting Period, the Group did not receive any significant requests for sales returns, and no products that were sold or shipped were subject to recalls due to safety and health reasons.

Feedback Mechanisms

We maintain open channels for complaints accessible to all stakeholders, including a focus on customers. A structured process is in place for gathering customer feedback and complaints, ensuring prompt and effective resolution of any encountered issues. Through proactive listening to our customers, our goal is to improve their satisfaction with our products and services.

The feedback and complaints received are carefully analysed to identify the strengths and areas for improvement. These insights guide our efforts to enhance product quality and customer experience.

During the Reporting Period, the Group applied pre-agreed price formulas as a form of recourse and did not receive any complaints from customers regarding our products.

Intellectual Property

Our Intellectual Property Policy aligns with the Intellectual Property (Miscellaneous Amendments) Ordinance 2000. The Group recognises the importance of safeguarding intellectual property (IP) rights, including copyrights, and upholds the rights of relevant copyright owners. This policy ensures compliance with the revised Intellectual Property Ordinance, serving to remind employees of the significance of such laws and to inform them about the required procedures for software installation. Additionally, it offers proper guidance on installing computer software and using other copyrighted works. Unauthorised use of any IP, such as inventions, designs, copyrighted works, and trademarks owned by the Group or external entities, is strictly prohibited without prior consent and approval.

To uphold compliance with IP laws and regulations, we carry out routine software audits to monitor software usage and verify that all software is appropriately licensed. Penalties are in place to reinforce adherence to IP regulations and deter non-compliance.

During the Reporting Period, the Group had no knowledge of any breaches of the relevant laws and regulations concerning IP rights.

EMPLOYEE WELFARE

The Group acknowledges the pivotal role of our staff in value creation and places significant emphasis on their well-being and growth. We are dedicated to cultivating a nurturing, safe, and encouraging work environment that empowers our employees to actively contribute to the Group's advancement and achievements. In addition to complying with local labour regulations, our employment practices align with the principles outlined by the United Nations Global Compact. At the end of the Reporting Period, the Group had 29 employees in Hong Kong and Chinese mainland, with a turnover rate of about 16%. The table below presents the employment statistics of the Group as of the end of the Reporting Period:

		2025	2024
Total number of employees		**29**	33
By gender	Male	**52%**	52%
	Female	**48%**	48%
By age group	Below 30	**7%**	12%
	30 to 50	**34%**	42%
	Over 50	**59%**	46%
By employment type	Full-time	**90%**	91%
	Part-time	**10%**	9%
By geographical region	Hong Kong	**93%**	94%
	Chinese mainland	**7%**	6%
Employee turnover rate[1]			
Total		**16%**	15%
By gender	Male	**20%**	6%
	Female	**14%**	25%
By age group	Below 30	**100%**	25%
	30 to 50	**10%**	29%
	Over 50	**12%**	–
By geographical region	Hong Kong	**19%**	16%

[1] *Employee turnover rate was calculated by dividing the number of employees leaving the Group in 2025 and 2024 by the average number of employees of the Group for 2025 and 2024, respectively.*

EMPLOYEE WELFARE *(Continued)*

Health and Safety in the Workplace

The health, safety, and well-being of our employees are one of the Group's foremost priorities. We are dedicated to being a caring employer and to provide a work environment that is safe and conducive to good health. We promote work-life balance and prioritise employee well-being.

To manage health and safety risks efficiently, the Group has adopted a range of practices that cover different areas. These practices include:

Health and Safety Practices	
	**Occupational Health and Safety** ✓ Incorporate health and safety risk into our risk management and implement health and safety practice ✓ Report all health and safety incidents properly and timely for follow-up and remedial actions ✓ Conduct in-depth analysis on the reported incidents if applicable
	**Employee Engagement** ✓ Communicate closely with the employees on our health and safety guidelines and standards, and provide relevant training ✓ Organise information sharing programmes on improving employees' health and safety practice
	**Hygienic Workplace** ✓ Maintain clean and tidy offices and carry out cleaning of carpet and air-conditioner regularly
	**Protecting Employees' Health** ✓ Provide eligible employees with medical benefits and insurance ✓ Offer free influenza vaccination to employees
	**Business Continuity Plan** ✓ Provide a framework and measures to respond to and mitigate disruptive incidents such as outbreaks of contagious diseases, fire, and cyber attacks

The Group comply with all applicable health and safety laws and regulations. During the Reporting Period, we were not aware of any material breach of relevant laws and regulations in Hong Kong pertaining to the provision of a safe working environment and protection of employees from occupational hazards such as Occupational Safety and Health Ordinance (Cap.509) and Employees' Compensation Ordinance (Cap. 282). There was no work-related injury cases or fatalities as well as lost days due to injury in the past three years including the Reporting Period.

EMPLOYEE WELFARE *(Continued)*

Fair and Equal Workplace

Employees are at the core of our success and are considered the most valuable assets of the Group. Establishing a strong connection with our employees to understand their needs is a top priority for us. To inspire and motivate our workforce, we provide a dynamic work environment and competitive compensation and benefits that align with market standards.

During the Reporting Period, the Group was not aware of any significant breaches of relevant laws and regulations, including the Employment Ordinance (Cap. 57) of Hong Kong, that would have had a substantial impact on the Group in areas such as compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunities, diversity, anti-discrimination, and other benefits and welfare.

Benefits

The Group regularly reviews and adjusts our remuneration policy and human resources allocation to ensure alignment with our development strategies. We highly value the contributions of our employees and acknowledge their efforts by offering attractive and competitive remuneration packages. These packages are tailored by taking into consideration factors such as job nature and current market conditions.

In recognising individual performance and industry standards, year-end bonuses and share options are assessed and provided accordingly. Performance evaluations play a pivotal role in determining these incentives. Additionally, we adhere to local laws and regulations by contributing to the Mandatory Provident Fund or similar retirement schemes.

Moreover, we offer a comprehensive employee benefits scheme, including medical and other insurance coverage, to protect the health and security of our employees and their families.

Work-life Balance

We acknowledge the significance of work-life balance in bolstering the overall well-being of our employees, we go beyond merely providing statutory holidays. Our additional leave benefits, which include allowances such as marriage leave and birthday leave, are tailored to support our employees in managing their personal lives effectively. These provisions empower our team members to take necessary time off for pivotal life events, ensuring that they can balance their professional responsibilities with personal commitments.

In our commitment to fostering mental well-being and fostering a strong sense of community within our workforce, we hosted a diverse range of social events for our employees throughout the year. We believe our social events serve as platforms for our employees to come together, celebrate milestones, and cultivate a supportive and inclusive work environment. From festive occasions like a Chinese New Year and Christmas, joyous luncheons were arranged, these events exemplify our dedication to creating a harmonious workplace that values both professional growth and personal fulfilment.

EMPLOYEE WELFARE *(Continued)*

Training and Development

We are committed to nurturing and empowering the growth of our employees by enhancing their job-related skills and expertise through comprehensive training initiatives. Our investment in skill development is evident through the diverse range of training opportunities we offer. Employees have the chance to attend seminars, webinars and training programmes that are not only pertinent to their roles but also aligned with their individual professional aspirations.

To further support continuous learning and skill enhancement, eligible employees are granted access to education subsidies. These subsidies are designed to incentivise and encourage our workforce to actively pursue ongoing education and upskilling opportunities. Moreover, we provide a spectrum of internal and external training activities that are meticulously tailored to address the specific needs and development areas of our employees. By prioritising training and skill development, we aim to equip our team members with the tools and knowledge needed to excel in their roles and advance their careers effectively. Our training data are summarised in the table below:

	2025		2024	
Total number of hours of training received by employees	**235**		224	
	Average hours of training per employee	**Percentage (%) of employees who received training[2]**	Average hours of training per employee	Percentage (%) of employees who received training
Male	**6.2**	**93%**	8.8	88%
Female	**10.1**	**93%**	4.6	88%
Senior Management	**18.9**	**100%**	20.1	100%
Middle Management	**9.1**	**88%**	8.4	75%
General Staff	**3.2**	**93%**	0.9	89%
Overall	**8.1**	**93%**	6.8	88%

[2] *It is calculated by dividing the employees received training in the specified category by the total number of employees in the specified category at the end of 2025 and 2024, respectively.*

EMPLOYEE WELFARE *(Continued)*

Training and Development *(Continued)*

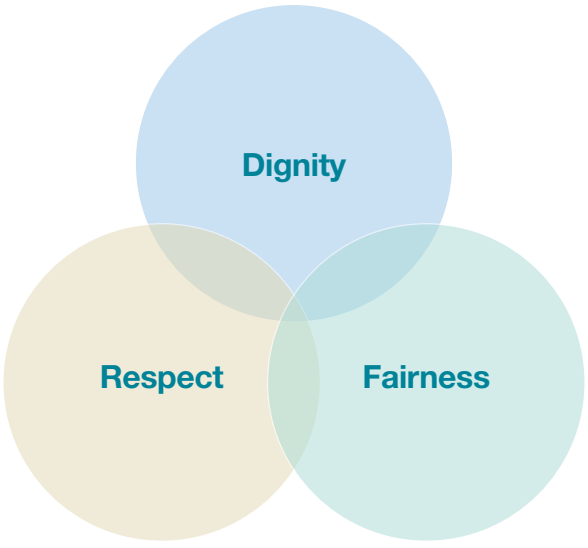
In addition to our comprehensive training programmes, we have implemented a structured mentoring scheme within the Group. This initiative aims to provide invaluable guidance and support to employees as they navigate job-related challenges, while also fostering strong interpersonal relationships within the Group. Experienced mentors actively engage with their mentees, sharing insights and offering practical advice to help them surmount obstacles and achieve their professional goals. This mentorship dynamic not only contributes to a culture of effective learning and collaboration but also cultivates a supportive environment where individuals can thrive.

During employee appraisals, mentors play a crucial role by providing constructive feedback to their mentees. This feedback loop is integral in assessing promotion opportunities and other avenues for career advancement, ensuring that progression within the organisation is closely tied to mentorship-driven developmental outcomes. By integrating mentorship into our appraisal process, we uphold a transparent and merit-based approach to recognising and rewarding employee growth and success.

Human and Labour Rights

We are committed to fostering a work environment that embrace diversity, inclusion, and social responsibility. We adhere strictly to all pertinent statutory regulations concerning work hours, holidays, remuneration, and codes applicable in Hong Kong and Chinese mainland, where applicable. Our commitment goes beyond compliance, we strive to ensure equal opportunities, uphold labour rights, and foster a culture of fairness in our workplace. We prohibit the use of child labour and forced labour within both our Group and supply chain.

At the core of our ethos lies the unwavering commitment to treat all stakeholders with dignity, fairness, and respect. Every member of our staff is entrusted with the responsibility to foster a workplace culture rooted in respect, without any form of harassment, intimidation, bias, or discrimination.



EMPLOYEE WELFARE *(Continued)*

Human and Labour Rights *(Continued)*

Diversity and Inclusiveness

We expect all employees to embrace principles of Dignity, Respect, and Fairness in their interactions with one another and with all stakeholders. Our Group remains steadfast in ensuring that decisions regarding recruitment, training, compensation, and advancement are solely based on merit and qualifications.

We actively promote mutual respect and maintain zero-tolerance towards any discriminatory, harassing, intimidating, or violent behaviour. Our stance against discrimination is resolute, encompassing factors such as race, ethnicity, nationality, religious and political beliefs, gender, age, sexual orientation, marital and family status, disability, and medical condition. Any form of harassment based on sex, disability, family status, or race is unequivocally condemned. Our policies encompass details on internal communication channels and the upholding of freedom of association, with a firm commitment to swiftly addressing and resolving complaints in a timely manner.

The Group complies with all applicable employment and anti-discrimination laws and regulations. We were not aware of any material breach of relevant laws and regulations including among others, the Employment Ordinance (Cap. 57), Sex Discrimination Ordinance (Cap. 480), Disability Discrimination Ordinance (Cap. 487), Family Status Discrimination Ordinance (Cap. 527) and Race Discrimination Ordinance (Cap. 602).

Child and Forced Labour

We have implemented a strict policy that prohibits all forms of illegal labour, including but not limited to child labour and the employment of illegal immigrants. Any form of human trafficking is strictly forbidden. Our Human Rights Policy is adhered to throughout our employment and operational processes. If any instance of child labour is discovered, immediate action is taken to ensure the health and safety of the children concerned, including medical check-ups, proper escort services to their homes, and adequate medical and living assistance. For forced labour, the Group provides protection, compensation, and legal reporting. All cases trigger investigation, remediation, and preventive follow-up.

In addition, we also maintain close communication with our suppliers to ensure that they adhere to our standards. We work closely with them to ensure that they share our values and commitment to preventing child and forced labour.

During the Reporting Period, the Group was not aware of any identified case regarding child and forced labour, as well as material non-compliance with laws and regulations, including among others, the Employment Ordinance (Cap. 57) of Hong Kong, relating to child and forced labour, Immigration Ordinance (Cap. 115, Laws of Hong Kong) and Crimes Ordinance (Cap. 200, Laws of Hong Kong).

EMPLOYEE WELFARE *(Continued)*

Human and Labour Rights *(Continued)*

Freedom of Association and Collective Bargaining

We recognise and respect each employee's right to form, join, or refrain from joining any association or labour union of their choice. The Group is committed to fostering an environment that supports this freedom, allowing our staff to engage in collective representation.

In instances where employees are represented by associations or labour unions, the Group is committed to engaging in good-faith negotiations with their representatives. We believe that open dialogue and collaboration with employee representatives are essential for fostering a positive workplace culture and addressing employee concerns effectively.

Through these practices, we aim to uphold the rights of our employees and promote a respectful and inclusive work environment that values their voices and contributions.

ENVIRONMENTAL PROTECTION

Recognising the urgent need to address climate change, we are committed to operating as a sustainable Group that takes proactive steps to combat global warming. Through our Green Office Policy and Climate Change Policy, we have integrated environmentally conscious principles into our operations to mitigate our ecological footprint. Active participation in green events underscores our commitment to raising environmental awareness and promoting sustainable practices within our business.

During the Reporting Period, the Group did not have material non-compliance with laws and regulations relating to air and GHG emissions, discharges into water and land, generation of hazardous and non-hazardous waste, and use of resources in Hong Kong. There was no issue in sourcing water that is suitable for use in the Group's operations in Hong Kong.

Green Operations

Green Office Policy

Our Group is committed to reducing our environmental footprint and promoting sustainability in our office operations. Our Green Office Policy serves as a cornerstone of our commitment to environmental responsibility and resource efficiency. Our Green Office Policy is aligned with and exceeds the requirements set forth in the Green Office Management Guidelines[3] published by Hong Kong Special Administrative Region (HKSAR). We regularly review our policy to ensure it remains current and effective in addressing emerging environmental challenges and enables the Group to utilise resources, such as energy, water and other materials efficiently. By implementing this comprehensive approach to sustainability, our Group demonstrates its commitment to reducing our ecological footprint by, among others, lowering our GHG emissions and increasing our energy usage efficiency as far as practicable while contributing to a more environmentally conscious business community.

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3 *https://www.gov.hk/en/residents/environment/public/green/greenoffice.htm*

ENVIRONMENTAL PROTECTION *(Continued)*

Green Operations *(Continued)*

Climate Change Policy

Our Group has developed a comprehensive Climate Change Policy that includes the practices applied internally within our business operations and throughout our supply chain. To ensure a thorough understanding of climate-related risks and opportunities, we regularly incorporate and analyse climate risk within our risk management processes. This enables us to review and revise our policy accordingly, while identifying and implementing appropriate measures to minimise potential impacts and capitalise on emerging opportunities. We consider risks associated with climate change and extreme weather events, integrating them into our business continuity plans and reduction targets.

To improve resilience and mitigate environmental impacts, we actively promote resource conservation and green habits through training initiatives and various green projects. We are exploring the utilisation of clean and renewable energy sources in our operations and working with suppliers to adopt similar practices when feasible. Looking ahead, we are committed to maintaining low levels of GHG emissions, energy consumption, water consumption, and waste generation. By focusing on these areas, we aim to continually minimise our environmental footprint and contribute to a sustainable future.

Green Events

To practise environmental sustainability in our daily operation, we participated in the "No Air Con Night" organised by Green Sense during the Reporting Period.

Combating Climate Change

Our Group is firmly committed to combating climate change through the implementation of effective best practices that minimise risks and impacts on our business operations. We prioritise transparency and accountability in our monitoring and reporting processes.

To proactively address climate risks and seize opportunities, we have integrated climate risk assessment into our risk management practices, allowing us to evaluate and manage climate risks and identify areas for improvement. We strongly encourage all our business partners to explore methods for enhancing the resource efficiency of their water and energy usage. To ensure the continuous effectiveness of our climate change initiatives, we periodically review our Climate Change Policy and make necessary revisions.

During the Reporting Period, the Group had not adopted internal carbon pricing, or had it incorporated climate-related considerations into its remuneration policies or established climate-related targets. Moreover, the Group is currently in the process of establishing relevant production and data collection mechanisms necessary to support certain climate-related disclosures. As these mechanisms are not yet fully implemented, the Group is unable to provide complete disclosures for those requirements during this Reporting Period. The Group will declare such information in future reports once permitted and operationally feasible.

ENVIRONMENTAL PROTECTION *(Continued)*

Environmental Performance

During the Reporting Period, our Group primarily operates in office; therefore, we did not generate significant amounts of hazardous and non-hazardous waste. Our environmental data for this period are summarised in the table below:

KPI Indicators	Unit	2025	2024
Direct GHG emissions (Scope 1)[4]	Tonne of carbon dioxide equivalent ("tCO_2e")	**17.38**	20.44
Energy indirect GHG emissions (Scope 2)[5]	tCO_2e	**18.23**	20.06
Other indirect GHG emissions (Scope 3)[6]	tCO_2e	**98.70**	82.08
Total	tCO_2e	**134.31**	122.58
Intensity	tCO_2e per Full-time employee ("FTE")	**5.17**	4.09
Electricity	kWh'000	**27.63**	28.25
	GJ	**99.45**	101.70
Intensity	kWh'000 per FTE	**1.06**	0.94
Paper	Tonne	**0.45**	0.53
Intensity	Tonne per FTE	**0.02**	0.02
Water	m^3	**21.00**	20.00
Intensity	m^3 per FTE	**0.81**	0.67

There was an increase in the other indirect GHG emission during the Reporting Period as the Group had more onsite visit to the customers and end-users to foster the swift sales of iron ores. Also, the Group participated in overseas key exhibitions to gather insights into market trends and maintain strong relationships with existing clients while also exploring collaboration opportunities with potential suppliers and buyers.

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4 *Scope 1: Direct GHG emissions generated from the use of unleaded petrol by the Group's vehicle*

5 *Scope 2: Energy indirect GHG emissions were caused by the use of purchased electricity. The calculation was based on the published emission factors of Carbon Calculator by The Hongkong Electric Company, Limited.*

6 *Scope 3: Other indirect GHG emissions were caused by business air travels by the Group's employees, water consumed for electricity generation and methane gas generated in the paper disposal. The calculation had made reference to GHG Conversion Factors for Company Reporting published by the UK Government and the published emission factors of the "How to prepare an ESG Report Appendix 2: Reporting Guidance on Environmental KPIs" published by HKEx.*

COMMUNITY SUPPORT

Our Group is committed to supporting our local community and prioritising the health and well-being of its residents. This year, our focus areas of contribution include environmental concerns, health and safety, sports, and poverty alleviation. We actively participate in various fundraising and charity events organised by local charitable organisations, aiming to raise awareness about environmental issues and promote sustainable practices.

During the Reporting Period, we participated in several charitable activities and made a total donation of approximately US$26,000 (2024: approximately US$8,000) by the Group for charitable causes. These events included a donation to support relief efforts in Tai Po, Earth Hour 2025 organised by The World Wide Fund – Hong Kong, Dress Casual Day 2025 organised by The Community Chest Of Hong Kong and a donation to the Ten Percent Donation Scheme Foundation.

These ongoing efforts reflect our unwavering belief that meaningful change is achieved through consistent action, year after year.

HKEx APPENDIX C2 ESG REPORTING CODE

HKEx Appendix C2 ESG Reporting Guide General Disclosures & KPIs		Explanation/Reference Section
Aspect A: Environmental		
A1 Emissions	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	ENVIRONMENTAL PROTECTION
KPI A1.1	The types of emissions and respective emissions data.	ENVIRONMENTAL PROTECTION – Environmental Performance
KPI A1.2	[Repealed 1 January 2025]	
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Not applicable – our business activities mainly took place in office, which does not generate significant amount of hazardous waste during the Reporting Period
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Not applicable – our business activities mainly took place in office, which does not generate significant amount of non-hazardous waste during the Reporting Period
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	ENVIRONMENTAL PROTECTION
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.	Non applicable – our business activities mainly take place in office, which does not generate significant amount of hazardous and non-hazardous waste during the Reporting Period

HKEx APPENDIX C2 ESG REPORTING CODE *(Continued)*

HKEx Appendix C2 ESG Reporting Guide General Disclosures & KPIs		Explanation/Reference Section
A2 Use of Resources	Policies on the efficient use of resources, including energy, water and other raw materials.	ENVIRONMENTAL PROTECTION
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).	ENVIRONMENTAL PROTECTION – Environmental Performance
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	ENVIRONMENTAL PROTECTION – Environmental Performance
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	ENVIRONMENTAL PROTECTION
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.	ENVIRONMENTAL PROTECTION
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable – the use of packaging materials is immaterial due to the Group's business nature
A3 The Environment and Natural Resources	Policies on minimising the issuer's significant impacts on the environment and natural resources.	ENVIRONMENTAL PROTECTION
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	ENVIRONMENTAL PROTECTION
A4 Climate Change	[Repealed 1 January 2025]	
KPI A4.1	[Repealed 1 January 2025]	

HKEx APPENDIX C2 ESG REPORTING CODE *(Continued)*

HKEx Appendix C2 ESG Reporting Guide General Disclosures & KPIs		Explanation/Reference Section
Aspect B: Social		
B1 Employment	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	EMPLOYEE WELFARE – Fair and Equal Workplace
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	EMPLOYEE WELFARE
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	EMPLOYEE WELFARE
B2 Health and Safety	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.	EMPLOYEE WELFARE – Health and Safety in the Workplace
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	EMPLOYEE WELFARE – Health and Safety in the Workplace
KPI B2.2	Lost days due to work injury.	EMPLOYEE WELFARE – Health and Safety in the Workplace
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	EMPLOYEE WELFARE – Health and Safety in the Workplace

HKEx APPENDIX C2 ESG REPORTING CODE *(Continued)*

HKEx Appendix C2 ESG Reporting Guide General Disclosures & KPIs		Explanation/Reference Section
B3 Development and Training	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.	EMPLOYEE WELFARE – Training and Development
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	EMPLOYEE WELFARE – Training and Development
KPI B3.2	The average training hours completed per employee by gender and employee category.	EMPLOYEE WELFARE – Training and Development
B4 Labour Standards	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	EMPLOYEE WELFARE – Human and Labour Rights
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	EMPLOYEE WELFARE – Human and Labour Rights
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	EMPLOYEE WELFARE – Human and Labour Rights
B5 Supply Chain Management	Policies on managing environmental and social risks of the supply chain.	SUSTAINABLE OPERATIONS – Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	SUSTAINABLE OPERATIONS – Supply Chain Management
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	SUSTAINABLE OPERATIONS – Supply Chain Management
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	SUSTAINABLE OPERATIONS – Supply Chain Management
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	SUSTAINABLE OPERATIONS – Supply Chain Management

HKEx APPENDIX C2 ESG REPORTING CODE *(Continued)*

HKEx Appendix C2 ESG Reporting Guide General Disclosures & KPIs		Explanation/Reference Section
B6 Product Responsibility	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	SUSTAINABLE OPERATIONS – Enhancing Customer Satisfaction
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	SUSTAINABLE OPERATIONS – Enhancing Customer Satisfaction
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	SUSTAINABLE OPERATIONS – Enhancing Customer Satisfaction
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	SUSTAINABLE OPERATIONS – Enhancing Customer Satisfaction
KPI B6.4	Description of quality assurance process and recall procedures.	SUSTAINABLE OPERATIONS – Enhancing Customer Satisfaction
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	SUSTAINABLE OPERATIONS – Business Ethics
B7 Anti-corruption	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.	SUSTAINABLE OPERATIONS – Business Ethics
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.	SUSTAINABLE OPERATIONS – Business Ethics

HKEx APPENDIX C2 ESG REPORTING CODE *(Continued)*

HKEx Appendix C2 ESG Reporting Guide General Disclosures & KPIs		Explanation/Reference Section
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	SUSTAINABLE OPERATIONS – Business Ethics
KPI B7.3	Description of anti-corruption training provided to directors and staff.	SUSTAINABLE OPERATIONS – Business Ethics
B8 Community Investment	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.	COMMUNITY SUPPORT
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	COMMUNITY SUPPORT
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	COMMUNITY SUPPORT

HKEx APPENDIX C2 ESG REPORTING CODE *(Continued)*

Climate-related Disclosures	Explanation/Reference Section
(I) Governance	
19. An issuer shall disclose information about:	OUR ESG GOVERNANCE STRUCTURE
(a) the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the issuer shall identify that body(s) or individual(s) and disclose information about:	
(i) how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities;	
(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;	
(iv) how the body(s) or individual(s) oversees the setting of, and monitors progress towards, targets related to climate-related risks and opportunities (see paragraphs 37 to 40), including whether and how related performance metrics are included in remuneration policies (see paragraph 35); and	
(b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about:	
(i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and	
(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.	

HKEx APPENDIX C2 ESG REPORTING CODE *(Continued)*

Climate-related Disclosures	Explanation/Reference Section
(II) Strategy	
Climate-related risks and opportunities	
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:	OUR ESG GOVERNANCE STRUCTURE
(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;	
(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:	OUR ESG GOVERNANCE STRUCTURE
(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	
(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).	

HKEx APPENDIX C2 ESG REPORTING CODE *(Continued)*

Climate-related Disclosures	Explanation/Reference Section
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: (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; and (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).	OUR ESG GOVERNANCE STRUCTURE
23. An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 22(a).	OUR ESG GOVERNANCE STRUCTURE

HKEx APPENDIX C2 ESG REPORTING CODE *(Continued)*

Climate-related Disclosures	Explanation/Reference Section
Financial position, financial performance and cash flows	
Current financial effect	
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 (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.	OUR ESG GOVERNANCE STRUCTURE – Mitigating Climate-Related Risks and Opportunities
Anticipated financial effect	
25. The issuer shall provide qualitative and quantitative disclosures about: (a) how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration: (i) its investment and disposal plans; and (ii) its planned sources of funding to implement its strategy; and (b) how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	OUR ESG GOVERNANCE STRUCTURE – Mitigating Climate-Related Risks and Opportunities

HKEx APPENDIX C2 ESG REPORTING CODE *(Continued)*

Climate-related Disclosures	Explanation/Reference Section
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: (i) the implications, if any, of the issuer's assessment for its strategy and business model, including how the issuer would need to respond to the effects identified in the climate-related scenario analysis; (ii) the significant areas of uncertainty considered in the issuer's assessment of its climate resilience; and (iii) the issuer's capacity to adjust, or adapt its strategy and business model to climate change over the short, medium or long term; (b) how and when the climate-related scenario analysis was carried out, including: (i) information about the inputs used: (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.	ENVIRONMENTAL PROTECTION – Combating Climate Change

HKEx APPENDIX C2 ESG REPORTING CODE *(Continued)*

Climate-related Disclosures	Explanation/Reference Section
(III) Risk Management	
27. An issuer shall disclose information about:	OUR ESG GOVERNANCE STRUCTURE
(a) the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks, including information about:	
(i) the inputs and parameters the issuer uses (for example, information about data sources and the scope of operations covered in the processes);	
(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;	
(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	
(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.	

HKEx APPENDIX C2 ESG REPORTING CODE *(Continued)*

Climate-related Disclosures	Explanation/Reference Section
(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; (b) Scope 2 greenhouse gas emissions; and (c) Scope 3 greenhouse gas emissions.	ENVIRONMENTAL PROTECTION – Environmental Performance
29. An issuer shall: (a) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions; (b) disclose the approach it uses to measure its greenhouse gas emissions including: (i) the measurement approach, inputs and assumptions the issuer uses to measure its greenhouse gas emissions; (ii) the reason why the issuer has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and (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).	ENVIRONMENTAL PROTECTION – Environmental Performance

HKEx APPENDIX C2 ESG REPORTING CODE *(Continued)*

Climate-related Disclosures	Explanation/Reference Section
Climate-related transition risks	
30. An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	ENVIRONMENTAL PROTECTION – Combating Climate Change
Climate-related physical risks	
31. An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	ENVIRONMENTAL PROTECTION – Combating Climate Change
Climate-related opportunities	
32. An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.	ENVIRONMENTAL PROTECTION – Combating Climate Change
Capital deployment	
33. An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	ENVIRONMENTAL PROTECTION – Combating Climate Change
Internal carbon prices	
34. An issuer shall disclose: (a) an explanation of whether and how the issuer is applying a carbon price in decision-making (for example, investment decisions, transfer pricing, and scenario analysis); and (b) the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions; or an appropriate negative statement that the issuer does not apply a carbon price in decision-making.	ENVIRONMENTAL PROTECTION – Combating Climate Change
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).	ENVIRONMENTAL PROTECTION – Combating Climate Change

HKEx APPENDIX C2 ESG REPORTING CODE *(Continued)*

Climate-related Disclosures	Explanation/Reference Section
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.	ENVIRONMENTAL PROTECTION – Combating Climate Change
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: (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.	ENVIRONMENTAL PROTECTION – Combating Climate Change

HKEx APPENDIX C2 ESG REPORTING CODE *(Continued)*

Climate-related Disclosures	Explanation/Reference Section
38. An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including: (a) whether the target and the methodology for setting the target has been validated by a third party; (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.	ENVIRONMENTAL PROTECTION – Combating Climate Change
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.	ENVIRONMENTAL PROTECTION – Combating Climate Change
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; (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; (d) whether the target was derived using a sectoral decarbonisation approach; and (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).	ENVIRONMENTAL PROTECTION – Combating Climate Change

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Climate-related Disclosures	Explanation/Reference Section
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).	ENVIRONMENTAL PROTECTION – Combating Climate Change

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