招商局港口控股有限公司
CHINA MERCHANTS PORT HOLDINGS COMPANY LIMITED

Stock Code : 00144



2025 Environmental, Social and Governance Report



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About the Report

OVERVIEW

The Group is pleased to publish the Report which aims to disclose systematically and in detail to internal and external stakeholders about the Group's ESG initiatives and progress in the year of 2025, covering areas such as compliant operations, climate change, environmental protection, resource utilisation, employee recruitment and development, health and safety, product responsibility, supply chain management, and community development. To better understand the Group's ESG performance, the Report should be read in conjunction with the "Corporate Governance Report" section of the 2025 Annual Report.

The Report is delivered separately in traditional Chinese and English, and its electronic version has been released on the Company's website (www.cmport.com.hk) and the website of HKSE (www.hkexnews.hk) for public to access and download. In case of any discrepancies between the two versions, the traditional Chinese version shall prevail.

The Company published the first Nature-related Financial Impact Report which systematically discloses the nature-related strategic objectives, initiatives and performance outcomes of the Group for the year of 2025. The report is published in both Traditional Chinese and English and the electronic version has been uploaded to the Company' s website (www.cmport.com.hk) for public access and download.

REPORTING SCOPE

The Report was specific to the Company. The scope of information disclosure is consistent with the scope of the consolidated financial statements. The Reporting Period covered by the Report is from 1 January 2025 to 31 December 2025. The scope of the disclosure includes the Company and its subsidiaries as well as relevant cases from companies which the Group invested in, demonstrating the Group's strengthened ESG management across both domestic and overseas ports.

REPORTING GUIDELINE

The Report was prepared in accordance with ESG Reporting Code set out in Appendix C2 of the Listing Rules on the HKSE. The Report complied with the mandatory disclosure requirements and the "comply or explain" provisions of the ESG Reporting Code, and adhered to the four reporting principles of "Materiality", "Quantitative", "Balance" and "Consistency". The Report was prepared with reference to the GRI Standards issued by the GSSB, as well as IFRS Sustainability Disclosure Standards (IFRS S1 and S2), and the *Recommendations of the Taskforce on Nature-related Financial Disclosures* of the Taskforce on Nature-Related Financial Disclosures (September 2023) and *Guidance on the Identification and Assessment of Nature-Related Issues: the LEAP Approach* V1.1 (October 2023), comprehensively responding to the topics of concern to the UNSDGs, MSCI ESG Ratings, S&P Dow Jones Sustainability Index Rating, and Hang Seng Sustainability Index Rating.

Materiality	Quantitative	Balance	Consistency
The Group has determined the materiality of ESG topics to the Group and its stakeholders through materiality assessment with the engagement of stakeholders, so as to identify the disclosure focuses of the Report. Please refer to the section of "Materiality Assessment" for more details.	In order to comprehensively evaluate the Group's ESG performance during the Reporting Period, the Group disclosed quantifiable key performance indicators in the ESG Reporting Code, including the relevant measurement standards, methods, assumptions and measurement tools, as well as the sources of the conversion factors used.	The Report reflects the objective reality. The content of this report has been prepared in an objective manner and disclosed the Group's progress and challenges in ESG work, so as to comprehensively demonstrate the Group's ESG performance.	The preparation methods used in the Report are consistent with those used in the previous years, and changes in statistical methods, key performance indicators and other relevant factors are described in details.

DATA DESCRIPTION

The data in the Report was sourced from the Group's official documents, statistical reports, financial reports and documents of the Group issued by third-party organisations. Unless otherwise noted, the currency in the Report was presented in HK$.

RELIABILITY ASSURANCE

The Group has not found false records, misleading statements, or significant omissions in the report. The report had been reviewed by the ESG Committee and approved by the Board on 31 March 2026.

FEEDBACK AND COMMENTS

The opinions of stakeholders are essential to the Group's businesses and sustainable development. If you have any query or suggestions regarding the Report, it is appreciated to contact and communicate with us through the following means:

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Tel: (852) 2102 8888

Fax: (852) 2851 2173

E-mail: relation@cmhk.com

The Board's Statement

The Board is the highest responsible body for ESG matters within the Group. It is responsible for formulating and reviewing the Group's ESG objectives, strategies and management policies, supervising the progress of relevant targets each year, and adopting and updating the Group's ESG policies to ensure compliance with applicable laws and regulatory requirements. The Board authorises the ESG Committee to formulate and implement ESG matters. By monitoring key ESG topics, and sustainability positioning, and reviewing progress in ESG objectives and sustainability strategies and policies, the ESG Committee ensures their compliance with relevant policies and procedures, applicable laws and regulations and international standards, and reports to the Board.

Through regular communication meetings, ESG Committee reports the crucial ESG matters and ESG progress to the Board in order to understand the situation of ESG management. The Board then examines the ESG performance of the Group (such as key performance indicators), identifies ESG management risks, ensures the integration of sustainability philosophy into the Company's operations, monitors ESG risk and opportunity and assesses whether material ESG risks and opportunities receive appropriate attention from the Board and the Management Team. The Board continuously advances the achievement of ESG goals and conducts comprehensive planning for future ESG work.

During the Reporting Period, the Group has prepared the *Stakeholder Engagement Policy* and the *Information Security and Data Privacy Protection Policy*, and revised ESG policies such as the *Biodiversity and Zero Deforestation Statement* and the *Human Rights Policy Commitment*. The Board kept track of the climate risk and opportunity assessment and progress in Carbon Neutrality work from the report of ESG Committee to guarantee all-round supervision and decision-making over key ESG topics on 31 March 2026. Meanwhile, the Board participated in the assessment of the materiality and priority of ESG topics. The ESG Committee puts forward suggestions on material ESG topics to the Board on a yearly basis and reports the impact of ESG topics on the Group's business and long-term sustainable development and the matrix of material ESG topics to the Board by means of stakeholder questionnaire survey and materiality analysis. After review by the Board, the matrix of material ESG topics will become the basis for optimizing the sustainable development strategy and ESG work management and for compiling the Report for the year. For details, please refer to the "Materiality Assessment" section of the Report.

The Report fully disclosed the Group's practical progress and results in ESG management, and the relevant results were reviewed and approved by the Board on 31 March 2026.

About the Group

The Group's core business includes port investment, port operations, port logistics and smart technology, with a comprehensive ports network at the hub locations along coastal China, as well as Asia, Africa, Europe, Oceania, South America and North America, amongst others. During the Reporting Period, the Group expanded its presence in 46 ports across 26 countries and regions, and recorded a total annual container throughput of 151.29 million TEUs.

The Group's strategic vision is to be a "world-leading port service provider", and takes "Global Presence", "Lean Management", "Innovative Transformation" as the drivers. The Group has continuously enhanced its business model and empowered innovation with technology while refining its global network. In the future, the Group aims to be among the world's top tier on various fronts, including container throughput at global ports, market share, operational management capabilities, resource utilisation, labour productivity, and brand influence.

BOARD STRUCTURE

Non-executive Director



Feng Boming
(Chairman)



Yim Kong
(Vice Chairman)

Executive Director



Xu Song
(Vice Chairman and CEO)



Lu Yongxin
(Managing Director)



Huang Qiangzhong

Independent Non-executive Director



Chan Hiu Fung Nicholas



Chan Yuen Sau Kelly



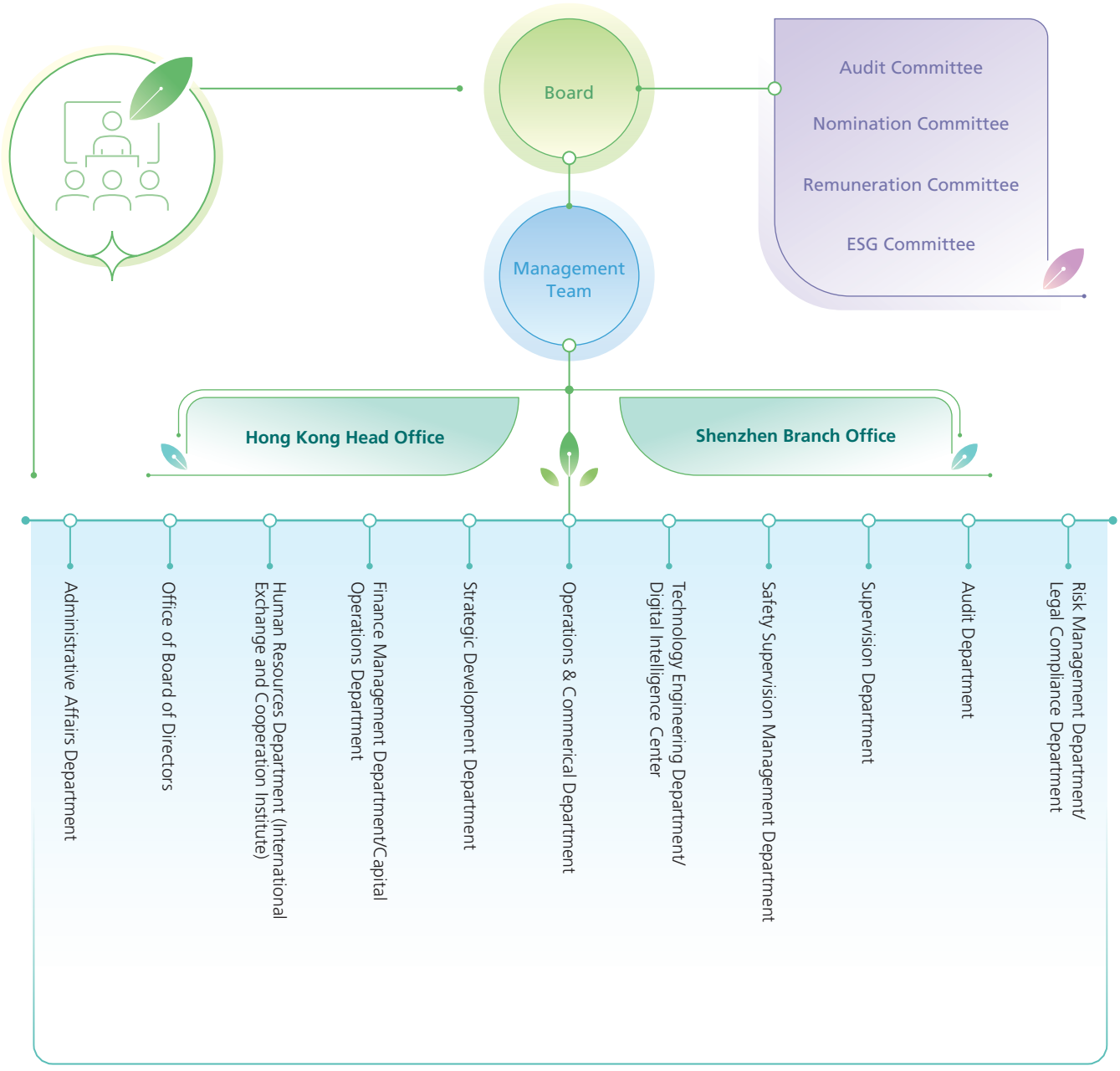
Wong Chi Wing



Wong Pui Wah

GOVERNANCE STRUCTURE

The Company follows the international ESG governance concept and the requirements of current laws and regulations, establishing a standardised, transparent and specialised corporate governance structure and governance rules. The Board has an Audit Committee, a Nomination Committee, a Remuneration Committee and an ESG Committee. The Board has a well-established decision-making mechanism that regularly reviews progress on ESG goals and sets ESG priorities for the coming year based on progress. Each committee has clearly specified its terms of reference in writing and defined its relevant powers and responsibilities to assist the Board in performing its duties, so as to promote the sustainable development of the Group in a professional, standardised and transparent manner.



THE BOARD

Board election: According to the *Articles of Association of the Company*, at each Annual General Meeting, one third of the directors (or, if the number of directors is not a multiple of three, the nearest number not less than one third) shall retire by rotation. Each director (including those with a fixed term of office) shall also retire by rotation at least once every three years.

Board independence: Our Company had 4 Independent Non-executive Directors, accounting for 44.44% of the Board. The Company will continuously study to increase the proportion of Independent Non-executive Directors to ensure that the Board exercises its right of leadership independently of the management. All Independent Non-executive Directors had academic and professional qualifications in areas including accounting, law, engineering, and business administration. Independent Non-executive Directors meet at least once a year with the Chairman of the Board without the presence of other directors and can communicate with the Management and other Directors, including the Chairman, through both formal and informal channels. During the Reporting Period, each Independent Non-executive Director has made an annual confirmation of his/her independence to the Company in accordance with the Listing Rules. The Audit Committee and the Remuneration Committee are entirely composed of Independent Non-executive Directors. The proportion of Independent Non-executive Directors in the Nomination Committee reached 75%. The Audit Committee, the Remuneration Committee, and the Nomination Committee are all chaired by Independent Non-executive Directors, making the Board decision-making more science-based and professional.

Key performance

Number of Annual General Meetings Held
1

Number of the Board Meetings Held
15

Average Attendance Rate of the Board Members
97.93%

Minimum Board Meeting Attendance Rate of the Board Members
80%

Number of Nomination Committee Meetings Held
2

Number of Remuneration Committee Meetings Held
1

Number of Audit Committee Meetings Held
3

Number of ESG Committee Meetings Held
2

Board diversity: The Company has formulated the *Board Diversity Policy* in pursuit of a more diverse composition of the Board in terms of gender, age, culture, educational background, ethnicity, and expertise. Members of the Board are experienced in a variety of areas including port, logistics, accounting, law, technology, electronic commerce, business management, risk management, and ESG, allowing them to assess the Group's strategic plans and business development from a wider perspective. The Company will gradually introduce a gender diversity initiative for the Board to continuously improve the overall efficiency of sustainable business and maximise shareholders' value.

Composition of Board Members and Expertise

				Duties of the Board Special Committees					Directors'Skill and Experience					
Name	Gender	Age	Position	Whether he/she is part of the Company's Management Team	Audit Committee	Nomination Committee	Remuneration Committee	ESG Committee	Senior executive/ directorship experience of listed company(ies)	Industry experience related to the Group's business/ international business management experience	Sustainability expertise (including climate-related experience)	Risk management/ legal, regulation & compliance/ corporate governance expertise	Accounting/ financial management/ taxation management expertise	IT expertise
Feng Boming	Male	56	Chairman and Non-executive Directors					* (Chairman)	√	√	√	√		
Yim Kong	Male	53	Vice Chairman and Non-executive Director					*	√	√	√	√		
Xu Song	Male	54	Vice Chairman, CEO and Executive Director	*		*		*	√	√	√	√		
Lu Yongxin	Male	56	Managing Director and Executive Director	*				*	√	√	√	√	√	
Huang Qiangzhong	Male	56	Executive Director	*				*	√	√	√	√		
Chan Hiu Fung Nicholas	Male	52	Independent Non-executive Director		*	*	* (Chairman)		√		√	√		√
Chan Yuen Sau Kelly	Female	55	Independent Non-executive Director		* (Chairman)	*	*		√		√	√	√	√
Wong Chi Wing	Male	62	Independent Non-executive Director		*		*	*	√	√	√	√	√	√
Wong Pui Wah	Female	50	Independent Non-executive Director		*	* (Chairman)	*		√	√	√	√	√	
Percentage of Senior Executive's Board Representation				30%										
Percentage of Non-Executive/Independent Non-Executive Directors					100%	75%	100%	50%						
Coverage Rate									100%	77.78%	100%	100%	44.44%	33.33%

Key performance

Number of Members of the Board	Number of Female Directors	Proportion of Female Directors
9	2	22.22%

Number of Independent Non-executive Directors	Proportion of Independent Non-executive Directors
4	44.44%

Board capability improvement: The Company attaches great importance to the capability development and enhancement of the Board. The Company has conducted a diverse range of professional skill and compliance training for the Board members, including the Listing Rules, operation management, risk control, ESG governance and business ethics, aiming to improve their compliance awareness and performance ability. In 2025, the Board members participated in 2 specialised training sessions on corporate governance-related listing rules and ESG with 5.5 training hours in total and 100% training coverage.



Board Members Participate in Specialised ESG Training

Board effectiveness evaluation: In accordance with the requirements of the *Guide on Board and Directors Corporate Governance* issued by the HKSE, and taking into account the opinions of various professionals, we actively prepared for the Board performance evaluation and will, in due course, disclose the specific results of the Board performance evaluation in accordance with the requirements of the HKSE.

Awards and Honors

Award recipient	Awarding organisation	Award name	Award image
the Company	Hong Kong Investor Relations Association	The 11th Investor Relations Awards — Excellence Award	
the Company	MORS Group	"Industry Champions of the Year" Award	
CICT	Asian Freight, Logistics and Supply Chain Awards (AFLAS)	Best Container Terminal in Asia (Under 4 million TEUs)	
Guang'ao Port Area of Shantou Port	China Ports and Harbors Association	Four-star Green Port	

Sustainable Development Management

Sustainable development is at the core of the Group's business philosophy. The Group continues to strengthen sustainable development management, integrate sustainable development strategies into business operations, strive to achieve value sharing and win-win results, and continue to promote the construction of world-leading green and smart ports.

In 2025, the Group fully and deeply implemented ESG work and continuously improved sustainable development capability. The Group made the following progress in ESG:

- **Promoting deeper topic management**

  The Group, in accordance with regulatory requirements, continued to advance ESG topic management in greater depth and with more effective implementation. Based on the Group's 2024 assessment results and topic management practices during the year, we adjusted and optimised the 2025 double materiality assessment results for topics and produced an assessment matrix through stakeholder interviews, questionnaire-based quantitative scoring, and peer benchmarking. During the year, the Group added 1 domestic and 1 overseas subsidiaries to the climate scenario analysis pilots. The pilot scope was expanded to 6 Subsidiaries, and the climate scenario analysis methodology was continuously optimised. Following thorough preparatory work, the Group expanded the disclosures for Scope 3 greenhouse gas emissions during the year, increasing the number of accounting categories to 8. The Group continued to strengthen supplier management, enhancing communication and training in areas including compliance, human rights protection, occupational health and safety, environmental protection, and business ethics. We continued to require suppliers to comply with the *Supplier Code of Conduct*, jointly building a sustainable industry ecosystem.

- **Enhancing ESG risk management and control**

  The Group continuously improved its risk management capabilities. In 2025, through measures such as "strengthening the governance of boards of directors of overseas enterprises and the management of the General Meeting of Shareholders, Board of Directors, and Board of Supervisors, reshaping the risk monitoring indicator system, promoting the launch of the overseas version of the legal affairs system, and promoting the establishment of dedicated internal control positions in overseas units", we advanced the development of a world-class enterprise under the rule of law. Meanwhile, the Group continued to move forward proactively. During the year, we initiated the identification and assessment of nature-related impact, risks and opportunities. Using the LEAP methodology, we comprehensively analysed our level of dependence on and impacts on natural capital across four stages: Locate, Evaluate, Assess, and Prepare. We also released our first TNFD Report, proposed nature-related targets and metrics, and promoted an environmentally friendly development model featuring harmonious coexistence between humans and nature.

- **Continuing to promote ESG management implementation**

  The Group continued to promote the integration of ESG philosophy into our day-to-day management. In 2025, the Group newly prepared *Guidelines on Sustainable Development for Subsidiaries*, newly issued 2 policies, namely *Stakeholder Engagement Policy Statement* and *Information Security and Privacy Protection Policy*, and revised 2 documents, namely *Biodiversity and Zero Deforestation Statement* and *Human Rights Policy Commitment*. In addition, the Group focused on strengthening internal ESG capability building. During the year, we organised multiple ESG training sessions for the Board, management, and employees. From different perspectives, these sessions systematically communicated the key topics of "Climate Change" and "Biodiversity", promoted the integration of topic management into day-to-day operations, and supported the development of internal ESG talent.

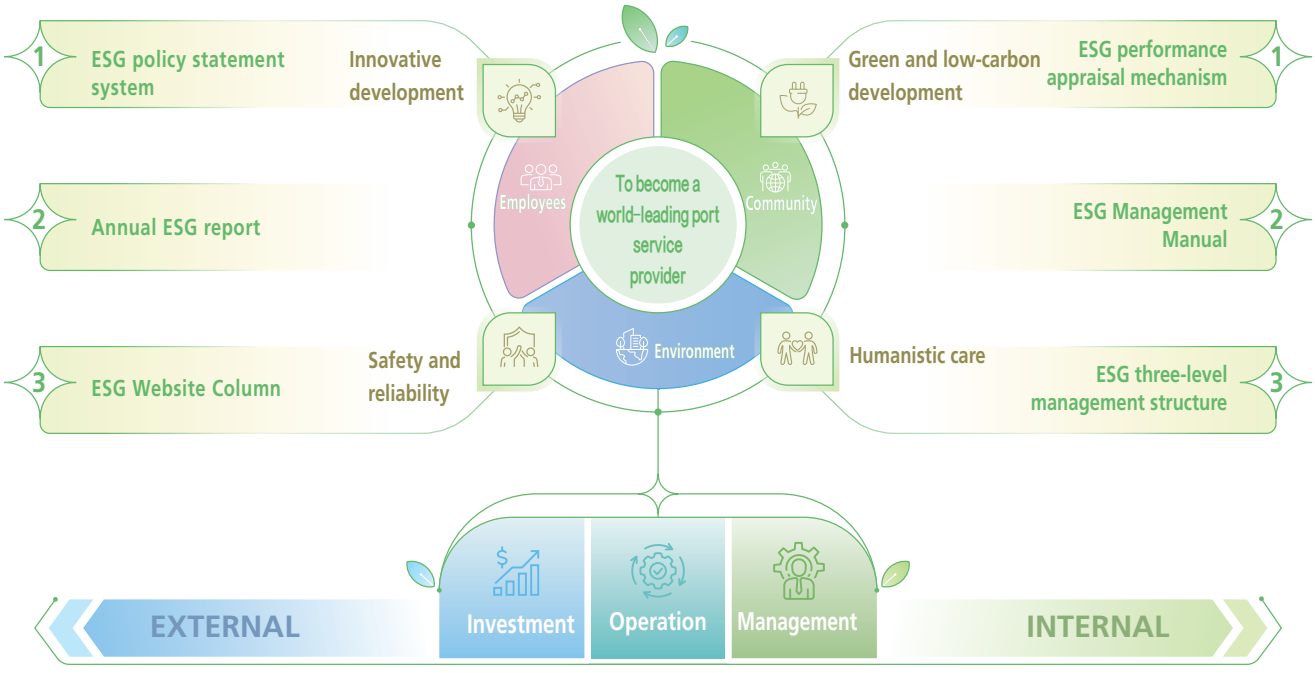
➢ **Strengthening ESG digital and intelligence empowerment**

The Group implemented its digital intelligence strategy and actively advanced ESG empowerment through digital intelligence. Relying on the SMP intelligent management platform, the Group developed an ESG management module. The Group focused on optimising processes, indicators, and the interface to address the pain points and challenges in ESG information collection in 2025, enabling information linkage between the ESG Working Team and all departments at the Headquarters, and between the Headquarters and the Subsidiaries, thereby effectively improving ESG management efficiency and the quality of ESG disclosures.

MSCI ESG rating	Hang Seng Corporate sustainability index rating
Maintained the BBB rating (Upgraded to A in March 2026)	Maintained the A rating (Constituent of the Hang Seng ESG 50 Index)
S&P CSA ESG score	**WIND ESG rating**
Increased from 41 points to 52 points	Increased from A to AA

The Group established an ESG management system graph and further integrated ESG ecosystem with daily operation and implementation into all aspects of management, striving to improve the overall management level and sustainable development capability.

The Group's ESG management system graph:



ESG VISION AND MISSION

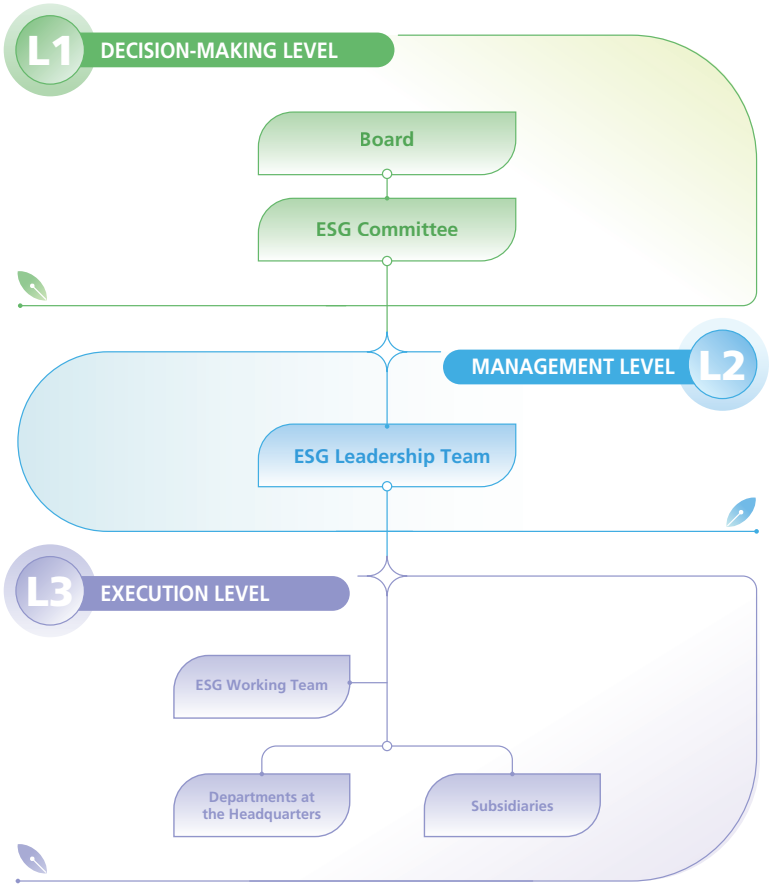
Vision of Sustainability	Strive for a world-leading green and intelligent port service provider
Mission of Sustainability	- Become a leader in the port industry and a facilitator of sustainable development advocating green and low-carbon development, safety and reliability, innovative development and humanistic care - Continuously create positive economic, social and environmental value for stakeholders and communities in the regions where we operate - Build a sustainable ecosystem together with peers along the supply chain

ESG MANAGEMENT SYSTEM

ESG governance structure

The Group firmly believes that sound corporate governance and effective ESG governance are important safeguards for achieving its corporate vision and mission and ensuring sustainable development. The Group has established a three-tier ESG governance structure consisting of the Decision-making level, the Management level and the Execution level, improved the ESG management policies and strategies, and promoted the implementation of key ESG tasks, thus laying a solid foundation for sustainable development.

The Group's ESG governance structure is as follows:



Level	Organisation	Composition	Scope of work	Work mechanism
Decision-making Level	The Board	All Directors	• Identify ESG development trends and understand, analyse, and grasp domestic and international industry status and sustainable development-related policies, as well as have a comprehensive understanding of the Group's operational situation; • Guide the ESG Committee in formulating ESG policies, goals, strategies, policy statements, and related management systems; • Supervise ESG risks and opportunities, and assess significant ESG risks and opportunities (including but not limited to: climate change response, business ethics, health and safety, sustainable supply chains, biodiversity conservation, and information security and privacy protection) and incorporate ESG risks into the Group's strategy, major transaction decisions and risk management procedures, thereby ensuring the integration of sustainable development philosophy into the Group's operations; • Review the Group's annual list of material topics and ESG report; • Through regular communication meetings, listen to reports from the ESG Committee on important ESG matters and work progress, so as to understand the current status of ESG management, review the Group's ESG performance, and continuously promote the achievement of ESG goals.	Lead the Group's ESG efforts and be debriefed on important ESG issues and work progress by the ESG Committee on a regular basis.

Level	Organisation	Composition	Scope of work	Work mechanism
	ESG Committee	Members of the Board	• To formulate and review the objectives, strategies and management policies of the Group's ESG matters, review the progress made against related goals and target annually and make recommendations to the Board for approval (if necessary); • To review and assess the adequacy and effectiveness of the management framework for ESG matters of the Company and make recommendations to the Board for approval (if necessary); • To adopt and update the Group's policies on ESG matters to ensure its compliance with applicable legal and regulatory requirements; • To identify, determine, and assess ESG risks, issues, and opportunities of the Group, advise on those issues that will significantly affect the operation of the Company or the interest of other stakeholders and provide anticipatory and mitigation plans; • To review the Group's ESG performance (e.g. key performance indicators) to ensure compliance with relevant ESG policies and procedures, as well as applicable laws and regulations and international or national standards and to report to the Board; • To engage with appropriate internal and external stakeholders in conducting annual materiality assessment procedures and to ensure that effective communications and relationships are in place with such stakeholders; • To review and monitor annual ESG report and recommend to the Board for approval; • To ensure that the annual ESG report is compliant with, and prepared in accordance with, the ESG Reporting Code; and • To consider other topics as defined by the Board.	Serve as the guiding and decision-making body for ESG work, and report to the Board annually. The meeting is held at least once a year.

Level	Organisation	Composition	Scope of work	Work mechanism
Management Level	ESG Leadership Team	CEO and the principal leaders of relevant functional departments at the Headquarters and the Subsidiaries	• Organise and lead the development of ESG strategy and drive its implementation; • Guide the management and practice of core ESG topics such as climate change, compliance and business ethics, health and safety, and supply chain management; • Examine key ESG trends and summarise the major risks and opportunities when implementing ESG strategy; • Assess ESG compliance of business and architectural models; • Launch external dissemination and communication on ESG development, and control the quality and continuity of information disclosure.	Serve as the main body for organising and overseeing ESG work, holding 2 meetings annually to be debriefed on the ESG results and work planning.
Execution Level	ESG Working Team, all departments at the Headquarters, and the Subsidiaries	ESG lead department at the Headqarters, all departments at the Headquarters, and the Subsidiaries	• The ESG Working Team serves as the body for the execution. Its responsibilities are to define the ESG-related management responsibilities, formulate ESG management goals and plans, and promote the implementation of the Company's ESG projects; • All departments at the Headquarters and the Subsidiaries are responsible for supporting the discharging of the ESG work responsibilities and ensuring the integration of ESG issues in businesses.	Report on and submit to the ESG Leadership Team the ESG work related statistics, project progress, and difficulties of ESG practices. Each department shall share ESG work experience in the course of daily operation and achieve cross departmental cooperation.

ESG Management Manual

The Group has continued to integrate ESG issues management into its business activities. The Group's *ESG Management Manual* has been updated based on the latest international sustainability standards, the latest ESG Reporting Code, and stakeholders' feedback. The Group updated the issues system and departmental management responsibilities and other related contents. The *ESG Management Manual* will serve as the implementation basis and guiding framework for the Group's internal ESG work, clearly defining the Group's short-term, medium-term, and long-term key goals and tasks. It will dynamically update ESG management-specific topics and further improve the ESG governance mechanism and responsibilities at all levels. This will promote the development of the Group's ESG management toward institutionalisation, standardisation, and systematisation, ensuring that all ESG-related tasks progress in an orderly manner.

ESG policy system

The Group has newly formulated the *Stakeholder Engagement Policy* and the *Information Security and Data Privacy Protection Policy*, and has revised and improved ESG-related documents including the *Biodiversity and Zero Deforestation Statement* and the *Human Rights Policy Commitment*. These policies will be published after approved by the Board, further strengthening the Group's ESG policy statement system.

Policy name	Status	Key updates
Stakeholder Engagement Policy	New	A new policy clarifying the Group's commitment to strengthen communication and cooperation with various stakeholders. The Group will fully understand stakeholders' expectations and requirements and respond proactively, thereby promoting effective communication between the Group and stakeholders.
Information Security and Data Privacy Protection Policy	New	A new policy clarifying the Group's commitment to information security and data privacy protection. The Group will continue to improve our information security and privacy protection management system, effectively safeguard cybersecurity, information security, and IT security, respect and protect data privacy, and uphold the legitimate rights and interests of employees, customers, and other relevant persons.
Human Rights Policy Commitments	Revised	The revised edition adds specific explanations on the principles related to anti-discrimination and anti-harassment, and equal employment, and refines the expression of certain clauses.
Biodiversity and Zero Deforestation Statement	Revised	The revised edition adds principles related to port land development, ecological restoration, and compensation, and refines the expression of certain provisions.

ESG risks and opportunities

Non-financial risk, represented by ESG risks, has gradually become a significant long-term risk that enterprises can no longer ignore. The Company's Risk Management Department/Legal and Compliance Department is responsible for coordinating and providing guidance to all departments at the Headquarters and the Subsidiaries in conducting self-assessments and identification of ESG risks and opportunities, and, in conjunction with feedback, evaluating the materiality and effectiveness of the identification of risks and opportunities, ultimately forming a risk list,integrating it into the risk management system, and carrying out ongoing monitoring. All departments at the Headquarters and Subsidiaries should, based on the results of identifying ESG risk and opportunity, take relevant risk prevention and mitigation measures to advance the Group's steady development.

In 2025, the Group incorporated ESG risks into its annual assessment of the top ten risks. All departments at the Headquarters and the Subsidiaries were required to proactively carry out sustainability-related risk identification or due diligence in light of their respective business characteristics, and to identify and comprehensively assess sustainability risks and opportunities that may have a material impact in the short, medium, or long term on the Group's business model, operations, development strategy, financial position, operating results, cash flows, and financing methods and costs.

ESG performance assessment mechanism

The Group has set ESG assessment standards based on the work responsibilities, whereby ESG performance is assessed at two levels: for the year, and for the tenure. The yearly assessment indicators are designed according to the annual ESG strategic plan, while the tenure-specific assessment indicators are designed on the basis of the long-term ESG strategic plan. By setting quantifiable ESG assessment indicators, the compensation links up with ESG performance. During the Reporting Period, the Group has incorporated sustainability indicators such as energy conservation, carbon reduction, and workplace safety into the performance-based compensation assessment of the senior management.

The assessment work is conducted by the Operations & Commercial Department. The assessment results are reported at the ESG Work Leading Team meeting. Outstanding departments at Headquarters or Subsidiaries, exemplary ESG cases, successful ESG projects, and exceptional individuals will be recognized as part of the Company's incentive programme.

STAKEHOLDER ENGAGEMENT

The participation and support of stakeholders are crucial for the sustainable development and stable operation of the Group. The Group continues to pay attention to the expectations of various stakeholders, and has established a multi-channel and diversified communication and feedback mechanism. Thus, the Group can maintain active and effective communication with stakeholders, deeply understand the demands, opinions and suggestions of all parties, and jointly build a sustainable ecosystem.

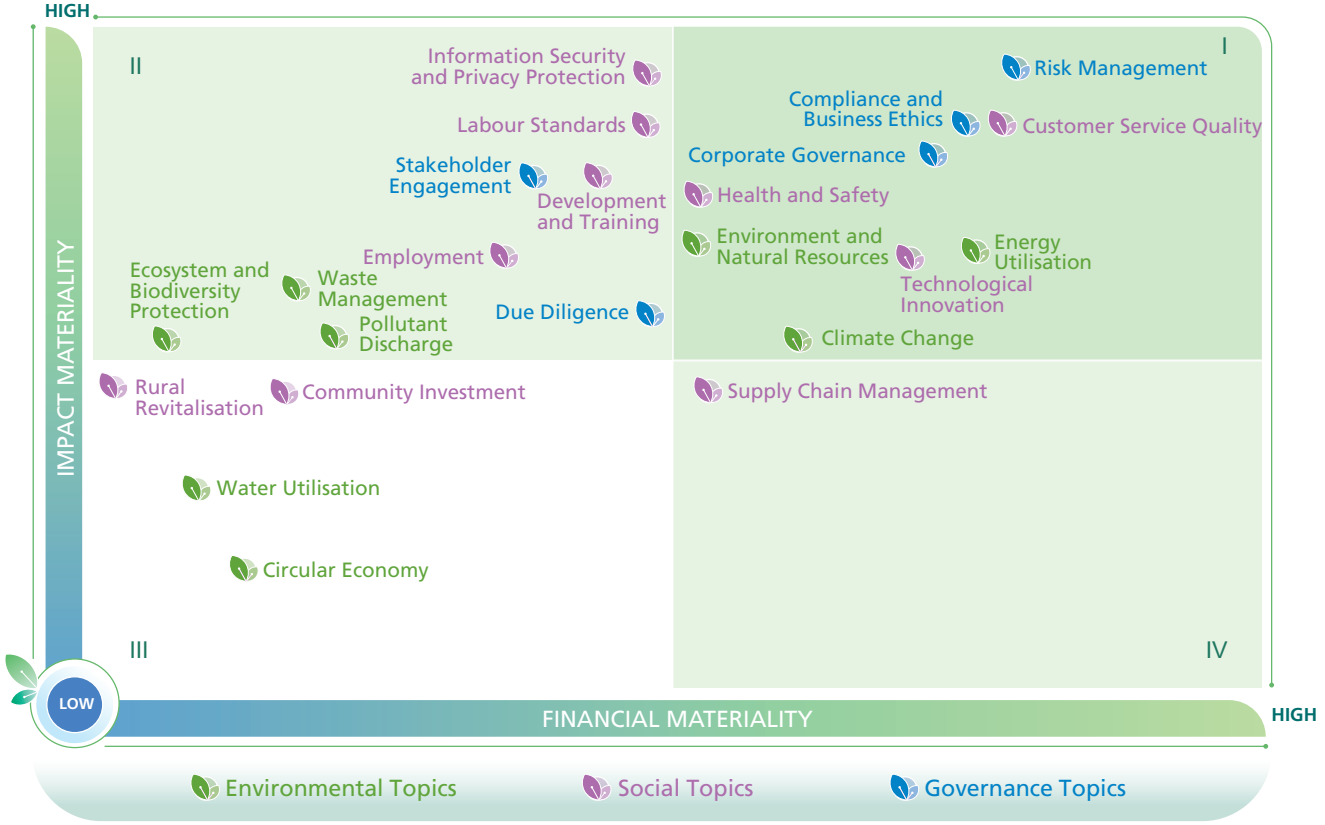
In 2025, the Group newly issued the *Stakeholder Engagement Policy*, aiming to clarify the Group's commitments and actions related to stakeholder engagement, fully understand the expectations and requirements of various stakeholders, strengthen the Group's communication and cooperation with stakeholders, promote constructive communication between the Group and stakeholders, and drive harmonious development in the regions where the Group conducts its business operations. This policy clearly stipulates that, prior to the implementation of projects such as new construction, expansion, renovation and mergers and acquisitions, the Group is required to conduct a dedicated stakeholder impact assessment to identify the material impacts of our business activities on stakeholders and, together with stakeholders, discuss reasonable and appropriate solutions. The Group continued to establish, develop, and improve the stakeholder complaint and grievance mechanism, and tracked the outcomes of complaint and grievance handling.

Stakeholder category	Communication channels	Expectations and appeals	Our response
 Customers	• Public information disclosure • Customer visits • Regular customer meetings • Responses to and handling of customers' feedback • Customer satisfaction survey	• Provide quality service • Safeguard of information security • Enhance risk management	• Innovate service methods, optimise service procedures, diversify service formats, and respond to customer appeals in a timely and efficient manner • Improve information security protection systems to protect customer data and privacy • Identify potential risks and implement effective risk management
 Shareholders and investors	• Public information disclosure • Shareholders' meetings • Performance briefings • Research and exchange activities • Regular work meetings	• Transparent financial information disclosure • Good operating results • Asset preservation and value appreciation • Enhance risk management	• Disclosure of interim and annual financial reports • Maintain sustainable growth in business operations and profitability • Identify quality assets and enhancing the management and operation of existing assets • Identify potential risks and implement effective risk management
 Creditors	• Public information disclosure • Irregular work meetings	• Good operational cash flow • Project financing market opportunities	• Maintain steady operations and performance growth • Innovate financial cooperation models
 Government and regulatory authorities	• Public information disclosure • Daily communication and reports • Industry exchange activities	• Operate in compliance with the law • Pay taxes in accordance with the law • Support local economic development • Protect local ecological environment	• Strictly comply with laws and regulations in operating activities • Pay taxes in accordance with the law • Create local employment opportunities • Actively fulfil corporate social responsibilities

Stakeholder category	Communication channels	Expectations and appeals	Our response
Employees	• Public information disclosure • Daily communication and meetings • Regular training • Internal feedback and whistleblowing channels	• Provide good development and promotion opportunities • Ensure the protection of basic employee rights and benefits • Work-life balance	• Provide competitive salaries and benefits, clarify promotion mechanisms and pathways, and offer professional training • Safeguard employees' legal rights and establish whistleblower protection mechanisms • Create a diverse, equal, inclusive, healthy, and safe work environment • Organise employee caring activities such as holiday events
Suppliers and partners	• Public information disclosure • Project cooperation • Regular meetings • Daily communication	• Win-win cooperation • Transparent procurement and honest cooperation	• Improve and establish cooperation mechanisms • Build a sustainable supply chain
Public welfare organisations	• Public information disclosure • Collaboration in public welfare events	• Reduce the negative impact caused by operating activities • Collaborate on charitable actions	• Strengthen identification of external risks of operating activities to avoid and reduce negative impacts • Cooperate with local public welfare organisations to carry out tailored public welfare activities
Communities	• Public information disclosure • Charitable events • Volunteering services	• Support local community development • Conduct public welfare volunteer services	• Promote local economic and social development through investment and operating activities • Collaborate with local communities and public service organisations to conduct context-specific charitable activities
Media	• Public information disclosure • Industry exchange activities • External events of the Company	• Reduce the negative impact caused by operating activities • Industry influence • Business performance and sustainability performance	• Actively respond to media concerns and conduct media interviews • Improve the Company's business performance and sustainability influence in the industry • Invite media to participate in the Company's external events

MATERIALITY ASSESSMENT

In 2025, the Group further optimised and enhanced the materiality assessment. During the year, we conducted stakeholder interviews to fully understand stakeholders' feedback on the impact, risks and opportunities of the topics, ensuring that the topic assessment could fully reflect industry development trends, key areas of business focus, and the areas where sustainability-related risks and opportunities are concentrated. Meanwhile, we optimised the materiality assessment questionnaire and invited stakeholders such as industry experts to conduct quantitative scoring of impact materiality and financial materiality for the topics. Based on the results of comprehensive stakeholder interviews and questionnaire scoring, we re-reviewed and adjusted the materiality assessment results, produced the materiality assessment matrix, and disclosed it externally after review by the Board of Directors. For the methodology and process of the double materiality assessment, please refer to the "Materiality Assessment" section of the 2024 ESG Report.



Operation with Integrity and Compliance

Strategy and development

The Group adheres to the compliance philosophy of "compliance starts from the top, all employees actively comply, and compliance creates value". It has established a comprehensive compliance governance system to ensure the orderly progress of the Group in compliance, business ethics, risk management, information security, privacy protection, and data security, thereby comprehensively enhancing the Group's compliance level.

- Continue to improve the compliance management system and further strengthen the in-depth control of overseas compliance.
- Complete annual business ethics audits and ensure that 100% of employees receive training.
- Release the *Information Security and Data Privacy Protection Policy Statement*, committing to continuously improve the information security and privacy protection management system.
- No major illegal or non-compliant incidents, significant violations of business ethics, or major information security incidents occurred during the year.

Future plans

- Strengthen the identification and control of emerging risks.
- Continue to solidify overseas compliance risk management.
- Strengthen training coverage on business ethics for suppliers.

UNSDGs responded in this chapter



COMPLIANCE MANAGEMENT AND BUSINESS ETHICS

The Group firmly believes that ethical and law-based operation is the cornerstone of sustainable development. The Group rigorously complies with relevant laws and regulations on anti-bribery, fraud prevention, anti-money laundering, and unfair competition in the countries and regions where we operate and invest. It has further solidified comprehensive compliance control at the overseas level, embedded compliance into our mindset, integrated it into business operations, and put it into action, steadily advanced the task of building a world-leading enterprise under the rule of law, and safeguarded our sound business operations and development.

Compliance management

Compliance system

The Group rigorously complies with the laws and regulations such as the *United Nations Convention against Corruption*, the *Anti-Monopoly Law of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China*, the *Interim Provisions on Prohibition of Commercial Bribery*, the *Anti-Money Laundering Law of the People's Republic of China*, the *Supervision Law of the People's Republic of China* and Hong Kong's *Prevention of Bribery Ordinance*. In accordance with relevant external standards such as the *World Bank Group Compliance Guidelines* and the *Good Practice on Internal Controls, Ethics and Compliance* of the Organisation for Economic Co-operation and Development, and laws on prevention of bribery, fraud, money laundering and unfair competition in the countries and regions where the Group operates or invests in. The Group continuously improves its compliance and business ethics system, ensures efficient organisational structure and effective decision-making mechanism, and enhances the Group's compliance governance capability.

The Group has established a compliance and business ethics management system that covers the Board, the management, all departments at the Headquarters and the Subsidiaries, and designated Chief Compliance Officer and compliance officer. The Board is the body with ultimate responsibility for compliance governance and business ethics management. The Supervision Department serves as the primary body responsible for executing and overseeing business ethics, and collaborates with Human Resources Department, Administration Department, Financial Department/Capital Management Department, Risk Management and Internal Audit Department/Legal and Compliance Department, in constructing and implementing mechanisms for compliance and business ethics standards, as well as overseeing and addressing violations.

Compliance policies

The Group implements the *Code of Integrity and Compliance*, and has developed and implemented compliance policies including the *Code of Business Conduct*, *Supplier Code of Conduct*, the *Anti-Corruption and Anti-Bribery Policy*, *Economic Violation Accountability Measures*, and *Audit Guidelines on Integrity Risks*, *Administrative Measures for Anti-Monopoly Compliance*, and *Special Compliance Management Guidelines for Export Controls and Sanctions*, to regulate compliance behaviour of the Directors, employees (including full-time, part-time, and temporary employees), and business partners such as suppliers. These policies provide direction and practical guidance for both the Headquarters and the Subsidiaries to achieve substantive and comprehensive compliance, continuously improving compliance awareness and capabilities.

Compliance risk control

The Group has continued to identify compliance risks and integrate compliance management deeply into daily operations and management with an emphasis on key compliance risks. In 2025, the Group focused on enhancing foreign-related compliance control, consolidating penetration-based compliance control for overseas operations, and promoting the launch of the overseas version of the legal affairs system. In terms of compliance risk identification, based on changes in domestic and international laws, regulations, and regulatory policies, and in conjunction with our special compliance risk governance initiatives for business operations, the Group identified significant and higher-level compliance risks in day-to-day operations and management. Meanwhile, the Group strengthened the screening of key compliance risks in key areas such as economic sanctions and export controls, contract standardisation, and cross-border projects. Regarding compliance risk alerts, the Group has vigilantly monitored legislative and regulatory changes both at home and abroad, assessed the potential impact of compliance risk incidents on the Group's key investment areas, and promptly issued compliance risk alerts. Furthermore, the Group has undertaken special compliance risk studies to enhance the foresight of compliance management and proactively mitigate major compliance risks.

Compliance operation

The Group is committed to ensuring compliance in its operations, advocating free and fair competition, and avoiding participation in any communication, information sharing, or agreement that may violate applicable anti-monopoly laws and laws against unfair competition. We strictly complied with international trade and export control regulations, firmly oppose any form of corruption and commercial bribery, and urge the Group and its business partners to conduct business in a manner consistent with business ethics.

- **Anti-corruption and anti-bribery.** The Group has implemented the *Anti-Corruption and Anti-Bribery Policy*, the *Code of Conduct for Integrity and Compliance*, and the *Administrative Measures on the Compliance of Donations and Sponsorships*, which clearly define corrupt and commercial bribery conduct (such as accepting gifts and kickbacks, transfer of benefits, and embezzlement of Group assets), set out compliance requirements for donations and sponsorships, and commit to prohibiting all forms of corruption and bribery. We require that, in our day-to-day operations, we consistently uphold honesty and trustworthiness and operate in compliance, and we prohibit bribery in any form. The Directors, employees, and business partners conducting business in the Group's name must not offer bribes or other benefits to any organisation or individual (including but not limited to agents or intermediaries, consultants, distributors, suppliers, customers, partners, or public officials) for improper business purposes.

  The Group directs employees to return any unlawfully obtained economic benefits, and stipulates that in instances leading to corporate asset losses, apart from taking actions against violators as stipulated in the aforementioned regulations, they should also be held accountable and assume financial responsibility for compensating the Group's losses. Employees found in violation of regulations and subject to disciplinary measures would be disqualified in the selection of outstanding employees of the year.

- **Anti-monopoly and anti-unfair competition.** The Group adheres strictly to the *Administrative Measures for Anti-Monopoly Compliance* and the *Anti-Monopoly Compliance Manual*. It expressly provides for prohibited monopolistic practices, including horizontal monopolistic agreements (e.g., fixing prices, limiting output, and dividing markets) and vertical monopolistic agreements (e.g., maintaining resale prices, and exclusive dealing), abuses of a dominant market position (e.g., predatory pricing, refusal to deal, and tying), and concentration of undertakings not declared. The Group commits to rigorously reviewing all merger and acquisition transactions, ensuring the legal compliance of commercial transactions, eliminating any illegal or non-compliant activities, and consciously maintaining a fair and competitive market order. In addition, the Group has also developed policies to specify anti-monopoly compliance management requirements and compliance guidelines, detailed internal disciplinary measures (such as warnings, fines, and termination of labour contracts) for violations of anti-monopoly regulations, and raised the awareness of anti-monopoly compliance among all employees through internal mechanisms such as annual compliance inspections, compliance training, compliance assessment and the signing of compliance commitment letters. In 2025, in response to the amendment of the *Anti-Unfair Competition Law of the People's Republic of China*, the Group released themed posters and explanatory posts to communicate key matters to employees. Multiple subsidiaries organised publicity and training activities on the Anti-monopoly Law and the Law of the People's Republic of China Against Unfair Competition. No lawsuits or major administrative penalty incidents occurred due to monopolistic or unfair competition practices.

- **Anti-money laundering.** The compliance management system explicitly regulates anti-money laundering and counter-terrorism financing, covering all business activities and management processes of the Group. The Group pledges to comply with laws related to anti-money laundering and counter-terrorism financing in host countries and regions, screen business partners as per relevant requirements, and do business only with partners that have legal and compliant sources of funds and adhere to business ethics. The Group undertakes not to engage in or assist any third party in money laundering, and employees are prohibited from engaging in or assisting any other person to engage in money laundering.

- **Conflicts of interest.** The Group demands that Directors and employees make business decisions and fulfil their responsibilities in a way that is objective, fair, impartial, independent, and in accordance with professional judgment. They should handle actual or potential conflicts of interest between personal interests and the Group's business appropriately. When dealing with conflicts of interest, Directors and employees should act in a legal and compliant manner, give paramount priority to the Group's interests and proactively avoid conflict of interest.

- **Charitable donations.** The Group carries out charitable donations in accordance with the *Administration Measures on the Compliance of Donations and Sponsorships* and the *Administrative Measures for Charitable Donations*, which clearly stipulate that all charitable donation activities are managed centrally by the Group. When conducting charitable donations, it is imperative to adhere to applicable laws and regulations. The Group's practices should not violate ethical standards and social morality. Furthermore, charity activities must not compromise public interests or infringe upon the lawful rights and interests of other citizens. Donations should not be used as a means to gain unfair competitive advantages or other improper benefits in areas such as financing, market access, administrative licensing, or resource acquisition.

- **Trade compliance**. The Group strictly adheres to the laws and regulations of the jurisdictions in which it operates, ensuring compliance with international trade standards. The Company has formulated the *Special Compliance Management Guidelines for Export Controls and Sanctions* and the *Contingency Plan for Economic Sanctions and Export Control Risk Events*, to enhance its capabilities to promptly handle sudden sanctions and control risk events in accordance with the law. For identified sanction and control risk events, the Group will closely monitor the progress of these events, pay attention to the latest policies, laws, regulations, and enforcement developments, and, if necessary, immediately suspend the relevant business activities. In 2025, the Group issued multiple compliance risk alerts related to foreign matters and carried out routine screening in the areas of export controls and economic sanctions.

- **Tax compliance.** The Group has formulated the *Administration Measures on Taxation* to specify relevant matters such as the establishment and responsibilities of its tax management organisation, daily tax-related issue management and tax risk management, and regulate tax registration and declaration. The Group undertakes to strictly comply with tax laws and regulations, cautiously analyse tax risks, actively disclose tax information, declare and pay taxes on time and put an end to tax evasion.

- **Responsible marketing.** In accordance with the *Advertising Law of the People's Republic of China* as well as the *Trade Descriptions Ordinance* and the *Trade Marks Ordinance* of Hong Kong, while organizing exhibitions and promotional events, the Group strictly conforms to internal guidelines and processes, in order to enhance the corporate brand and deliver a compliant and correct message to the audience.

Compliance training

The Group proactively adopt a combination of online and offline approaches to conduct legal compliance training. In 2025, 2 legal compliance training sessions were conducted, engaging more than 400 attendances. Among these, the Headquarters organised all employees to participate in CMG Legal Compliance Forum, a special training session on "Procurement Compliance System Development and Procurement Compliance Practices" and "Legal Due Diligence for Investment and Merge & Acquisition", helping relevant personnel fully understand compliance risks across all stages of procurement and legal due diligence for investment and merge & acquisition. Subsidiaries also actively organised compliance-related training, focusing on key compliance areas such as anti-monopoly, anti-unfair competition, anti-corruption, and cross-border contracts, to enhance employees' compliance awareness and risk prevention capabilities.

Compliance monitoring

The Group includes compliance requirements in the performance appraisal of employees and senior management members every year, and is appraised and scored by their superiors, peers, and subordinates. The scores they get are used as a vital reference in their performance evaluations. The requirements for compliant duty performance include demonstrating familiarity with and strict adherence to various laws and regulations pertaining to the business, actively elevating one's own awareness of compliance, working in accordance with laws and regulations, and diligently fulfilling personal compliance obligations and responsibilities.

The 360-degree performance appraisal

- Exhibiting good professional ethics and personal conduct, steadfastly avoiding any breaches of ethical standards, and upholding integrity in the profession;
- Demonstrating familiarity with and strict adherence to various regulations pertaining to the business, actively elevating the awareness of compliance, and working in accordance with laws and regulations; complying with the laws and regulations of both China and the countries we operate in, and diligently fulfilling personal compliance obligations and responsibilities;
- Respecting peers and colleagues, and fostering an open, fair, and just competitive environment for common development;
- Valuing diversity, embracing different thoughts and methods, and adapting to the current situation, environment, and stage of development to achieve positive outcomes; respecting rules and regulations; and
- Keeping an open mind and competing in a benign manner.

Whistleblowing and supervision

➢ **Whistleblowing procedure**

The Group has developed and implemented the *Measures for Handling of Problem Clues and Management of Cases*, and established an open and transparent mechanism for the oversight and reporting of violations. The mechanism delineates the whistleblowing process, categorising the handling of reported cases into 4 types: initial inquiry, preliminary verification, pending further investigation, and conclusion. The Group encourages organisations and individuals to report and expose any instances of disciplinary or illegal behaviour.

Whistleblowing hotline: (86) 755 2688 6681
Whistleblowing email: jcb@cmhk.com
Whistleblowing mailbox: 38/F, China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong

➢ **Whistleblowing protection mechanism**

The Group has established a whistleblower protection mechanism, emphasising the strict confidentiality of whistleblowers and the reported content. Measures are in place to standardise the management of storage devices and to prohibit any retaliatory actions against whistleblowers. Anyone in violation of regulations will be held accountable. In situations where there are evident threats to the rights of whistleblowers, the Group will promptly report such cases to judicial authorities and, in compliance with the law, seek criminal responsibilities for the implicated individuals. The Group's Supervision Department is responsible for receiving whistleblower complaints, verifying received reports, conducting examinations and investigations on reports meeting the criteria for case filing, referring cases involving suspected violations to prosecuting authorities, and issuing notices on the findings of investigations into violations.

- **Strictly implement the rules of recusal.** If the investigators or judges are the immediate relatives of the investigated or the whistleblower, witnesses or interested parties of the case, or there are other circumstances that may affect the impartial investigation and trial of the case, such investigators or judges shall not participate in the investigation and trial.

- **Strict confidentiality management of storage devices shall be implemented.** Measures should be taken to ensure the security of storage devices used for storing confidential information related to reported matters and investigated cases.

- **Strictly control the access scope and time of information about the examination and investigation.** It is prohibited to retain without permission, conceal, access to, create excerpts out of, reproduce and carry safety supervision information and case data, or to disclose information about the examination and investigation. Exercise strict control over storage device security management, and perform security control of the confidential information related to reported matters and cases.

- **Strictly abide by the disciplines of case handling.** There must be at least 2 persons who participate in investigation and evidence collection. No one is allowed to intercede for the parties involved by taking advantage of his/her position, or alter, conceal, forge, steal or intentionally destroy evidence materials.

- **Handle retaliation situations.** If there is evidence that the whistleblower and his immediate relatives may be retaliated against by the whistleblower through capitalizing on his power or influence, Human Resources Department and Supervision Department shall handle the case in accordance with relevant provisions. Corresponding sanctions shall be imposed upon those who retaliate or cause others to retaliate against whistleblowers and their immediate relatives, in strict accordance with applicable laws and disciplines. Whistleblowers and their immediate relatives who suffer from personal injury, defamation or property loss due to retaliation shall be supported to recover their losses according to the laws.

Business ethics

Business ethics governance

The Group has established a compliance and business ethics management system that covers the Board, the management, all departments at the Headquarters and the Subsidiaries. The Board is the highest responsible body for compliance governance and business ethics management. The Company has appointed a Chief Compliance Officer and compliance officers, who, in collaboration with departments such as the Supervision Department, Human Resources Department, Administration Department, Finance Department/Capital Management Department, Risk Management Department/Legal and Compliance Department, and Audit Department, are jointly responsible for building, implementing, supervising, and handling violations related to business ethics.

Business ethics system

Each year, the Group conducts a comprehensive review of anti-corruption systems and business ethics standards, and makes timely revision to ensure they meet the requirements of existing laws and regulations. We strictly regulate the relevant conduct of all employees and business partners, adhere to business ethics, and advance the lawful and compliant operations of the Group.

Valuing the impact of compliant operations on the Group and its stakeholders, the Group prohibits any form of corruption, embezzlement and commercial bribery in operation and cooperation with business partners. During the Reporting Period, the Group strictly complied with the applicable laws and regulations on anti-corruption and anti-bribery in the countries and regions where it operated. The Group formulated and implemented policies such as the *Code of Business Conduct*, the *Supplier Code of Conduct* and the *Anti-Corruption and Anti-Bribery Policy*. These policies have strengthened oversight and constraints on both full-time and part-time employees and business partners, to uphold integrity and eradicate corruption and bribery.

Business ethics risk prevention and control

The Group conducts a comprehensive risk assessment annually, including an assessment of corruption and commercial bribery risks. In 2025, the Group adopted an "online + offline" and "milestone-based + normalised" penetrating supervision model, and organised special inspections on the management of public buses, souvenirs, business hospitality, and other areas. The Group rigorously investigated and dealt with issues such as "irregular allowances and subsidies distributed by overseas entities", and deepened efforts to promote reform and governance improvements through case-based rectification and case-based governance. We carried out a series of integrity education activities in a solid and down-to-earth manner, fostering a clean and upright environment.

Supplier anti-corruption management

The Group has issued the *Supplier Code of Conduct*, which requires suppliers to comply with all applicable laws and regulations and to conduct business in an ethical manner. The Group mandates that suppliers avoid all forms of extortion and bribery and disclose any conflict of interest. Once the Group discovers that a supplier has engaged in non-compliant conduct such as bribery, it will include the supplier on the procurement blacklist. The Group promotes business ethics among all suppliers through ESG assessments of suppliers, regular business ethics publicity events, aiming to enhance suppliers' integrity awareness. In 2025, the Group's business ethics communications covered 100% of its active suppliers.

Supplier integrity management	Management initiatives
Supplier admission	Mandate suppliers to complete the *Social Code Self-Assessment Questionnaire for Suppliers* to collect and review suppliers' anti-corruption and anti-bribery practices, and requires suppliers to prepare an *Anti-corruption Policy*, which is a prerequisite for cooperation.
Supplier collaboration	Require suppliers to sign the *Integrity and Honesty Contract* to ensure their strict adherence to the relevant requirements of integrity and self-discipline during business transactions.
Supplier assessment	Aligned with policies such as the *Supplier Code of Conduct*, the *Anti-Corruption and Anti-Bribery Policy*, and the *Code of Business Conduct*, we have integrated clauses on integrity, along with corruption and bribery issues, into the supplier evaluation system. When a supplier is found to be engaged in corruption and bribery, the Group may deduct its points, suspend or cancel cooperation, or blacklist it forever.

Key performance

Signing rate of the *Integrity and Honesty Contract* by suppliers

100%

Business ethics audit

The Group has implemented the *Operational Guidelines on Business Ethics Audit* to conduct comprehensive audits on all business activities, covering system construction, anti-corruption, anti-commercial bribery, anti-monopoly, anti-unfair competition, anti-money laundering, anti-fraud, and privacy violations. To guard against business ethics risks and regulate the behaviour of employees and business partners, the Group has integrated business ethics audits into its annual audit projects. The Group has formulated an audit plan covering all project locations and business processes. Among these, subsidiaries at overseas principal operating locations are audited once a year, while domestic subsidiaries adopt a three-year rotating coverage plan, continuously carrying out audit projects covering business ethics risks.

The Group conducts targeted audits in business areas susceptible to corruption, including engineering, procurement, investment, and finance. The audits closely examine whether there are instances of unjust enrichment, bribery, misappropriation of funds, and other improper fraudulent and corrupt practices in operations. Concurrently, for issues identified during the audit, relevant departments will establish correction and follow-up mechanisms, and oversee the rectification progress. In 2025, no significant issues related to violations of business ethics standards were identified.

Key performance:

Business ethics audit

once per year

Business ethics training

To standardise employee behaviour and raise awareness of business ethics, in 2025, the Group conducted various forms of business ethics training and cultural promotion. The Group holds an annual warning education conference, which is attended by our Senior Management, young management personnel, newly promoted management personnel, and personnel in key positions. A special training session on risk management is held for the Board of Directors to strengthen Board members' compliance awareness. In our daily operations, the Group also disseminates relevant regulations and cases on business ethics standards, anti-corruption, and anti-money laundering through internal communication systems, email, and other channels, to enhance employees' integrity, self-discipline, and compliance awareness, and achieve full coverage of business ethics training and communication for all employees (including full-time employees, part-time employees, and outsourced personnel).

Key performance

Business ethics training (including full-time employees, part-time, and outsourced personnel) coverage rate

100%

Number of commercial bribery and corruption lawsuit incidents

0

RISK MANAGEMENT AND INTERNAL CONTROL

The Group continues to build a comprehensive "six-in-one" risk control system, which integrates legal, compliance, risk, internal control, audit, and accountability frameworks, continuously improves the comprehensive risk management and control system, and has established a risk control structure featuring coordination between the "Leading Team, Working Team, and Functional Departments". In addition, the Group carried out a lot of compliance risk control work centred on the business to continue to enhance the ability of risk management and achieve prudent operations.

Risk management

Risk structure

The Group has established a risk management organisation structure from top to bottom, with the Board serving as the highest decision-making body for the Group's risk management and internal control.

Organisation	Responsibilities	Personnel composition
The Board	The Board is the decision-making body for risk management and internal control, responsible for the effectiveness of risk management. It listens to and reviews the work of risk management and internal control, as well as the investigation and accountability of major internal control deficiencies and risk issues. It approves significant major operational risk forecasting and assessment reports, internal control system work reports, and other work outcomes.	The Board consists of 9 directors.
Risk Control & Compliance and Non-compliance Accountability Management Committee ("Risk Control Leading Team")	Responsible for coordinating the establishment of the risk management and internal control systems and mechanisms. It approves overall risk and internal control management policies, strategic plans, and annual work plans.	The Committee is composed of a chairman, vice chairmen, and members. The chairman is the CEO, the vice chairmen are the leadership members of the Company, and the members include the General Counsel and the principal leaders from various departments at the Headquarters and the Subsidiaries.

Organisation	Responsibilities	Personnel composition
Risk Control and Compliance Task Force ("Risk Control Working Team")	Responsible for performing the day-to-day management responsibilities of the Risk Control & Compliance and Non-compliance Accountability Management Committee. It organises, coordinates, and monitors risk control work, formulates risk control policies and annual work plans, and coordinates the implementation of various risk control initiatives.	The team leader is the General Counsel, the deputy team leaders are the principal leaders of the Risk Management Department/Legal and Compliance Department, the Audit Department, and the Subsidiaries. The members consist of internal control officers from the functional departments at the Headquarters and the Subsidiaries.
Risk Management Department/Legal and Compliance Department and Audit Department ("Risk Control Functional Departments")	Assist the Risk Control Compliance Task Force in specific tasks, including leading the implementation of annual plans, and collaborating with all departments at the Headquarters and the Subsidiaries to carry out risk management and internal control activities.	The department consists of professionals in legal, compliance, risk, internal control, audit, and accountability.
All departments at the Headquarters/ Subsidiaries	All departments at the Headquarters and the Subsidiaries are the specific execution unit for risk control. Based on the Group's actual situation, they carry out their own risk control work, promptly report the results of risk control and compliance, and handle risk events under the guidance and management of risk control and compliance institutions.	The Subsidiaries implement the risk control and compliance system requirements, establish their own risk control and compliance organisation, and appoint responsible personnel and specialists for risk control and compliance.

Risk control policies

The Group continuously improves its risk management system based on the *Administrative Measures for Risk Management*, the *Manual of Risk Control*, the *Rules for Operational Risk Event* and the *Manual of Internal Control*, providing guidance for future risk prevention and control. In 2025, the Group revised and improved the *Management Rules for Operational Risk Events*, refining process standards for event identification and determination, reporting and handling, target management, monitoring, and follow-up. It also issued and implemented the *Risk Management and Internal Control Management System*, optimised the *Performance Appraisal Plan for Risk Management Work*, established the *Internal Control Authority List*, and continuously enhanced proactive risk prevention, control, and response capabilities.

Risk control measures

- **Risk assessment**

  The Group regularly organises and conducts risk assessments, covering all departments at the Headquarters and the Subsidiaries. Based on the actual annual practices, the Group follows the principles of authenticity and objectivity, focusing on assessing risks that impact the annual business objectives. This includes identifying major risks in areas such as strategy, market, finance, legal and compliance, operations, and ESG, providing decision-making reference for the Group's risk management efforts.

  The Group attaches great importance to sustainability-related risks. Among the Group's top ten risks in 2025, ESG-related risks include work safety risk, talent risk, and information security risk. The Group proactively implements prevention and control measures in terms of improving policies and systems, increasing resource inputs, and strengthening cultural communication and advocacy, thereby safeguarding the achievement of sustainable development.

  In 2025, with reference to the top ten global risks released by the World Economic Forum and in light of our operating conditions, we assessed and confirmed two major emerging risks for the year, and gave them special attention and implement control measures accordingly.

Emerging Risk 1: Negative Impacts Brought About by AI Applications	
Risk category	Technology risks
Risk description	With the widespread application of artificial intelligence in corporate operations, data analysis, and decision-making, algorithmic bias, system failures, or data processing issues may lead to risks such as corporate financial losses, operational disruptions, or reputational damage. In addition, the uncertainty and rapid iterative nature of AI development often make potential issues difficult to identify and control in a timely manner, increasing the Company's overall risk exposure.
Risk impacts	1. Impact on operational efficiency. In the future, if the Group applies AI to logistics scheduling, terminal automation, and vessel berthing arrangements, we will need to closely monitor the impact of AI on terminal operations. If algorithmic bias or system failures occur, they may lead to reduced cargo loading and unloading efficiency, disorder in yard management, or extended vessel waiting times, directly affecting day-to-day operations. 2. Impact on data security. In the future, if the Group uses AI to process large volumes of internal data, insufficient data security protection or vulnerabilities in algorithm processing may result in the leakage of sensitive information, triggering legal liabilities or regulatory penalties. 3. Impact on business processing. In the future, if the Group uses AI for automated processing of customs declaration documents, customer orders, or cargo information, errors in algorithms or systems may lead to incorrect customs declarations, cargo delays, or abnormal transaction processing, directly affecting customer experience.
Response strategy	1. Establish a clear AI governance mechanism to reduce decision-making and management risks arising from AI applications. By defining the boundaries for AI use in key scenarios such as port scheduling and security monitoring, distinguish between decision-support and automated execution stages, and retain necessary human review and intervention mechanisms. 2. Strengthen management of data quality and model reliability at the technical level. Through continuous monitoring of model performance and regular assessment of system stability, reduce risks to port operations and safety arising from AI misjudgements. 3. Strengthen cybersecurity protection for AI systems and related data interfaces. Reduce the risk of system attacks, data tampering, or malicious manipulation of models.

Emerging Risk 2: Dissemination of Misinformation and Disinformation	
Risk category	Technology risks
Risk description	With the diversification of information dissemination channels and the acceleration of dissemination speed, companies may face the risk of reputational damage and declining customer trust due to the spread of false or misleading information. Such information often spreads rapidly and is difficult to fully control. Even if the Company's operations are normal, we may still be directly or indirectly affected due to customer perceptions or market reactions.
Risk impacts	1. Impact on the Group's reputation. Once erroneous or false information about safety incidents, equipment failures, strikes, congestion, or compliance issues spreads, it may quickly undermine the trust of shipowners, cargo owners, and other partners in the reliability of Group's operations. 2. Impact on business revenue. The dissemination of erroneous or false information may affect customers' and partners' assessment of the stability and reliability of the Group's operations, prompting them to temporarily adjust routes, reduce port calls, or shift to alternative ports, thereby affecting port revenue.
Response strategy	1. Clarify the guidelines and channels for external information release, reduce multiple sources of information, ensure that accurate and reliable information is delivered to customers and partners in a timely manner when emergencies occur, and mitigate the impact of the spread of untrue information. 2. Strengthen continuous monitoring of public opinion and information dissemination, and enhance the capability to identify and respond to incorrect or false information. 3. Maintain stable and transparent business communication mechanisms with customers and partners, and respond promptly to concerns when uncertain information arises.

➢ **Risk training**

To further enhance the Group's internal awareness of risks and risk prevention and control capabilities, in 2025, the Group conducted multiple special risk management training sessions. The topics covered included data compliance and cross-border transfer, operation of the risk management platform, legal risks relating to image and font usage infringement, protection of trade secrets, and labour and employment laws. Meanwhile, the Group implemented the *Work Plan for the Development of Risk Monitoring Indicators*, further building an indicator system that combines "commonalities" with "individualities", studied and established 33 new risk monitoring indicators and thresholds for the Group, and guided subsidiaries in completing the development of the indicators.

Case

The Group Convened the 2025 Risk Management Work Conference

In March 2025, the Group held the 2025 Risk Management Work Conference and the (Expanded) Meeting of the Risk Control & Compliance and Non-compliance Accountability Management Committee in Shenzhen. Xu Song, the CEO, chaired the meeting and delivered remarks, calling for a focus on the risk landscape and requirements, enhanced effectiveness of the risk control system, and strengthened foundations for professional capabilities. The principal leaders of all departments at the Headquarters and the Subsidiaries, as well as all staff involved in risk management and compliance, attended the meeting in person and via video.



Internal control

The Group has been continuously improving its internal control mechanisms and procedures, and strengthen implementation to practically enhance its internal control management level. The Group implemented the Two-year Full Coverage plan for the supervision and inspection of the internal control system and carried out supervision and inspection for subsidiaries according to its plan. The Group has established a regular internal control self-assessment system and conducts internal control evaluations periodically. In 2025, the Group conducted inspections of 9 units, achieving a 100% completion rate for the annual inspection plan, with a 100% defect rectification rate for those due. From 2021 to 2025, all the internal audits produced unqualified reports upon closure of the audits.

Key performance



STRENGTHENING DATA SECURITY

Information security

The Group places high importance on information security and privacy protection, improving the information security and privacy management system, and continuously enhancing information security management levels to provide a solid foundation for the construction of smart ports. In 2025, the Group issued the *Information Security and Data Privacy Protection Policy Statement*, committing to continuously improving the information security and privacy protection management system, respecting and protecting data privacy, and safeguarding the lawful rights and interests of employees, customers, and other relevant parties. In 2025, the Group did not experience any major information security or privacy breach incidents.

Information security management system

Organisational structure improvement. The CEO is the principal leaders and takes direct responsibility for information security. The leading team of digitalisation is the top management body, and the digitalisation office is the execution body for information security management, including security attack and defence, building the information security system and the information security protection system for the Group. An information security system covers all the employees of the Group, to ensure the effective information security management.

Policies establishment. The Group has issued internal management system documents such as the *Administrative Regulations on Information Security (2020 Edition)*, the *Confidentiality Provisions*, *Measures for the Protection of Trade Secrets*, *Measures for Confidentiality Management of Overseas Units*, and *Administrative Measures for the Confidential Computers and Accessory Equipment at the Headquarters*. These documents cover systems including data classification and grading, usage processes, user information management, and trade secret protection, thereby establishing information security control requirements covering the entire business chain. In addition, the Group carries out targeted information security and privacy protection for different information owners.

Emergency drills. The Group has developed a cybersecurity contingency plan covering virus infection, phishing emails, ransomware attacks according to the business situation and carries out emergency drills according to the plan. In 2025, the Group continued to maintain "Zero Failure" in internal special initiatives, and carried out more than 20 emergency response drills, mainly targeting scenarios such as infrastructure failures and network failures. Through these drills, the Group validated the effectiveness of existing contingency plans and the timeliness of the execution of such plans.

Vulnerability remediation. The Group continues to scan and remedy information security vulnerabilities. In 2025, the Group identified and discovered 1,265 information security vulnerabilities and successfully remediated all of them, achieving a 100% closure rate for vulnerabilities.

Clear reporting process. The Group clearly defines the appeal process for information security suspicious situations. Upon discovering a security event, the responsible personnel must take necessary actions to prevent further escalation and immediately report it to the information security management body of the Subsidiaries and then report to the Company. The information security management body of the Subsidiaries is responsible for assessing the event's nature, conducting investigations, and taking appropriate control measures based on the event's severity. Once the event is handled, relevant departments must summarise lessons learned, propose preventive measures, and ensure their implementation by the relevant units.

Risk control capabilities. The Group conducted information security training covering the Headquarters and the Subsidiaries. In 2025, a total of 2,602 individuals participated in the training, accumulating 572 hours of training, with 210 Senior Management members participating. Additionally, the Group has incorporated information security into the annual performance appraisal of employees, linking it to performance-based compensation, thereby increasing their awareness on information security.

Key performance

Information security emergency drills

Over **20** times

Total duration of information security training

572 hours

Major information security/ privacy breaches

0

Privacy protection

Customer privacy protection

The Group has introduced the *Market Business Management Guidelines (Provisional)* and the *Administrative Measures on Customer Information Security*, which stipulate the principles of customer information security management, organisational assurance, information classification, information usage, and handling of information breaches. The Group's customer information security management follows the principles of closed management, minimum exposure, and shared responsibility for all. It clearly informs customers about the purposes for collecting and using their information and is responsible for the authenticity, completeness, and confidentiality of customer information.

The Group requires the Headquarters and the Subsidiaries to strictly manage processes such as the storage, access, destruction, and breach handling of customer information. If a customer information breach occurs, relevant personnel at the Headquarters or the Subsidiaries must submit a written report to senior management within 24 hours, detailing the content, scope, quantity, format, and process of the leaked information, the basic information of the person responsible for the breach, the potential or actual harm caused by the leak, the actions already taken or to be taken, and the remedial measures planned or already taken, to minimise the impact and losses caused by the breach.

The Company published *Information Security and Data Privacy Protection Policy Statement*

Purpose: To standardise day-to-day information security and data privacy management, prevent information security risks, avoid major incidents, and ensure lawful and compliant operations and business continuity.

Scope of application: The Company and its subsidiaries over which it has operational control, covering all business and operational activities of the Group.

Core content:

- **Information grading and classification:** The Group grades and classifies information based on its importance and sensitivity to ensure the accuracy and integrity of information.
- **Information collection, storage, transmission, and use:** The collection of personal information shall follow the principles of legality, legitimacy, and necessity, clearly stating the purposes, methods, and scope of information collection and use, and obtaining the consent of the data subject. Personal information shall be stored in a secure environment, with technical measures such as encryption and backups adopted. When transmitting personal information, security technical measures such as encryption shall be adopted. When using personal information, the security of personal information shall be ensured. Without the consent of the data subject, personal information shall not be used for other purposes.
- **Enhancement of the information security management system:** All employees have an obligation to safeguard information security and protect data privacy in their daily work. The departments responsible for information security management are responsible for maintaining and updating relevant institutional documents for information security management.
- **Business continuity plan:** The Group has established and improved a cybersecurity risk assessment and emergency response mechanism. It monitors and analyses information security vulnerabilities, and promptly completes vulnerability remediation. The Group has formulated emergency response plans for information security incidents and regularly organises drills.
- **Information security management for partners:** The Group clearly specifies the information security and privacy protection responsibilities of both parties in cooperation agreements and confidentiality agreements with partners to ensure that business cooperation activities are lawful and compliant.

Employee privacy protection

The Group implements the *Human Rights Policy Commitment*, pledging to comply with the *Constitution of the People's Republic of China*, the *Civil Code of the People's Republic of China*, the *Hong Kong Bill of Rights Ordinance*, the *Personal Data (Privacy) Ordinance* of Hong Kong, and the laws and regulations of the operating location that protect employee privacy. The Group respects and protects employee privacy, complies with personal privacy protection laws and regulations, and rigorously implements employee personal information (privacy) security policies, enhancing employee awareness of personal privacy protection through training to ensure proper protection of employee personal privacy. At the same time, the Group requires employees to attach importance to the management of confidential information in their routine work and undertake the obligation to keep such information confidential. The confidentiality of the Group's commercial information is included in the performance appraisal of employees. In the event of leakage of confidential information by an employee, the employee will be punished in accordance with the *Administrative Measures for Dismissal of Employees for Serious Misconduct* and the *Confidentiality Provisions*.

Supplier privacy protection

The Group clearly stipulates in the *Implementation Rules for Supplier Management* that employees shall not disclose in any way the commercial secrets or personal privacy of suppliers that he/she has come into contact with or is aware of, and shall not use the commercial secrets, intellectual property rights and business channels of suppliers in his/her possession to engage in activities for profit or infringement of the privacy of others for himself/herself or for others. All subsidiaries shall figure out the approval processes for the retrieval and access of suppliers' relevant data. In the course of business, all the Subsidiaries are required to keep written records to avoid any form of suppliers' privacy and data leakage. In addition, the Group specifies the rights and obligations of both parties regarding information security and privacy protection in the form of fixed terms in the model contracts for cooperation with suppliers.

Intellectual property protection

Intellectual property management

The Technical Engineering Department/Digitalization Intelligence Center is responsible for the Group's intellectual property matters. Through the intellectual property management system, the Group governs overall management on the creation, declaration, utilisation and protection of intellectual property rights, and takes corresponding measures to avoid infringing on the intellectual property rights of others. Moreover, the Group requires its subsidiaries to regularly review the validity of their respective intellectual property rights, take appropriate measures to safeguard relevant rights. If a patent is found to be identical or similar to the Group's product or technology, trademark, trade name, logo, etc., an objection shall be filed in a timely manner. To raise employees' awareness of intellectual property protection, the Group regularly holds intellectual property training and promotes public awareness through the Group's self-media platforms.

Intellectual property system

The Group respects and protects intellectual property rights. In strict accordance with the laws and regulations such as the *Trademark Law of the People's Republic of China*, the *Patent Law of the People's Republic of China* the *Trade Marks Ordinance* in Hong Kong and other laws and regulations where it operates, the Group has formulated and implemented the *Administration Regulations on Intellectual Property Rights*, which details the application, ownership, protection and utilisation of intellectual property rights. Based on the principles of encouraging innovation, facilitating application and managing in accordance with the law, the Group gives full play to the compliance audit, legal risk reminders, anti-infringements, IPR protection and dispute settlements in the declaration, so as to encourage the creation, application, protection, management and service of intellectual property rights. In 2025, there was no infringement on intellectual property rights by or against the Group.

Key performance

Number of patent applications	Number of patents granted	Cumulative number of software copyrights
20	12	159

Green and Ecological Ports

Strategy and development

The Group is committed to building smart, green, and ecological ports, actively responding to the *Paris Agreement* and China's carbon neutrality goals, integrating climate change into risk management, and enhancing climate change adaptability. We adhere to the sustainable use of resources, improve utilisation efficiency, reduce waste discharges, promote recycling and reuse, while also protecting biodiversity and advancing the symbiotic integration and harmonious development of ports and nature.

- Conduct biodiversity risk identification, assessment, and management, and disclose nature-related financial impact information.
- Strengthen greenhouse gas emissions control and expand Scope 3 greenhouse gas emissions accounting categories.
- Optimise the climate scenario analysis methodology, expanding the pilot scope to include overseas subsidiaries.
- Strictly control pollutant emissions, manage gas emissions, wastewater discharge, solid waste, and noise, add wastewater discharge management targets, and ensure no major environmental accidents.

Future plans

- Promote greenhouse gas emission reduction, clean energy utilisation, water resource management, and pollutant reduction, and achieve environmental compliance goals
- Continuously conduct identification and assessment of biodiversity risk

UNSDGs responded in this chapter



IMPROVING ENVIRONMENTAL MANAGEMENT

The Group is committed to building green and eco-friendly ports that coexist harmoniously with nature, adhering to the philosophy of innovation-driven sustainable development, and accelerating the construction of smart, green, and ecological ports.

Environmental management targets

The Group strictly complies with environmental-related laws and regulations, steadily advances the campaign to fight pollution prevention and control, and effectively prevents and mitigates major environmental protection risks. In 2025, the Group had no major sudden environmental incidents, no violations or non-compliance related to energy conservation and environmental protection, and no administrative penalty incidents.

Environmental Management Targets

Target	Indicator	Progress during the Reporting Period	Target achievement status
No general Level 3 environmental emergencies[1]	Number of general Level 3 environmental emergencies	No general Level 3 environmental emergencies occurred	Achieved

Key performance

Environmental emergency

0 case

Major incidents of violations of laws and regulations on energy conservation and environmental protection, as well as administrative penalties, within the Group in the past 3 years

0 case

[1] Definition of general level 3 emergency environmental emergencies:

(1) Causing poisoning or severe injury to 1-2 people directly due to environmental pollution.

(2) Evacuating or relocating 200-1,000 people due to environmental pollution.

(3) Oil spill of 1 to 5 tons from ships causing water pollution.

(4) Water pollution caused by ships at sea resulting in direct economic losses between HK$2.2 million and HK$5.5 million, or other causes of environmental pollution causing direct economic losses between HK$1.1 million and HK$2.2 million.

Environmental management system

The Group proactively improved the development of our environmental protection responsibility system, carried out pollutant prevention and control work, strengthened risk assessment and control of factors including air, water, soil, and noise, and comprehensively enhanced our ecological environmental management standards. Throughout the year, pollutant emissions complied with the standard requirements of laws and regulations.

Environmental management organisational structure

The leading team for energy conservation and environmental protection was set up to take full charge of the energy conservation and environmental protection work, with the CEO as the leader, the Managing Director as the deputy leader, and principal leaders of all departments at the Headquarters and the Subsidiaries as the members. The responsibilities of the leading team include: responsible for leading overall energy conservation and environmental protection; implementing applicable laws, regulations, policies, and standards; establishing a sound energy conservation and environmental protection management system and policies; coordinating, planning and establishing a sound, scientific and standardised organisational structure for energy conservation and environmental protection, and mechanisms for statistical monitoring, performance evaluation, and incentives and punishments; effectively fulfilling corporate social responsibilities; deploying energy conservation and environmental protection work and formulating opinions and deliberating major issues related to energy conservation and environmental protection.

The Subsidiaries have also set up their leading team for energy conservation and environmental protection, energy management department, and environmental management department, and appointed energy management and environmental management personnel as required.

Development of environmental management system

The Group strengthened the development of its environmental protection systems, implemented policies including the *List of Responsibilities for Ecological and Environmental Protection* and the *Regulations on Energy Conservation and Environmental Protection*, and optimised and improved 37 safety and environmental protection management systems throughout the year. During the Reporting Period, the Group externally released *Environmental Management Objectives Plan (2025-2027)*, proposing three-year environmental management objectives, monitoring indicators, and pathways to achieve the objectives covering climate change, pollutant emissions, waste treatment, energy use, water use, and the circular economy.

Environmental management system certification

As of the end of the Reporting Period, 12 terminals of subsidiaries have completed ISO 14001 Environmental management system certification, and 10 terminals of subsidiaries have completed ISO 50001 Energy management system certification. Both types of management system certification achieved 100% coverage of domestic terminals.

Certification type	ISO 14001 Environmental Management System Certification	ISO 50001 Energy Management System Certification
Certified terminals of subsidiaries	Shekou Container Terminal Co., Ltd. Shenzhen Mawan Terminals Co., Ltd. Shenzhen Haixing Harbor Development Co., Ltd. CMPS Shenzhen Mawan Wharf Co., Ltd. Shenzhen Lianda Tug Co., Ltd. Xia Men Bay Terminals Zhangzhou Port Shantou Port CICT HIPG TCP	Shekou Container Terminal Co., Ltd. Shenzhen Mawan Terminals Co., Ltd. Shenzhen Haixing Harbor Development Co., Ltd. CMPS Shenzhen Mawan Wharf Co., Ltd. Shenzhen Lianda Tug Co., Ltd. Shantou Port Xia Men Bay Terminals Zhangzhou Port TCP
Certification rate	92.31%	76.92%

Energy conservation performance assessment

The Group implemented the *Administration Measures on Energy Conservation and Environmental Protection Performance Assessment*. As required, all subsidiaries have to sign Energy Conservation and Environmental Management Targets Responsibility Letter, clearly stating control indicators for energy conservation and environmental events, management indicators, quantitative assessment indicators for carbon emissions, assessment indicators for key projects related to green development, and assessment indicators for "Carbon Peak and Carbon Neutrality" projects. Important indicators are included in the performance agreements of key personnel in respective positions. The performance appraisal results for annual energy conservation and environmental protection of subsidiaries are directly linked with the performance of the relevant responsible persons. In 2025, in alignment with the Group's *Environmental Management Objective Plan*, we further refined the *2025 Energy Conservation and Environmental Protection Performance Target Responsibility Statement*, promoted its signing by the CEO and the principal leaders of the Subsidiaries, and strengthened the primary responsibility for energy conservation and environmental protection at all levels.

Environmental management practices

Environmental risk control

During the Reporting Period, the Group comprehensively carried out the annual inspection, rectification and remediation of potential risks and hazards, strengthening control over potential risks and hazards at source. In terms of inspection and rectification, each subsidiaries identified 455 issues and potential hazards, with a rectification rate of 98%. The Group actively carried out emergency drills. Each subsidiaries organised 236 environmental emergency drills, with a total of 4,471 participations, effectively enhancing our capability to respond to and handle environmental emergencies.

Environmental management training

The Group proactively takes the responsibility for environmental management, placing significant emphasis on internal environmental management training and environmental risk assessment and control. Through the establishment of a systematic and institutionalised practice framework, it has successfully transitioned environmental protection efforts from a "passive response" to "proactive prevention and control." During the Reporting Period, each subsidiaries organised 314 energy-saving and environmental protection training sessions, with a total of 9,058 participants, enhancing all employees' awareness of energy saving and environmental protection.

Case

Shantou Port Guang'ao Port Area Has Passed the "Four-star Green Port" Assessment

Since March 2022, Shantou Port, in accordance with the unified arrangements of the Group, has prepared *Green and Low-Carbon Development Plan for the Guang'ao Port Area*, and established the Leading Group for Green Port Construction and Dual-Carbon Work in October 2022, releasing a dedicated work plan to systematically advance green port construction. By vigorously promoting a series of energy conservation and carbon reduction technology projects, including "Oil-to-Electricity" automated container yards, high- and low-voltage shore power systems, smart energy management systems, intelligent battery swapping stations, and photovoltaic power generation, the Guang'ao Port Area has achieved substantive progress in reducing production energy consumption, cutting carbon dioxide emissions, and lowering environmental impacts. In June 2024, the Group formally submitted its application materials for a "Four-star Green Port" to the China Ports & Harbors Association. After multiple rounds of document review and improvement, and upon passing the on-site assessment, it ultimately gained recognition from the review panel during the experts' on-site evaluation in August j492025, supported by a clear green development pathway and solid construction outcomes. In November 2025, the Shantou Port Guang'ao Port Area obtained the "Four-star Green Port" Assessment certificate.



TACKLING CLIMATE CHANGE

The Group actively responds to the *Paris Agreement* and China's goals of "Carbon Peak in 2030 and Carbon Neutrality in 2060", continuously improving the climate governance structure, identifying and responding to climate risks, perfecting climate risk prevention strategies, dynamically monitoring the achievement of objectives and indicators in response to climate change, and solidly promoting the management of response to climate change. The Board coordinates and supervises all internal climate risk-related matters, and holds special discussions to deliberate them. A robust mechanism and system for climate risk management will be established.

Climate governance

The Group attaches great importance to climate change-related matters and works vigorously to achieve the Group's vision of "Carbon Peak in 2028 and Carbon Neutrality in 2060", and establish a sustainability governance framework.

Structure	Responsibilities
Decision-making Level	**ESG Committee:** Responsible for overseeing, reviewing, deciding on, and providing guidance on the Group's climate strategy, goals, and action plans; formulating the environmental protection philosophy, planning systems, evaluation methods, and standards, and reporting significant climate-related matters to the Board. During the Reporting Period, the ESG Committee reported to the Board on the assessment of climate-related risks and opportunities and progress in relation to carbon neutrality efforts.
Management Level	**Leading Team for Energy Conservation and Environmental Protection:** Responsible for developing new approaches to address climate change, formulating energy-saving and emissions reduction plans, and integrating them into daily operational management.
Organisational Level	**Energy Conservation and Environmental Protection Office:** The Energy Conservation and Environmental Protection Office under the Leading Team for Energy Conservation and Environmental Protection cooperates with all departments at the Headquarters to implement the strategic deployments for tackling climate change, and promote the implementation of the action plan for carbon peak and carbon neutrality. It is also responsible for setting the goal of pollution control and carbon reduction, formulating the energy conservation and carbon reduction plan, and incorporating it into daily operations and management. It shall regularly conduct supervision and inspections in various forms, organise training related to climate change, exchange and promotion of best practices, and evaluate the progress toward targets by each business unit on an annual basis.
Execution Level	**Management personnel of subsidiaries:** Safety management personnel of each subsidiaries develop emergency response plans for extreme weather and ensure robust risk prevention measures for extreme weather. The energy-saving and emissions reduction management personnel of each subsidiaries are responsible for the execution, statistics, analysis, supervision and inspections of energy-saving and emission reduction work.

Climate strategies

The Group proactively responds to climate change by optimising our energy mix, promoting improvements in equipment energy efficiency, and systematically advancing the development of smart ports. Meanwhile, the Group incorporates climate risks and opportunities as one of the factors considered in strategic decision-making, includes climate risk assessment in the Group's annual top ten risk assessment, conducts climate scenario analysis, and develops climate response strategies to further strengthen climate change resilience.

Climate risk and opportunity identification

Risks	Potential impacts	Financial impacts	Response measures
Physical risks refer to the potential impact of climate change on businesses, including acute risk (brought by extreme weather conditions) and chronic risk (brought by sea level rise or persistent high temperature) directly associated with businesses due to climate change.			
Acute risk			
Increase in the severity of typhoons	Typhoons caused significant damage to port equipment, facilities, and yard cargo, resulting in asset losses or increased maintenance costs.	Assets value ↓ Operating costs ↑ Profit ↓	Formulate typhoon and flood response plans and other emergency response plans, and regularly conduct emergency drills. ·Improve the capability of large equipment to resist extreme weather conditions by installing typhoon protection devices and typhoon warning devices for quayside container cranes, conducting regular inspection and maintenance of equipment, intensifying equipment inspection, etc. to ensure the normal operation of relevant brake equipment.
	Typhoon weather affects normal loading and unloading operations within the port area, resulting in business interruption; delays in berthing caused by the typhoon lead to subsequent berthing congestion, affecting operational efficiency.	Revenue ↓ Profit ↓	Proactively consolidate and allocate terminal resources to organise the resumption of production reasonably and efficiently after the typhoon passes.
	Due to typhoon weather, temporary cancellation of vessels calls will result in a reduction in business volume.	Revenue ↓ Profit ↓	After a typhoon warning is issued, the Group proactively contacts shipping companies to negotiate earlier berthing or delayed port calls, arranges vessel scheduling in advance, and reduces the occurrence of order cancellations.

Risks	Potential impacts	Financial impacts	Response measures
Physical risks refer to the potential impact of climate change on businesses, including acute risk (brought by extreme weather conditions) and chronic risk (brought by sea level rise or persistent high temperature) directly associated with businesses due to climate change.			
Acute risk (Continued)			
Increase in the severity of flood	Flooding resulting from the superposition of impacts from various extreme weather events will directly lead to cargo in the port area being submerged, resulting in direct economic losses.	Operating costs ↑ Profit ↓	Formulate material storage plans, such as storing goods in warehouses, silos, etc. during the rainy season.
	Port facilities may experience equipment failures and detachment of building exterior finishes due to soaking, resulting in asset losses and increased maintenance costs.	Assets value ↓ Operating costs ↑ Profit ↓	Develop flood disaster emergency response plans to reduce asset losses. Purchase insurance for high-value equipment and facilities to reduce maintenance costs caused by flood.
	Increased sedimentation, which hampers vessel docking, resulting in higher dredging costs and loss of port business.	Revenue ↓ Operating costs ↑ Profit ↓	Regularly monitor sediment accumulation in waterways and port areas, promptly conduct dredging to maintain navigational depth.
Increase in the severity of other extreme weather incidents	Foggy weather may affect the safety of vessels calling at the port or vehicles on the road.	Operating costs ↑ Profit ↓	Strengthen berthing and unberthing management under low-visibility weather conditions, including ensuring that large terminal equipment berths strictly in accordance with requirements, turning on berthing indicator lights, and enabling real-time communication between the instructor and the pilot.
	Extreme weather or thunderstorms may cause damage to machinery equipment, and personnel on-site.	Operating costs ↑ Profit ↓	Establish an early warning mechanism for extreme weather, and suspend on-site operations under extreme weather conditions. Formulate loading and unloading plans in advance and reasonably arrange working hours.

Risks	Potential impacts	Financial impacts	Response measures
Physical risks refer to the potential impact of climate change on businesses, including acute risk (brought by extreme weather conditions) and chronic risk (brought by sea level rise or persistent high temperature) directly associated with businesses due to climate change.			
Chronic risks			
Changes in rainfall and extreme fluctuations in weather patterns	Operators may experience physical discomfort in humid environments, and continuous work can easily lead to personal injury accidents.	Operating costs ↑ Profit ↓	Strengthen physical examination of workers before and during work.
	Increased rainfall will affect the operational efficiency of ports, causing port congestion and a backlog of goods pending transport.	Revenue ↓ Profit ↓	Enhance operational efficiency through digital empowerment and intelligent innovation.
	The output of bulk commodities represented by agricultural products will be affected, thereby impacting the region's import and export cargo volumes.	Revenue ↓ Profit ↓	Track the subsequent impact of extreme weather change continuously and conduct relevant market research to reduce the impact of adverse factors on orders.
Increase in average temperature	Working in high temperature can cause discomfort to frontline workers and lower their efficiency.	Operating costs ↑ Profit ↓	Implement physical examinations before the arrival of high-temperature working days; strictly follow the administrative measures for high-temperature working days, increase the frequency of breaks and distribute cool drinks.
	High temperatures lead to equipment overheating, increasing failure rates, delaying progress, and increasing maintenance costs.	Assets value ↓ Operating costs ↑ Profit ↓	Optimise and upgrade equipment heat dissipation systems to improve the cooling environment.
	High temperatures accelerate the aging of port facilities, leading to asset losses.	Assets value ↓ Profit ↓	Strengthen equipment maintenance during high-temperature weather, regularly inspecting and troubleshooting equipment.

Risks	Potential impacts	Financial impacts	Response measures
Physical risks refer to the potential impact of climate change on businesses, including acute risk (brought by extreme weather conditions) and chronic risk (brought by sea level rise or persistent high temperature) directly associated with businesses due to climate change.			
Chronic risk (Continued)			
Rise of sea level	Sea level rise increases the likelihood that extreme weather will cause goods in storage yards to be inundated.	Operating costs ↑ Profit ↓	Store cargo in warehouses and silos during the rainy season to reduce the amount of stacking on the site; and take actions against flooding in the yards.
	The accelerated scouring and erosion of port infrastructure pose a grave threat to the safety and lifespan of terminals, breakwaters, and other facilities, leading to asset losses and increased repair costs.	Assets value ↓ Operating costs ↑ Profit ↓	Monitor sea level changes, regularly inspect facilities such as wharves and breakwaters, reinforce breakwaters as planned, and ensure structural protection of the wharf.
Transition risks refer to the risk associated with various changes in policies, laws, technologies and markets resulting from the transition to a low-carbon economy.			
Policy risk			
Increase in carbon prices	Subsidiaries included in the key emissions control list may incur higher expenditures on purchasing carbon allowances.	Operating costs ↑ Profit ↓	Increase efforts in energy conservation and environmental protection, enhance emission reduction effectiveness, and reduce emissions as much as possible through improvements in our own energy efficiency or optimisation of the energy mix.
Regulatory requirements for existing products and services have increased.	Increase in compliance costs due to restrictions on the carbon emissions of global marine fuel oils and the implementation of environmental protection policies.	Operating costs ↑ Profit ↓	Dynamically track changes in global industry standards and regulatory requirements, promptly formulate and improve compliance response plans, and plan ahead for and implement relevant requirements.
Legal risk			
Excessive emissions face the risk of environmental violations and related litigation.	Potential civil, administrative and criminal liabilities resulting in damages to the corporate reputation and penalties thus incurred.	Operating costs ↑ Profit ↓	Strictly comply with the environmental laws and regulations and industry standards of the locations where we operate, and strengthen the monitoring and management of various pollution sources.

Risks	Potential impacts	Financial impacts	Response measures
Transition risks refer to the risk associated with various changes in policies, laws, technologies and markets resulting from the transition to a low-carbon economy.			
Market risk			
Changes in the customer collaboration philosophy	Customers tend to work with companies that focus on sustainable development concepts, prompting us to carry out a green and low-carbon transformation as soon as possible.	Operating costs ↑ Profit ↓	Continuously focus on low-carbon application technologies, promote energy-saving technical transformation, explore scenarios for the use of clean energy, and gradually optimise the energy mix.
Changes in customer needs	Changes in customer preferences may result in the lower demand for goods and services.	Revenue ↓ Profit ↓	Continuously monitor changes in customer needs, proactively communicate and engage with customers, promptly adjust our service model, and develop green and low-carbon solutions.
Energy price volatility	Changes in fuel prices and increase in application costs of new energy technologies.	Operating costs ↑ Profit ↓	Monitor changes in fuel prices and the impact of new energy technologies on the market, and formulate response strategies in advance.
Technology risk			
R&D and application of new technologies and new solutions related to energy conservation and carbon reduction	Increase in research and development costs for developing methods such as multimodal transport, shore-powered supply for vessels to promote energy conservation and carbon reduction, as well as new and clean energy application in the port and marine industry.	Operating costs ↑ Profit ↓	Pay close attention to the development of the latest clean technologies, and incubate and make arrangements in advance. Dynamically monitor national support policies, and apply for relevant subsidies and other support. Introduce ecosystem partners to jointly develop new service models and solutions.
Reputational risk			
Increasing concerns about negative feedback from stakeholders	If negative information such as insufficient emissions reduction efforts exists, it may have an adverse impact on the Company's corporate image.	Revenue ↓ Profit ↓	Actively integrate environmental protection concepts into daily operations, intensify efforts in energy conservation and carbon reduction, regularly disclose externally the effectiveness of our climate change response, and respond to stakeholders' expectations.

Seizing climate opportunities

The Group closely follows the global trend of green and low-carbon transformation, identifies potential growth opportunities in green shipping, increases investment in clean energy infrastructure development, raises the proportion of clean energy used, accelerates the development of clean fuel service capabilities, integrates green and low-carbon principles into overall logistics solutions, and strengthens port-shipping collaboration to reduce carbon emissions.

Opportunity type	Opportunity name	Opportunity description
Energy conservation	Improvement of energy use	By replacing and phasing out outdated equipment, the Group can accelerate the development of smart ports, improve its energy efficiency, and reduce energy utilisation costs.
	Clean energy utilisation	The use of clean energy can optimise our energy mix. Through measures such as consuming electricity generated by our own photovoltaic power generation, we can reduce energy use costs.
Products and services	Clean fuel refuelling	Based on customers' green and low-carbon transformation practices, there is room for growth in the demand for clean fuel refuelling services such as liquefied natural gas (LNG), methanol, and hydrogen fuel.
	Shore power services	Promoting the use of shore power for ships docking at ports reduces the use of fossil fuels by ships, helping customers reduce carbon emissions.
	Green transportation solutions	Leveraging the characteristics of waterway and railway transportation—high cargo capacity, low energy consumption, and less pollution—along with the advantages of port networks, the Group can expand green transportation solutions such as water-to-water intermodal and sea-rail intermodal transportation.
Market	Inclusion of the shipping industry in the EU Emissions Trading System	EU has included the shipping industry in the EU Emissions Trading System (EU-ETS), increasing emission reduction pressure on shipping companies, which provides market opportunities for port enterprises to innovate energy-saving and carbon-reducing solutions. Meanwhile, the Group closely follows policy developments and actively explores the possibilities of carbon asset development and management.

Climate scenario analysis

During the Reporting Period, the Group carried out in-depth climate scenario analysis and quantitative research on climate risks, updated the methodology for assessing climate physical risks and climate transition risks, expanded the scope of pilot quantitative assessments of climate risks, and provided solid support for the Group to improve its climate risk management mechanism.

Compared with 2024, during the Reporting Period, work on climate scenario analysis and the quantification of climate risks was mainly improved in the following three aspects:

First, we expanded the scope of analysis for the quantification of climate risks. By integrating historical meteorological data and the geographical characteristics of assets, the Group identified typhoons as a driving factor of physical risks and included our core assets in the scope of physical risk quantification analysis. For transition risks, the Group analysed conditions in China, Sri Lanka, Indonesia, and Brazil, achieving full coverage of our operational footprint, with more comprehensive analysis results.

Second, we improved the risk modelling and transmission mechanism analysis methodology. Physical risks were analysed using the risk assessment framework established in IPCC Fifth Assessment Report. Different vulnerability models were developed for different asset types. Two loss curves were distinguished for port operations and logistics bonded operations, making the analysis conclusions more accurate. Transition risks were analysed using energy prices as the risk driving factor, and the quantified conclusions were more aligned with the actual operations of the Group's business.

Third, we updated climate scenarios in line with the latest developments of international authoritative institutions. The physical risk analysis was conducted based on the Shared Socioeconomic Pathways (SSP) scenarios. For transition risks, the latest climate scenarios provided by the Network for Greening the Financial System (NGFS) were used for the analysis.

➢ **Quantification of physical climate risks**

During the Reporting Period, the Group used the SCCT, Shantou Port, Zhangzhou Port, CMITQ, and CICT as pilots for climate physical risk analysis. This year, TCP was not included in the scope of the physical risk analysis, because according to historical meteorological data, the area where TCP is located is not among the regions more severely affected by typhoon disasters. In the future, the Group will consider carrying out a dedicated quantitative physical risk analysis for TCP.

Climate scenario selection

In terms of climate scenario selection, this year, based on different Shared Socioeconomic Pathway (SSP) scenarios, we combined historical meteorological data and geographical characteristics of the locations where assets are situated to simulate the future frequency and intensity of typhoons and their potential impacts on different assets.

The scenario selection for the quantification of physical climate risks for the year is shown in the table below.

Climate scenario	Scenario description	Radiative forcing	Temperature increase target	SSP	Emission characteristics	Applicable scenarios
SSP1-2.6	A future scenario based on SSP1 (Sustainable Development Path), corresponding to Representative Concentration Pathway (RCP) 2.6 (radiative forcing reaches 2.6 W/m²), representing a low-emission scenario. It assumes that global socioeconomic development will move toward sustainability, emphasizing inclusive development, environmental protection, and global cooperation. By 2100, the global average temperature is expected to rise by approximately 1.5℃ compared to pre-industrial levels.	2.6 W/m²	Below 1.5℃	Sustainable Development	Significant emission reductions, carbon neutrality, and renewable energy dominance	Feasibility study for the 1.5℃ target

Climate scenario	Scenario description	Radiative forcing	Temperature increase target	SSP	Emission characteristics	Applicable scenarios
SSP2-4.5	A future scenario based on SSP2 (middle path), corresponding to RCP4.5 (radiative forcing reaches 4.5 W/m²), representing a moderate-emission scenario. It assumes that socioeconomic development continues along historical patterns with some climate mitigation measures in place. By 2100, the global average temperature is expected to rise by approximately 3.0℃ compared to pre-industrial levels.	4.5 W/m²	2.0-3.0℃	Middle Path	Moderate emission reductions, with fossil fuels still accounting for a certain proportion	Climate change research under current policy commitments
SSP5-8.5	A future scenario based on SSP5 (high fossil fuel consumption), corresponding to RCP8.5 (radiative forcing reaches 8.5 W/m²), representing a high-emission scenario. It assumes that global socioeconomic development is heavily reliant on fossil fuels, following a resource- and energy-intensive development model. By 2100, the global average temperature is expected to rise by approximately 5.1℃ compared to pre-industrial levels.	8.5 W/m²	Above 4℃	High Economic Growth	High emissions and fossil fuel dominance	Research on extreme climate change risks and consequences

Physical risk modelling assessment

In the modelling and assessment of physical risks related to typhoons, the Group adopted the risk assessment framework established in IPCC Fifth Assessment Report, quantifying the financial impact of typhoon disasters on assets, namely the physical risk transmission mechanism, as a function of three core elements: hazard factors, exposure, and vulnerability.

Among them, disaster-causing factors were analysed using the Holland model, and parameter adjustments were made in combination with the geographical characteristics of different assets. Exposure was based on the actual data of each asset. The vulnerability modelling distinguished the differences between port heavy machinery assets and logistics park assets. Two sets of models were used to analyse the damage mechanisms of typhoons, thereby clarifying the potential losses that the assets may suffer and setting different vulnerability curves.

Quantification of financial risks

Through climate models and geospatial analysis tools, the Group simulated key indicators such as the frequency and intensity of typhoon occurrences under different scenarios. We further quantified the potential financial losses from physical risks by integrating hazard factors, vulnerability curves, and asset values.

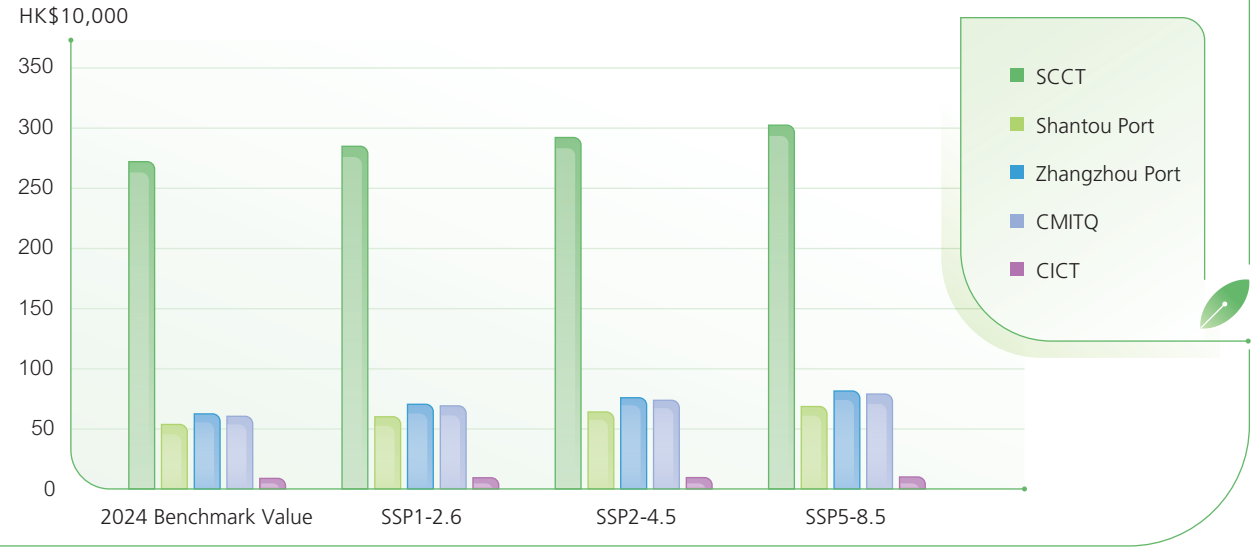
Different climate scenarios may lead to an increase in typhoon intensity. As shown in the table, it is expected that by 2050, the intensity of typhoon disasters faced by each subsidiaries will be higher than the historical average level.

Increase in Typhoon Intensity Under Different Climate Stress Scenarios

Climate stress scenario	Time	Increase at the SCCT/ Shantou Port	Increase at Zhangzhou Port	Increase at CMITQ	Increase at CICT
SSP1-2.6	2030	+0.88%	+1.00%	+1.09%	+1.00%
	2050	+1.58%	+1.83%	+2.01%	+1.80%
SSP2-4.5	2030	+0.88%	+1.00%	+1.09%	+1.00%
	2050	+2.63%	+3.04%	+3.35%	+3.00%
SSP5-8.5	2030	+1.23%	+1.39%	+1.51%	+1.40%
	2050	+4.03%	+5.33%	+6.21%	+4.60%

The expected financial losses[2] of each subsidiaries in 2050 are shown in the figure below.

Expected Financial Losses under Different Climate Stress Scenarios



[2] Expected financial loss refers to the expected annualised average loss, under different climate scenarios, caused by typhoon disasters to the core assets of subsidiaries, with the unit being HK$10,000. This indicator quantifies the financial impact that typhoon wind risk may cause on average each year.

Risk response measures

To strengthen the management and control of physical risks represented by typhoons, the Group will mitigate the impacts of physical risks in the future from the following aspects:

(1) Implement a differentiated and precise asset risk management strategy. The Group will implement targeted risk control measures for different types of assets, strengthen real-time monitoring and early warning during the typhoon season, optimise windproof mooring procedures and inspection standards for critical equipment such as quay cranes, and regularly assess the effectiveness of emergency plans under super typhoon scenarios.

(2) Expand risk awareness and strengthen dedicated prevention against gust fronts and storm surges. At the micro level, the Group will strengthen the monitoring and prevention of localised gusts at ports. In conjunction with historical typhoon data and asset characteristics, it will carry out dedicated storm surge assessments and improve storm surge and flood prevention facilities.

(3) Continue to improve the scenario analysis and quantitative assessment methodology for physical climate risks. In line with the latest advances in research on physical climate risks, we will continue to improve the data foundation and update the models, and regularly review and update the vulnerability models, so that the risk quantification results can dynamically reflect asset conditions and the latest scientific understanding of climate.

➢ **Climate transition risk quantification**

This year, the Group selected China, Sri Lanka, Indonesia, and Brazil as the subjects of analysis, used energy prices as the driving factor of climate transition risks, and, in combination with the climate scenarios provided by the Network for Greening the Financial System (NGFS) of central banks and supervisors, conducted a quantitative analysis of climate transition risks.

Climate scenario selection

The climate scenarios selected for the quantification of transition risks for the year are shown in the table below.

Climate scenario	Climate sub-scenario	Specific meaning
Orderly transition	Net zero 2050	Through stringent climate policies and innovation, the global temperature rise will be limited to within 1.5℃, and global net-zero carbon dioxide emissions will be achieved around 2050. Some jurisdictions, including the United States, the European Union, the United Kingdom, Canada, Australia, and Japan, will achieve net-zero emissions of all GHG.
Disorderly transition	Delayed transition	Assuming that annual carbon emissions will not decrease before 2030, strong policy measures will be needed after 2030 to limit the rise in temperature to below 2℃.
Hot house world	Nationally determined contributions	Including the targets that countries have committed to achieve, even if these targets are not yet supported by effective policies that have already been implemented.
	Current policies	Assuming only the currently implemented policies are maintained, this would lead to higher physical risks.

Transition risk modelling assessment

The quantification of transition risks is based on the energy consumption data from China, Sri Lanka, Indonesia, and Brazil. By combining the price change characteristics of electricity and diesel in different regions under the climate stress scenarios, the variation of the expected value of the EBITDA at Risk of the Group[3] in the future was analysed to quantify the potential financial impact of energy price changes under the climate scenarios on the Group.

Quantification of financial risks

The financial impacts of energy price fluctuations under different climate scenarios are shown in the table[4] below.

Climate stress scenario	Year	Change in EBITDA at Risk compared to the base period (unit: HK$1 million)			
		China	Sri Lanka	Indonesia	Brazil
Orderly transition (Net zero by 2050)	2030	+85.39	+33.89	+3.80	+18.47
	2040	+154.90	+58.47	+8.74	+35.49
	2050	+234.98	+85.13	+13.93	+46.98
Disorderly transition (Delayed transition)	2030	+9.49	+5.53	+1.10	+7.13
	2040	+230.34	+86.38	+10.57	+48.14
	2050	+264.04	+100.31	+15.42	+50.52
Hot house world (Current policies)	2030	+17.29	+10.65	+1.37	+7.13
	2040	+28.47	+19.22	+3.03	+13.65
	2050	+42.08	+27.77	+4.84	+18.83

[3] The specific meaning of EBITDA at Risk refers to the change in expected operating costs caused by energy price fluctuations under specific climate stress scenarios, relative to the baseline year. Changes in EBITDA at Risk indicate the variation in future EBITDA at Risk compared to the 2024 baseline period.

[4] The values in the table are calculated based on theoretical models and do not account for factors such as improvements in operational efficiency and energy efficiency technological advancements. Through various comprehensive measures, the Company can further reduce the expected financial impact of transition risk.

Risk response measures

To strengthen the management and control of transition risks represented by changes in energy prices, the Group will, in the future, mitigate the impacts of transition risks from the following aspects.

(1) Develop differentiated and refined regional energy management strategies. The Group will orderly advance the new energy substitution process, including the electrification of horizontal transportation equipment and mobile machinery within the port, such as container trucks and reach stackers. It will also deeply optimise the energy management system to reduce energy consumption per unit throughput through measures such as intelligent scheduling and shipping schedule optimisation. In addition, it will proactively evaluate the economic feasibility of deploying distributed photovoltaic and energy storage systems in the port area to increase energy self-sufficiency and hedge against the risk of external electricity price fluctuations.

(2) Expand the scope of risk management to address multidimensional transformation risks. The Group will simultaneously pay attention to other potential transition risks such as technological risks and market risks, continuously improve our ESG performance, and effectively meet the preferences of shippers and shipping companies for green ports.

(3) Continue improving the scenario analysis and quantitative assessment methodology for climate transition risks. The Group will continue improving the monitoring system for energy and carbon emissions data, regularly update the quantitative methodology for transition risks, and incorporate the effectiveness of management measures such as energy efficiency improvements and the application of new energy into the assessment, so that risk analysis can dynamically reflect the Group's actual conditions and provide continuous and precise support for decision-making.

Climate Change Response Strategy

Overall Goal

To build a world-leading green and smart port service provider.

Phase Goal

By **2028**, GHG emissions, primarily carbon dioxide, will peak.

By **2030**, a green and low-carbon operational system for ports and industrial parks will be essentially formed, with a significant improvement in intelligent management capabilities. Additionally, the green investment philosophy will basically take shape.

By **2060**, GHG emissions, primarily carbon dioxide, will be neutralised.

"5+2+2+1" Actions for Achieving Carbon Peak and Carbon Neutrality

5 internal carbon reduction actions: Coordinating the promotion of green energy supply, comprehensively advancing clean energy consumption, vigorously improving equipment energy efficiency, coordinating the promotion of intelligent operation control, and continuously optimising the green port structure.

2 social service actions: Deeply optimising the green transportation structure and promoting the synergistic effects of pollution reduction and carbon emission reduction.

2 low-carbon management actions: Continuously improving ecological carbon sequestration capacity and strengthening carbon emissions and carbon asset management.

1 green investment action: Scientifically planning investments in ports and industrial parks.

Risk management

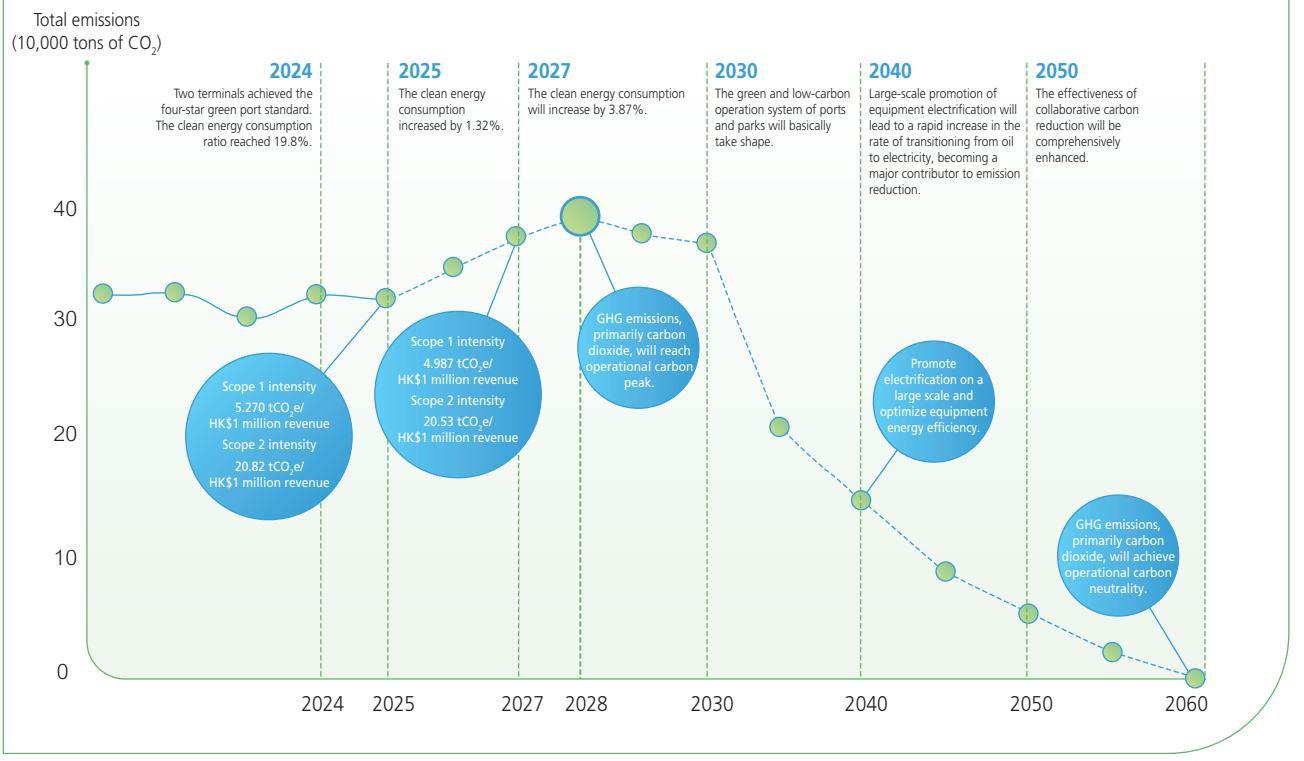
The Group integrates climate risks into its overall risk management processes and regularly conducts risk assessments every year. The scope of the assessments covers all departments at the Headquarters and the Subsidiaries. Following the principles of authenticity and objectivity, the Group focuses on assessing risks that may impact annual business objectives, identifying major risks such as climate change, and providing decision-making references for the Group's risk management efforts.

During the Reporting Period, the Group included climate risks in the annual top 10 risk assessment base risk pool and organised climate risk identification and assessment. Meanwhile, the Group continued to optimise its climate scenario analysis methodology, enhancing the accuracy and depth of its assessment of the financial impacts of climate risks on the Group. In terms of physical risks, we mainly conducted a quantitative analysis of the financial impacts of typhoons on us under different climate scenarios. In terms of transition risks, we, in light of our actual circumstances, mainly analysed the financial impacts of energy price fluctuations on us under different policy scenarios.

Target and metrics

The Group actively responds to the energy security and low-carbon transition strategies. Taking technological innovation as the driving force, the Group is committed to promoting green and low-carbon development in investment, operations, and management, aiming to accelerate the formation of an industrial structure and production methods conducive to resource conservation and environmental protection, and striving to become an industry leader in decarbonisation. In line with China's goals of Carbon Peak in 2030 and Carbon Neutrality in 2060, the Group has set the goal of Carbon Neutrality in 2060, established an accountability mechanism for the target breakdown and fulfilment, and developed climate-related indicators, targets, and transition plans to accelerate the realisation of net-zero emissions. During the Reporting Period, the Group released *Environmental Management Objective Plan (2025-2027)*, further clarifying the GHG emission intensity target for the next 3 years.

Operational Carbon Neutrality Roadmap of the Group



Climate action

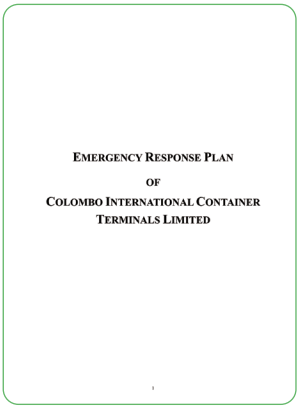
Adaptation to climate change

The Group has developed an action plan for tackling climate change, and conducts emergency drills to better adapt to the impacts of common physical risks associated with climate change. During the Reporting Period, the Group strictly implemented disaster reduction and relief requirements and successfully dealt with 14 typhoons without any casualties or significant property damage.

Case

CICT Improves Emergency Contingency Plans for Extreme Weather Conditions

In 2025, in response to frequent extreme weather in Sri Lanka, CICT continued to improve its emergency contingency plans, revised and enhanced the Extreme Weather Prevention Plan, and promoted the implementation of relevant gust prevention measures. In late November 2025, the extreme tropical cyclone "Ditwah" passed through and struck the entirety of Sri Lanka. Based on the existing wind prevention plan, CICT provided precise guidance, ensuring that there were no personal safety accidents or container drops during the cyclone's impact.


EMERGENCY RESPONSE PLAN
OF
COLOMBO INTERNATIONAL CONTAINER
TERMINALS LIMITED

Key performance

Expenditure on preventing damage from extreme weather[5]

HK$**5.60** million

Expenditure on responding to extreme weather[6]

HK$**5.65** million

[5] The expenditure on preventing damage from extreme weather includes the property insurance expenses incurred by our subsidiaries in relation to insurance claims paid out for extreme weather events that occurred during the year.

[6] Expenditure in response to extreme weather = expenditure for preventing extreme weather + expenditure on repair costs arising from extreme weather (excluding insurance payout amounts) + compensation amounts for damage to customers' goods caused by extreme weather (excluding insurance payout amounts)

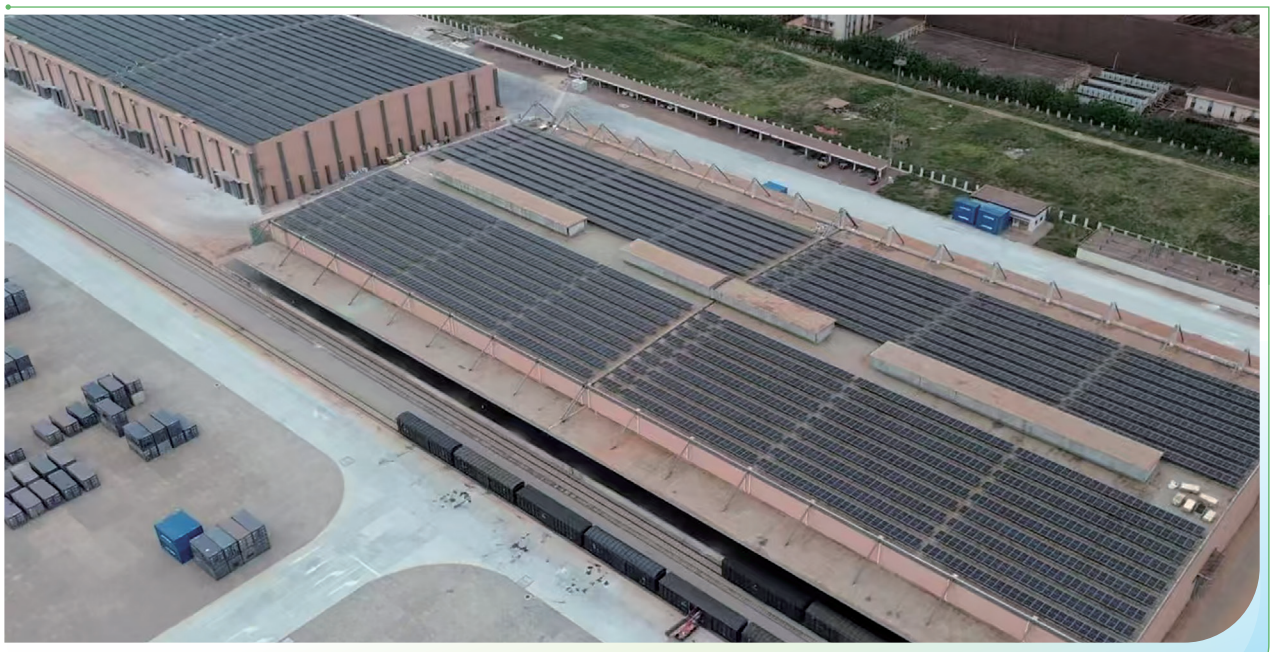
Mitigation of climate change

The Group continues to optimise its energy mix, increases the proportion of clean energy use, accelerates the replacement of equipment with electric alternatives, and strengthens port-shipping collaboration to reduce carbon emissions.

➢ **Increasing the proportion of clean energy use**

During the Reporting Period, the Group's clean energy usage increased by 4.07% compared to the previous year. The Group is constructing an 8.3 MW project, with a total installed capacity of 17.17 MW, reducing approximately 10,000 tons of CO_2 emissions annually. Meanwhile, the Group achieved the purchase of over 100 million kilowatt-hours of green electricity through TCP in 2025 and has obtained the International Renewable Energy Certificates (I-REC) certification.

The Group strengthened ECM development and continued to improve the system management indicators, thereby enhancing management efficiency. In 2025, we newly completed remote energy consumption access for 15 single-meter user units and added functions such as data drill-down analysis, monitoring and early warning, and language switching, improving energy data management and analysis to support energy-use decision-making.



On-site of the Group's Distributed Photovoltaic Project

➢ **Accelerating the replacement of equipment with electric alternatives**

The Group continues to advance the implementation of the "Oil-to-Electricity" project. In 2025, we added more than 340 new electrified units of equipment, and the electrification rate of mobile machinery reached 27%. Among them, the shares of new energy container trucks at CICT, SCCT, and HIPG were 76%, 58%, and 54%, respectively. Meanwhile, the Group completed the construction of 4 intelligent battery swap stations and deployed charging piles at Zhanjiang Port, Zhangzhou Port, and CICT.



On-site of the New Energy Container Truck Operation of the Group's Subsidiaries

➢ **Strengthening port-shipping collaboration to reduce carbon emissions**

The Group actively responds to customers' needs for energy conservation and carbon reduction, accelerates the development of green infrastructure, and provides refuelling services for multiple types of clean fuels. During the Reporting Period, the Group installed 9 shore power facilities in China, serving 1,085 ships, providing 14,000 hours of power and 9.87 million kilowatt-hours, with significant emissions reduction and carbon reduction effects. SCCT achieved LNG ship-to-ship refuelling for the first time and simultaneously promoted green methanol refuelling services.



LNG Ship-to-Ship Refuelling at SCCT

Key performance

Investment in clean energy power generation facilities

HK$ **1.17** million

Investment in the "Oil-to-Electricity" project

HK$ **10.69** million

Clean energy use led to a reduction in energy expenditure by

HK$ **1.04** million

➢ **Increasing the application of energy-saving and low-carbon technologies.**

During the Reporting Period, the utilisation rate of the potential energy recovery technology for the large-scale port equipment of the Group exceeded 60%. The Group actively carried out R&D on potential energy recovery technology for port hoisting operations. The research on achieving efficient recovery and utilisation of crane potential energy through carbon-based capacitor energy storage technology passed review and appraisal by professional institutions. This technology is both technically feasible and economically viable, and is suitable for energy-saving retrofits for large-scale crane fleets. Meanwhile, the Group strengthened the application of green port and smart lighting technologies. SCCT and Shantou Port completed the task of replacing green lighting fixtures.

➢ **Smart port development helps reduce carbon emissions**

The Group accelerated the development of smart ports, empowering the green and low-carbon transformation of ports through technology. The Group built and upgraded the CMCore and CM ePort platforms. By integrating technologies such as artificial intelligence, 5G, blockchain, and satellite navigation, we applied unmanned container truck intelligent scheduling, remote control of quay cranes, yard crane automation, gate automation, and scenario visualisation to port-area operational scenarios. This improved service quality and efficiency, reduced operational energy consumption, and supported the development of green and smart ports. In 2025, the "Intelligent Upgrade and Transformation of the Container Terminal" at Mawan Smart Port passed the pilot project acceptance for the construction of a strong transportation nation, effectively playing a leading and demonstration role.

Key performance

Investment in energy conservation and environmental protection

HK$ **75.46** million

Proportion of investment in energy conservation and environmental protection funds to revenue

0.57%

GHG emission reduction from the project

27,036.36

tCO_2e

EFFICIENT USE OF RESOURCES

The stable operation of ports depends on a sustainable supply of resources. The Group is committed to utilizing and managing resources in a sustainable and responsible manner. Through digitalisation and the R&D of energy-saving and water-saving technologies, we continuously improve resource utilisation efficiency and minimise the environmental impact of our operations.

Energy consumption reduction

The Group strictly abides by the *Energy Conservation Law of the People's Republic of China*, and in light of its own reality, has formulated internal rules such as the *Regulations on Energy Conservation and Environmental Protection*, the *Administrative Measures on Statistic Monitoring for Energy Consumption and Carbon Emissions*, and the *Administration Measures on Energy Conservation and Environmental Protection Performance Assessment*, scientifically setting the objectives of energy measurement management. The energy management system has covered 10 Subsidiaries during the Reporting Period.

The Group established a leading team for energy conservation and environmental protection, led by the CEO, with the Managing Director as deputy leader, and consisting of the principal leaders of the Headquarters and the Subsidiaries, responsible for overall energy management. The Subsidiaries have also set up their own leading team for energy conservation and environmental protection, energy management department, as required, and appointed energy management personnel as required. Active efforts are being made to develop relevant policies.

The Group continues to expand the application of new energy-saving technologies and products, prioritising the use of environmentally friendly and efficient equipment, replacing fuel-driven power with clean, low-carbon electricity to effectively improve energy efficiency and reduce fuel consumption. For details of the Group's use of clean energy and specific measures to reduce energy consumption, please refer to the section of "Mitigating Climate Change" under "Tackling to Climate Change".



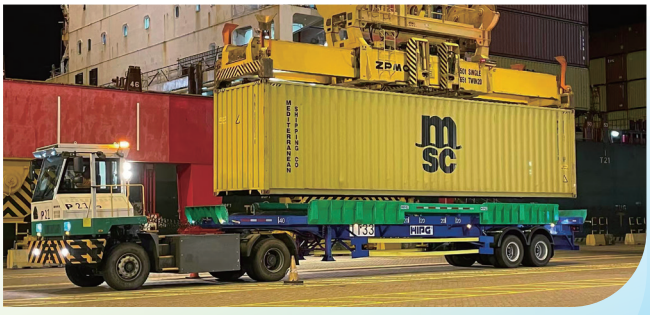
CMITQ invested in 19 wind-solar hybrid streetlights



Zhangzhou Port actively promotes the implementation of distributed photovoltaic projects, with the self-consumption rate of photovoltaic power generation exceeding 50%



Shantou Port uses integrated building photovoltaic to construct photovoltaic carports



HIPG procured 20 electric tow tractors and put them into use

Goal	Indicator	Goal benchmark	Time period	Goal description	Progress during the Reporting Period
Increase research and application of clean energy technologies by developing a clean energy development plan, and enhance the usage of clean energy.	Clean Energy Utilisation (MWh)	2024: 113,392.5 MWh	2025-2027	By 2025, increase clean energy usage by 1.32%; by 2027, increase clean energy usage by 3.87%.	118,003.3 MWh

Action plan

- Continue to develop photovoltaic power generation projects and expand the scale of photovoltaic power generation;
- Explore wind power generation application scenarios;
- Actively promote the electrification of equipment and non-road machinery.

The Group encourages employees to take energy conservation and carbon reduction actions and provides incentives in various forms. In 2025, SCCT established the "Energy Conservation and Environmental Protection Star" award to encourage employees to actively participate in energy-saving and carbon-reduction actions. HIPG sets up monthly energy conservation and carbon reduction rewards, providing timely incentives to employees who have made contributions to energy conservation and carbon reduction.



HIPG presents awards to employees who have made outstanding contributions to energy conservation and carbon reduction

Key performance

Clean energy utilisation

118,003.3 MWh

Water conservation

The Safety Supervision Management Department is responsible for supervising, inspecting, and assessing the water resources (including wastewater) control and water pollution prevention and control work of the Subsidiaries. Relevant funcaitonal departments at the Headquarters, in accordance with laws and regulations related to ecological and environmental protection and the requirements of "dual responsibilities for one position", are responsible for water resources control and water pollution prevention and control management within their scope of duties. The Subsidiaries are responsible for the management and control of water resources and wastewater (including rainwater and sewage) pollutants, as well as the collection and temporary storage of sewage within their jurisdictions. They can independently sign an agreement with the port-area wastewater treatment entity for sewage conveyance and disposal. They are responsible for establishing water pollution prevention and control files and filing them with the Safety Supervision Management Department. They are also responsible for conducting daily inspections of seawater sensory indicators at the assigned berth(s) and reporting any abnormalities.

The Group has newly formulated the *Measures for Water Resource Control and Water Pollution Prevention and Control Management*, requiring the Subsidiaries to scientifically manage and control the entire process of water resource development, utilisation, and protection, and to implement unified management. It also strengthens water conservation and scientific utilisation, improves the reuse rate of water, and vigorously promotes the circular utilisation of reclaimed water resources.

Through the energy conservation and environmental protection management system, the Group monitors the new water consumption and reused water volume of each Subsidiary on a monthly basis. We also advocate the construction of water recycling systems and reclaimed water recovery systems to promote resource conservation and utilisation.

Goal	Indicator	Goal benchmark	Time period	Goal description	Progress during the Reporting Period
Strengthen full-process water usage control, continuously optimise the water usage structure, and reduce water consumption per unit of output.	Water intensity = total water consumption/ revenue (HK$1 million)	2024: 142.21 tons/ HK$1 million	2025-2027	By 2025, reduce water consumption intensity by 1% By 2027, reduce water consumption intensity by 2.97%	75.73 tons/HK$1 million

Action plan

- Establish a water resource management system to improve water resource utilisation efficiency;
- Implement rainwater collection and utilisation projects in areas with conditions;
- Further increase the reuse of treated water and tailwater.

Case

NPH Upgrades Water Purification Facilities to Improve Water Utilisation Efficiency

Due to the relatively severe water pollution in the area where the NPH project is located, and out of consideration for safeguarding employee health, NPH has stopped purchasing bottled drinking water for employees' daily consumption. As a replacement for the original bottled water supply solution, NPH introduced reverse osmosis (RO) water purification equipment and directly connected it to drinking water dispensers to enable an immediate supply of purified water. The RO equipment has a water production rate of 30%, meaning that 30% is purified water that can be consumed directly, while 70% is filtered wastewater. NPH achieved reuse of this filtered wastewater by collecting all of it and using it as cleaning water for needs such as daily cleaning, religious rituals, and irrigation of plants in the park, thereby realising circular use of water resources.

Key performance

Water saving

185,934 tons

Recycled water usage rate

2.45%

Resource conservation

The Group goes green in various aspects of routine business operations, and employs technology to enhance operational capabilities. By improving automation systems and implementing paperless customs clearance, the Group has reduced the use of office consumables, improved the resource utilisation rate, and minimised its own environmental impacts.

Key initiatives for green office

Promoting paperless office	By adopting the Office Automation system (OA) for document management, it promoted paperless office and the use of e-documents among employees.
Strict control of office electricity	For the computers and printers, the automatic "sleeping" mode is activated, and the lighting electricity usage process is controlled and assessed, to help conserve energy. The air conditioning units are set at a temperature suitable to the season and comfortable to the employees, and are only turned on when needed to avoid long-term operation and energy waste. In 2025, office electricity consumption was reduced by 13.7% compared to the previous year.
Recycling paper boxes	By internal publicity, the Group raised the employees' awareness about the environmental and biological harm caused by plastics, and advocated for reduced or no use of plastic products, and the reuse of plastic items such as document bags and trash bins. In 2025, plastic waste in office areas decreased by 8.2% compared to the previous year.

Case

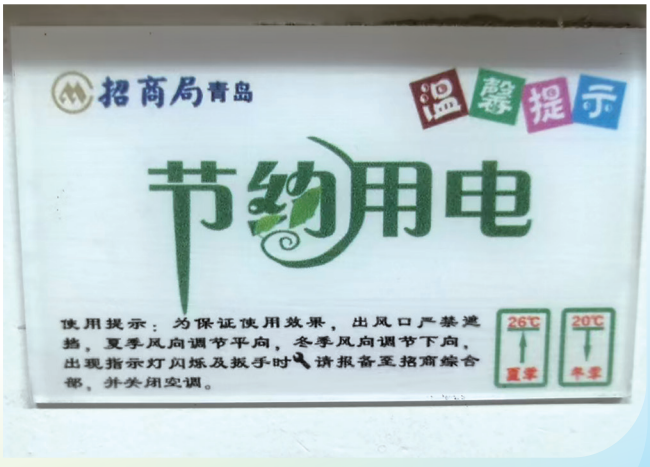
Qianhai Bay Property Encourages Reduced Use of Plastic Products

Qianhai Bay Property advocates reducing the use of disposable items, requiring employees to use ceramic cups or bring their own water cups at meetings, and to reuse plastic products such as document sleeves. Qianhai Bay Property has set up classified waste bins in public service areas, and has recyclable waste professionally sorted and processed for resource recovery.

The Group's C save theme activity aims to advocate the concept of "Harmonious Coexistence, Green and Low-carbon, Recycling, and Sustainability," dedicated to resource conservation, reducing waste, and building a better future together.



Zhangzhou Port Conducts Publicity Campaign on Cherishing Food and Reducing Food Waste



CMITQ Organises Energy-saving Publicity

POLLUTION EMISSIONS CONTROL

The Group is well aware that improper pollution emissions management can pose a significant threat to the environment, as well as the health and well-being of the people. The Group strives to minimise its waste emissions and make sure that all the waste is properly treated. The Group phases out high-pollution, low-efficiency equipment in an orderly manner. For ports adjacent to residential areas, we address noise and dust issues at the source, upgrade sound insulation and dust suppression facilities, improve community communication mechanisms, regularly provide updates on progress, and promptly respond to stakeholder requests.

Hazardous waste management

Goal	Indicator	Goal benchmark	Time period	Goal description	Progress during the Reporting Period
Establish a strict hazardous waste management system, and use advanced treatment technologies and equipment to ensure compliant and efficient processing of all hazardous waste.	Hazardous waste disposal rate = hazardous waste disposed/hazardous waste generated	2024: 100%	2025-2027	Maintain 100%	100%

Action plan

Improve the hazardous waste management system, establish a fully traceable environmental management information system for hazardous waste, and implement dynamic monitoring of hazardous waste generation, transfer, and disposal throughout the process to ensure safety.

The Group strictly adheres to the relevant provisions of the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes* and the Waste Disposal Regulation of Hong Kong, and has improved its policies on managing hazardous waste, and stepped up in the monitoring and management of the hazardous waste treatment process. The subsidiaries set up dedicated storage sites for hazardous waste in accordance with local requirements, and carry out marking and labelling and classification of hazardous waste in accordance with the requirements. The Group regularly entrusts qualified entities from government platforms for the legal disposal of waste and carries out categorized processing through relevant government hazardous waste platforms.

Domestic subsidiaries identify the types of hazardous waste generated by their respective units in accordance with the *2025 National Catalogue of Hazardous Wastes*. In conjunction with the requirements of the *Standard for Pollution Control on Hazardous Waste Storage* (GB 18597-2023) and the *Technical Specification for Setting Identification Signs of Hazardous Waste* (HJ1276-2022), they continuously update the *Ledger for Strengthened Hazardous Waste Storage Management*, formulate an annual hazardous waste management plan, and submit it for filing with the hazardous waste management platform. In 2025, the Group generated 640.82 tons of hazardous waste, which was properly disposed of by a qualified third party in compliance with regulations.

Key performance

Hazardous waste recycling rate

100%

General waste management

Goal	Indicator	Goal benchmark	Time period	Goal description	Progress during the Reporting Period
Implement full-process management through source reduction, process control, and end-of-pipe treatment, aiming to minimise waste generation.	General solid waste generation per HK$1 million revenue = general solid waste generation/ revenue (HK$1 million)	2024: 0.538 tons/ HK$1 million	2025-2027	By 2025, reduce general solid waste generation per HK$1 million revenue by 2% by 2027, reduce general solid waste generation per HK$1 million revenue by 5.88%	0.436 tons/HK$1 million
Action plan Establish strict waste classification standards to improve classification accuracy, enhance the waste collection, storage, and transportation systems, and increase resource recycling and utilisation.					
Improve the comprehensive utilisation of general solid waste by enhancing waste classification, increasing the comprehensive utilisation rate of general solid waste, and achieving full resource utilisation.	Comprehensive utilisation rate of general solid waste = (comprehensive utilisation of general solid waste/generation of general solid waste) X 100%	2024: Comprehensive Utilisation Rate Of General Solid Waste: 46.46%	2025-2027	By 2025, achieve a comprehensive utilisation rate of 47.88% By 2027, achieve a comprehensive utilissation rate of 50.85%	49.62%
Action plan Establish a resource recycling system at the port area, promote collaborative cooperation across the industry chain, and encourage the recycling and circular use of resources.					

The Group reduces waste generation at the source and continuously improves the reuse of resources through intensive production, thereby minimising the generation of general solid waste. Subsidiaries enhance the waste recycling rate through recycling and paid disposal. For instance, scrap metal is used as raw material, used tires are refurbished for reuse or repurposed as padding materials, and discarded steel wire ropes are selectively utilised in the production of other lifting machinery or industrial tools. Non-reusable waste is transported to authorised local landfill or incineration facilities for treatment.

In 2025, the Group generated 5,816.37 tons of general solid waste, with a comprehensive utilisation rate of 49.62%. Domestic subsidiaries make annual declarations of general solid waste on government platforms and commission qualified third parties to recycle and dispose of the waste. The solid waste recycling and disposal by overseas subsidiaries comply with the requirements of the countries or regions where they are located.

Key performance

Reduction in general waste

554.67 tons

Comprehensive utilisation of general waste

2,886.09 tons

Gas emission management

Goal	Indicator	Goal benchmark	Time period	Goal description	Progress during the Reporting Period
Strengthen full-process control of exhaust emissions, optimise production processes, and improve energy utilisation efficiency to reduce exhaust generation at the source.	Total exhaust emission intensity = total exhaust emission/revenue (HK$1 million)	2024: 246.52 kg/ HK$1 million	2025-2027	By 2025, reduce total exhaust emission intensity by 1% by 2027, reduce total exhaust emission intensity by 2.97%	246.12 kg/HK$1 million

Action plan

Optimize exhaust treatment facilities, strengthen the maintenance and upkeep of exhaust treatment equipment to ensure stable operation.

The Group strictly controls exhaust gas emissions in accordance with the *Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution* and the *Air Pollution Control Ordinance* of Hong Kong to ensure compliance with national requirements. Domestic subsidiaries comply with the requirements of the limits set by the *Emission Limits of Air Pollutants* and the *Emission Standards of Air Pollutants for Oil Reservoirs* in their respective locations, and overseas subsidiaries comply with the emission requirements of the countries and regions where they are located.

The Group adopts environmental dust suppression processes and facilities. Priority is given to the use of closed transportation processes, equipped with windproof dust suppression walls, automatic spraying systems, and ship unloading mist dust suppression systems, among other environmental facilities. Measures are taken to fully cover the easily airborne bulk cargo piles, and dust suppression equipment such as mist cannons, spray towers, water trucks, and automatic wheel washers are effectively operated. Subsidiaries regularly conduct tests on particulate matter, kitchen oil fumes, and other emissions to ensure compliance with discharge regulations. Additionally, the Group carries out special assessments and inspections on VOCs. The Group also commissions third parties to regularly test atmospheric pollutants.

Key performance

SO_2 emissions

207.40 kg

VOCs emissions

0 kg

NOx emissions

37,315.80 kg

Wastewater discharge management

The Group strictly adheres to the *Law of the People's Republic of China on the Prevention and Control of Water Pollution* and the *Water Pollution Control Ordinance* of Hong Kong, and continuously optimises wastewater treatment methods to steadily reduce pollution discharge. The Group uses water-saving devices to reduce wastewater generation. Wastewater collection and treatment facilities are constructed to treat the wastewater, and taken care of and cleaned as required. The quality of treated reclaimed water is monitored and only when it meets the established standards can it be discharged or reused.

The Group newly formulated the *Measures for Water Resource Control and Water Pollution Prevention and Control Management*, to control production wastewater, domestic wastewater, and initial rainwater, and to conduct supervision, inspection, and assessment water resource control and water pollution prevention and control efforts at its subsidiaries. During the Reporting Period, the Subsidiaries had 24 sewage treatment stations, which were in effective operation, ensuring that the wastewater was discharged or reused in line with the regulations, with an annual recycled water volume of 36,800 tons.

Key performance

Wastewater recycling

36,800 tons

Wastewater reduction

313,300 tons

Noise management

The Group strictly adheres to the *Emission Standard for Industrial Enterprises Noise at Boundary* and the *Noise Control Ordinance* of Hong Kong to control noise pollution at the source, including equipment procurement and production process design, ensuring compliance with the requirements of laws and regulations, and rigorously control noise during operations. Overseas subsidiaries implement local standards, adopting noise reduction modifications to equipment, constructing sound barrier facilities, limiting vehicle speeds within the port area, controlling noise from transportation vehicles, handling equipment, and vessel horns, and scheduling vessel arrival and departure times to minimise noise. Additionally, subsidiaries commission testing companies to conduct regular noise monitoring within the port area to ensure compliance with noise emission standards. During the Reporting Period, all operational units' noise monitoring results met the standards. During the Reporting Period, subsidiaries installed multiple noise detection devices to monitor decibel levels in real-time, ensuring noise emissions comply with standards.

Key performance

Noise emission compliance rate

100%

BUILDING ECOLOGICAL PORTS

The Group actively protects biodiversity and prevents environmental pollution, aiming to minimise or eliminate any disturbance to the ecological environment caused by its operations in the long run, and achieve harmonious coexistence between ports and nature. In 2025, the Group released its TNFD Report for the first time, systematically disclosing the identification and assessment of nature-related risks and opportunities, and summarising the financial impacts of nature-related risks and opportunities. For details, please refer to the *2025 Nature-Related Financial Disclosures* published on the Company's official website.

Nature-related governance

The Group has established a three-level ESG governance structure with linkage among the "Decision-making Level, Management Level, and Execution Level", and has clearly defined the respective functions and responsibilities at each level to ensure unified leadership, decision-making, and implementation of all sustainability-related work. To strengthen ecosystem and biodiversity conservation, in 2025 the Group further clarified the responsibilities for managing nature-related issues at each level of the ESG governance structure.

Organisation Structure	Responsibilities
Decision-making Level	**The Board** is the highest supervisory and decision-making body for nature-related issues. It oversees the assessment of impact, risks and opportunities associated with the management of nature-related topics, and incorporates sustainability-related impact, risks and opportunities into considerations for the Group's development strategy, business strategy, major transaction decisions, and risk management. It regularly hears reports on the management of nature-related issues from the Strategy and Sustainability Committee, ensuring that management strategies are effectively implemented.
	The ESG Committee is a professional committee under the Board of Directors. It supervises, reviews, decides on, and guides our strategies, targets, and action plans for managing nature-related issues. The Committee reviews the annual assessment of impact, risks and opportunities related to nature-related issues, reports annually material related impact, risks and opportunities to the Board of Directors, and oversees the implementation of nature-related issue management efforts.
Management Level	**The ESG Leadership Team** is responsible for organising and leading the formulation of a management strategy for nature-related issues, and for guiding the management and practices for key topics such as ecosystems and biodiversity. The Team organises the reviews of development trends in nature-related topics, and identifies, assesses, and consolidates impact, risks and opportunities related to sustainable development.
Execution Level	**The ESG Working Team**, as the primary executing, coordinating, and advancing body responsible for ensuring the effective communication and implementation of ESG work, is responsible for clarifying the roles and responsibilities for managing nature-related issues, formulating nature-related management objectives, planning execution work, and promoting the effective implementation of nature-related issues management.
	All departments at the Headquarters participate in formulating nature-related management objectives, regularly assess nature-related impact, risks and opportunities, identify material impact, risks and opportunities, plan annual routine work and public welfare projects, and drive subsidiaries to implement them.
	The Subsidiaries, in accordance with the Headquarters' requirements under the nature-related topics management plan, assess and identify nature-related impact, risks and opportunities; establish a nature-related issues management system; implement initiatives related to ecosystem and biodiversity conservation; continuously advance public welfare initiatives for ecological conservation in their local areas; and continue to respond to the needs of internal and external stakeholders.

Nature-related strategy

The Group follows the UN *Convention on Biological Diversity,* the *Kunming Declaration* adopted at the COP15, the *Glasgow Leaders' Declaration on Forests and Land Use* from COP26, and the general requirements outlined in the *Opinions on Further Strengthening Biodiversity Conservation* issued by the Chinese government. The Group is committed to developing green and ecological ports. It engages in responsible business practices and ecological conservation activities, with a commitment to becoming a model for ecosystem and biodiversity conservation in the port industry.

The group published the *Biodiversity and Zero Deforestation Policy Statement* in 2024 and revised it in 2025, making the following commitments:

(1) The Group will comply with biodiversity and zero deforestation-related laws and regulations in the countries and regions where it operates, ensuring legal and compliant operations;

(2) The Group will not conduct production and business activities within ecologically sensitive areas, such as nature reserves, marine key ecological function zones, or ecological protection red lines, designated by international organisations or the countries and regions where it operates;

(3) The Group will avoid activities that harm the ecological environment and have a negative impact on local biodiversity;

(4) The Group will protect and restore environmental areas affected by port activities, taking necessary measures to minimise the negative impact of port and logistics park activities on the ecological environment;

(5) The Group's operations will not involve deforestation and illegal development in forest protection areas designated by the countries and regions in which it operates, and will actively participate in tree planting and support forest restoration activities.

To fulfill the above commitments, the Group, in light of its actual operations, developed an ecosystem and biodiversity conservation strategy and actively advanced its implementation.

- **The principles of avoidance, mitigation, compensation and protection were adopted to protect rare wild animals and plants and their natural habitats,** specifically including:

(1) During the site selection and construction plan development stages for new construction, renovation, and expansion projects, a comprehensive assessment of the potential impacts on the environment and local communities was conducted. Design and construction plans were prioritised to avoid causing local environmental disturbances, especially to avoid negative impacts on key areas for biodiversity conservation;

(2) Biodiversity baseline surveys and assessments were conducted prior to the implementation of new construction, renovation, expansion, and acquisition projects. Operations were rationally scheduled, and waste generated from port operations, maintenance, development, and construction was properly managed. Strict emission treatment processes and policies were developed and implemented at all operational sites and the surrounding environment was monitored to ensure that construction and operational processes met ecological protection requirements.

(3) Ecological compensation measures such as habitat restoration and proliferation and release activity were scientifically carried out in the operation areas that have been disturbed, aiming to restore ecosystem functions. The Company continuously conducted surveys, monitoring, and assessments of the ecological conditions in the surrounding areas of the operational zones, and developed targeted management plans based on the survey results.

(4) In addition, it supported local environmental protection initiatives, collaborated with environmental organisations and communities to address local environmental conflicts, enhanced ecosystem services, and focused on the survival of local endangered species and the protection of forest vegetation.

- **The Nature-based Solutions (NbS)[7] were integrated into biodiversity conservation to support ecological restoration, address climate change risks and achieve triple benefits across the economy, the environment, and society.**

In carrying out biodiversity initiatives, the Group comprehensively considered, through systematic solutions, the positive benefits of projects for climate change adaptation and mitigation, as well as for local community development.

- **Intensive land use reduced the disturbance to land.**

The Group advanced the use of three-dimensional space, increased the greening area at its operating sites, and minimised impacts on natural land as much as possible. It carried out land restoration work tailored to local conditions, creating the foundational conditions for local biodiversity conservation.

- **The concept of biodiversity conservation and zero deforestation was actively promoted, and training activities on ecosystem and biodiversity conservation were carried out for both internal and external stakeholders.**

The Group is committed to enhancing biodiversity conservation awareness and professional understanding among all employees, and we encourage labour subcontractors, suppliers, and other relevant stakeholders to assess and manage biodiversity risks arising from their business activities and adopt mitigation measures.

- **The international exchanges and cooperation related to biodiversity conservation were strengthened.**

The Group strengthened cooperation with environmental regulatory authorities in our operating locations, international organisations, public welfare organisations, or third-party professional research institutions to jointly carry out ecological protection initiatives.

Nature-related risk management

As an active participant in the development of the marine economy, the Group referenced the LEAP methodology and carried out management of nature-related dependencies, impact, risks and opportunities in four phases: Locate, Evaluate, Assess, and Prepare.

The Group regularly organises and conducts risk assessments, covering both all departments at the Headquarters and the Subsidiaries. Based on the actual annual practices, the Group follows the principles of authenticity and objectivity, focusing on assessing risks that impact the annual business objectives. This includes identifying major risks in areas such as strategy, market, finance, legal and compliance, operations, and ESG, providing decision-making reference for the Group's risk management efforts. The Group has incorporated nature-related risks into its annual top 10 risk assessment process and established a normalised risk monitoring mechanism.

[7] Nature-based solutions (NbS) refer to the restoration and enhancement of ecosystem structure, functions, processes, health, and services, thereby directly or indirectly maintaining biodiversity. Biodiversity can be maintained directly by improving the health and integrity of species and their habitats through protection, conservation, management, and restoration actions; it can also be maintained indirectly by adapting to and mitigating the impacts of climate change on species and habitats, thereby enhancing ecosystem quality and stability.

Nature-related targets and indicators

The Group has formulated sustainability-related targets and indicators for risk-concentrated areas, adopted an environmentally friendly business model, and remained committed to fulfilling corporate citizenship responsibilities.

Topic	Commitment	Indicator	Benchmark year	Target	Target type	Progress toward targets during the Reporting Period
Tackling Climate Change	Achieve carbon peak by 2028 and achieve carbon neutrality by 2060.	Total GHG emissions (Scope 1 + Scope 2)	2022	Achieve a peak in GHG emissions, primarily carbon dioxide, by 2028, and achieve carbon neutrality for GHG emissions, primarily carbon dioxide, by 2060.	Long-term	Routine operations
	Actively optimise the industrial and energy structures, vigorously develop clean energy, improve energy utilisation efficiency, and reduce carbon emissions intensity per unit of output value.	GHG emissions intensity	2024	By 2025, reduce Scope 1 intensity to 5.270 tCO_2e/HK$1 million revenue; reduce Scope 2 intensity to 20.82 tCO_2e/HK$1 million revenue.	Short term	100% Achieved
			2024	By 2027, reduce Scope 1 intensity to 4.987 tCO_2e/HK$1 million revenue; reduce Scope 2 intensity to 20.53 tCO_2e/HK$1 million revenue.	Medium term	Continuous follow-up
Environmental Management	Strictly comply with environmental laws and regulations, and avoid major environmental emergencies	Number of general Level 3 environmental emergencies	Continue to carry out	No general Level 3 environmental emergencies	Short term Medium term Long-term	100% Achieved
Exhaust Gas Emissions	Strengthen full-process control of exhaust emissions, optimise production processes, and improve energy utilisation efficiency to reduce exhaust generation at the source.	Exhaust gas emissions intensity	2024	By 2025, reduce exhaust gas emissions intensity by 1%.	Short term	Exhaust gas emission intensity: 246.12 kg/HK$1 million revenue[8]
			2024	By 2027, reduce exhaust gas emissions intensity by 2.97%.	Medium term	Continuous follow-up

[8] In 2025, the increase in ore and coal handling volumes at Zhangzhou Port led to a rise in smoke and dust emissions. Going forward, the Group will reduce exhaust emissions through measures including the construction of silos, the addition of dust suppression facilities, and the continued promotion of the "Oil-to-Electricity" program.

Topic	Commitment	Indicator	Benchmark year	Target	Target type	Progress toward targets during the Reporting Period
Non-hazardous Waste Emissions	Implement full-process management through source reduction, process control, and end-of-pipe treatment, aiming to minimise waste generation.	Density of non-hazardous waste discharged	2024	By 2025, reduce the non-hazardous waste discharge density by 2%.	Short term	100% Achieved
			2024	By 2027, reduce the non-hazardous waste discharge density by 5.88%.	Medium term	Continuous follow-up
Hazardous Waste Emissions	Establish a strict hazardous waste management system, and use advanced treatment technologies and equipment to ensure compliant and efficient processing of all hazardous waste.	Hazardous waste disposal rate	2024	The hazardous waste disposal rate remained at 100%.	Short term Medium term	100% Achieved
Waste Recycling and Reuse	Improve the comprehensive utilisation of general solid waste by enhancing waste classification, increasing the comprehensive utilisation rate of general solid waste, and achieving full resource utilisation.	Comprehensive utilisation rate of general solid waste	2024	By 2025, the comprehensive utilisation rate of general solid waste will reach 47.88%.	Short term	100% Achieved
			2024	By 2027, the comprehensive utilisation rate of general solid waste will reach 50.85%.	Medium term	Continuous follow-up
Water Utilisation	Strengthen full-process water usage control, continuously optimise the water usage structure, and reduce water consumption per unit of output.	Water consumption intensity	2024	By 2025, reduce water consumption intensity by 1%.	Short term	100% Achieved
			2024	By 2027, reduce water consumption intensity by 2.97%.	Medium term	Continuous follow-up

Topic	Commitment	Indicator	Benchmark year	Target	Target type	Progress toward targets during the Reporting Period
Land, Freshwater, and Marine Use	The Group will avoid activities that harm the ecological environment and have a negative impact on local biodiversity.	Number of major environmental law violations and non-compliance incidents occurred	Continue to carry out	We ensure that no major environmental violations occur through the following measures: comprehensively assess potential ecological impacts during the site selection and construction plan development stages for new, renovation, and expansion projects, and prioritize design and construction plans that avoid negative disturbances; conduct biodiversity baseline surveys and assessments prior to the implementation of new, renovation, expansion, and acquisition projects to ensure that construction and operations meet ecological protection requirements; and implement scientifically designed ecological compensation measures, such as habitat restoration and proliferation and release activity, in disturbed operating areas to restore ecosystem functions.	Short term Medium term Long-term	100% achieved
Ecosystem and Biodiversity Protection	The Group regularly monitors the impacts of business activities on the surrounding ecological environment and species.	Monitoring frequency	Continue to carry out	Each subsidiaries conducts, at least once a year, environmental impact monitoring, species distribution monitoring, and alien invasive species monitoring within a 5-kilometer radius centred on the port area, in order to assess the impacts of business activities on the surrounding environment.	Short term Medium term Long-term	100% Achieved
		Coverage of biodiversity impact assessment for new projects	Continue to carry out	Ensure that biodiversity impact assessments are conducted every year before the commencement of construction for all newly established engineering projects, to identify the projects' impacts on the ecological environment.	Short term Medium term Long-term	100% Achieved

Note: The target types include short-term (1 year), medium-term (1 to 5 years), and long-term (more than 5 years) targets.

The Group supports local public welfare initiatives for ecological and environmental protection and pays close attention to the survival of endangered animals. Our subsidiaries proactively strengthen cooperation with environmental regulatory authorities in their operating locations, international organisations, public welfare organisations, or third-party professional research institutions to jointly carry out ecological conservation work.

HIPG actively promotes elephant conservation efforts. In collaboration with the local wildlife conservation association, it donated 16 rechargeable flashlights to support the association in conducting routine patrols, combating forest crimes, and driving away wild elephants. Under the framework of the "Human-Elephant Peace Fund", it collaborates with organisations including the Wildlife and Nature Protection Society of Sri Lanka and the Elephant Transit Home of the Department of Wildlife Conservation to jointly carry out the "Save Ali Pancha" project, providing funding for baby elephant feeding and research on the impacts of antibiotics. TCP implemented 19 environmental monitoring programs, with a focus on protecting endangered species such as the La Plata dolphin and green sea turtle, while simultaneously monitoring physical environmental indicators including water quality, noise, and air quality. In 2025, TCP organized the "Environmental Kayaking" initiative, in which 73 volunteers removed approximately 1 ton of garbage from the Itiberê River; collaborated with Paraná State University to complete a technical report on port logistics decarbonization; and partnered with the Municipal Environmental Secretariat to plant over 600 local tree species.

Case

LCT Carries out a Mangrove Double-compensation Planting and Sea Turtle Protection Program

To minimise the environmental impact of the dock construction project, LCT committed to a double-compensation planting plan for mangrove areas removed during the project, meaning "remove one, replant two." For this purpose, LCT partnered with local environmental organisations to jointly cultivate mangrove seedlings and continue planting in suitable areas along multiple lakeshores.

In actively fulfilling ecological environmental responsibilities, LCT, starting from October 2012, has partnered with professional partners, annually investing special funds for sea turtle protection and rescue efforts along the Togo coastline. The project includes nurturing and releasing juvenile turtles, regularly monitoring ecological changes in sea turtle habitats, and conducting rescue operations for adult sea turtles.





Case

HIPG Ecological Management Facilitates the Formation of a Micro-ecosystem of Artificial Coral Reefs

On 29 August 2025, HIPG released the findings of a baseline study completed in collaboration with the Ocean University of Sri Lanka. The study found that the artificial reef formed beneath the port breakwater has now become one of the most biodiverse coral reefs in southern Sri Lanka, providing habitat for more than 8 locally endemic fish species. Live coral coverage reached 35%, significantly exceeding the local average of below 20% for other coral reefs. The study noted that, compared with nearby natural reef areas, this site has higher diversity of reef-associated fish, and demonstrated that appropriate ecological management during port construction can facilitate the thriving development of "artificial habitats". This achievement not only enhanced public awareness of the port's underwater ecology, but also provided a scientific basis for the port's future development of biodiversity conservation and ecotourism plans.



Case

TCP Organises the Public Welfare Project "Claws of Kaikala"

Piasagela Island is far from the urban area, and local residents mainly rely on boats for travel. Pets on the island generally lack standardised veterinary care, and medical expenses are high. After learning of the situation, TCP quickly mobilised resources to plan and implement the public welfare project "Claws of Kaikala", delivering professional pet medical services to residents' doorsteps through a pet medical clinic boat. Veterinarians brought testing and treatment equipment to conduct blood parasite tests for pets, administer rabies vaccines and multivalent vaccines, and prescribe medications and provide health guidance based on examination results.



Safety and Health Guarantee

Strategy and development

The Group adheres to the "people-oriented, safe development" principle, managing safety production according to high standards, comprehensively identifying and assessing safety production risks, preventing and resolving major risks, continuously improving safety management and emergency response capabilities, strengthening safety culture and employee awareness, focusing on occupational disease prevention, and providing health care services to employees.

- Strengthen contractor safety responsibility management and enhance the full-cycle management of contractors' "admission-assessment-incentive-exit."
- First announced Lost Time Injury Frequency Rate target.
- No general level 2 or higher responsibility accidents occurred this year, and there were no work injury incidents among full-time employees.
- Prevention and control of occupational diseases health check rate reach 100%

Future plans

The Group will continue to increase the proportion of subsidiaries certified by ISO 45001

The Group will set leading indicators to monitor the safety production performance of both the Group and contractors.

UNSDGs responded in this chapter



IMPROVE SAFETY MANAGEMENT

The Group insists on a problem-oriented, goal-oriented, and result-oriented approach, regularly assessing the applicability of safety measures, deepening specialised inspections and governance, and steadily advancing the empowerment of safety management in overseas subsidiaries. The Group actively learns from and adopts best practices to effectively enhance safety management levels. The Group is committed to providing a safe working environment for employees and relevant stakeholders, including contractors, customers, and port visitors, striving to set an example for healthy and safe development in the port industry.

Safety management system

The Group strictly abides by national laws and regulations such as the *Work Safety Law of the People's Republic of China*, the *Emergency Response Law of the People's Republic of China*, the *Special Equipment Safety Law of the People's Republic of China*, the *Occupational Safety and Health Ordinance* in Hong Kong, as well as management measures relating to healthy and safe management in the regions where it operates. During the Reporting Period, the Group did not have any work safety incidents classified as Level 2 or above.

The Group has developed policies such as the *Occupational Health Management System* and *Administration Measures on Work Safety*, which serve as guiding documents for safety initiatives across the organisation (including permanent staff, part-timers and dispatched workers).

Safety management organisational support

The Group has built a well-established and well-organised occupational health and safety management system. The Group has established the decision-making body, the Safety Committee, which is responsible for the overall management of work safety. This committee comprises the Company's senior management (including the CEO and the Managing Director), functional department heads from both the Headquarters and the Subsidiaries, and representatives from the Labour Union, ensuring effective implementation of safety protocols step by step; the Committee regularly reports major safety production matters to the Board, which supervises the Committee. The office of the Safety Committee and the departments responsible for production safety management are responsible for the daily work. The Director of the Safety Committee is the CEO, whose remuneration is linked to occupational health and safety performance.

The Group has introduced an execution level *Responsibility List of Work Safety*, requiring subsidiaries to enhance and implement the system of accountability for work safety across all positions. This measure aims to decentralise safety responsibilities to the smallest units within the organisation. In addition, the Group encourages subsidiaries to motivate frontline employees to actively participate in safety supervision through incentive mechanisms, enhancing overall safety awareness and enthusiasm.

The Group promotes the integration of safety and environmental cultural practices across overseas projects. In response to the regulatory characteristics of countries with different legal systems, we clarify the safety and environmental responsibilities of all parties, including the employer, employees, and contractors, to ensure that management responsibilities are implemented at every level.

Safety management system certification

To promote the professionalisation and systematisation of safety management, the Group continues to drive its subsidiaries to obtain relevant safety system certifications both domestically and internationally. During the Reporting Period, the percentage of subsidiaries certified with ISO 45001 was 36.4%.

Certification name	Certification status
ISO 45001 Occupational Health and Safety Management System Certification	Recertified subsidiaries: 8
ISO 28000 Supply Chain Security Management System Certification	Recertified subsidiaries: 1 Total number of certified subsidiaries: 1
Ship Safety Management System Certification	Recertified subsidiaries: 2 Total number of certified subsidiaries: 2
Work Safety Standardisation Certificate	Total number of certified subsidiaries: 10

Contractor safety management

The Group is fully aware that the safety of the port environment affects every individual involved in the construction of the port. Therefore, it attaches great importance to the health and safety of contractors, strengthening the full-cycle management of contractors'"admission-assessment-incentive-exit," incorporating contractors and their personnel into our safety production management system. We require contractor units to implement the same safety management objectives as the Group and to coordinate management in a unified manner.

Cooperation admission requirements: The safety admission cooperation conditions are clearly defined for contractor units (including the requirement to obtain certification for safety production standardisation systems). A specific standard and work mechanism for "evaluation - elimination/retention" of contractor safety production are established.

Signing safety agreements: Subsidiaries are required to establish and improve the contractor safety management system, including the execution of safety agreements delineating mutual safety responsibilities. These encompass commitments to work safety investment, investigation and treatment of hazards, safety education and training, emergency response procedures, inspections on work safety, safety checks, and termination clauses.

Safety performance management

Work safety objectives

The Group has set annual objectives in accordance with the *Administrative Measures on Work Safety Performance*, and signed the *Work safety Management Targets Responsibility Letters* with its subsidiaries every year. These letters reinforce primary responsibilities and clearly delineate work safety objectives, annual work focuses, safety education plans, and other safety-related responsibilities for each subsidiaries. By incorporating contractor-related safety management into the Group's work safety scope, we continually enhance our comprehensive safety management capabilities. During the Reporting Period, the Group did not have any work safety accident classified as Level 2 or above, achieving the overall goal for safety management.

Safety performance assessment

The safety production performance evaluation is also linked to the performance-based remuneration of the CEO. The Company implements an annual evaluation of the occupational health and safety performance of its Subsidiaries. A performance-based remuneration mechanism is established, linking the safety performance of subsidiaries and safety production officers to their compensation. Individuals with outstanding safety performance are rewarded, while performance scores are deducted according to the occurrence of production safety incidents, in order to incentivize the achievement of safety production goals.

Performance target review

The Group regularly reviews the setting of safety performance targets, makes timely adjustments to the safety performance indicators in accordance with the ESG Reporting Code and the best practices in the industry from a practical point of view. This allows us to continuously monitor and analyse changes in indicators, ensuring that our safety management practices remain in line with the forefront of industry practices. During the Reporting Period, the Group did not have any work safety accident classified as Level 2 or above. Additionally, there have been no incident of occupational diseases associated with exposure to radioactive substances in the course of production and operation, thereby achieving all of our health and safety management objectives.

Key performance

Number of work-related injuries for full-time employees

0

Number of fatalities in work-related accidents for 7 consecutive years

0

Percentage of work-related fatalities for 7 consecutive years

0%

Number of major safety production incidents

0

Safety production management sub-targets	Target Year	Target Detail	Completion (2025)
Work safety accidents with 3 or more persons suffering from serious injury	2025	0	Achieved
Work safety accidents with 1 or more fatalities	2025	0	Achieved
Work safety accidents with property loss of RMB 2 million or more	2025	0	Achieved
Cases of occupational diseases associated with exposure to dust, radioactive materials, toxic/harmful substances, etc. in the course of production and operation	2025	0	Achieved
Lost time injury frequency rate is below 0.5	2026	<0.5	Not applicable, reporting period is before target year

Safety risk control

The Group adheres to the *Work Safety Law of the People's Republic of China* and the *Occupational Safety and Health Ordinance* of Hong Kong and other relevant laws and regulations. We comprehensively identify and assess various potential safety risks, regularly conduct safety risk inspections and hazard rectification work, organise safety training and emergency drills, and strengthen safety risk prevention and response measures.

Safety risk identification.

The Group continuously improves the construction of the dual prevention mechanism. We have developed the *Manual of Construction of Dual Prevention Mechanism* and the *Evaluation Standards for Reviewing Dual Prevention Mechanism* for institutional construction and work assessment. These documents ensure the effective connection and integration of risk classification and control, and hazard identification and rectification, promoting the standardisation and effectiveness of the dual prevention mechanism within subsidiaries.

To achieve unified and standardised risk prevention and control, the Group continues to improve the security information assessment mechanism. We strictly implement a full-process closed-loop management model that includes overseas safety risk assessments, pre-departure training, emergency management during deployment, and post-return interviews. The Overseas Emergency Command Center System has been promoted to overseas key projects, ensuring complete system coverage across all operational points globally. During the Reporting Period, the Group strengthened safety risk control for overseas subsidiaries, conducting special inspections on the NPH hazardous cargo container area and safety inspections for TCP.

Case

NPH Strengthens Risk Prevention and Control for Work Safety Production

In 2025, NPH, in accordance with the overall deployment requirements for work safety management of the Group, and in conjunction with the actual work safety operation and management conditions of its subordinate terminals, carried out key initiatives such as identification of safety and environmental protection laws and regulations, safety inspection and rectification, and safety emergency drills, focusing on the three main themes of "hidden hazard mitigation, strengthening foundations and consolidating fundamentals, and efficiency enhancement".

NPH completed a comprehensive identification of 23 relevant laws and regulations in Indonesia covering work safety, occupational health, and environmental protection, and conducted a compliance assessment self-inspection against 463 associated legal and policy provisions. In response to more than 100 safety issues and more than 20 improvement recommendations proposed by the Port Safety Supervision Department, NPH completed 156 safety rectifications by the end of October 2025, achieving full closure of rectifications. This year, 19 NPH employees obtained certification for the use of positive pressure breathing apparatus. Each shift team in the two port areas has been fully staffed with 2 certified dangerous goods management specialists, enhancing the team's practical safety skills and emergency response capabilities.



NPH developed and updated 6 safety guidance documents, including *Hidden Hazard Inspection Reward System, Safety Accident Handling System, and Guidelines for Handling Dangerous Containers*. NPH organised 8 emergency drills, including fire response, dangerous goods leakage, and emergency evacuation, with 162 participants. In August, NPH successfully co-organised a full-element, live-action firefighting drill with the local fire department in the MAL and ADP port areas.

Safety risk prevention and control

The Group has developed the *Risk Classification and Control of Work safety Policy* and continuously updates the *Information Table of Safety Risk Identification and Control in Production Activities* for specific operational scenarios. This provides guidance for identifying and implementing control measures for operational risks, preventing and resolving potential operational risks, and striving to eliminate workplace accidents, equipment damage incidents, cargo damage, traffic accidents, and fire or explosion accidents. During the Reporting Period, the Group issued guidelines for the full-cycle management of special operations and addressed difficulties in preventing and controlling container barge instability risks across the entire process.

Safety hazard and accident investigation

The Group has formulated the *Investigation and Treatment System on Hidden Hazard Policy* and the *Administrative Measures Regulations on Accident Report and Investigation* to specify the mechanisms for hazard identification, the procedures and contents for accident reports, and the principles and processes for investigating and handling accidents. The Group regularly conducts safety hazard inspections and follows up on the implementation of corrective actions.

During the Reporting Period, the Group updated and published the list of accident hazard identification standards, compared them with the newly released or revised major hazard identification standards from regulatory authorities and industries, revised the Group's major hazard identification standards 4 times, and established 9 key areas for major accident hazard identification.

During the Reporting Period, the Group intensified efforts to tackle key and difficult issues, including the Three-Year Action Plan for Work Safety Improvement, the special supervision and guidance for the work safety "Thunder Action", the special inspection and rectification of safety hazards related to key labour protective equipment, the special rectification of fire safety in small catering establishments, the "full-chain" safety control of electric bicycles, and the inspection and rectification of major accident hazards. A total of 6,436 hazards were identified and addressed, with a rectification rate of 98.66%. The Group strictly implemented disaster reduction and relief requirements and successfully dealt with 14 typhoons without any casualties or significant property damage. The Group conducted mid-term, year-end, and special safety inspections according to plan, with a total of 41 supervisory inspections.



Xu Song, the CEO led a team to conduct a major safety inspection and special supervision of the "Thunder Action" for safety production at Mawan Port Area of SCCT



Lu Yongxin, the Managing Director conducted a major inspection on work safety at CMBL, along with special supervision and guidance for the work safety "Thunder Action"

Safety emergency management

The Group implements safety emergency systems in accordance with the "*Comprehensive Emergency Response Law of the People's Republic of China*" and other relevant laws and regulations, as well as internal management documents such as the "*Plan for Comprehensive Emergency Response*". A safety control and emergency response mechanism is in place, based on the principles of "unified leadership, graded responsibility, and agile response." The Group has developed emergency response plans for safety production risks and regularly conducts emergency drills to ensure a prompt and effective response in the event of an emergency. The Group has prepared 8 specialised emergency plans covering scenarios such as production safety accidents, natural disasters, typhoons, public health events, social security events, fire incidents, and security for overseas institutions and personnel, as well as 29 on-site response procedures, including those for fire accidents, meteorological disasters, geological hazards, cybersecurity incidents, and environmental pollution emergency.

During the Reporting Period, the Group organised safety training for 127,742 participants, held 1,679 emergency drills, and involved 18,679 individuals in these activities. SCCT established safety storage management standards for lithium battery containers, and installed additional spark-free perforation water-injection fire extinguishing equipment to improve the efficiency of emergency response to contingencies involving lithium battery containers. In line with actual conditions, SCCT actively participated in drafting the local standard of Shenzhen City, *Safety Management Guidelines for Specifications for Port Operations of Lithium Battery Containers*.

STRENGTHENING SAFETY PROTECTION

Boosting safety through science and technology

The Group integrates digital technologies into safety production management as part of its smart port development, leveraging the power of technology to minimise, avoid, and prevent safety risks. The Group explores intelligent safety monitoring applications, enhance safety governance for hazardous chemicals and goods, and has completed the construction of a risk monitoring and early warning system.

During the Reporting Period, the Group empowered CMITQ, CMBL, and Qianhai Bay Property to accelerate the development of intelligent fire protection systems, comprehensively enhancing fire prevention capabilities. It supported SCCT in the deployment of the gate crossing prevention system and promoted the use of drones for inspection at Shantou Port and CMITQ to reduce manual operation risks.

Fostering a culture of safety

Safety first and safety above all is the fundamental prerequisite for ensuring the normal and orderly operation of business. The Group attaches great importance to building a safe culture, and continuously strengthens the safety awareness of all employees and outsourced unit employees, enhancing their ability to effectively handle emergencies and self-protection. The Group has formulated documents such as the *Manual of Work Safety for Principals of an Enterprise* and the *Manual of Employees General Knowledge about Safety*, and established a complete safety organisation guarantee and training education system.

In light of actual conditions, the Group organised and convened meetings such as the annual safety meeting, the safety scheduling meeting, and the joint meeting on work safety to study and deploy work safety tasks. The Group also organised a series of activities such as the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases* publicity week, "Safety Production Month", and "Fire Safety Publicity Month", fostering a strong safety culture. During the Reporting Period, the Group organised 12 training sessions, including topics on CMG safety production leadership and safety duty performance. The Headquarters and subsidiaries organised safety training with 127,742 participants. The percentage of employees who received health and safety training during the Reporting Period was 100%.

Case

CMBL Has Developed a Full-coverage Safety Training System for Stakeholders Featuring Online + Offline and General + Specialised Programmes

In 2025, CMBL established a safety training system with full coverage for all stakeholders. The trainees covered all Company employees, contractors, and all other relevant stakeholders. During the year, CMBL organised a total of 17 training sessions for contractors of various types, with a total of 283 attendances; and carried out a total of 13 contractor safety drills of various types, with a total of 269 attendances. CMBL, in conjunction with Work Safety Month and Fire Safety Awareness Month, conducted themed training on heat prevention and cooling, hazardous operations, electric bicycle safety, and other topics, and, leveraging the SMIS system, realised online learning and examinations for all employees. It cultivated 9 part-time safety officers and organised 9 employees to obtain the Intermediate Fire Protection Facilities Operator certificate, strengthening the professional capabilities of the backbone team.



PROMOTING OCCUPATIONAL HEALTH

Prevention and control of occupational diseases

The Group adheres to the *Work Safety Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases* and the *Occupational Safety and Health Ordinance* in Hong Kong, as well as relevant laws and regulatory requirements from where its. It implements the *Measures for the Prevention and Control of Occupational Hazards and the Prevention and Treatment of Occupational Diseases* to standardise occupational health and Safety management.

Various measures are taken to control workplace hazards by the Group. The employees are offered annual physical checks and routine health checks, and attention is paid to employees' mental health.

Ensuring work safety

The Group adopts systematic measures to implement occupational health protection and prevention and control of occupational diseases, including: establishing a unified management register for occupational disease hazards, and tracking, one by one, the status of occupational health and safety management and work improvement progress of our controlled subsidiaries. We continue to promote our subsidiaries' self-assessments of occupational health efforts, conduct specific analyses of the self-assessment results, and implement improvement measures. By improving the operating environment, strengthening safety signage, and ensuring the supply of protective equipment, we minimise to the greatest extent possible the impacts of dust, chemicals, noise, and other factors on port personnel. Through measures such as the monitoring of occupational disease hazard factors, employee health surveillance, and training, we prevent and mitigate the occurrence of occupational diseases in advance.

Occupational disease risk management	Specific measures
Enhancing dust control in workplaces	(1) Upgrade some aging equipment through measures such as negative pressure dust removal and water mist dust suppression, and purchase advanced dust removal equipment such as dust removal hoppers and mist cannons. (2) Pilot remote-controlled hoppers to improve workers operating environment and minimise dust dispersion during bulk grain and ore loading and unloading. (3) Regularly distribute certified dust-proof masks to workers and supervise their proper use, continuously reducing the impact of dust-related occupational hazards.
Optimising the management of protective facilities	(1) Install axial flow fans for ventilation in key areas of large-scale sewage treatment plants, such as sludge dewatering rooms, chemical dosing rooms, and sand filtration rooms. (2) Install emergency washing facilities in areas where on-site workers may come into contact with toxic, hazardous, or corrosive chemicals to prevent harm to the human body. (3) Strengthen safety signage and provide protective equipment; for workers exposed to high-temperature environments in the summer, arrange flexible working hours, rotate tasks, increase rest time, reduce labour intensity, and provide heat prevention products to effectively avoid heatstroke incidents.
Strengthening noise control in work areas	Each subsidiaries regularly monitors operational noise conditions. By optimising production processes, using sound insulation materials, and applying mesh sound-absorbing materials for vibration reduction and noise abatement, we distribute noise-reducing earplugs and other protective equipment to workers who may be exposed to noise and supervise their proper use, thereby continuously reducing the impact of occupational disease hazard factors related to noise.
Implementing occupational health examinations and training	Before taking up their posts, employees are required to undergo occupational health examinations, establish complete occupational health records, and be informed of occupational hazard information through labour contracts, bulletin boards, and on-site training, among other means, so as to prevent and avoid the occurrence of occupational diseases in advance. All subsidiaries implement employee occupational health and job fitness management to enhance employees' ability to respond to and handle sudden personal physical emergencies.





Shantou Port Carries out Training on AED Use and Cardiopulmonary Resuscitation, as well as Training for Occupational Health Management Personnel

Key performance

Occupational health examination completion rate

100%

Number of suspected occupational disease cases

0

Number of confirmed occupational disease cases

0

Occupational disease incidence rate

0%

Employee Development

Strategy and development

The Group is committed to building an equal, inclusive, and culturally diverse workplace, continuously promoting employee diversity, talent localisation, and cultural integration. In addition, the Group attaches great importance to and protects the basic rights and interests of employees, pays attention to the demands of employees, offers diversified feedback channels and communication platforms to employees, and continues to improve our employee development and training system, enabling employees and the Group to achieve mutual success and grow together.

- Revising and improving the Human Rights Policy Commitment, adding specific explanations on anti-discrimination, anti-harassment, and equal employment principles.
- Building the "Mangrove Talent Harbor", using the five-layer mangrove ecology as a model, aiming to "support company strategy and lead talent development," ultimately achieving long-term mutual benefits for both talent and the Group.
- Launching the "International Elite Talent Recruitment Plan," continuously carrying out the C Blue Training Programme, and actively developing an overseas talent pipeline.

Future plans

- Continue to focus on safeguarding employees' basic rights and interests, and take mitigation measures to reduce human rights risks
- Enhance empowerment and support for female employees, continuously improving gender inclusivity.

UNSDGs responded in this chapter



EMPLOYEE RIGHTS PROTECTION

Employees are the most valuable treasure, and the cornerstone for achieving sustainable business operations within an organisation. The Group respects and safeguards the legitimate rights and interests of employees, and strictly complies with relevant laws and regulations such as the *Labour Law of the People's Republic of China* and the *Labour Contract Law of the People's Republic of China*, as well as Hong Kong's *Employment Ordinance* and the applicable employment-related laws and regulations and international practices in the regions where it operates. We safeguard employees' rights and interests in accordance with the law and integrate the protection of employees' rights and interests into the entire human resources management process.

Human right protection

The Group has established and continuously improved internal policies, including the *Human Resources Management System*, *Regulations on Employee Management*, the *Administration Measures on Employee Remuneration and Benefits*, and *Employee Social and Commercial Insurance Management Measures*, as well as the *Human Rights Policy Commitment*. These documents ensure the strict implementation of legal and compliant hiring practices, performance assessments, remuneration and benefits, as well as training and development. This framework is designed to effectively safeguard employees' rights. During the Reporting Period, the Group did not record any illegal or non-compliant incidents related to the above requirements.

The Group strictly complies with laws and regulations including the *Labour Law of the People's Republic of China*, the *Law of the People's Republic of China on the Protection of Minors*, the *Provisions on Prohibition of Child Labour*, as well as Hong Kong's *Employment Ordinance*, the *Hong Kong Bill of Rights Ordinance*, and employment-related laws and regulations applicable in our places of operation and the requirements of international practices. In the Group's *Employee Management Regulations*, we clearly specified the hiring criteria established to avoid the employment of child labour during the recruitment process, as well as the mechanisms and standards for verifying applicants' identities. The Human Resources Department could verify basic information such as employees' ages through the human resources system, thereby effectively eliminating the employment of child labour. The Group opposes all forms of forced labour. Upon recruitment, we sign employment contracts with new hires, ensuring that all employment conditions are clearly communicated, thus establishing transparent employment relationships, clearly defining job content, and eliminating any potential for forced labour. The Group prohibits withholding employees' identity documents or restricting employees' freedom of movement, and prohibits forcing employees to work through violent means such as intimidation, beating, and threats. In addition, the Group has established an internal supervision mechanism to ensure that the implementation of labour regulations is subject to regular inspections and assessments, and to promptly identify and rectify any instances of forced labour.

The Group has zero tolerance for any form of discrimination in human resources management, including recruitment, compensation, training, and promotion. The Group firmly upholds the principle of treating all individuals equally, irrespective of gender, age, nationality, race, physical condition, religious beliefs, or marital status. To ensure all candidates have access to equal, fair, and open career development opportunities, our *Regulations on Recruitment Management* prohibit the inclusion of discriminatory clauses related to race, region, gender, age, marital or parental status in recruitment information. During interviews, candidates are evaluated based on the principles of "fairness, impartiality, and objectivity".

The Group provides employees with complaint channels for discriminatory and harassing behaviour and encourages them to report such incidents in a timely manner when identified. The Group tracks the implementation of complaint handling and, when necessary, provides remedies to affected employees. In response to discrimination and harassment incidents, the Group will take corrective measures in accordance with applicable laws, regulations, and institutional provisions, and impose disciplinary actions commensurate with the severity of the incident.

Human rights risk due diligence

The Group has established a due diligence of human rights risk procedure. It monitors and assesses human rights-related risks annually, and conducts a due diligence of human rights risk once every three years. This due diligence of human right risk procedure consists of 3 stages: risk and impact assessment, assessment results and mitigation/remediation measures, and monitoring and communication. During the Reporting Period, the Group conducted comprehensive due diligence of human right risk, covering the Headquarters and all subsidiaries. The main areas of the due diligence covered the right to freedom of association and collective bargaining, prohibition of child labour and forced labour, anti-discrimination, and personal freedom and personal safety. The number of complaints received and risk incidents identified in the investigation was 0.

Key performance:

Employment contract signing rate	Social insurance coverage rate
100%	100%

Compensation and performance incentives

Compensation system

In alignment with national regulations and market dynamics, the Group has established a remuneration system and talent evaluation system. The *Administration Measures on Employee Remuneration and Benefits* is continuously refined to standardise the compensation system and incentive mechanisms, stimulating employee vitality and improving organisational efficiency. The Group establishes a compensation system based on job settings, job levels, and market salary levels, and determines employee salaries according to the principle of "job-based salary".

Performance appraisal

The Group regularly conducts performance appraisals in accordance with the *Performance Management Provisions*. The performance appraisal cycle includes term appraisal and annual appraisal, and the evaluation content includes organisational performance and individual performance. The Group's performance assessment focuses on evaluating employees' job performance, skills, and attitudes. Appraisers provide feedback on the appraisal results to the employees and engage in discussions to help them improve their job capabilities and refine their work approaches. Appraisal results are utilised in determining salary adjustments, bonus allocations, and opportunities for career advancement. This ensures that compensation is directed towards high-performing teams and individuals who contribute significant value, as well as those excelling in frontline risk positions. This approach fosters a talent incentive system that prioritises efficiency while upholding fairness and emphasizing both motivation and accountability.

Employee benefits and caring

The Group offers social insurance, supplementary commercial insurance, corporate annuities, health checkups, and holidays according to the *Administration Measures on Employee Remuneration and Welfare* and the *Management Measures for Employee Social Insurance and Commercial Insurance*. The Group places great importance on employee care, consistently focusing on safeguarding employee well-being and implementing various measures to ensure work-life balance. The Group follows a 5-day workweek system (no more than 40 hours per week). If employees are required to work overtime, they may submit an application through internal procedures. The Group will arrange compensatory time off or pay overtime wages in accordance with laws and regulations. Additionally, flexible work arrangements are provided under special circumstances (e.g., extreme weather), allowing employees' delayed arrivals, work from home, or take time off as needed.

Employee Welfare System	
Insurance benefits	Apart from providing employees with timely and full payment of their basic wages and ensuring compliance with social insurance contributions, the Group offers to cover expenses for large-term insurance and commercial medical insurance to improve employees' sense of security.
Health benefits	The Group provides free health checkups for all the staff and continues to collaborate with professional medical institutions, consolidating diverse health resources to deliver health seminars and wellness services, showing care for employees' physical and mental health.
Vacation benefits	The Group strictly implements the social insurance mechanism in the regions where it operates, providing all employees with benefits such as annual leave, sick leave, maternity/paternity leave, marriage leave, and other related benefits as stipulated by relevant regulations.
Activities and material benefits	The Group provides multidimensional care for employees, including enhancing workplace facilities and services, organising festive-themed events and cultural and sports activities, as well as offering birthday benefits.





The Group organised two healthy tea beverage activities, with more than 100 participants in each event

The Group also focuses on employees' need for relaxation, providing well-equipped recreational facilities, organising interest group activities, and planning holiday-themed events to create a healthy and balanced work environment.

Case

The Group Held a themed Company Day Event Titled "Riding the Tide of the Third Further Development, Pursuing Dreams and Moving Forward"

In October 2025, the Group's staff association organised the hiking event "Riding the Tide of the Third Further Development, Pursuing Dreams and Moving Forward" on the Ma On Shan Country Trail in Hong Kong, integrating the cultural connotations of CMG and the spirit of the "Third Further Development" into a journey through nature, and calling on employees to press ahead with courage and determination amid the "Three Innovations" wave. During the event, employees were high-spirited and full of energy as they climbed bravely along the winding mountain path, supporting one another on rugged trails and overcoming difficulties together, and personally experiencing the true essence of innovation and breakthroughs, entrepreneurial pragmatism, and value creation.



Case

SCCT Successfully Held the Third Employees Fun Sports Meeting

In July 2025, SCCT held the third SCCT Fun Sports Meeting for Employees, themed "Reform and Innovation Promote Development; Work Diligently and Strive to Lead", at the Chao Phraya River Sports Town. As an important component of corporate culture development at SCCT, the fun sports meeting incorporated corporate culture connotations and demonstrated ingenuity in the design of the events. Three events, "Precise Positioning", "Working Together", and "Cargo Rotates Like Wheels", cleverly integrated corporate culture elements. This not only increased the entertainment value of the competition, but also tested athletes' physical fitness and skills, subtly reinforcing the importance of teamwork and better reflecting the values of developing the port through practical work, and integrated, win-win collaboration.

A total of 22 teams, 450 competitors, and 200 supporters from SCCT participated in this sports meeting.



Caring for employees in need

The Group actively deepens employee care practices and is committed to fostering a warm and harmonious working atmosphere. We always pay attention to the actual needs of employees in terms of work and life and provide targeted assistance to those in need, helping them through difficult times.

Case

Zhangzhou Port Implements Support for Those in Need, Conveying the Company's Care and Concern

Zhangzhou Port conducts a comprehensive annual survey and screening of the living conditions of employees' families in difficulty and implements assistance for those in need. In 2025, Zhangzhou Port conducted a visit and distribution of consolation funds for 6 employees in difficulty. Meanwhile, through the labour union, it assisted employees in enrolling in the medical mutual aid program of the Zhangzhou Federation of Trade Unions. By the end of 2025, assistance had reached 20 person-times, and more than RMB30,000 in medical subsidies had been distributed. The Zhangzhou Port labour union also applied to the higher-level labour union for medical expense subsidies for employees suffering from serious illnesses, effectively addressing employees' practical difficulties. During important traditional festivals (such as the Spring Festival, Mid-Autumn Festival, and Dragon Boat Festival) as well as on occasions such as employees' birthdays, marriages, and childbirth, it provided festival condolence payments and birthday gifts to employees, conveying the Company's care and blessings and strengthening employees' sense of belonging and well-being.

Case

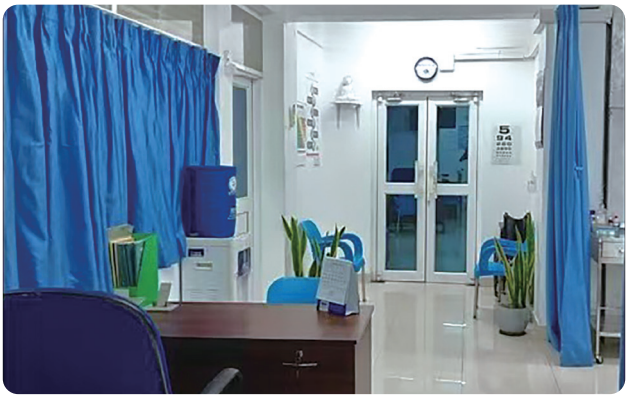
HIPG Implemented Multiple Employee Care Initiatives and Continued to Increase Related Investment

HIPG implemented a range of employee care and support measures, continuously enhancing employees' health protection, convenience in daily life, and sense of security at work. These included:

(1) Medical and health protection: Established an emergency medical centre and arranged regular doctor consultations; equipped with comprehensive ambulance services to respond to emergencies; provided annual health check-ups, and reimbursement for outpatient services and prescription glasses; provided personal accident insurance and surgical hospitalisation insurance.

(2) Living and safety protection: Provided free meals for employees; issued workwear and necessary personal protective equipment.

(3) Health promotion and leisure facilities: Established a gym and indoor sports areas to encourage employees to exercise and maintain physical and mental wellbeing.





HIPG established an emergency medical centre and equipped it with first aid services

Unimpeded communication channels

Employee communication

The Group has placed great importance on democratic communication by offering multilevel and multi-form communication and complaint channels for employees. This includes actively communicating with employees on the revision of important regulations through Worker's Congress to facilitate dialogue and gather feedback through multiple channels on a daily basis, so as to listen to employee concerns in a timely manner.

The Group provides employees with communication platforms such as the Employee Representative Congress, employee suggestion mailbox, and fixed agenda items in regular meetings. Each year, we conduct special grassroots surveys. Through the labour union's periodic visits, face-to-face interviews, and telephone communications, we fully understand employees' opinions and suggestions, proactively address employees' concerns, continuously improve the employee experience, and ensure that employees' voices are fully respected and responded to.

Case

Brand Building of the Workers' Union of SCCT Selected as a National Innovation Case

The brand-building case *"Colourful Harbor" - Building a New Ecosystem for Services for Industrial Workers in the Port Industry in the New Era Through "Nine-Colour Empowerment"*, created by the Workers' Union of SCCT, stood out from numerous outstanding practices nationwide in the selection of the "Brand Powerhouse Economic Forum and (the Eighth) Innovative Achievements Promotion Event", and was successfully included among the conference's core achievements in the *2025 Brand Economy Innovation and Development Case Achievement Report*. The Workers' Union promoted the intelligent upgrading of service models and the deep integration of humanistic care, and systematically developed a series of activities for the "three major festivals" for employees (namely the Sports Festival, Cultural Festival, and Music Festival), building a spiritual home with distinctive port characteristics. This inclusion in a national case report marks that the relevant work has formed experience with demonstrative value. In the future, it will continue to contribute the "Shekou Model" to advancing the development of the industrial worker workforce.



Employee feedback mechanism

The Group has established a comprehensive employee grievance mechanism in accordance with the *Measures for Handling of Problem Clues and Management of Cases*, ensuring confidentiality and independence in the grievance process to effectively protect employee rights. The Group has set up internal suggestion boxes, allowing employees to submit concerns through this channel. Employee feedback is regularly collected, organised, and relayed to all departments at the Headquarters, ensuring timely responses and resolutions. All departments at the Headquarters will organise specialised research and discussions based on the information, issues, or suggestions provided by employees and develop practical solutions for implementation.

Employee satisfaction survey

During the Reporting Period, the Group conducted employee satisfaction surveys across multiple dimensions, including sense of achievement at work, career development opportunities, working relationships, and the working environment. This survey was conducted through a sample method, covering the Headquarters and all subsidiaries. The results showed that the majority of employees who participated in the survey reported high levels of job satisfaction. Among the 19 core satisfaction evaluation dimensions, overall satisfaction was 78%. Among them, the dimensions with outstanding employee satisfaction mainly focused on teamwork, job content, and alignment with professional values. The satisfaction level for the dimension of being able to provide assistance and support to colleagues at work was the highest, reaching 93%. The satisfaction level for the dimension of Work Content Independence and Work Pace Fulfilment reached 88%. The satisfaction level for the dimension of Professional Identity and Responsibility Commitment exceeded 86%.

Looking ahead, the Group will continue tracking employee satisfaction, further enhance communication and feedback mechanisms, and gain deeper insights into employees' needs and opinions. Focus will be placed on compensation, benefits, and career development, offering employees more growth and promotion opportunities to continuously improve job satisfaction and support mutual growth between employees and the Group.

CREATE AN EQUAL AND INCLUSIVE WORKPLACE

Upholding principles of diversity, equality, and inclusion, the Group is committed to providing all employees with fair opportunities for career development. We also encourage every employee to actively leverage their potential, fostering a win-win situation for personal growth and the Group's success.

Talent Recruitment

The Group adheres to a talent-driven development strategy and has formulated the *Regulations on Recruitment Management*, upholding the principles of "legality and compliance", "openness, fairness, impartiality", "strategic orientation", "job-person fit", and "integrity-first competency in recruiting outstanding talent". The Group standardises recruitment planning, job information channel management, recruitment procedures, and talent database management to ensure an efficient, professional, and high-quality recruitment process.

The Group adheres to the laws, regulations, and relevant policies of the location where the Group operates, and ensures that no illegal labour practices or policy violations occur in the hiring process. Recruitment should be conducted transparently by releasing job information through appropriate channels, ensuring that all candidates are evaluated fairly, impartially, and objectively based on the established qualifications and criteria for the positions. Recruitment discrimination is prohibited. When recruiting and hiring personnel, attention should be paid to matching the candidate's capabilities and qualifications with the job responsibilities and requirements. The goal is to ensure that each individual's talents are fully utilised, fostering employee engagement and satisfaction while maximising the effectiveness of the Group's human resources.

Diverse employment

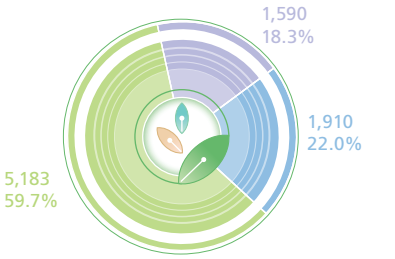
The Group is committed to building a diverse talent pool, guided by strategic talent planning. Based on actual business needs, we broaden our recruitment channels to attract outstanding talent with varying backgrounds, skills, and experiences. We believe that a diverse and complementary team not only fosters efficient collaboration but also ignites innovation, bringing the Group a broader perspective and a stronger competitive edge. At the same time, the Group integrates internal and external resources, leverages the China Merchants brand advantage, strengthens the recruitment of high-level talent, and builds a balanced international and localised workforce of appropriate scale, injecting talent momentum into the Group's development.

Employee Profile

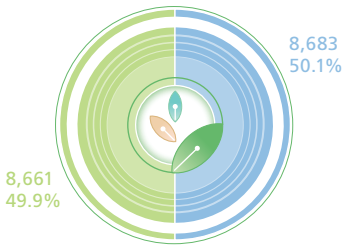
Total number of employees by gender



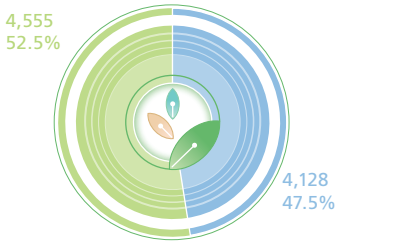
Total number of employees by age group



Total number of employees by employment type



Total number of employees by geographical region



Note: Except for the total employees categorized by employment type, the base data of other categories is the total number of full-time employees.

Expanding Channels to Attract Diverse Talent

➢ Targeting Fresh Graduates: Hundred Seedlings Programme

The Group has continued to advance the "Hundred Seedlings Programme" and increased recruitment of outstanding graduates, bringing a total of 51 persons into the programme throughout the year. The Group conducted recruitment presentations at 8 universities, and coordinated the Subsidiaries companies to conduct port campus recruitment presentations at 4 universities, interviewing nearly 1,000 candidates.





➢ **Targeting Current Employees: Fresh Water Programme**

The Group broke down organisational barriers to activate its internal talent pool. It publicly recruited for 33 positions, up 57% year on year, and carried out 5 batches of talent exchanges involving 41 employees, up 64% year on year, improving internal talent mobility channels.

➢ **Targeting International Talent: International Elite Talent Recruitment Programme**

In 2025, the Group launched a dedicated "International Elite Talent Recruitment Programme", recruiting international elite talent through multiple channels. A total of 8 individuals were recruited during the year.

C Blue Training Programme

In 2025, the Group's C Blue Training Programme flourished across multiple locations and gained prominence on the international stage. A total of 3 cohorts (the Inception Session, Sri Lanka Session and Voyage Session) were conducted, training 62 participants from 27 countries. The Sri Lanka Class, for the first time, conducted recruitment and career development for local universities. 10 participants entered CICT for internships, and 7 participants formally joined CICT based on outstanding performance, achieving efficient talent conversion from training to employment. This delivered positive significance for building an overseas talent pipeline and cultivating local industry talents.

Cross-cultural communication

The "Global Talents Training Programme" Faciliates Domestic and International Exchange

The Group actively strengthened communication and collaboration among employees with cross-cultural backgrounds. During the Reporting Period, it facilitated the first cohort of core foreign employees to take up exchange assignments within China. Additionally, it innovatively launched the "Global Talents Training Programme" to arrange for outstanding key local talent overseas to return to China for training and exchange. The programme aims to establish a robust, long-term, and stable two-way exchange mechanism between overseas and domestic projects, thereby enhancing overseas project operational management and overseas talent pipeline development, systematically elevating the Group's global operational capabilities. In 2025, the "Global Talents Training Programme" conducted four specialized training sessions covering finance, information technology, operations, and safety, cumulatively cultivating 46 core foreign employees. Embracing the missions of professional development and cultural exchange, the "Global Talents Training Programme" will nurture steadfast leaders who, like seagulls, traverse oceans and connect continents.

The C Blue Talent Programme Extends Its Influence

Beyond strengthening cross-cultural collaboration among employees with diverse backgrounds, the Group leverages its social initiative, the C Blue Talent Programme, to attract young professionals and industry experts from universities and established fields. The programme fosters friendly exchanges and mutual learning among international talents across the public transportation areas. In 2025, the C Blue Talent Programme launched diverse specialized classes, cultivating 62 participants from 27 countries. Its brand influence continued to grow, gradually stepping onto the international stage and garnering widespread attention from all sectors of society. In September 2025, the C Blue Talent Programme was invited to deliver the closing presentation at the Second International Civil Society Solidarity Conference on the Global Development Initiative. In a chorus of the C Blue theme song "*C the Future C the World*", the programme's vitality and cohesion were given full play to the international community.



" Global Talents Training Programme" Trainee Meet-and-Greet Exchange Session



" Global Talents Training Programme" Trainees Participate in Training and Exchange Activities at SCCT



" Global Talents Training Programme" Trainees Participate in a Cultural Course



C Blue Training Programme (the Far Sailing Class) Opening Ceremony



C Blue Training Programme is Showcased at the Second International Civil Society Exchange Conference on Joint Implementation of the Global Development Initiative



Representatives from Public Welfare Initiative Sang the Theme Song of C Blue named C the Future C the World.

Key performance:

Number of newly recruited employees	Full-time Employee turnover rate
524	7.09%

Inclusive workplace

The Group is committed to fostering an inclusive workplace environment that fully respects the differences among employees. It advocates an open and transparent communication culture in the workplace, encouraging dialogue and collaboration among staff members. The Group treats every employee equally and strives to provide a fair and just platform for development, enabling individuals to fully mobilise their initiative and drive, which in turn enhances organisational vitality.

Caring for female employees

The Group implements the *Special Provisions on Labour Protection for Female Employees* and clearly outlines the rights of female employees regarding marriage leave, prenatal check-up leave, maternity leave, breastfeeding leave, and other maternity-related benefits in the *Regulations on Employee Attendance and Leave Management*. Additionally, we provide necessary welfare support for these employees. Female employees are allowed to extend their maternity leave based on their physical condition during pregnancy or before childbirth. Each year, we arrange annual health check-ups and other health management services for employees, offering special physical spaces and health services for female employees. In 2025, the Group enhanced the standards and funding for medical and healthcare services to provide employees with higher-quality health services and ensure their physical and mental well-being and comfort.

Case

The Group Organised a Variety of Activities to Celebrate International Women's Day on 8 March

On the occasion of the 115th International Women's Day, the Group organised themed celebration activities: Shantou Port held a spring outing themed "Floral Elegance for Women, Enjoy the Outdoors"; CMITQ organised a DIY embossed table-lamp workshop; Haiqin Company, under the theme "Uniting Our Hearts and Strength, Creating Flourishing Years", carried out handicraft activities including making a "Red Boat Model" and an "Integrity Gilded Foil Painting", as well as an artistic flower-arranging activity; SCCT held the second Fun Sports Meeting for female employees, featuring creative events such as Happy Curling, Travel Around the World, and Writing the Future.





SUPPORTING EMPLOYEE DEVELOPMENT

The Group focuses on enhancing the value and career development of each employee, formulating and implementing policies and systems related to skill improvement and career advancement, continuously improving the talent development system, ensuring smooth career progression channels, and promoting the establishment of a talent pipeline aligned with the Group's sustainable development strategic goals.

Employee development

Building a talent team

In terms of human resource strategy, the Group is dedicated to developing a world-class port workforce. We implement a comprehensive "1234" human resource strategy, which involves: rooting at 1 workforce management platform, promoting 2 programmes consisting of institutional building and capacity building, rigorously selecting and managing leaders, categorising and layering talent development; undertaking 3 big projects including a marine project, a college project, and an incentive project tailored to our business needs; forming 4 specialised teams encompassing leading figures, senior executive, professional talents, and overseas talents. Based on this, we strive to create a robust talent ecosystem to foster a motivated and capable workforce.

Cadre team: Focusing on key areas, the Group establishes 3 categories of talent pools under the "Talent Cultivation Programme", with a total of 376 people. It conducts International Elite and Young Cadre Talent Training, cultivating 44 core business backbones.





International Elite and Young Cadre Talent Training

Overseas talents: The Group promotes efficient rotation of expatriate staff. In 2025, 21 employees completed their assignments and returned upon expiry, achieving a 100% completion rate. The Group arranged for key operational personnel of CICT who are Sri Lankan nationals to conduct exchange at the Headquarters and take up positions at the Shenzhen Western Port home port, assigned training mentors, and provided targeted empowerment to accelerate the improvement of overall competencies. We also innovatively launched a dedicated training programme under the "Global Talents Training Programme", closely aligned with business needs, arranging outstanding overseas local backbone employees to return to China for training, and rolling out 4 dedicated training tracks in finance, information technology, operations, and safety, cumulatively training 46 foreign local backbone employees.

Talent reserves: The Group held the "Hundred Seedlings Programme" training for newly hired employees and the Shantou Port "Yunfan Programme" youth talent training project, driving young reserve talent to build a solid foundation and grow rapidly.





"Hundred Seedlings Programme" Talent Training Programme

Professional technical talent: The Group deepened the "hundred-ten thousand-one million" science and technology talent development programme, focusing on core technology research areas, selected and recommended 1 top science and technology talent candidate, and formulated a tailored, individual-specific development plan. We vigorously advanced the special initiative for the reform of the training of engineering master's and doctoral students, initially facilitating 2 students' corporate internship placements, 1 employee's enrolment in an in-service doctoral programme, and completing the enrolment and recommendation of 10 master's and doctoral students for the Class of 2026. The Group strengthened the cultivation of a digital and intelligent talent team, and took the lead in organising the CMG's "AI + Industry" joint training, reaching 4,700 employee attendances in the CMG's transportation sector.

Vocational skill level certification: The Group completed skill level certification for 183 employees and recommended 2 employees to apply for the Central SOE Master Craftsman award.

The Group's talent development efforts are led and coordinated by Human Resources Department at the Headquarters, with subsidiaries companies promoting and implementing them. In 2025, the Group released the "Mangrove Talent Harbor" brand and system development plan. With "Gathering Talent to Prosper the Port, Wisdom Surging into the Future" as the brand slogan and the five-tier mangrove ecosystem as the blueprint, we anchored our direction on supporting the Group's strategy and leading talent development. We are committed to building an outstanding talent development environment, forming a diversified and high-quality talent pool, and promoting the symbiotic co-development of talent and the Group, thereby achieving a value closed loop of iterative upgrading of talent capabilities, transformation and reuse of experience and achievements, and value feedback to drive ecosystem upgrading. Ultimately, this will enable long-term mutual success for talent and the Group, providing sustainable momentum for achieving Group's strategy of becoming a world-leading port service provider.

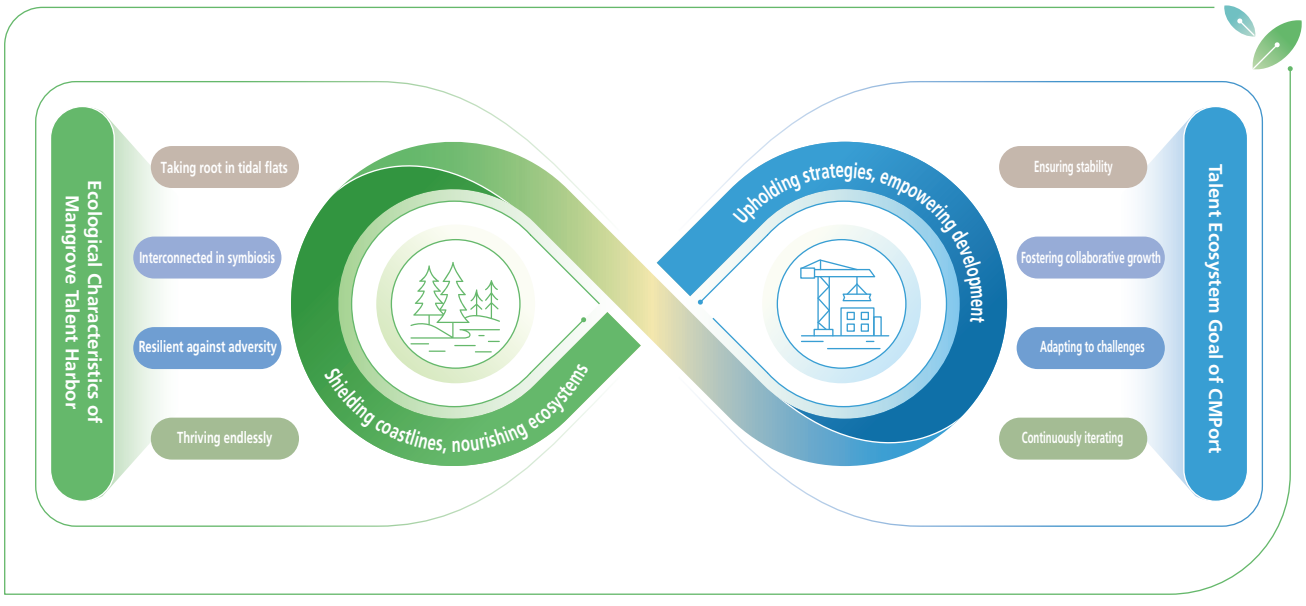
- **Environment level:** Building "mudflat-style" solid safeguards. Guided by the principle of "comprehensive safeguards and zero-distance services," we have built a multi-dimensional support system covering policy support, employee services, and a cultural atmosphere, creating a talent clustering effect where "those nearby are satisfied, and those far away are attracted."

- **Forest level:** Cultivating a "mature-tree-style" talent pipeline. Aligned with the Group's development needs and guided by the principles of "layered development, category-specific focus, and dynamic optimisation", we have built a three-tier talent pipeline featuring "leading talent steering the way, backbone talent providing support, and reserve talent building momentum", while covering diverse areas including management, technology, overseas, and skilled roles.

- **Community level:** Building a "symbiotic" collaboration network. The aim is to achieve talent-job matching, talent-team collaboration, and alignment between talent and Group's development, enabling talent to maximise value through collaboration and creating a symbiotic and mutually reinforcing pattern of talent-team-Group.

- **Circular level:** Create a "regenerative" closed loop of value. The aim is to enable talent to create new value through capability enhancement, while enabling us to accumulate core strengths and activate development momentum through value circulation, thereby forming a virtuous, regenerative ecosystem of "talent value appreciation - value creation - ecosystem reinvestment."

- **Ecological level:** Achieving "shared prosperity" sustainable development. Guided by "long-termism", the Group incorporates talent development into its strategic planning, enabling talent to maximise personal value on its platform while allowing it to achieve sustainable growth by leveraging talent advantages, ultimately realising shared prosperity.



"Mangrove Talent Harbor" Brand

Unblocking career development path

The Group has implemented the *Administration Measures on Dual Career Development Paths of Employees*, which outline pathways in both management and technical career tracks, specifying the conditions, procedures, and criteria for job transfers, promotions, and demotions. We encourage internal job competitions within the Group and advocate for competitive selection processes for managerial positions. Employees meeting the necessary criteria in terms of work experience and performance are promptly offered opportunities for advancement, ensuring the exercise of competence of exceptional talent and the expansion of avenues for career growth and development.

Based on the Group's operational management practice and strategic development needs, 2 career ladders have been established: management track and technical track.

Management Track	Assistant Department General Manager → Deputy Department General Manager → Department General Manager, Executive Department General Manager, and Senior Deputy Department General Manager → Assistant General Manager
Technical Track	Clerk → Senior Clerk → Officer → Deputy Functional Manager → Functional Manager → Senior Functional Manager → Department Director → Senior Department Director → Company Director

Employee training

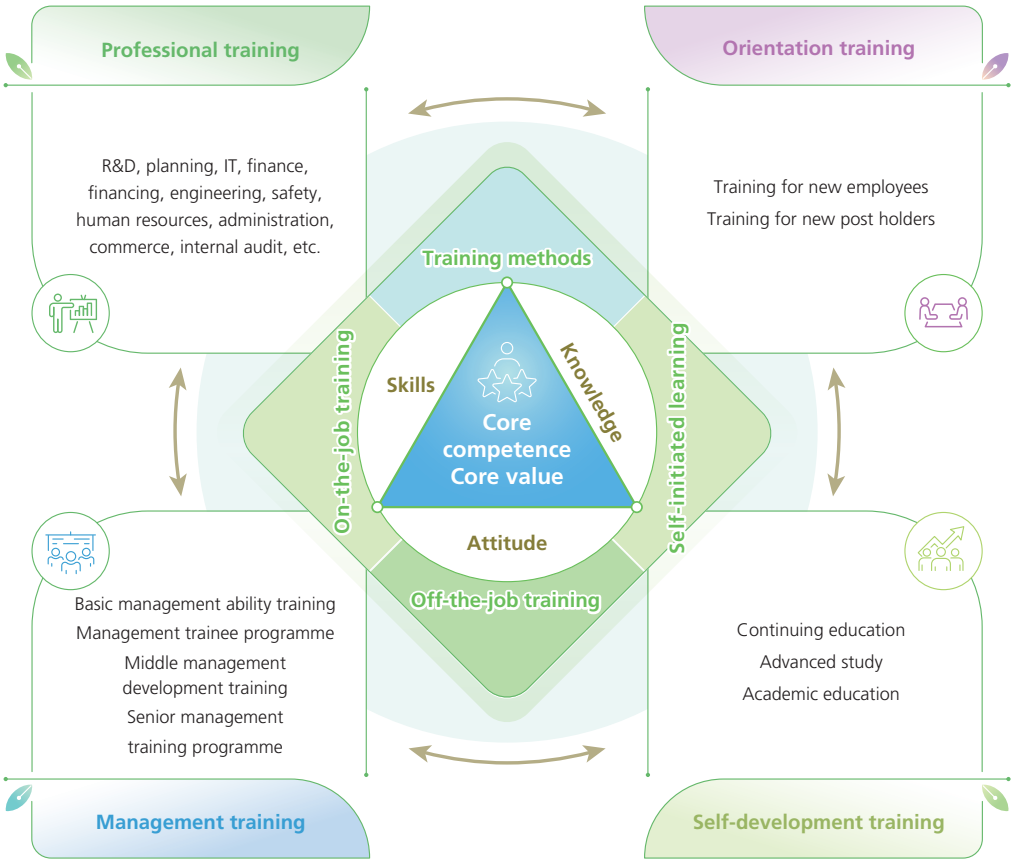
The Group is committed to building a platform for nurturing and advancing global port professionals. The Group has formulated policies such as the *Administrative Regulations on Employee Training*, the *Administrative Regulations on Employee Continuing Education*, and the *Administrative Regulations on New Employee Training* to systematically build a high-quality talent team, create a robust and standardised training system, and improve employees' overall quality and professional capabilities.

Training system

The Group classifies training based on the different training subjects, venues, content, and target groups as follows.

By training subject and venue	
On-the-job training	Refers to training received while performing job duties. It generally refers to specific management activities conducted by supervisors to enhance subordinates' abilities. This includes group meetings, performance interviews, work coaching, guidance, delegation, and job practice.
Off-the-job training	Refers to centralised training organised and implemented by the Human Resources Department or other functional departments and institutions. It can be further divided into internal and external training formats.
Self-initiated learning	Refers to self-driven learning where employees, as the subject of training, use their spare time to improve their personal capabilities through further study, reading, and academic education. The Group encourages employees to engage in self-initiated learning.

By training content and target group	
Orientation training	Assists new hires and employees transitioning to new roles in adapting to the job, understanding our culture and organisational regulations, establishing a correct career outlook, and adjusting to the new work environment.
Professional training	Strengthens the professional knowledge, skills, and international competence necessary for employees' current positions. It also promotes mutual learning, communication, and collaboration across departments to enhance work efficiency and ensure organisational goals are met.
Management training	Enhances the comprehensive management skills of employees at all levels, improves team management abilities, and effectively utilises the Group's resources to improve organisational performance and achieve organisational goals.
Self-training	Alongside the effective implementation of the above three types of training, this aims to further cultivate and foster an organisational learning environment, expanding opportunities for individual self-learning and development.



The Group's Training System

Internal trainers and internal course management

The Group has improved the *Administrative Regulations on Internal Trainers and the Administrative Regulations on Internal Training Courses*, to streamline the selection, evaluation, and incentivisation of internal training instructors and enhance training quality and effectiveness. Internal trainers are recommended by each subsidiaries or nominated themselves. In principle, all department at the Headquarters and the Subsidiaries should have at least 3 internal trainers. Internal trainers are selected, evaluated, and certified by the Group. While performing their primary job duties, internal trainers also take on the part- time responsibility of developing internal courses and delivering training sessions. Internal trainers are employed on a contract basis, with a renewal period of every two years. The levels of internal trainers, from highest to lowest, are: distinguished expert, senior lecturer, advanced lecturer, and lecturer. As of the end of the Reporting Period, the Group's internal trainer team consists of 71 internal lecturers.

Training evaluation management

According to the *Administrative Regulations on Employee Training*, the Human Resources Department is responsible for organising evaluations after training to assess whether the training has achieved its intended outcomes. The evaluation includes the trainer, trainees, and the training organiser. After the training session, the hosting department organises employees to fill out the *Training Effectiveness Evaluation Form* and summarises employee feedback, which is then provided to the trainer and submitted to the Human Resources Department for filing. This feedback will be used as a reference for organising similar future training sessions.

Case

Developing AI+ Industry Benchmark Training to Accelerate Digital and Intelligent Transformation

In 2025, the Group spearheaded CMG's "AI+ Industry" joint training initiative, assembling a team of internal and external interdisciplinary instructors. Collaborating with all units within CMG's Transportation Segment, the Group conducted two specialized training sessions, delivering over 20 dedicated courses that reached 4,700 employees across the entire Transportation Segment. This initiative established a benchmark practice where secondary units empower the entire domain, creating a replicable and scalable training model that injects robust momentum into the digital and intelligent transformation of business operations.





Case

NPH Established a Systematic Training System Covering the Entire Employee Career Development Cycle

NPH developed five categories of training, focusing on employees' full-cycle career development needs from onboarding to professional growth. Basic training covers our corporate vision, mission, and culture, helping employees achieve "cognitive integration". Advanced training focuses on professional deepening, including practical operation of management information systems and the application of terminal operating systems, among other digital capability enhancements. Quality training, with skills efficiency improvement as its objective, enhances the accuracy and proficiency of business operations. Management training targets frontline management positions and management talent reserves to provide management empowerment. Health, safety, and environmental training, based on risk prevention and control and a sense of responsibility, reinforces safety awareness among all employees.



The NPH Organisation Conducts Employee Vocational Skills Training

Key performance

Total training hours for employees

191,670.75 hours

Total employee training expenditure

HK$5.78 million

Employee training coverage rate

100 %

Sustainable Supply Chain

Strategy and development

The Group insists on standardising supplier management, preventing supply chain risks, and promoting sustainable supply chain construction. The Group's supplier management adheres to the principles of "centralised management, classified and graded management, information sharing, and dynamic control," implementing full lifecycle management for supplier admission, assessment, evaluation, and exit. In 2025, the Group continued to standardise supplier management, proactively prevented supply chain risks, strengthened the communication and implementation of business ethics for suppliers, and promoted the development of a sustainable supply chain.

- Supplier ESG risk assessment: Set the goal to conduct at least one supplier ESG risk assessment each year. This year, ESG risk assessments were conducted during both the supplier admission review and evaluation stages.
- Overdue Payments to SME Suppliers: Set a goal of zero overdue payments to SME suppliers. This year, no overdue payments to SME suppliers occurred.

Future plans

- Optimise supply chain collaboration and customised service solutions by fostering cross-departmental cooperation and resource sharing to drive sustainable supply chain development.
- Combine digital platforms and information-sharing mechanisms to enhance collaboration efficiency with suppliers both domestically and internationally.
- Provide suppliers with improvement recommendations and incentive measures through regular assessments and feedback to enhance their ESG performance.
- Expand the scope of ESG assessments, optimise supply chain risk management, and promote green procurement and innovation.

UNSDGs responded in this chapter



SUPPLY CHAIN MANAGEMENT STRUCTURE

Operational & Commercial Department is responsible for procurement management, including the formulation of supplier management systems, organising special meetings to address supplier misconduct, conducting dynamic quantitative evaluations and coordination of suppliers, and overseeing the Group to carry out supplier management, supplier behaviour rectification and acceptance. Subsidiaries supported the Headquarters in performing the above duties by organising credit reviews of prospective suppliers, verifying and recording information on suppliers' misconduct, providing the results of dynamic quantitative supplier evaluations, and tracking suppliers' rectification and organising acceptance activities, thereby forming a top-down and bottom-up closed loop.

SUPPLIER GRADING AND CATEGORISED MANAGEMENT

In accordance with industry practice and business needs, and based on the *Industrial Classification for National Economic Activities*, the Group established the *China Merchants Port Supplier Classification Catalogue* according to procurement categories. The Group includes key suppliers within the scope of prioritised management, classifying them based on their importance and procurement amount. Suppliers are graded into four levels – A, B, C, and D – according to evaluation results, with corresponding management measures applied to each level. Among them, Grade A refers to excellent suppliers, Grade B refers to good suppliers, and Grade C refers to ordinary suppliers. Grades A, B, and C are all qualified suppliers, while Grade D refers to unqualified suppliers.

SUSTAINABLE SUPPLY CHAIN MANAGEMENT

The Group considers sustainable supplier management a key component of its ESG governance system and has established a full-chain management framework based on a "headquarters coordination - tiered control - ecosystem co-development" approach. The Group continues to refine its sustainable supply chain framework based on "policy standardisation - risk assessment - dynamic control." It systematically conducts special risk assessments on supply chain anti-corruption, environmental compliance, and workplace safety, embedding ESG standards into the full lifecycle supplier management process. In 2025, the Group carried out awareness-raising on *Supplier Code of Conduct* for existing suppliers, promoting the establishment of a supply chain featuring standardised transactions and win-win cooperation.

In terms of supply chain ecosystem co-development, the Group emphasises collaboration with SMEs and has established a fair and transparent cooperation mechanism. In 2025, no overdue payments to SMEs occurred. Additionally, the Group launched an innovative supplier ESG capability-building platform, maintaining regular communication with equipment manufacturers, distributors, and project contractors via email, phone calls, and meetings. It also conveys relevant policies such as the *Supplier Code of Conduct* and provides periodic training for suppliers on business ethics, safety, and environmental protection. These initiatives help suppliers enhance their ESG practices in areas such as environmental management and labour rights protection. These measures not only effectively reduce supply chain operational risks but also foster a shared commitment to sustainable development across the industry value chain, setting a benchmark for sustainable supply chain management in the sector.

Supplier Admission Audit	During the information review stage, the Group requires suppliers to complete the *Self-Examination Questionnaire for Suppliers on Social Norm Compliance*. This questionnaire covers areas such as legal regulations, business ethics, health and safety, environment, child labour, forced labour, compensation and working hours, anti-discrimination, employee rights, supply chains, privacy protection, and data security. Suppliers are asked to perform a self-assessment. The procurement unit verifies suppliers' contract fulfilment capabilities and sustainability performance through information verification and on-site inspections. Information verification focuses on suppliers' business scope, qualification certificates, quality assurance systems, and the *Self-Examination Questionnaire for Suppliers on Social Norm Compliance*. On-site inspections focus on suppliers' design and R&D, production and manufacturing, testing and quality control, safety management, labour conditions, and environmental protection to assess whether they meet the required standards.
Supplier Assessment and Appraisal	Following the principles of "multi-stakeholder comprehensive evaluation, multi-dimensional assessment, and dynamic quantification," the Group conducts an annual supplier assessment and adjusts supplier ratings accordingly. Based on supplier categories, the Group incorporates ESG risk factors – such as business ethics, labour rights, occupational health, and environmental sustainability – into the existing evaluation dimensions of team capability, technology, quality, and service. To encourage responsible suppliers, procurement units may prioritise inviting A-grade suppliers to participate in bidding within their capability scope under equal conditions.
Supplier Rectification and Acceptance Inspection	The Group regularly records supplier misconduct and requires suppliers to implement corrective actions, setting deadlines for acceptance of rectification results.
Supplier Capability Building	The Group communicates regularly with equipment manufacturers, distributors, and project contractors by such means as e-mail, phone, and in-person meeting, and timely informs them of the Group's relevant policies such as the *Supplier Code of Conduct*. We also organise regular training sessions for suppliers on business ethics, safety, environmental protection, and other aspects. Suppliers' sustainable management capabilities are improved through shared experiences and lessons.
Supplier Exit Handling	Suppliers involved in misconduct such as corruption, information leakage, dishonesty, quality issues in products or services, falsification of materials or identity, among others, are subject to measures based on the severity of the situation. These measures may include point deductions, suspension, disqualification, or permanent removal from the supplier list.

The Group integrated ESG into supplier procurement management. For different categories of suppliers, we set different ESG-related bonus and penalty scoring items, effectively incentivising suppliers to proactively carry out sustainable development practices.

Supplier categories	ESG-related bonus points	ESG-related penalty points
Construction suppliers	Certified under ISO 45001 Occupational Health and Safety Management System with a well-established occupational safety protection mechanism; certified under ISO 14001 Environmental Management System, utilizing clean technologies and renewable energy, and implementing environmentally friendly construction practices.	Engaging in unethical business practices such as dishonesty, unfair competition, or bribery and corruption; violations related to labour compliance, forced labour, or other issues negatively impacting projects.
Goods suppliers	Prioritising the use of renewable and recyclable materials in production; adopting low-carbon and environmentally friendly production processes.	Excessive pollutant emissions, violations of labour rights, data falsification incidents, or lack of logistics responsibility.
Service suppliers	Innovation in low-carbon service applications, inclusive service design, and crisis response.	Breach of green commitments, loopholes in the compliance system, misconduct in business ethics, and failure of emergency response.

Key performance

Total number of suppliers
3,370

Number of suppliers assessed for ESG
2,076

Number of suppliers participated in ESG training
2,076

Supplier signing rate of Honesty and Integrity Agreement
100%

Number of suppliers eliminated for non-compliance
0

Number of SME suppliers with overdue payments
0

Improving Service Quality

Strategy and development

The Group adheres to the "customer first" service philosophy, standardises customer service management, improves service quality and efficiency, and responds promptly to customer needs, continuously creating value for customers. The Group is committed to providing customers with one-stop, comprehensive, high-quality, and efficient first-class port services.

- Revised and improved the *Market Business Management Measures*, further clarifying contents such as customer service response and complaint handling.
- The comprehensive score of the main business segment is 94.03 points, with overall customer service satisfaction rated at the "satisfied" level.
- Mawan Smart Port received a five-star "Smart Port" certification, and CM ePort won the first prize in the technology category from the China Ports & Harbors Association.

Future plans

- Continuously extend service value and enhance customer satisfaction
- Deepen digital and intelligent empowerment to accelerate innovation and upgrades, facilitating the transition of technological achievements from pilot projects to replication and large-scale application. The Group will actively develop new quality productive forces to improve operational efficiency and service quality

UNSDGs responded in this chapter



OPTIMISING CUSTOMER SERVICE QUALITY

Standardised services

During the Reporting Period, the Group revised and improved the *Market Business Management Measures*, further clarifying specific requirements for customer relationship management, customer service response, and complaint handling management, and standardising customer service-related processes and standards.

Efficient services

The Group will continue to promote subsidiaries in optimising service processes, improving service efficiency, and innovating service models to enhance customer service levels and create value for customers.

During the Reporting Period, the Group accelerated the optimisation and upgrading of CM ePort and fully launched the integrated operation model led by digital intelligence. CM ePort provides centralised and unified online functions for business submission, acceptance, inquiry, statistics, and payment. Through functional modules such as visualised inquiries, paperless documentation, online financial management, and open connectivity, it supports 24-hour around-the-clock services and paperless port applications, empowering port business scenarios.

Case

Shantou Port Achieved Mutual Recognition Across Multiple Customs Zones, Enhancing Customs Clearance Service Standards

Shantou Port launched the "Guang'ao–Shekou" combined port and the "Guang'ao–Nansha" one-port access, enabling information interconnection, port area code sharing, and mutual recognition of customs supervision between the Shantou Guang'ao Port Area and the Comprehensive Bonded Zone, and between the Guang'ao Port Area and Shenzhen Shekou Port as well as Guangzhou Nansha Port. By integrating data from customs, ports, and other parties, the customs clearance process was changed from "two declarations" to "one declaration, one inspection, and one release." Shippers no longer need to separately handle transit customs procedures, effectively improving customs clearance efficiency.



Case

CMITQ Intelligent System Empowering Park Vehicle Management and Transportation

The CMITQ innovatively introduced a proactive service model of "inspection–reminder–guidance." A radar detection and reminder system was installed at the gate weighbridge to automatically guide vehicles to park in a standardised manner. This initiative increased parking accuracy to over 98%, effectively reduced customs controls, and significantly shortened vehicle waiting time, thereby improving customs clearance efficiency and lowering logistics costs.

The CMITQ optimised and upgraded the CM Cloud mini program by adding a buffer zone management function to accurately identify controlled vehicles and assist customers with efficient management, strengthening the risk prevention line for regulatory oversight. In parallel, drivers were equipped with a real-time vehicle status dashboard that clearly displays vehicle movements. When a vehicle was not yet loaded, drivers were guided to contact customers to complete loading; once loaded, they were promptly reminded to enter the zone, comprehensively optimising the service experience and improving operational efficiency.



Key performance

Total number of registered enterprises on CM ePort

20,653

Cumulative CM ePort recorded customers using online services

251,788

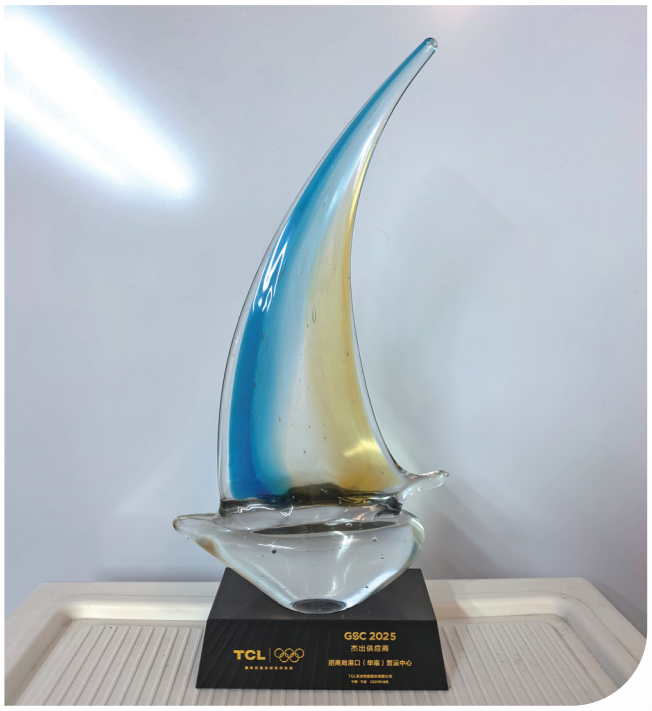
Customer satisfaction

The Group always prioritises customer needs, actively listening to their feedback and striving to create an efficient and considerate service experience. Through regular and ad-hoc meetings, as well as on-site visits, the Group seeks to understand customer needs and expectations. Additionally, the Group leverages industry exhibitions, customer appreciation events, and various industry activities to engage with customers and collect extensive feedback, continuously improving service quality.

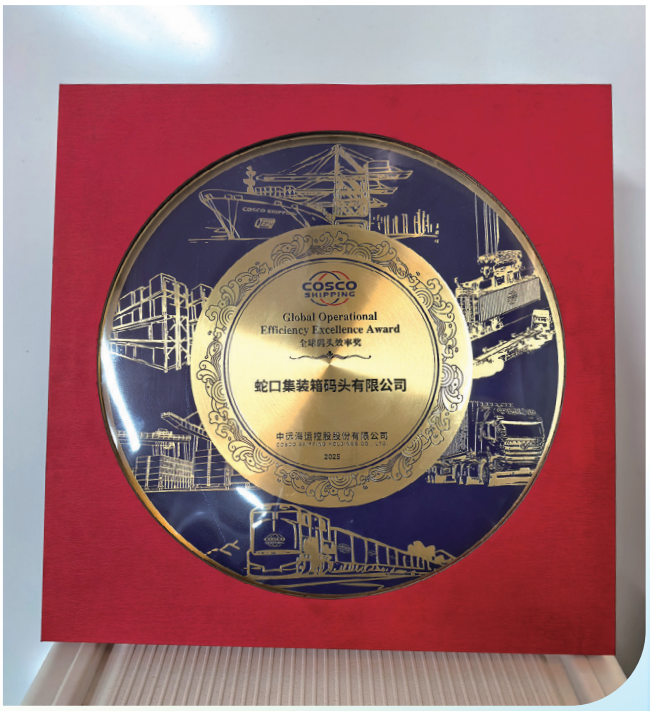




Vice Chairman of the Board of the Company, Yim Kong, met separately in Hong Kong with Senior Management of Yang Ming Marine Transport and Quanzhou Development Group, and the two sides exchanged views on deepening cooperation



SCCT Wins TCL Outstanding Supplier Award



Shekou Container Terminal Co., Ltd. is awarded the Global Terminal Efficiency Award by COSCO SHIPPING Holdings Co., Ltd.

The Group actively conducts customer satisfaction tracking and follow-ups to continuously enhance service quality. In 2025, the Group conducted customer satisfaction surveys for our two core businesses: port operations (container handling services) and port logistics (logistics bonded parks). The survey results showed that the overall score for port operations and port logistics in 2025 was 94.03 points, and the overall evaluation of customer service satisfaction was "Satisfied".

Key performance

Major customer complaints	Customer complaint resolution rate	Overall customer satisfaction score for the main business segment
0	100%	94.03 points

PROMOTING DIGITAL AND INTELLIGENT EMPOWERMENT SERVICES

The Group views "Innovative Transformation" as one of the three main driving forces for development, continuously promoting business model and technology-driven innovation. It accelerates the construction of smart ports and leverages digital and intelligent technologies to improve operational efficiency and empower customer service.

Technology innovation strategy

The Group made arrangements in the development of generic technologies of the industry, cutting-edge leading technologies, and advanced technologies of the industry. Through independent, cooperative and commissioned R&D, we aim to form intelligent upgrading and transformation solutions for traditional terminals and comprehensive solutions for smart ports with our own characteristics, transform our terminals and parks into intelligent platforms, and achieve technological innovation and leapfrog development. During the Reporting Period, the Group focused on the application of AI technologies and advanced the AI integration work across the entire system.

Science and technology innovation system

The Group has established an innovation management system with the "Technical Engineering Department/Digitalisation Intelligence Centre as the coordinating and managing department", and with relevant functional departments deeply involved, to implement standardised and scientific management of the Group's investment in technological innovation, platform development, transformation and application of innovation achievements, and other activities, thereby improving the technological innovation mechanism and consolidating the foundation for technological innovation.

In 2025, the Group revised 5 core management systems for technological innovation, including a series of documents such as the *Administrative Rules for Technology Innovation*, *Administrative Rules for Innovation-Oriented Projects*, *Administrative Measures on Innovation R&D Investment Statistics*, *Implementation Rules for the Selection and Management of Innovation Awards*, and *Implementation Rules for the Management of Technological Innovation Experts*.

Investment in technological innovation

The Group actively promotes and supports technology innovation by increasing R&D investment, building innovation platforms, and incentivising innovation outcomes. These initiatives encourage innovative actions, stimulate creativity, and foster a strong culture of innovation. The Group incentivises teams and individuals who achieve major innovation breakthroughs through the *Implementation Rules for the Selection and Management of Innovation Awards*. Recognised achievements include, but are not limited to, technological innovation, technological improvements, process upgrades, and management innovations.

Application of innovation achievements

Emerging technologies empower port enterprises to continuously enhance service efficiency, improve quality and efficiency, and energy conservation and carbon reduction. The Group accelerates innovation upgrades by deepening digital and intelligent empowerment, rapidly transitioning technological achievements from pilot projects to large-scale deployment, and fostering the development of new quality productive forces to enhance operational efficiency and service quality.

The Group continues to iterate and promote the smart platform. During the Reporting Period, the new-generation "CMCore" was successfully developed and launched, and the TOS breakthrough project passed acceptance inspection by the Ministry of Transport. TCP successfully launched the CTOS system, which comprehensively covers TCP's distinctive customised businesses, including rail-inbound-to-port operations, scanning operations, on-terminal supporting import warehouse operations, and sea-rail multimodal transport (KBT) operations. The SMP platform was implemented at SCCT, covering 90% of the cost analysis process; ePort completed the restructuring of its operations service model and expanded value-added services for the logistics supply chain. The volume of autonomous driving operations at Mawan Smart Port exceeded 700,000 TEUs, up 180% year-on-year.

Case

Zhangzhou Port Obtained the "National High-tech Enterprise" Certification

Zhangzhou Port implemented the "Innovation-driven Development" strategy. Building on our existing "Five Small Innovations" and "Small Technical for Great Output initiatives", it continued to increase investment in scientific research and innovation with a forward-looking vision and determination. Through a series of systematic measures, including scientific planning, establishing rules and regulations, and assessment and incentive mechanisms, Zhangzhou Port gradually established and improved a scientific research and innovation framework covering the building of scientific research and innovation teams, the management of innovative R&D projects, the accounting and allocation of R&D expenses, and the protection and application of intellectual property rights. With solid scientific research and innovation efforts, Zhangzhou Port successfully obtained filing for National High-tech Enterprise recognition in January 2025.

Honours & Recognitions

Mawan Smart Port Was Awarded the Plaque of "Five-star China Smart Port"

Zhangzhou Port Obtained the "National High-tech Enterprise" Certification

Harmonious Community

Strategy and development

The Group actively assumes its social responsibilities and is committed to driving the development of the communities where it operates through business operations. We provide support and give back in areas such as infrastructure development, education and culture, medical assistance, and care for vulnerable groups, establishing transparent, harmonious, and inclusive cooperative ties with communities, and promoting shared prosperity.

- Develop and release the Stakeholder Engagement Policy, clarifying the Group's commitments to stakeholders and promoting effective communication with them.
- Follow up on the construction and aid progress of "China Merchants Silk Road Hope Village" and actively carry out community co-creation
- Continue building the "Global Philanthropic Mission" public welfare programme system and strengthen international cultural exchanges and cooperation

Future plans

- Carry out awareness and training on the Community Engagement Policy and Stakeholder Engagement Policy to ensure effective implementation
- Focus on real community needs and professional methods to promote a broader and deeper impact of various public welfare projects under the "Global Philanthropic Mission" programme

UNSDGs responded in this chapter



DRIVING COMMUNITY DEVELOPMENT

The Group always pays attention to the development of communities in the regions where it operates, with a global perspective. It deeply practices the concept of "win-win integration" and while developing its business, actively promotes the economic, social and cultural development of the local areas. The Group formulated and released the Community Engagement Policy, committed to continuously promoting community communication and integration between the port and the community, focusing on environmental protection, caring for persons with disabilities, older groups, children's education, and women's vocational education in the community, and advancing the shared vision of common prosperity for the port and the community.

Deepening community co-development

The Group consistently promotes proactive adaptation of corporate operations to meet community needs and actively engages in community development. We strive to leverage our resources to benefit local residents and create lasting positive social impact.

Case

SCCT Conducted the Environmental Public Welfare Activity Titled "Let Nature Be More at Ease"

In October 2025, SCCT, with "Let Nature Be More At Ease" as the core theme, carefully planned and implemented a series of environmental public welfare activities that were both practical and engaging. The event specially invited a professional environmental foundation to jointly carry out the initiative, embedding environmental concepts into community living scenarios. Through multi-dimensional and immersive interactive formats, it conveys new propositions for green living to residents.

At the event site, the volunteer team, through vivid graphic display boards, fun quizzes, and case sharing, systematically provided science-based education on Shenzhen's waste sorting standards, classification techniques and recycling value for recyclable materials, with a particular emphasis on the importance of reducing the use of plastic bags and other single-use plastic products in lowering the environmental burden. In response to the cognitive characteristics of residents across different age groups, staff patiently answered common questions encountered in daily waste sorting, guiding everyone to shift from "I should be environmentally friendly" to "I want to be environmentally friendly," so that green concepts truly became integrated into everyday details of life.



Case

Qianhai Bay Property Held the Green Public Welfare Initiative Titled "Ecological Light, Ushering in Green Shekou"

Approaching World Earth Day 2025, Qianhai Bay Property, together with the Shekou Community Foundation, held the Phase I Green-Friendly Space Public Welfare Initiative of Huigang, themed "Ecological Light, Ushering in Green Shekou". The initiative focused on three key dimensions: ecological protection, resource recycling, and community co-building, and was committed to transforming environmental actions into engaging experiences that are tangible and participatory.



This event launched an environmental initiative through green check-in badges, public welfare "little red flowers," and reusable coffee cups, and also delivered a public welfare lecture on sustainable development. Public welfare lecturers were invited to explain "Green Narratives for Enterprises Going Global" and "Localised Practice of the SDGs", enabling participants to understand, through immersive activities, the urgency of symbiosis between humanity and nature and to jointly build a future sustainable community.

Case

Xia Men Bay Terminals Carried out Volunteer Activities, Contributing Public Welfare Efforts to the Development of Better Communities

In 2025, Xia Men Bay Terminals participated in the third "Neighbourhood Culture Festival" volunteer activity in the Lingbo Community within the region, as well as a beach litter-picking volunteer activity, taking practical action to safeguard the ecological well-being of residents and contributing public welfare efforts to the building of a clean and beautiful living environment.





Case

NPH Sponsors Community Reading Centres

NPH carried out the community reading centre (TBM) public welfare programme, aiming to provide children with a relaxed and enjoyable learning space where they can access literacy, develop creativity, and learn new things outside formal school. NPH provided each centre with operational funding support, disbursed quarterly, to ensure the implementation of activities and daily operations. Through these activities and support, local children gained a safe, fun, and meaningful alternative learning space, supporting their growth and development.



Case

HIPG Continuously Launched the "China Merchants Silk Road Hope Village" programme to Support Community Development

With the support of China Merchants Charitable Foundation, HIPG continued to implement the "China Merchants Silk Road Hope Village" project, focusing on Kendagasmanke Village to improve local infrastructure, introduce modern agricultural technologies such as intelligent irrigation greenhouses, and strengthen farmers' market access. The project has benefited over 2,200 residents.

In September 2025, representatives of the project's beneficiary groups were invited to China to participate in the Second International Civil Society Solidarity Conference on the Global Development Initiative and present the project. This initiative has strengthened the Company's sustainable development image and created a more stable community environment for the local area, contributing to long-term business operations.



Proactive community communication

The Group takes proactive steps to foster open dialogue and establish collaborative partnerships with local stakeholders, empowering communities to thrive. We prioritise transparency in our interactions and strive to cultivate genuine, harmonious, and trust-based relationships with the communities we serve.





Qianhai Bay Property organised the "A Beam of Light Public Welfare Lifestyle Festival" to enrich community activities and strengthen community engagement

Caring for future of youth

The Group focuses on empowering young people in their careers and broadening their horizons, providing outstanding young people with diverse learning and interactive opportunities and building an extensive platform for exchange.

Case

C Blue Talent Programme Promotes Talent Exchange and Cultural Integration

In May 2025, the closing ceremony of the Inception Session of the 14th China Merchants C Blue Talent Program, led and hosted by the Group, was held at CMPort Building in Shenzhen.

This edition of the C Blue Talent Program, themed Port and Shipping Driving National Prosperity and the River-and-Sea Sentiment of Ecological Civilisation, welcomed 28 participants from 19 countries. The C Blue Talent Programme invited participants to experience the smart transformation practices of China's port and shipping industry, and to jointly explore a sustainable future for the green ecology. At the same time, the participants actively embraced the differences and resonance among diverse cultures, engaging in dialogues across geography and culture on a journey focused on the two-way integration of technology and ecology.



Case

"Science Popularisation Open Day" Youth Visit Mawan Smart Port

September 2025 marked the first National Science Popularisation Month under the theme "Enhancing Public Scientific Literacy and Consolidating the Foundations of a Strong Science and Technology Nation". SCCT designed a series of "Science Popularisation Open Day" activities showcasing major achievements in transport technology innovation. Precisely targeting youth groups, and leveraging three key approaches—scenario-based, interactive, and story-driven—we focused on developing Mawan Smart Port into a "National Smart Port Science Popularisation Demonstration Base".

During the activities, young people and port and shipping industry professionals enthusiastically registered in batches to visit, observing at close range smart port scenarios rich in technology and with a strong sense of the future. Through on-site briefings and operational demonstrations, staff vividly showcased advanced technologies such as intelligent scheduling of autonomous container trucks, automated yard crane operations, and remote control operations of quay cranes. The on-site atmosphere was vibrant, and the response was positive.



This event vividly presented the cutting-edge technologies of smart ports, built a bridge between transport technology and the public, provided young people with an in-depth platform for science popularisation and exchange, and planted the seeds of scientific exploration in their minds.

CHARITABLE DONATIONS

Public welfare and charity management

The Group carries out charitable donations in accordance with the *Administration Measures on the Compliance of Donations and Sponsorships and the Administrative Measures for Charitable Donations*, which clearly stipulate that all charitable donation activities are managed centrally by the Group. When conducting charitable donations, it is imperative to adhere to applicable laws and regulations. The Group's practices should align with national guidelines and policies, ensuring compliance with ethical standards and avoiding violations of social morality. Furthermore, charity activities must not compromise public interests or infringe upon the lawful rights and interests of other citizens. Donations should not be used as a means to gain unfair competitive advantages or other improper benefits in areas such as financing, market access, administrative licensing, or resource acquisition.

Public welfare and charity investment

The Group has been deeply engaged in and committed to the public welfare sector. By thoroughly identifying rural challenges and, based on on-site research, breaking through geographical boundaries, upgrading our approach, and integrating resources, we have continued to explore new pathways for the sustainable development of our programmes, and have carried out diversified public welfare initiatives across areas including consumption, education, and people's livelihoods.

Case

The Group Carried Out a Series of Consumption Assistance Activities

The Group steadily advances assistance efforts in poverty-alleviation areas, promoting rural revitalization in these regions. The Group purchased a series of agricultural products from poverty-alleviation regions under the "27° Nong" brand through the "Fu You Zhao" platform. This procurement and assistance initiative was specifically aligned with four key assistance regions: Weining Yi, Hui, and Miao Autonomous County in Guizhou Province, Qichun County in Hubei Province, Yecheng County and Shache County in the Xinjiang Uygur Autonomous Region. By adopting an approach of providing assistance through purchases, it directly supported the production and sales of local agricultural products in the assisted regions, helped consolidate and expand the achievements of local poverty alleviation efforts, and injected practical momentum into the comprehensive advancement of rural revitalisation.

Case

The Group Launches a Series of Projects Called "Rural Education Public Welfare Programme Growth Camp"

The Group launched a rural education public welfare programme in 2015 and has established an integrated child care service system comprising Summer Camp, Growth Camp, and Support Camp. This system covers 25 rural schools and has benefited nearly 30,000 children, creating opportunities for parent-child reunions for 260 port families and supporting rural revitalisation by keeping the torch of education burning. In December 2025, the 10th Anniversary Theme Event of China Merchants Port Rural Education Public Welfare Project was successfully held in Shunde, Foshan. The first "China Merchants C Me Fly Innovation Space" was officially inaugurated, and the project brand "Harbor for Future" was newly launched, marking the transformation and upgrade of the project from rural education assistance to focusing on science and technology innovation co-education for youth in port and surrounding communities. The Group's Rural Education Public Welfare Project was shortlisted for the finals of the 2025 Shenzhen Public Welfare and Charity Project Competition, and received the "2025 Shenzhen Public Welfare and Charity Project Competition Three-Star High-Quality Project" award.



Case

Wuhua and Lianping Children's Growth Camps

In May 2025, the Group's volunteer team travelled across the mountainous areas of northern Guangdong and visited Kongmu Primary School and Lian'an Primary School in Qiling Town, Wuhua County, Guangdong Province, as well as Panshi Primary School in Dahu Town, Lianping County. They successfully held 3 children's growth camp activities, delivering Children's Day gifts and Dragon Boat Festival blessings to nearly 300 rural children.



Case

Shantou Port Carries out the Public Welfare Condolence Activity Titled "Dream Messages, Walking Together on the Road of 'Charity'"

Shantou Port volunteers and teachers and students from Guang'ao School formed a "Caring Task Force" to carry out the activity titled "Dream Messages, Walking Together on the Road of 'Charity'" for families in difficulty. Through home visits, the volunteers delivered "Dream Energy Packs" to students in need in the Guang'ao Community, including stationery gift boxes, schoolbags, and daily necessities, gained an in-depth understanding of the students' living conditions, and encouraged them to maintain a positive mindset and stay focused on their studies. This activity was one of the "Big Hands Holding Small Hands, Mapping Out a Blueprint for Dreams" campus public welfare activity series. It not only put into practice the CMG's "Public Welfare Three Hours" initiative, but also provided a practical platform for youth volunteers.



Key performance

Total overseas charitable donations

USD **1.30** million

Number of beneficiary groups of overseas projects

16,471 persons

Total volunteer service hours

5,769 hours

Average volunteer service hours per person

0.66 hours

Public welfare and charitable initiatives

The Group will stand together with local community residents in our operating locations, jointly address community challenges, provide targeted donations and support to vulnerable groups, and continue to spread positive impacts.

Case

CICT and HIPG Actively Participate in Local Flood Disaster Relief Efforts in Sri Lanka

In 2025, Sri Lanka suffered the most severe natural disaster in recent years due to the impact of the severe tropical cyclone "Ditwah". The Company promptly launched multi-level charitable assistance, assisting China Merchants Charitable Foundation in donating USD 150,000 to the Sri Lanka Red Cross Society, specifically earmarked for emergency relief for disaster victims, procurement of basic living supplies, and post-disaster reconstruction support. Meanwhile, HIPG and CICT jointly contributed USD 60,000. HIPG arranged for its cafeteria to urgently prepare and deliver 1,000 meals to disaster-stricken areas. CICT distributed relief materials to 28 affected employee households and urgently procured food, medicine, and agricultural tools for donation to disaster areas in and around Colombo and Hambantota, helping victims resume normal production and living conditions as soon as possible.





Case

CICT Sponsored the Sri Lanka Wheelchair Tennis Programme

CICT and the China Merchants Foundation have been providing funding for the Sri Lanka Tennis Association's wheelchair tennis programme since 2015, helping local young people with disabilities to participate in tennis and realise their value in life. In 2025, the programme organised 3 domestic open tournaments in Sri Lanka and arranged for association personnel to take part in international competitions held in Malaysia and France. Persons with disabilities within the association demonstrated a resilient, open-minded, and self-reliant spirit on courts in various locations, bringing abundant positive energy to Sri Lankan society.



Appendix I ESG Key Performance Table

TABLE OF ENVIRONMENTAL PERFORMANCE INDICATORS

Indicator	Unit	2025	2024	2023	2022
Addressing Climate Change					
Total GHG Emissions (Scope 1 + Scope 2 + Selected Category of Scope 3)[1]	tCO_2e	1,148,858.81	314,901.26	285,960.43	/
Total Operational GHG Emissions (Scope 1 + Scope 2)	tCO_2e	330,903.19	314,864.70	285,912	290,368
GHG Emissions Intensity (Scope 1 + Scope 2)	tCO_2e/HK$1 million revenue	24.78	26.59	24.90	23.15
Scope 1 GHG Emissions[2]	tCO_2e	68,775.39	63,676.26	62,802	70,584
Scope 2 GHG Emissions[3]	tCO_2e	262,127.80	251,188.44	223,110	219,784
Scope 3 GHG Emissions[4]	tCO_2e	817,955.63	/	/	/
Category 1 Purchased goods and services	tCO_2e	218,583.71	/	/	/
Category 2 Capital goods	tCO_2e	523,351.11	/	/	/
Category 3 Fuel- and energy-related activities	tCO_2e	46,001.65	/	/	/
Category 5 Waste generated in operations	tCO_2e	1,306.49	/	/	/
Category 6 Business travel	tCO_2e	496	/	/	/
Category 7 Employee commuting	tCO_2e	7,557.46	/	/	/
Category 8 Upstream leased assets	tCO_2e	2,197.94	/	/	/
Category 13 Downstream transportation and distribution	tCO_2e	18,461.27	/	/	/
Total GHG Emission Reduction from Projects[5]	tCO_2e	27,036.36	/	/	/
GHG Emission Reduction from Equipment Renovation	tCO_2e	2,904.84	/	/	/
GHG Emission Reduction from Fuel Substitution	tCO_2e	23,037.21	/	/	/
GHG Emission Reductions from Other Measures	tCO_2e	1,094.31	/	/	/
Waste Emissions					
Total Waste Gas Emissions	kg	3,286,648.93	2,919,240.60	/	/
Waste Gas Emissions Intensity	kg/HK$1 million revenue	246.12	246.52	/	/
Particulate Matter (PM)	kg	3,249,125.73	2,884,523.50	/	/
Sulphur Oxides (SOx)	kg	207.40	192.30	/	/
Nitrogen Oxides (NOx)	kg	37,315.80	34,524.80	34,100	38,280
Volatile Organic Compounds (VOCs)	kg	0	0	/	/

Indicator	Unit	2025	2024	2023	2022
Waste Emissions					
Total Wastewater[6]	tons	486,927.34	800,194.43	847,372.49	570,358.71
Wastewater Discharge Intensity	tons/HK$1 million revenue	36.46	67.57	73.80	45.47
Total Industrial Wastewater	tons	47,177.11	100,361.41	/	/
Total Domestic Wastewater	tons	439,750.25	699,833.02	/	/
Chemical Oxygen Demand (COD)	tons	24.35	40.01	42.36	24.63
Chemical Oxygen Demand Emissions Intensity	tons/HK$1 million revenue	0.0018	0.0034	0.0037	0.0020
Ammonia Nitrogen (NH_3-N)	tons	3.90	6.40	6.78	3.92
Ammonia Nitrogen Emission Intensity	tons/HK$1 million revenue	0.0003	0.0005	0.0006	0.0003
Total Waste Disposal	tons	6,457.19	6,718	7,488	7,723
Total Solid Waste Generated	tons	6,457.19	6,718	7,488	7,723
Total Hazardous Waste	tons	640.82	346.96	363	359
Total Non-Hazardous Waste	tons	5,816.37	6,371.04	7,125	7,364
Hazardous Waste Discharge Intensity	tons/HK$1 million revenue	0.0480	0.0293	0.0316	0.0286
Non-Hazardous Waste Discharge Intensity	tons/HK$1 million revenue	0.4356	0.5380	0.6205	0.5870
Total Amount of General Solid Waste Recycled	tons	2,886.09	2,959.68	3,486	2,586
Environmental Compliance					
Number of Environmental Violation Penalties	/	0	0	0	0
Amount of Environmental Violation Penalties	HK$	0	0	0	0
Total Environmental Investment	HK$10,000	3,606.82	2,006.29	/	/
Total Environmental Investment as a Percentage of Revenue	%	0.27	0.17	/	/
Environmental Operating Expenditure	HK$10,000	1,399.07	2,006.29	/	/
Environmental Investment Expenditure	HK$10,000	2,207.75	/	/	/
Percentage of ISO 14001 Certified Operational Sites	%	92.31	76.92	/	/

Indicator	Unit	2025	2024	2023	2022
Energy Utilisation					
Total Energy Consumption[7]	tons of standard coal	75,380.55	70,376.47	/	/
Energy Consumption Intensity	tons of standard coal/ HK$1 million revenue	5.64	5.94	/	/
Total Direct Energy Consumption[8]	tons of standard coal	32,149.51	29,724.70	/	/
Total Indirect Energy Consumption[9]	tons of standard coal	43,231.05	40,651.77	/	/
Electricity Consumption	kWh	351,757,920	330,771,082.73	293,451,016	336,716,994
Gasoline Consumption	tons	249.81	246.24	268	269
Diesel Consumption	tons	21,700.68	20,062.54	19,788.63	22,141
Natural Gas Consumption[10]	m^3	0	0	0	153,283
LPG Consumption	tons	93.17	74	/	/
Other Energy Consumption[11]	tons of standard coal	2.13	0	/	/
Clean Energy Consumption[12]	MWh	118,003.3	113,392.5	847,322.7	814,592.8
Percentage of Clean Energy Consumed	%	19.24	19.80	/	/
Renewable Energy Consumption	tons of standard coal	14,502.61	13,935.94	10,408.09	10,006.05
Percentage of Renewable Energy Consumed	%	19.24	19.80	/	/
Water Utilisation					
Total Water Consumption[13]	tons	1,011,238.16	883,905.07	/	/
Water Usage Intensity[14]	tons/HK$1 million revenue	112.19	142.21	/	/
Water Withdrawal (Excluding Saline Water)	tons	1,498,165.50	1,684,099.50	1,946,899	2,101,286
Wastewater Discharge (Excluding Saline Water)[15]	tons	486,927.34	800,194.43	/	/
Total Water Recycled and Reused[16]	tons	36,755	23,576.40	25,407	20,603
Percentage of Water Recycled and Reused	%	2.45	1.40	1.30	0.98

Notes:

1. The reason for the increase in total GHG in 2025 compared to 2024 and 2023 is that the 2025 accounting scope includes 8 categories of Scope 3 emissions. In 2023 and 2024, the Scope 3 accounting categories only covered air travel emissions under business commuting.

2. Scope 1 GHG emissions here are the direct GHG emissions from fossil fuels consumed by vehicles and machinery. The CO2 emission factors for fossil fuel adopts the calculation factor released by the local government or authoritative institution where the operation is located.

3. Scope 2 GHG emissions here are the indirect GHG emissions from purchased electricity. The CO2 emission factors for electricity adopt the calculation factor released by the local government or authoritative institution where the operation is located.

4. Scope 3, other indirect GHG emissions, encompasses all indirect emissions occurring within the company's value chain (excluding those in Scope 2). Scope 3 Categories include Category 1 - Purchased Goods and Services, Category 2 - Capital Goods, Category 3 - Fuel and Energy-Related Activities, Category 5 - Waste Generated in Operations, Category 6 - Business Travel, Category 7 - Employee Commuting, Category 8 - Upstream Leased Assets, and Category 13 - Downstream Leased Assets. The Company's business type is not applicable for accounting for Category 10 - Processing of Sold Products, Category 11 - Use of Sold Products, Category 12 - End-of-Life Treatment of Sold Products, and Category 14 - Franchises.

5. The total GHG reductions for the 2025 projects were calculated as the sum of GHG emission reductions from equipment retrofits, GHG reductions from fuel switching, and GHG reductions from other measures. In 2024, the total amount of GHG reduction for the project is derived by adding the GHG reduction from the retrofitted equipment and that from the fuel replacement. Owing to adjustments in statistical definitions, data for 2024 and 2025 are not comparable; accordingly, the relevant indicators are denoted as "/".

6. Total wastewater = total industrial wastewater + total domestic wastewater

7. According to the GB/T 2589-2020 *General Principles for Calculation of Comprehensive Energy Consumption*, 1 kilowatt-hour (kWh) is approximately equal to 0.1229 kgce (kilogram of standard coal equivalent), the heat equivalent standard coal coefficient is 0.03412 kgce/MJ, the gasoline equivalent standard coal coefficient is 1.4714 kgce/kg, and the diesel equivalent standard coal coefficient is 1.4571 kgce/kg. The total direct energy consumption in 2025 includes coal, gasoline, diesel, natural gas, LPG and other energy sources. The total indirect energy consumption in 2025 refers to electricity purchased from external sources.

8. The total direct energy consumption in 2025 includes the consumption of coal, gasoline, diesel, natural gas, LPG and other energy sources.

9. The total indirect energy consumption in 2025 includes purchased electricity.

10. In 2023, the Group phased out the use of natural gas vehicles to cease the consumption of natural gas.

11. Other energy consumption in 2025 mainly consisted of acetylene. Other Energy Consumption in 2024 previously included LPG consumption; with LPG now reported separately in 2025, the 2024 figure has been restated to 0.

12. This mainly includes photovoltaic power generation and purchased green electricity. As we did not use natural gas, clean energy consumption was equal to renewable energy consumption.

13. Total water consumption = water withdrawal (excluding saline water) - water discharge (excluding saline water)

14. This primarily refers to the intensity of water withdrawal

15. Water discharge refers to water that leaves the organisational boundary and is discharged to surface water, groundwater or third parties during the reporting year. Water discharge = water withdrawal - total water consumption

16. It consists of water recycling.

TABLE OF SOCIAL PERFORMANCE INDICATORS

Indicator	Unit	2025	2024	2023	2022
Employment					
Total Number of Full-time Employees	persons	8,683	8,713	7,749	8,425
Total Number of Employees (Including Non-full-time Employees)[1]	persons	17,344	18,558	/	/
By Gender					
Number of Male Full-time Employees	persons	7,389	7,463	6,498	7,062
Number of Female Full-time Employees	persons	1,294	1,250	1,251	1,363
Percentage of Female Full-time Employee	%	14.9	14.3	16.1	16.2
By Age					
Employees Aged under 30	persons	1,910	2,146	/	/
Employees Aged 30-50	persons	5,183	5,257	/	/
Employees Aged over 50	persons	1,590	1,310	/	/
By Employment Nature					
Total Number of Full-time Employees	persons	8,683	8,713	7,749	8,425
Total Number of Part-time Employees	persons	0	0	/	/
Total Number of Contract Workers	persons	572	582	/	/
Total Number of Outsourced Employees	persons	8,089	8,309	/	/
By Country/Region					
Chinese Mainland and Hong Kong, Macao, and Taiwan Employees	persons	4,555	4,599	4,687	5,476
Overseas Employees	persons	4,128	4,114	3,062	2,949
Full-time Employees Turnover Rate[2]	%	7.1	5.2	4.9	6.5
Full-time Employees Voluntary Turnover Rate	%	3.49	2.9	/	/
By Gender					
Full-time Male Employees Turnover Rate	%	6.6	5.1	4.6	6.3
Full-time Female Employees Turnover Rate	%	9.9	6.1	7.0	7.9

Indicator	Unit	2025	2024	2023	2022
By Age					
Turnover Rate of Employees Aged under 30	%	10.5	5.7	/	/
Turnover Rate of Employees Aged 30-50	%	5.6	5.8	/	/
Turnover Rate of Employees over 50	%	8.2	2.0	/	/
By Country/Region					
Turnover Rate of Employees from the Chinese Mainland, Hong Kong, Macao, and Taiwan	%	4.2	2.0	3.0	3.3
Turnover Rate of Overseas Employees	%	10.5	9.3	8.5	18.1
Percentage of Female Employees in the Middle Management	%	21.5	/	/	/
Percentage of Female Employees in the Senior Management	%	27.1	18.7	18.1	/
Percentage of Female Employees in Revenue-Generating Roles	%	9.3	25.6	27.3	/
Percentage of Female Employees in STEM Positions	%	11.5	6.9	7.7	/
Labour Union Membership Rate of Employees from the Chinese mainland	%	100	100	100	100
Number of Minority Employees	persons	58	69	/	/
Percentage of Minority Employees	%	0.67	0.8	/	/
Number of Local Employees in Operational Sites	persons	7,588	6,529	/	/
Percentage of Local Employees	%	87.4	74.9	/	/
Number of Employees with Disabilities	persons	95	79	/	/
Percentage of Employees with Disabilities	%	1.1	0.9	/	/
Number of Newly-Recruited Employees	persons	524	772	/	/
Human Capital Return on Investment[3]	%	272.79	218.88	/	/

Indicator	Unit	2025	2024	2023	2022
Employee Development and Training					
Total Employee Training Expenditure	HK$10,000	578.0	721.9	/	/
Employee Training Investment per HK$1 Million Revenue	HK$	432.8	609.6	/	/
Employee Training Coverage Rate	%	100	100	/	/
Number of Male Employees Trained	persons	7,389	7,463	/	/
Number of Female Employees Trained	persons	1,294	1,250	/	/
Average Training Hours for Male Employees	hours	21.6	29.4	22.8	20.3
Average Training Hours for Female Employees	hours	23.4	33.1	39.9	35.5
Number of Senior Management Members Participating in Training	persons	129	/	/	/
Number of Middle Management Members Participating in Training	persons	449	/	/	/
Number of Junior Management Members Participating in Training	persons	2,598	/	/	/
Average Training Hours for the Senior Management	hours	46.84	35.63	34.8	31
Average Training Hours for the Middle Management	hours	49.63	37.10	37.5	33.4
Average Training Hours for the Junior Management	hours	79.60	/	/	/
Occupational Health and Safety					
Percentage of Operational Sites Covered by the Company's Health and Safety Policy	%	100	100	100	100
Audit Frequency of the Company's Health and Safety Policies and Practices	times/year	1	1	1	1
Percentage of ISO 45001-Certified Operational Sites	%	36.4	30.7	23	/
Occurrence of Occupational Disease	%	0	0	0	0
Number of Work-Related Fatalities	persons	0	0	0	0
Work-Related Fatality Rate (Fatality Rate)	%	0	0	0	0

Indicator	Unit	2025	2024	2023	2022
Occupational Health and Safety					
Number of Work-Related Fatalities per HK$100 Million Revenue	persons	0	0	0	0
Number of Work-Related Injuries (Full-time Employees)	persons	0	2	/	/
Number of Work-Related Injuries (Contractors)	persons	2	6	/	/
Work-Related Injury Rate[4]	%	0	0.02295	/	/
Injury Rate per 1,000 Employees[5]	per 1,000 employees	0	0.2295	/	/
Number of Recordable Work-Related Injury Incidents (including full-time employees and contractors)	cases	2	8	5	9
Lost Workdays Due to Work-Related Injuries (Including full-time employees and contractors)	days	116.3	315.5	406	342
Lost Workdays Due to Work-Related Injuries per HK$1 Million Revenue (including full-time employees and contractors)	days	0.0087	0.03	/	/
Full-time Employees Lost Workdays Due to Work-Related Injuries	days	0	17	/	/
Contractors Lost Workdays Due to Work-Related Injuries	days	116.3	298.5	/	/
Lost Working Hours Due to Work-Related Injuries (Including full-time employees and contractors)	hours	930	2,524	3,248	2,736
Full-time Employees Lost Working Hours Due to Work-Related Injuries	hours	0	136	/	/
Contractors Lost Working Hours Due to Work-Related Injuries	hours	930	2,388	/	/
Lost Time Injury Rate (LTIR) - Full-time Employees[6]	per 1 million working hours	0	3.50	/	/
Lost Time Injury Rate (LTIR) - Contractors[7]	per 1 million working hours	58.90	135.86	/	/
Lost Workday Rate Due to Work-related Injury (LWD) - Full-time Employees[8]	per 0.2 million working hours	0	0.09	/	/
Lost Workday Rate Due to Work-related Injuries (LWD) - Contractors[9]	Per 0.2 million working hours	1.47	3.40	/	/

Indicator	Unit	2025	2024	2023	2022
Occupational Health and Safety					
Lost Time Injury Frequency Rate (LTIFR) - Full-time Employees[10]	per 1 million working hours	0	0.12	/	/
Lost Time Injury Frequency Rate (LTIFR) - Contractors[11]	per 1 million working hours	0.13	0.34	/	/
Million Work Hours Injury Rate - Full-time Employees[12]	per 1 million working hours	0	0.12	/	/
Injury Rate Per One Million Working Hours– Contractors[13]	per 1 million working hours	0.13	0.34	/	/
Coverage Rate of Employee Work-related Injury Insurance	%	100	100	100	100
Safety Training Hours[14]	hours	214,762.35	270,214	/	/
Per Capita Training Duration	hours	24.73	31.01	/	/
Safety Production Investment[15]	HK$10,000	4,032.25	5,007.53	/	/
Percentage of Safety Production Investment in Revenue	%	0.30	0.42	/	/
Amount of Investment in Domestic Employee Workplace Safety Liability Insurance	HK$10,000	55.19	55.60	/	/
Domestic Employee Workplace Safety Liability Insurance Coverage Rate	%	100	100	/	/
Amount of Investment in Overseas Employee Workplace Safety Liability Insurance	HK$10,000	2,051.21	2,162.59	/	/
Overseas Employee Workplace Safety Liability Insurance Coverage Rate	%	100	100	/	/

Indicator	Unit	2025	2024	2023	2022
Research and Innovation					
Number of Patents Used in Core Business	/	12	24	/	/
Number of Patent Applications	Item	20	32	/	44
Number of Patents Granted	Item	12	24	/	31
Cumulative Number of Valid Patents[16]	Item	96	79	/	/
Cumulative Number of Valid Patents per HK$1 million of revenue	/	0.0072	0.0067	/	/
Cumulative Number of Software Copyrights[17]	/	159	143	/	/
Cumulative Number of Software Copyrights per HK$1 Million Revenue	/	0.0119	0.0121	/	/
Supply Chain Management					
Total Number of Suppliers	Companies	3,370	4,653	2,615	5,976
Number of Suppliers in Chinese Mainland	Companies	2,100	2,017	681	2,368
Number of Suppliers Overseas and in Hong Kong, Macao, and Taiwan	Companies	1,270	2,636	1,934	3,608
Number of Key Suppliers	Companies	147	38	/	/
Number of Suppliers Found Non-Compliant in Assessments	Companies	18	23	/	/
Number of Suppliers Assessed for ESG Performance	Companies	2,076	2,017	/	/
Number of Suppliers Identified with Significant Actual/Potential Negative Impact upon Assessment	Companies	18	23	/	/
Percentage of Suppliers with Corrective Actions/Improvement Plans for Significant Actual/Potential Negative Impact	%	0	0	/	/
Number of Terminated Suppliers with Significant Actual/Potential Negative Impact	Companies	0	23	/	/
Proportion of Key Suppliers that Have Attended ESG Training	%	68.71	100	/	/
Proportion of Local Procurement	%	74.67	/	/	/
Proportion of Local Suppliers in Total Suppliers	%	62.31	/	/	/

Indicator	Unit	2025	2024	2023	2022
Product Liability and Customer Service					
Number of Product and Service Complaints	Time	0	0	0	/
Amount Involved in Major Safety and Quality Liability Incidents Related to Products and Services	HK$10,000	0	0	0	/
Number of Customer Complaints per HK$1 Million Revenue	Time	0	0	0	/
Consumer Satisfaction	%	94.03	95.73	94.22	/
Information Security and Privacy Protection					
Number of Customer Privacy and Data Breaches	/	0	0	0	0
Amount Involved in Data Security Incidents	HK$	0	0	0	0
Amount Involved in Customer Privacy Leaks	HK$	0	0	0	0
Total Number of Major Information Security Vulnerabilities	/	0	0	0	0
Total Number of Customers and Employees Affected by Information Security Violations	persons	0	0	0	0
Community Investment and Charity					
Total Community Investment	HK$10,000	1,441.98	762.27	/	/
Total Community Service Hours[18]	hours	5,769	11,080	/	/
Amount of Public Welfare Donations	HK$10,000	2,167	1,100	1,000	2,000
Person times of Employees Participating in Voluntary Services	person times	996	5,506	910	1,739
Total Voluntary Service Hours[18]	hours	5,769	11,080	13,518	23,922
Average Voluntary Service Hours per Employee	hours	0.67	3.17	1.74	2.84

Notes:

1. Total number of employees including full-time employees, part-time employees, contract workers and outsourced workers. Owing to adjustments in statistical definitions, the total number of part-time employees, contract workers and outsourced employees in 2024 has been retrospectively corrected.

2. Owing to adjustments in statistical definitions, relevant indicators of employee turnover rate have been restrospectively corrected.

3. Human capital return on investment = [Revenue - (Operating Expenses - Employee Salaries and Benefits Expenses)] / Employee Salaries and Benefits Expenses x 100%

4. Work-related injury rate (full-time employees) = the number of full-time employees with work-related injuries / the total number of full-time employees x 100%

5. The injury rate per 1,000 Employees (full-time employees) = the number of full-time employees' work-related injuries/(total number of full-time employees/1,000) = work-related injury rate (full-time employees) x 1,000 The 2024 data have been adjusted and restated retrospectively.

6. Employee LTIR = (employee lost working hours x 1,000,000)/(total working hours of full-time employees during the accounting period)

7. Contractor LTIR = (contractor lost working hours x 1,000,000)/(total working hours of contractor during the accounting period)

8. Employee LWD = (total number of employee lost workdays x 200,000)/(total employee working hours during the accounting period)

9. Contractor LWD = (total number of contractor lost workdays x 200,000)/(total contractor working hours during the accounting period)

10. Employee LTIFR = (number of employees lost-time work-related injuries)/(total working hours of employees during the accounting period) x 1,000,000

11. Contractor LTIFR = (number of contractor lost-time work-related injuries)/(total working hours of contractor during the accounting period) x 1,000,000

12. Employee injury rate per 1 million working hours = the number of full-time employee work-related injuries/(total working hours of employees during the accounting period) x 1,000,000

13. Contractor injury rate per 1 million working hours = the number of contractor work-related injuries/(total working hours of contractor during the accounting period) x 1,000,000. The 2024 data have been retrospectively corrected.

14. The statistics include the duration of safety training for employees in safety management positions. The scope of data does not cover LCT.

15. The data scope for work safety investment in 2024 did not include LCT.

16. Owing to adjustments in statistical definition, the related indicators of cumulative number of valid patents have been restrospectively corrected.

17. Owing to adjustments in statistical definition, the related indicators of cumulative number of software copyrights have been restrospectively corrected.

18. The statistical basis for total community service hours and total voluntary hours changed during the Reporting Year. To better compare data with previous years, the 2024 data has been retrospectively adjusted.

TABLE OF GOVERNANCE PERFORMANCE INDICATORS

Indicator	Unit	2025	2024	2023	2022
Board of Directors					
Number of Board Meetings	time	15	15	12	8
Number of Audit Committee Meetings	time	3	8	2	3
Number of Remuneration Committee Meetings	time	1	1	1	1
Number of Nomination Committee Meetings	time	2	1	2	3
Number of ESG Committee Meetings	time	2	1	1	0
Number of Executive Directors	persons	3	3	3	4
Number of Non-executive Directors	persons	2	2	3	3
Number of Independent Non-executive Directors	persons	4	5	5	5
Number of Independent Directors	persons	4	5	5	5
Percentage of Independent Directors	%	44.44	50	45.45	41.67
Percentage of Independent Directors in the Audit Committee	%	100	100	100	100
Percentage of Independent Directors in the Remuneration Committee	%	100	100	80	80
Percentage of Independent Directors in the Nomination Committee	%	75	75	80	80
Number of Female Directors	persons	2	2	2	2
Percentage of Female Directors	%	22.22	20	18.18	16.67
Average Tenure of Board Members	years	3.1	3.90	2.72	3.20
Average Number of Attendees at Board Meetings	persons	8	10	/	/
Average Attendance Rate of Board Members at Board Meetings	%	97.93	97	/	/
Minimum Attendance Rate of Board Members at Board Meetings	%	80	96.67	97.73	98.96
Number of Directors Attending Less Than 75% of Meetings	persons	0	0	0	0
Number of Independent or Non- executive Directors with Industry Experience	persons	3	2	3	3
Number of Directors with Risk Management Expertise	persons	2	2	2	1

Indicator	Unit	2025	2024	2023	2022
Compliance and Business Ethics					
Frequency of Business Ethics Audits	times/year	1	3	3	/
Employee Business Ethics Training Coverage Rate	%	100	100	100	100
Supplier Anti-Corruption Policy Coverage Rate	%	100	100	100	100
Total Number of Personnel at the Management Level Who Received Anti-Commercial Bribery and Anti-Corruption Training	persons	5	3	/	/
Percentage of Management Members Receiving Anti-Bribery and Anti-Corruption Training[1]	%	100	100	/	/
Number of Employees Receiving Anti-Bribery and Anti-Corruption Training	persons	8,683	8,383	7,749	8,425
Percentage of Employees Receiving Anti-Bribery and Anti-Corruption Training	%	100	100	100	100
Number of Business Bribery and Corruption Lawsuits during the Reporting Period	/	0	0	0	0
Number of Lawsuits and Major Administrative Penalties Due to Improper Company Conduct during the Reporting Period	/	0	0	0	0
Amount Involved in Lawsuits and Major Administrative Penalties Due to Improper Company Conduct during the Reporting Period	HK$	0	0	0	0
Number of Major Corruption or Bribery Incidents	/	0	0	0	0
Number of Major Discrimination or Harassment Incidents	/	0	0	0	0
Number of Major Conflict-of-Interest Incidents	/	0	0	0	0
Number of Major Money Laundering or Insider Trading Incidents	/	0	0	0	0

Notes:

1. Senior Management include CEO, Managing Director, Chief Financial Officer, Deputy General Manager, Secretary of the Board, General Counsel, Chief Compliance Officer, and other individuals recognised by the Board as Senior Management members. Due to changes in the definition of indicators and statistical criteria this year, this report has retrospectively adjusted the 2024 data.

Appendix II: Index of the ESG Reporting Code

Part B: Mandatory disclosure requirements		Disclosure	Location/Remarks
Governance structure	A statement from the Board which contains: 1. a disclosure of the Board's oversight of ESG issues; 2. the Board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (e.g., risks to the issuer's businesses); and 3. how the Board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses.	√	The Board's Statement
Reporting principles	Describe or explain how the following reporting principles are applied in the preparation of the environmental, social and governance report.	√	Reporting Guideline
Reporting scope	A narrative explanation of the reporting boundaries of the ESG report and a description of the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change	√	Reporting Scope

PART C: "COMPLY OR EXPLAIN" PROVISIONS

Aspects	Indicators	Indicator content	Disclosure	Location/Remarks
Environment				
A1: Emissions	General Disclosure	(a) Policies; and (b) Information on compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous wastes	√	Green and Ecological Port
	A1.1	The types of emissions and respective emission data	√	Green and Ecological Port
	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, density (e.g. per unit of production volume, per facility).	√	Green and Ecological Port
	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, density (e.g. per unit of production volume, per facility).	√	Appendix
	A1.5	A description of emission target(s) set and steps taken to achieve them.	√	Green and Ecological Port
	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.	√	Green and Ecological Port

Aspects	Indicators	Indicator content	Disclosure	Location/Remarks
Environment				
A2：Resource Utilisation	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials	√	Green and Ecological Port
	A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and density (e.g. per unit of production volume, per facility).	√	Appendix
	A2.2	Water consumption in total and density (e.g. per unit of production volume, per facility).	√	Appendix
	A2.3	A description of energy use efficiency target(s) set and steps taken to achieve them.	√	Green and Ecological Port
	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.	√	Green and Ecological Port
	A2.5	Total packaging material used for finishing products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable to principal business	
A3: Environment and Natural Resources	General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	√	Green and Ecological Port
	A3.1	A description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	√	Green and Ecological Port

Aspects	Indicators	Indicator content	Disclosure	Location/Remarks
Social				
B1: Employment	General Disclosure	(a) Policies; and (b) Information on 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 Development
	B1.1	Total workforce by gender, employment type, age group and geographical region.	√	Appendix
	B1.2	Employee turnover rate by gender, age group and geographical region.	√	Appendix
B2: Health and Safety	General Disclosure	(a) Policies; and (b) Information on 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.	√	Safety and Health Guarantee
	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	√	Appendix
	B2.2	Lost workdays due to work-related injuries	√	Appendix
	B2.3	A description of occupational health and safety measures adopted, and how they are implemented and monitored.	√	Safety and Health Guarantee
B3: Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. A description of training activities.	√	Employee Development
	B3.1	Percentage of employees trained by gender and employee category (e.g. senior management, middle management).	√	Appendix
	B3.2	Average training hours completed per employee by gender and employee category.	√	Appendix

Aspects	Indicators	Indicator content	Disclosure	Location/Remarks
Social				
B4: Labour Standards	General Disclosure	(a) Policies; and (b) Information on compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	√	Employee Development
	B4.1	A description of measures to review employment practices to avoid child and forced labour.	√	Employee Development
	B4.2	A description of steps taken to eliminate such practices when discovered.	√	Employee Development
B5：Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	√	Sustainable Supply Chain
	B5.1	Number of suppliers by geographical region.	√	Appendix
	B5.2	A description of practices relating to engaging suppliers, number of suppliers to which the practices are implemented and monitored.	√	Sustainable Supply Chain
	B5.3	A description of practices relating to identifying environmental and social risks along the supply chain, and how these practices are implemented and monitored.	√	Sustainable Supply Chain
	B5.4	A description of practices relating to promoting the use of environmental products and services when selecting suppliers, and how these practices are implemented and monitored.	√	Sustainable Supply Chain

Aspects	Indicators	Indicator content	Disclosure	Location/Remarks
Social				
B6 : Product Responsibility	General Disclosure	(a) Policies; and (b) Information on 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.	√	Improving Service Quality
	B6.1	Percentage of sold or delivered products recalled for health or safety reasons	Not applicable to principal business	
	B6.2	Number of products and service related complaints received and how they are dealt with.	√	Appendix
	B6.3	A description of practices relating to observing and protecting intellectual property rights.	√	Operation with Integrity and Compliance
	B6.4	A description of quality assurance process and recall procedures.	Not applicable to principal business	
	B6.5	A description of consumer data protection and privacy policies, and how they are implemented and monitored.	√	Operation with Integrity and Compliance
B7: Anti-Corruption	General Disclosure	(a) Policies; and (b) Information on compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	√	Operation with Integrity and Compliance
	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.	√	Appendix
	B7.2	A description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	√	Operation with Integrity and Compliance
	B7.3	A description of anti-corruption training provided to directors and employees.	√	Operation with Integrity and Compliance
B8: Community Investment	General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests	√	Harmonious Community
	B8.1	Focus areas of contribution (e.g., education, environmental concerns, labour needs, health, culture, sport).	√	Harmonious Community
	B8.2	Resources contributed (e.g. money or time) to the focus area	√	Harmonious Community Appendix

PART D: CLIMATE-RELATED DISCLOSURES

Clause	Requirements	Disclosure	Location/Remarks
(i) Governance	Disclose information about the governance body(s) or individual(s) responsible for oversight of climate-related risks and opportunities.	√	3.2 Tackling Climate Change 3.2.1 Climate governance
	Disclose information about management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities	√	
(ii) Strategy	Climate-related risks and opportunities	√	3.2 Tackling Climate Change 3.2.1 Climate strategies 3.2.5 Climate action
	Business model and value chain	√	
	Strategy and decision-making	√	
	Financial position, financial performance and cash flow	√	
	Climate resilience	√	
(iii) Risk Management	The processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks	√	3.2 Tackling Climate Change 3.2.3 Risk management
	The processes it uses to identify, assess, prioritise and monitor climate-related opportunities	√	
	The extent to which, and 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.	√	

Clause	Requirements	Disclosure	Location/Remarks
(iv) Metrics and Targets	Greenhouse gas emissions	√	3.2 Tackling Climate Change 3.2.4 Target and metrics Appendix I ESG Key Performance Table
	Climate-related transition risks	√	
	Climate-related physical risks	√	
	Climate-related opportunities	√	
	Capital allocation	√	
	Internal carbon pricing	Not applicable	Not applicable
	Remuneration	√	1.2 ESG Management Mechanism 1.2.4 ESG assessment mechanism
	Industry-specific metrics	√	3.2 Tackling Climate Change 3.2.4 Target and metrics
	Climate-related targets	√	

Definitions

In this ESG report, unless the context otherwise requires, the following expression shall have the following meanings:

2024 ESG Report	the ESG report of the Company for the year of 2024
2025 Annual Report	The annual report of the Company for the year of 2025
AI	Artificial Intelligence
Audit Committee	the audit committee of the Company
Board	The Board of Directors of the Company
CEO	the Chief Executive Officer of the Company
CICT	Colombo International Container Terminals Limited
CMBL	China Merchants Bonded Logistics Co., Ltd.
CMG	China Merchants Group Limited
CMITQ	China Merchants International Terminal (Qingdao) Company Ltd.
CMPS	China Merchants Port Service (Shenzhen) Co., Ltd.
COP15	United Nations Biodiversity Conference
COP26	United Nations Climate Change Conference
Director(s)	the director(s) of the Company
EBITDA	Earnings Before Interest, Taxes, Depreciation, and Amortisation
ECM	Energy and Carbon Management Platform
ESG	Environmental, Social and Governance
ESG Committee	the ESG committee of the Company
ESG Reporting Code	the Environmental, Social and Governance Reporting Code contained in Appendix C2 to the Listing Rules
EU	European Union

General Counsel	the general counsel of the Company
GRI Standards	GRI Sustainability Reporting Standards
GSSB	The Global Sustainability Standards Board
Haiqin Company	Shenzhen Haiqin Engineering Supervision & Management Co., Ltd.
Headquarters	the headquarters of the Company include Hong Kong head office and Shenzhen branch office
HIPG	Hambantota International Port Group (Private) Limited
HK$	Hong Kong dollars, the lawful currency of Hong Kong
HKSE	The Stock Exchange of Hong Kong Limited
Hong Kong	Hong Kong Special Administrative Region of the People's Republic of China
IPCC	the Intergovernmental Panel on Climate Change
LCT	Lome Container Terminal S.A.
Listing Rules	the Rules Governing the Listing of Securities on the HKSE
LNG	liquefield natural gas
Managing Director	the Managing Director of the Company
Mawan Smart Port	The automated container port area located in Mawan, Shenzhen
Nomination Committee	the nomination committee of the Company
NPH	PT Nusantara Pelabuhan Handal Tbk
OECD	Organisation for Economic Co-operation and Development
PRC	People's Republic of China
Qianhai Bay Property	China Merchants Qianhai Bay Property Co., Ltd.

RMB	Renminbi, the legal tender of the People's Republic of China
Remuneration Committee	the remuneration committee of the Company
Safety Committee	Work Safety Management Committee of the Company
SCCT	China Merchants Port (South China) Management Center
Shantou Port	Shantou China Merchants Port Group Co., Ltd.
SMP	Smart Management Platform
SSP	Shared Socioeconomic Pathways
Subsidiary(ies)	the subsidiary(ies) of the Company mentioned in the Report
TCP	TCP Participações S.A.
TEU	Twenty-foot equivalent unit
TNFD Report	Nature-related Financial Impact Report
the Company	China Merchants Port Holdings Company Limited, whose shares are listed on the HKSE (Stock Code: 00144)
the Group/we	the Company and its subsidiaries
the Report	the Company's ESG Report
the Reporting Period	the Reporting period: 1 January 2025 to 31 December 2025
UNSDGs	Sustainable Development Goals (SDGs) of the United Nations
USD	United States Dollars, the lawful currency of United States of America
Xia Men Bay Terminals	Xia Men Bay China Merchants Terminals Co., Ltd.
Zhangzhou Port	Zhangzhou China Merchants Port Co., Ltd.
%	Percentage



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