CHU KONG SHIPPING ENTERPRISES (GROUP) COMPANY LIMITED

(Incorporated in Hong Kong with limited liability)

Stock Code : 00560



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2025

Propelling the Greater Bay Area Achieving Leapfrog Development

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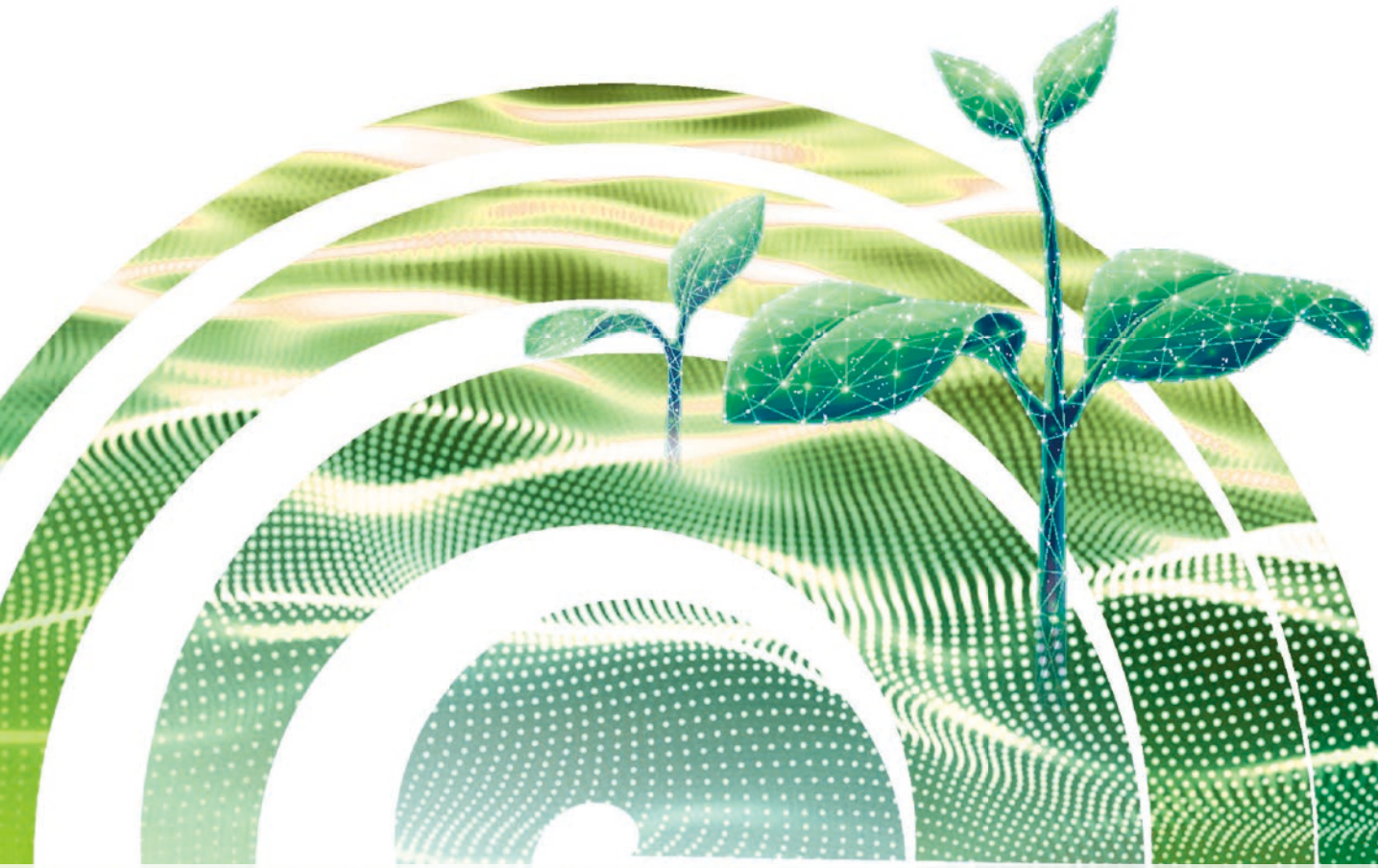
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1. ABOUT THIS REPORT

This Environmental, Social and Governance ("**ESG**") report (this "**Report**") details the sustainability strategy, progress, and achievement of Chu Kong Shipping Enterprises (Group) Company Limited and its subsidiaries (collectively referred to as the "**Group**" or "**we**") in 2025.

1.1 Reporting Scope

This Report supplements the 2025 Annual Report of the Group and discloses the Group's management approaches, measures and performances in ESG from 1 January 2025 to 31 December 2025 (the "**Reporting Period**") (with some contents dating back to the prior years or looking forward to the date of release of this Report).

The reporting scope of this Report includes the Group's terminal logistics business, passenger transportation business, fuel supply business, and corporate and other businesses, which covers our operation in offices, cargo terminals, and ferry terminals in Mainland China, the Hong Kong Special Administrative Region of the People's Republic of China ("**Hong Kong**"), and the Macao Special Administrative Region of the People's Republic of China ("**Macao**").

- Chu Kong Shipping Enterprises (Group) Company Limited ("**CKSG**" or the "**Company**")
- Chu Kong Agency Company Limited
- Chu Kong Container Transportation Company Limited
- Chu Kong (Guangdong) International Freight Forwarding Co., Ltd. ("**CKIFF**")
- Chu Kong Godown Wharf & Transportation Company Limited
- Chu Kong Transhipment & Logistics Company Limited ("**CKTL**")
- Chu Kong Transportation (H.K.) Limited
- Chu Kong Passenger Transport Company Limited ("**CKPT**")
- Sun Kong Petroleum Company Limited ("**Sun Kong Petroleum**")
- Oriental Pearl Cruise Company Limited ("**Oriental Pearl**")
- Chu Ou Engineering And Technologies Company Limited
- Sun Ferry Services Company Limited ("**Sun Ferry**")
- CKS Container Terminal (Zhuhai Doumen) Co., Ltd. ("**Doumen Port**")
- Chu Kong Shipping (Guangdong) Logistics Co., Ltd.
- Zhaoqing Chu Kong Logistics (Gaoyao) Co., Ltd. ("**Gaoyao Port**")
- Zhongshan City Huangpu Port Cargo and Container Terminal Co., Ltd. ("**Huangpu Port**")
- Zhaoqing New Port Co., Ltd. ("**Zhaoqing New Port**")
- Zhaoqing Chu Kong Logistics (Sihui) Co., Ltd.
- Chu Kong International Airfreight Company Limited
- Ever Sky Transportation Limited
- Chu Kong Cargo Terminals (Qingyuan) Co., Ltd. ("**Qingyuan Port**")
- Chu Kong Cargo Terminals (Gaoming) Co., Ltd. ("**Gaoming Port**")
- Chu Kong Cargo Terminals (Kangzhou) Co., Ltd. ("**Zhaoqing Kangzhou Port**")
- Shenzhen Zhu Chuan International Freight Forwarding Co., Ltd. ("**Shenzhen Zhu Chuan**")
- Chu Kong (Guangdong) International Shipping Agency Co., Ltd.
- Civet (Zhuhai Bonded Area) Logistics Company Limited ("**Civet Port**")
- Guangdong Digital Port & Shipping Technology Co., Ltd. ("**Digital Port and Shipping**")
- Chu Kong Cargo Terminal (Beicun) Co., Ltd. ("**Beicun Port**")

1.2 Basis of Report Preparation

This Report was prepared in accordance with the *Environmental, Social and Governance Reporting Code ("**ESG Code**")* set out in Appendix C2 of the *Main Board Listing Rules of The Stock Exchange of Hong Kong Limited ("**Hong Kong Stock Exchange**").*

This Report has complied with the "comply or explain" provisions as well as mandatory disclosure requirements of the *ESG Code* and was prepared in adherence to the four reporting principles:

Materiality	Quantitative
A materiality assessment was conducted to inform the structure and focus areas of our ESG reporting. For the process to identify and the criteria for the selection of material ESG issues, please refer to the section "3.3 Stakeholder Engagement and Materiality Assessment" of this Report.	We reported our quantitative performance for stakeholders to evaluate the effectiveness of our ESG policies and management systems. Moreover, we disclosed the standards, methodologies, assumptions, and source of conversion factors used for the reporting of key performance indicators where applicable.

Balance	Consistency
This Report is prepared in a transparent manner of which the information disclosed covers both sustainability achievements and challenges of the Group.	We adopted consistent methodologies and reported the changes to the scope and methods to allow for meaningful comparisons of ESG data over time.

For detailed information about the provisions of the *ESG Code*, please refer to Appendix II of this Report.

1.3 Report Disclaimer

All information disclosed in this Report was sourced from the Group's documents and statistics. The Board of Directors of the Company (the "**Board**") has overall responsibility for the Group's ESG strategy and reporting. This Report was reviewed and approved by the Board on 27 April 2026.

This Report was published in Traditional Chinese and English versions. Should there be any discrepancy between the two versions, the English version shall prevail.

1.4 Contact Us

We welcome your feedback on our ESG performance and this Report. Please contact us with the information below:

Chu Kong Shipping Enterprises (Group) Co., Ltd.
Address: 24/F., Chu Kong Shipping Tower, 143 Connaught Road Central, Hong Kong.
E-mail: info-cksd@cks.com.hk

2. ABOUT THE GROUP

CKSG (Stock Code: 00560) is a listed company incorporated in Hong Kong held by Chu Kong Shipping Enterprises (Holdings) Company Limited and is affiliated to Guangdong Provincial Port & Shipping Group Company Limited. The Group is mainly engaged in provision of management and other related services to high-speed waterway passenger transportation; the operation and management of river trade cargo terminals; cargo transportation, warehousing and storage business; provision of diesel and lubricants for passenger ferries and cargo vessels; provision of operation and management of facilities maintenance services for properties; and provision of ferry services and charter hire of vessels services.

Strategic Positioning

For over half a century, the Group has been rooted in the Guangdong-Hong Kong-Macao Greater Bay Area ("**Greater Bay Area**"), adhering to a strategy of "Steady Progress, Diversified Development, and Continuous Growth". The Group has established a port and shipping business network that ensures smooth operations across the Pearl River Delta, comprehensive coverage of the Greater Bay Area, and connectivity to Southeast Asia. Spanning countries and regions along the "Belt and Road" initiative, the "CKS" corporate brand in port and shipping services has earned a strong presence in both the Greater Bay Area and Southeast Asia.

Strategic Direction

Consolidate our presence in Hong Kong and Macao, expand our international reach, strengthen our foundations, and enhance quality and efficiency.

Core Business

Terminal Navigation Logistics Business

Besides across the Pearl River Delta, our network extends to Singapore, Malaysia, Thailand, and other Southeast Asian nations:

- River Terminal Investments
- Cross-border E-commerce Logistics
- Cold Chain Warehousing
- High-end Integrated Logistics Services

Passenger Transportation Business

A unique provider of cross-border water passenger services positioned within the Greater Bay Area and leading ferry service provider in Hong Kong:

- Connecting Greater Bay Area Cities
- Airport Ferry Routes
- Efficient & Convenient Travel

Fuel Supply Business & Others

Supplying diesel and lubricants to passenger and cargo vessels, ensuring energy security for shipping operations:

- Specialised Fuel Supply
- Diversified Operations
- Facility Maintenance (Macao)

2025 Year in Review

Driving Logistics Growth Through Resource Integration. As a first-tier agent of Hong Kong Airlines, air freight business expanded by 40%. Multiple infrastructure transport projects in Hong Kong were undertaken, supporting steady growth in engineering logistics. Leveraging the Tuen Mun warehouse and terminal facilities, the Group expanded bonded warehousing and integrated e-commerce live-streaming services, ensuring stable operations. New Greater Bay Area combined port routes were launched, enhancing customs clearance and transshipment efficiency. Cargo throughput in Singapore rose by 38%. The Group also invested in the construction of the Longtouzhai Terminal in Shaoguan and the Sanbu New Port, further optimising its port network layout.

Enhancing Platform Synergies and Expanding Passenger Services. Joint marketing efforts were strengthened, with promotional campaigns launched through platforms such as TikTok, Xiaohongshu, Ctrip and KLOOK to boost brand presence in the Victoria Harbour cruise, ferry, and cross-boundary passenger markets. Service coverage at Hong Kong International Airport was expanded, with multiple operation projects secured, reinforcing the position as a leading integrated service provider. New fuel transport and ferry vessels were added, and the construction of Victoria Harbour cruise yachts was accelerated to enhance both fuel supply capacity and passenger travel experience. Several marine service support projects were successfully completed, opening up new business opportunities in marine services.

Strengthening Technological Leadership and Advancing Digital Efficiency. Technological leadership was enhanced to drive digital progress. DeepSeek functions were added to internal systems, building a proprietary port and shipping knowledge base and launching the "Greater Bay Departure Customer Service Assistant" to improve service intelligence and data security. Big data was applied to integrate key logistics nodes and develop a one-stop freight platform. Passenger transport and cultural tourism resources were integrated to create a "Transport + Cultural Tourism" ecosystem through the new "Greater Bay Departure Cultural Tourism Platform." Image recognition and algorithmic technologies were adopted to build a container weight identification system, boosting terminal efficiency.



Awards and Recognitions in 2025

Hong Kong International Airport 2024 Customer Service Excellence Programme

- CKPT's teams were conferred the "Cross-Company Excellence Award" and the "Corporate Excellence Award". CKPT has now achieved this distinction for 9 consecutive years.



The Good Citizen Award

- In recognition of the Group's outstanding contributions to assisting the Hong Kong Police Force in promoting crime prevention and reduction initiatives, the Group was honored the "Good Citizen Award".



Annual Excellent Partnership Award

- CKPT was conferred the "Outstanding Partner of the Year" award by Sino Step Travel Services.



5-years Excellence Award

Sun Ferry was honoured with the "5-years Excellence Award" by The Hong Kong General Chamber of Small and Medium Business in 2025, in recognition of its outstanding contributions to supporting disadvantaged communities and actively promoting social inclusion.



Hong Kong Green Organisation

Sun Ferry has been awarded the "Hong Kong Green Organisation" recognition by the Environmental Campaign Committee in recognition of its outstanding contributions to environmental protection and sustainable development.



Awards and Recognitions in Recent Years

- The Caring Company Scheme 2024/2025
- 2024 GBA Sustainable Development Enterprise Awards
- 2023 State-owned Listed Companies ESG Pioneer 100 Index
- 2023 GBA Sustainable Development Enterprise Awards
- 2022 Guangdong-Hong Kong-Macao Greater Bay Area Most Investment-Worthy Award
- 2021 Guangdong-Hong Kong-Macao Greater Bay Area Most Valuable Brand Award

3. APPROACH TO SUSTAINABILITY

The Group regards sustainable development as a core strategy and is committed to deeply integrating environmental and social responsibilities into all aspects of our business operations. Guided by the vision of creating lasting value for our partners and communities, we have established a robust ESG governance framework to ensure the effective implementation and continuous refinement of related strategies. Furthermore, we maintain open and transparent dialogues with our stakeholders through multiple channels, faithfully fulfilling our corporate responsibilities and ensuring that the Group's progress remains aligned with our shared vision for sustainable growth.

3.1 Adhering to Our ESG Policy

The Group has implemented an *Environment, Social and Governance Policy ("**ESG Policy**")* to formalise our management approach in these areas. The strategy clearly sets out our sustainability vision, mission, commitments, and responsibilities, thereby demonstrating our unwavering pledge to all stakeholders.

Vision	We are devoted to becoming the most competitive navigation company and leading service provider in Guangdong, Hong Kong and Macao through adopting innov3ation and sustaining our commitment to environmental protection.
Mission	We strive for excellence in providing safe and reliable services to our customers with dedication, professionalism, and efficiency.
Commitment	We are committed to adopting sustainable practices and operating our business in a transparent and ethical manner. We embed accountability in the workplace and take responsibility for our decisions and actions.
Responsibility	We recognise that our employees make a significant contribution to the Group's success. We therefore place great emphasis on providing a safe and healthy workplace and improving employee engagement.

Furthermore, the Group has established the *ESG Working Manual* to serve as the cornerstone for implementing ESG practices at the operational level. This Manual systematically sets out the ESG governance structure, policies, management of metrics and targets, and annual workflows. It also clearly defines the roles and responsibilities within the ESG governance structure, which aims to strengthen internal communication and foster a comprehensive understanding of the Group's ESG management framework and processes among all employees, thereby ensuring consistency and coordination throughout the execution process.

3.2 ESG Governance Framework

To ensure comprehensive oversight and effective execution of our ESG commitments, the Group has established a three-tier governance structure comprising the Board, the Governance Group for the ESG Report, and the Working Group for the ESG Report.

Decision-making Level	The Board
Management Level	Governance Group for the ESG Report
Execution Level	Working Group for the ESG Report

The Board

The Board is responsible for overseeing the Group's ESG management and granting final approval on the Group's ESG strategies, policies, targets and approaches. Furthermore, the Board authorises the Governance Group for the ESG Report and the Working Group for the ESG Report to oversee and implement the Group's ESG strategies, policies, targets, and overall initiatives.

Governance Group for the ESG Report

Spearheaded by one of the executive directors of the Company, the Governance Group for the ESG Report is comprised of general managers from different business segments. Under the full authority of the Board, it is responsible for assisting the Board in conducting its ESG supervisory duties and reporting to the Board regularly.



Main Responsibilities

- Assist the Board in providing strategic direction, formulating sustainability policies and targets, identifying material ESG factors, and monitoring progress. Furthermore, assist the Board in integrating sustainability considerations into the Group's business strategy and managing ESG risks arising from its business arrangements.
- Assist the Board in establishing processes for identifying, assessing, and managing material ESG-related issues and risks.
- Maintain good cooperative relationships with key stakeholders to sustain the Group's organic growth and sustainable development. Improve business strategies by understanding the needs and concerns of key stakeholders, meeting their expectations, and creating value for them.
- Integrate Corporate Social Responsibility into the Group's operations and, based on strict internal compliance, implement various sustainable operational practices to promote the Group's sustainable development in environmental and social aspects.
- Drive the Group to continuously optimise its operational practices to reduce social risks while bringing greater benefits to the community.
- Monitor whether the Group strictly complies with environmental protection laws and regulations that have a significant impact on the Group, and whether the Group's subsidiaries have formulated relevant policies, management systems, practices, and approaches based on the nature of their business and actual circumstances to manage their environmental impact.
- Promote the Group's continued fulfilment of its environmental responsibilities and the reduction of its operational impact on the environment. Assist in ensuring that environmental factors are considered during the Group's corporate decision-making processes and that operations are conducted in accordance with sound environmental practices.
- Formulate prevention and emergency response mechanisms to ensure the Group can respond effectively and in an orderly manner to major environmental pollution incidents, thereby minimising damage to the environment.
- Exercise its powers, authorities, and discretion in discharging duties related to ESG reporting as delegated by the Board from time to time, subject to compliance with the Hong Kong Companies Ordinance, the Listing Rules and the Articles of Association of the Group.

Working Group for the ESG Report

The Working Group for the ESG Report comprises ESG representatives from all subsidiaries of the Group and serves as the primary executive core for the Group's ESG affairs. It is responsible for implementing the Group's ESG strategy, collecting the data required for the preparation of the ESG Report, and reporting to the Governance Group for the ESG Report on matters relating to the ESG Report.

Main Responsibilities

- Assist the Governance Group for the ESG Report in implementing all initiatives related to ESG matters.
- Facilitate the exchange of best practices among the Group's departments and subsidiaries, and report relevant recommendations to the Governance Group for the ESG Report for integration into operations and procedures.
- Maintain ongoing communication with key stakeholders and regularly collect their views through various channels, including meetings, workshops, surveys, and feedback programmes.
- ESG representatives receive the ESG data collection form and distribute it to the relevant departments according to the contents.
- ESG representatives are responsible for the comprehensiveness and accuracy of the ESG data collection form submitted by their units.
- Supervise departments to ensure the timely and accurate completion of ESG data collection forms, and ensure the submission of such forms to the Group's Capital Operation Department on schedule.
- Coordinate relevant personnel to respond to enquiries raised by the Governance Group for the ESG Report and intermediaries regarding the content of the ESG data collection forms.
- Complete an ESG report under the Listing Rules and submit it to the Governance Group for the ESG Report.

In addition, to proactively address the challenges of climate change and strengthen the Group's climate resilience and adaptive capacity, the Group is gradually incorporating climate-related governance responsibilities into the existing ESG governance structure in a systematic manner. This ensures our strategic alignment with international sustainability standards and recognised best practices. For further details, please refer to Section "7.3 Climate Change" of this Report.

3.3 Stakeholder Engagement and Materiality Assessment

The Group attaches great importance to stakeholder engagement and regards it to drive our sustainability progress. Engaging actively with our stakeholders helps us refine our sustainability strategy and improve our ESG performance, which also allows us to understand stakeholders' expectations and identify opportunities for positive changes within the Group.

Engaging with Our Stakeholders

The Group has established various communication channels and defined the frequency of communication to ensure ongoing engagement with our stakeholders. Through effective communication, we actively seek and value their perspectives and feedback on our ESG performance, which helps us to identify areas that need improvement and prioritise issues as we develop our business strategies.

Stakeholder Groups	Communication Channels	Communication Frequency
Regulatory Authorities	• On-site inspection • Meeting	• Regularly/as needed • Regularly/as needed
Shareholders and Investors	• Annual general meeting and other shareholder meetings • Annual report • Announcement	• Annually • Annually • As needed
Employees	• Meeting • Group interview • Performance appraisal • Training, seminar, and briefing session • Cultural and sports activity • Newsletter	• Regularly • Regularly • Annually • Regularly • Regularly/as needed • Regularly
Customers	• Website • Email • Customer service hotline • Satisfaction survey	• Daily/as needed • As needed • As needed • Annually
Suppliers	• Open tendering • Supplier evaluation and appraisal	• As needed • Annually
Potential Investors and Financial Institutions	• Potential investor briefing • Roadshow • Analyst briefing • Visit	• As needed • As needed • As needed • As needed
Communities	• Information disclosure • Website • Email	• Regularly/as needed • As needed • Daily/as needed

2025 Annual General Meeting

CKSG successfully convened its Annual General Meeting, chaired by the Chairman of the Board, Mr Liu Guanghui. During the meeting, the Board and management engaged in an in-depth exchange regarding industry trends and opportunities for port logistics under the "Belt and Road" initiative. The discussion aimed to precisely assess market dynamics and collectively map out a grand blueprint for the Group's future high-quality development.



Oriental Pearl Signs Agreement with Kunlun Mountain Mineral Water

Oriental Pearl has formally signed a brand distribution agreement with Kunlun Mountain Mineral Water Co., Ltd., establishing a strategic partnership to jointly develop the premium drinking water market. Leveraging complementary strengths, the two parties will promote integrated online and offline operations, actively expand into the Hong Kong and overseas markets, enhance brand visibility, and achieve mutually beneficial, sustainable growth.



CKTL Joins Hong Kong PCS Collaboration

CKTL participated in the 2025 Logistics Summit hosted by Hong Kong Logistics and Supply Chain MultiTech R&D Centre ("**LSCM**") and signed a tripartite Memorandum of Understanding with the Hong Kong Transport and Logistics Bureau and LSCM, becoming a development partner of the Hong Kong Port Community System ("**Hong Kong PCS**") to support port logistics digitalisation and cross-sector collaboration.



CKSG Signs Cooperation Agreement with Baowu Group Zhongnan Iron & Steel

In support of the national strategy for the high-quality development of inland waterway transport, CKSG has formally entered into a cooperation agreement with Baowu Group Zhongnan Iron & Steel Co., Ltd. to develop an integrated, multi-functional logistics park combining port operations and logistics distribution.



Materiality Assessment

Materiality assessment is a key foundation of the Group's sustainable development management. Through the materiality assessment process, the Group is able to incorporate feedback from both internal and external stakeholders and identify ESG issues that have a significant impact on its business operations and stakeholders. The results provide a basis for the identification of material issues and related disclosures in this Report, and support the Group's strategic decision making.

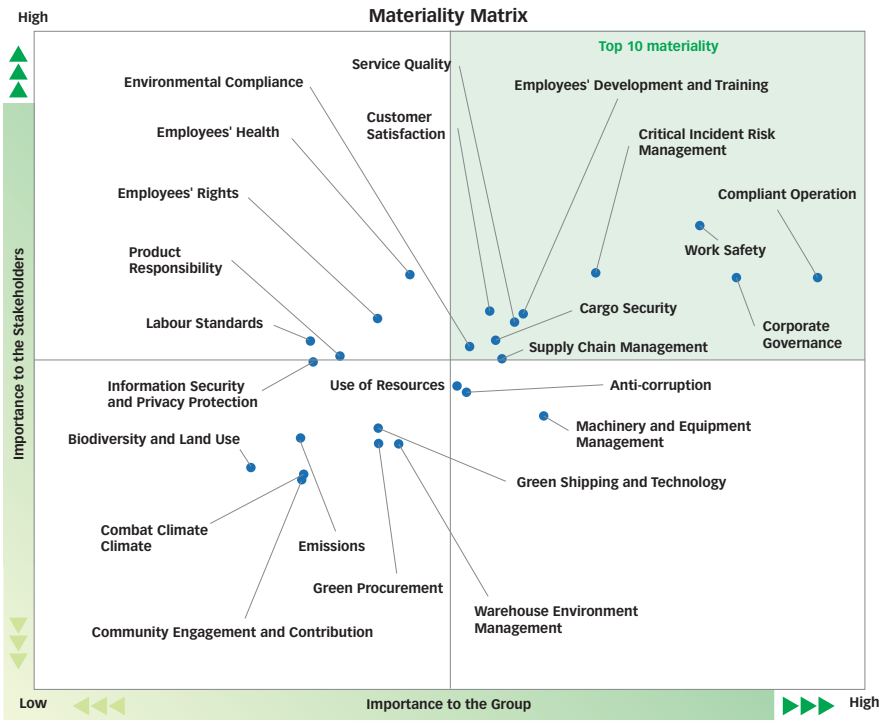
During the Reporting Period, the Group conducted the materiality assessment with the assistance of an external consultant and engaged key stakeholders in the process. The assessment was carried out through a questionnaire survey, with participants comprising seven stakeholder groups: the Board, senior management, employees, major shareholders and investors, customers, suppliers and the public. A total of 109 valid questionnaire responses were received. The process and results of the 2025 materiality assessment are set out below:

1. Identify To investigate the ESG issues that are relevant to our business, the Group took reference from the local and international sustainability guidelines and standards, industry best practices, and the results of our communication with stakeholders during the Reporting Period. A total of 25 ESG issues relevant to the Group were identified.

2. Engage The Group recognised our major stakeholders as groups or individuals who exert influence on or are affected by the Group and invited them to participate in an online survey as part of the materiality assessment process. They were asked to prioritise each ESG issue based on the level of importance.

3. Analyse To analyse the relative materiality of each ESG issue, the Group consolidated stakeholders' opinions and mapped the ESG issues on a matrix based on two aspects: "Importance to the Stakeholders" and "Importance to the Group". The Governance Group for the ESG Report decided that the issues deemed highly important by both stakeholders and the Group (mapped on the upper right corner of the matrix) are considered the high-materiality issues of the Group.

4. Validate The Governance Group for the ESG Report validated 10 high-materiality issues of the Group in 2025, confirming the focus of this Report.



High-materiality Issues	Description	Corresponding Chapter
Compliant Operation	Adhering to regulations, safety standards, and operational guidelines set by relevant authorities in Hong Kong, Mainland China, Macao, and international laws.	4. Compliant Operation
Work Safety	Implementing comprehensive safety protocols for operations and workplace safety measures. Including regular safety training, emergency preparedness, and accident prevention.	6.3. Safety and Health
Corporate Governance	Adhering to sound governance principles through effective board oversight, clear management accountability, robust internal controls and transparent decision-making, to ensure compliant, ethical and sustainable business operations.	3.2 ESG Governance Framework
Critical Incident Risk Management	Identifying, assessing and managing risks related to critical incidents, including navigational accidents, operational disruptions and emergency events, to minimise safety, operational and reputational impacts and ensure business continuity.	4.1 Risk Management

High-materiality Issues	Description	Corresponding Chapter
Employees' Development and Training	Providing structured training and development programmes to enhance employees' professional skills, operational competence and career development.	6.2 Employee Development
Service Quality	Ensuring reliable, punctual, and efficient passenger ferry and port services across the Greater Bay Area. Focus on customer satisfaction, vessel maintenance, and service reliability.	5.1. Service Optimisation
Customer Satisfaction	Delivering reliable and quality services through effective customer communication, service management and feedback mechanisms, to enhance overall customer satisfaction.	5.2 Customer Satisfaction
Cargo Security	Ensuring secure handling, storage, and transportation of cargo. Implementing proper tracking systems, maintaining cargo integrity, and preventing loss or damage during transit and storage.	5.1. Service Optimisation
Supply Chain Management	Managing suppliers and business partners through transparent procurement practices, risk assessment and ongoing monitoring, to promote responsible sourcing and supply chain resilience.	5.6 Procurement Practices
Environmental Compliance	Meeting environmental regulations regarding vessel emissions, water pollution prevention, waste management, and adopting green technologies to reduce environmental impact of operations.	7.2 Green Operation



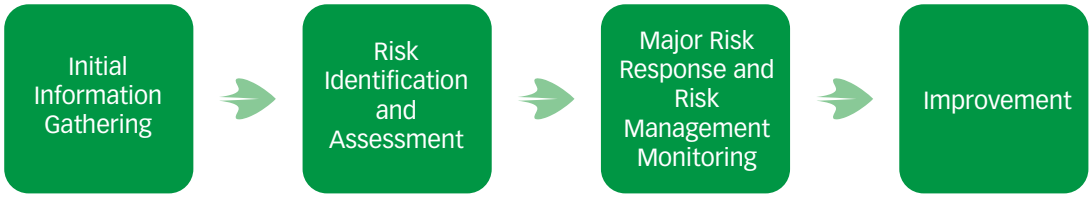
4. COMPLIANT OPERATION

The Group recognises that a sound internal control system forms the cornerstone of stable operations and long-term sustainable development. Upholding the principles of integrity and compliance, the Group continuously enhances its governance framework and strengthens the coordination between risk management and compliance controls to reinforce operational robustness and regulatory discipline. At the same time, the Group is committed to fostering a culture of transparency and accountability, promoting continuous improvement of compliance practices across all organisational levels to ensure the effective implementation of corporate governance.

4.1 Risk Management

The Group has established a comprehensive risk management framework that integrates risk management into its daily operations and decision-making processes to support the achievement of its long-term corporate objectives. The Board leads and oversees the identification and assessment of main ESG risks, ensuring that risk management policies and measures remain effective and sustainable. The Risk Management and Internal Control Committee of the Group plays a central supervisory role in risk prevention, the monitoring and response to major risk events, and the tracking and reporting of risk management performance, thereby promoting a systematic and institutionalised approach to risk management.

The Group's risk management process comprises four stages:



To ensure clear accountability across departments and the effective implementation of risk control strategies, the Group has established a "Three Lines of Defence in Risk Management", which differentiates the functions of operational execution, management oversight and independent audit, thereby building a comprehensive and robust risk management system.



Three Lines of Defence in Risk Management

The 1st Defence Line	Functional business departments Subsidiaries Joint ventures and associates in which the Group has majority control	Responsible for risk management in related business activities. During the company's business processes and operations, the three parties shall identify, analyse, and proactively manage risks while reporting significant risks.
The 2nd Defence Line	Risk management and internal control committee All entities in the Group with specialised risk management role	Support the first line of defence with professional risk management expertise, assist in improving the risk management system and related measures, and enhance overall risk identification and control capabilities. They strengthen risk prevention awareness and ensure the effectiveness of risk management and control.
The 3rd Defence Line	Internal audit department	Primarily supervises and evaluates significant risks and the implementation of risk management measures during business activities, ensuring effective oversight.

During the Reporting Period, the Group reviewed major ESG risks through comprehensive scoring, based on the two dimensions of "risk occurrence probability" and "risk impact degree", and the corresponding measures are as follows:

Significant ESG Risks	Potential Impacts	Response Approaches
Demand Fluctuation and Market Risk	The Group faces demand fluctuation risks arising from the fragile global economic recovery, sluggish growth in the shipping market, and volatility in freight rates. The slow recovery of passenger services heightened geopolitical tensions, and the increasing frequency of extreme weather events have further amplified market uncertainty. In the cargo segment, carbon tax policies and stricter emission reduction requirements are expected to dampen demand, potentially resulting in lower business volumes, increased profit pressures, intensified competition, and operational challenges associated with shifts in transport modes	• Strengthen market research and customer insight, monitor industry developments in real time, and flexibly adjust routes, fleet deployment, and capacity allocation to ensure efficient resource utilisation and responsiveness to changing demand • Advance digital transformation and lean operations by leveraging intelligent scheduling and data analytics to reduce empty sailings and demurrage costs, improving cost efficiency and operational agility • Integrate passenger transport with cultural and tourism initiatives, develop diversified "transport + tourism" products, and enhance brand visibility through new media marketing and one-stop ticketing to boost market reach and conversion • Optimise port functions and integrate multimodal transport and logistics resources to deliver end-to-end supply chain solutions, cultivate new cargo sources along Belt and Road routes, and strengthen the Group's position as a comprehensive logistics service provider • The Group has finalised its environmental targets, including reduction of greenhouse gases and air pollutant emissions, with an aim to align in long term carbon reduction trend

Significant ESG Risks	Potential Impacts	Response Approaches
Competitive Risk	With the expansion of the Greater Bay Area's transport network and new land routes coming into operation, competition in cross-boundary water passenger transport has intensified, leading to reduced business volumes and declining profitability in traditional ticketing services. In the cargo sector, excess port capacity, intensified market competition, and low-margin strategies adopted by large enterprises have put pressure on earnings, while subsidy policies at certain ports and varying operational efficiencies of trailers and barges have further weakened the Group's competitiveness	• In the passenger transport segment, optimise the operations of the integrated platform implement a membership scheme, streamline management levels, and adopt intensive operation models to drive transformation in sales and revenue structure • In the cargo segment, deepen the development of integrated logistics, warehousing and engineering logistics, integrating storage, transport and information resources to provide major clients with customised end-to-end solutions • Expand the barge network, enhance schedule reliability and customer loyalty, and advance the transformation of ports from traditional handling nodes into integrated supply chain service providers through differentiated products and services

Significant ESG Risks	Potential Impacts	Response Approaches
Strategic Planning Risk	The prolonged period of low global economic growth has continued to suppress travel and trade demand, leading to frequent adjustments of passenger routes, vessel upgrades, and lower-than-expected returns from new investment projects. These factors have amplified earnings volatility, exposing the Group to dual risks of missing market opportunities and facing pressure on cash flow, thereby increasing uncertainty in overall strategic execution	• Adhere to an integrated "strategy–investment–operation" management approach, aligning strategic objectives closely with annual business plans to ensure coordinated and efficient execution • Optimise project management processes by strengthening full-cycle supervision and risk assessment of new investments to ensure prudent capital utilisation and controlled returns • Establish a flexible and efficient management framework to enhance the quality of strategy implementation, ensure that key projects progress as planned and deliver expected results, and support the Group's steady and sustainable development

4.2 Ensuring Compliance with Operations

The Group's subsidiaries operate across Mainland China, Hong Kong and Macao, and consistently comply with all applicable laws and regulations in the jurisdictions where they conduct business. At the same time, in order to further enhance the Group's compliance and governance framework, we have formulated and implemented the *Compliance Management Measures* to strengthen lawful and compliant operations, mitigate operational risks, and ensure the sustainable development of the enterprise.

The Group has established a comprehensive risk management system that covers all functional departments:

Legal Department	Provides legal advisory services by supporting the Group's decision-making process; manages the Group's legal and regulatory risks; and enables the Group to conduct business in compliance with the law.
Company Secretary	Ensures compliance with the Listing Rules of the Hong Kong Stock Exchange and serves as the principal channel of communication with the Hong Kong Stock Exchange on behalf of the Group.
Audit Department	Conducts annual audit to evaluate the adequacy and effectiveness of the Group's risk management and internal control systems, and to examine whether its operations are in full compliance with all relevant laws and regulations. The Audit Department also provides regular updates to the Audit Committee.
Other functional departments of the Group	Closely review laws and regulations that have a significant impact on the Group, and formulate and refine relevant policies, standards, management measures, and systems to govern the Group's operations.

In addition, the Group has integrated compliance requirements into its daily business processes and employee codes of conduct. Through training, assessment and accountability measures, the Group continues to strengthen its compliance culture, enhancing employees' legal awareness and their capabilities in risk prevention and control.



CKSG 2025 Legal Seminar and Compliance Training

On 13 November 2025, the Group held a training session themed "Common Compliance Risks and Case Studies in Port and Terminal Operations", delivered by an external law firm. The session addressed key compliance issues such as operating licences, contract management, labour practices, environmental and safety regulations, and information management. Through case studies, participants enhanced their legal awareness, improved compliance management, and strengthened the Group's risk-control capability.



The Group also closely monitors regulatory changes across different regions and their potential impact on operations. For details, please see "Appendix I: Applicable Laws and Regulations" of this Report.

4.3 Operating with Integrity

The Group always upholds high standards of ethics and integrity, striving to create a fair and equitable environment. The Group has a zero-tolerance policy in place and strictly complies with laws and regulations regarding bribery, extortion, fraud, money laundering, and other unethical business practices in the regions where we operate. During the Reporting Period, the Group has neither encountered any violations of laws and regulations that have a significant impact on the Group regarding bribery, extortion, fraud, and money laundering, nor have we received any lawsuits involving internal employees in bribery, extortion, and money laundering cases.

Preventing Illegal Acts

The Group has formulated and implemented the *Chu Kong Shipping Anti-corruption Policy*, which explicitly prohibits any act of bribery or the offering of improper benefits in dealings with agents or public officials. To systematically identify and manage related risks, the Group conducts regular assessments of corruption risks and continuously strengthens its internal control framework to ensure effective monitoring and comprehensive prevention of corruption risks.

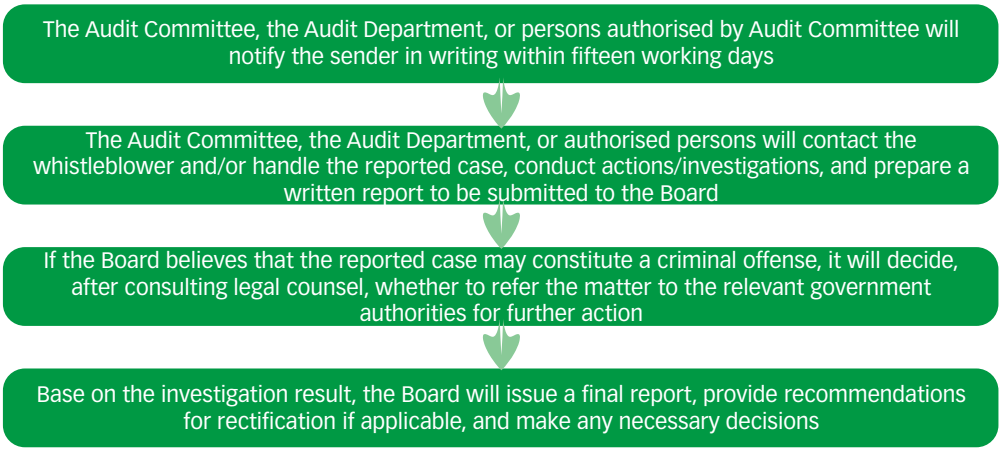
With regard to internal control and audit supervision, the Group, in accordance with the *CKS Internal Audit System*, continuously evaluates and enhances the effectiveness of its risk management and internal control systems. The Audit Department operates independently to carry out its audit functions, while the Audit Committee reports regularly to the Board on the performance of internal controls, ensuring that established policies and procedures are strictly implemented. This approach enables the timely identification and rectification of control deficiencies, thereby safeguarding the Group's operational security, reinforcing its capacity for risk prevention and mitigation, and promoting efficient management and utilisation of assets and resources.

The Group requires all employees to comply with the *Employee Handbook*, which defines their responsibilities and obligations regarding the prevention of bribery, corruption and other unlawful activities such as the misappropriation of funds. The Handbook also stipulates strict limits on the value of gifts or gratuities that employees may accept. To prevent conflicts of interest, all employees are required to sign the *Integrity Agreement for Business Partners for Employee* and are strictly prohibited from engaging in any external employment that may give rise to conflicts of interest.

In managing business partners, the Group is committed to fostering transparent and trustworthy relationships. By signing the *Integrity Agreement for Business Partners*, the Group and its partners regulate business conduct, jointly safeguard lawful interests and ensure that all business activities adhere to ethical standards and professional integrity.

Encouraging Whistleblowing

To support the identification and reporting of any unethical business conduct or misbehaviour, the Group encourages employees and supply chain partners to report any suspected practices or violations based on the *Whistleblowing Policy*.



The Group keeps all relevant information strictly confidential to safeguard the legitimate rights and interests of whistleblowers, and their personal data will not be disclosed under any circumstances. All reports and complaints will be subject to thorough, fair and independent investigations.

Cultivate Ethical Corporate Culture

The Group regularly organises anti-corruption training for Board members and employees to enhance their awareness of corruption prevention, strengthen their understanding of corruption risk management, and reinforce the importance of adhering to ethical business conduct.

Number of Participants in Anti-corruption Training During the Reporting Period

Directors (Group and Subsidiaries)	Employees	Total
52	731	783

Anti-Corruption and Integrity Education Training

To strengthen the culture of integrity and enhance employees' compliance awareness, the Group held an anti-corruption and integrity education training session on 11 November 2025 for management personnel across all business units. The training aimed to improve employees' ability to identify and manage corruption risks, reinforce their commitment to ethical and lawful conduct, and promote the effective implementation of the *Chu Kong Shipping Anti-corruption Policy*.





5. PROVIDING EXCELLENT SERVICE

The Group is dedicated to delivering exceptional services throughout its operations. We place a strong focus on operational safety, security, and efficiency, continuously striving to enhance service quality and boost customer satisfaction. Additionally, we work closely with suppliers to manage supply chain risks and advance sustainable development initiatives.

5.1 Service Optimisation

The Group upholds the principle of being customer-oriented and quality-driven, continuously enhancing the service standards of its business segments through innovation and improvement. By maintaining high management standards and constantly optimising customer experience and brand credibility, the Group demonstrates its commitment to excellence and continuous advancement.

Operational Management Optimisation

In terms of cargo operations, the Group has finalised a comprehensive end-to-end work manuals for its freight terminals, covering all key processes including container handling, unloading, cargo weighing and warehouse management. A standardised container inspection procedure has also been implemented, conducted throughout by specialised inspectors to guarantee operational quality and safety. Additionally, the Group has achieved certification under the ISO 9001:2015 Quality Management System.

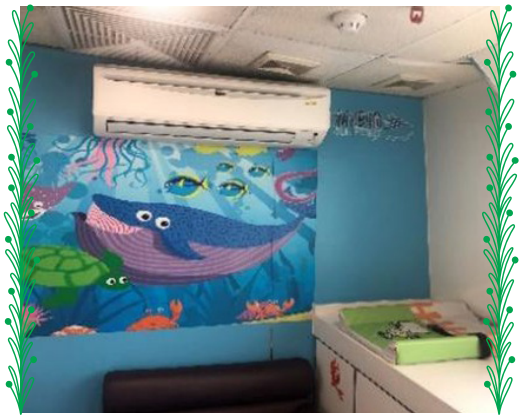
In terms of passenger transportation, the Group remains committed to enhancing schedule punctuality and onboard comfort as its core priorities, continually improving the travel experience for passengers. Its subsidiaries, including Sun Ferry, CKPT and Oriental Pearl, work in close coordination to refine the end-to-end passenger journey, ensuring swift and seamless boarding and disembarkation. Meanwhile, by increasing service frequency on outlying island routes during peak hours and dynamically optimising ferry deployment, the Group has further strengthened overall capacity and service standards. Sun Ferry has also completed an upgrade of its passenger analytics system, enabling intelligent, real-data-driven timetable scheduling that has tangibly boosted operational efficiency and responsiveness.



Inclusive Service Initiatives

Sun Ferry actively promotes breastfeeding-friendly initiatives and has introduced Hong Kong's first onboard nursing room, which is now available across all five of its three-deck conventional ferries. In addition, Sun Ferry continues to enhance its barrier-free facilities, with designated wheelchair zones and accessible toilets provided on ferries of various types to accommodate the travel needs of passengers with disabilities. During the Reporting Period, in support of public welfare campaigns such as the "International Day of Persons with Disabilities 2025" and "Senior Citizens' Day," Sun Ferry offered complimentary ferry services to passengers with disabilities.





Intelligent and Digital Management Advancement

During the Reporting Period, the Group continued to advance intelligent and digital management, achieving substantial progress across multiple fronts. Through the introduction of advanced technologies, we have realised significant benefits in enhancing operational efficiency, strengthening safety controls, reducing manual processes, and improving customer service quality.

At the fleet and terminal digitalisation level, the Group has implemented a paperless dispatch platform across its fleet, enabling electronic document transfer between vessels and drivers. This has increased efficiency in container pick-up and return operations while accelerating gate throughput. Subsidiary CKTL has deployed an intelligent gate system, completing its digital transformation with paperless weighing processes supported by a smart yard management system to optimise operational efficiency. Additionally, the integration of facial recognition technology for access control has streamlined entry procedures, enhancing both operational efficiency and security monitoring standards.

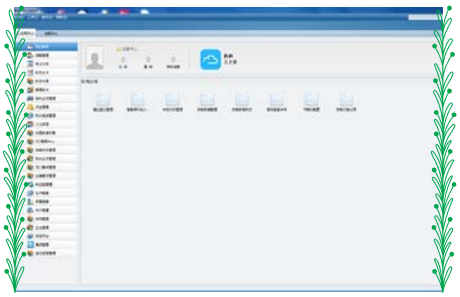
Civet Port-The smart gate supervision system officially came into operation



At the external collaboration and service digitisation level, building on our technological strengths, the Group has extended these capabilities externally. A subsidiary has implemented an intelligent business system for client and bill of lading management, automating processes and enabling information sharing. Concurrently, Gaoyao Port launched the WeChat-based "Port E-Reach" platform with Electronic Data Interchange (EDI) connectivity, providing real-time cargo tracking to customs brokers, clients and operators – significantly boosting transparency and visibility.

At the practical system application level, the Kingdee EAS system has achieved full coverage across all operational processes, including vessel operations, container repositioning, and warehouse logistics. Mechanical equipment has been upgraded with tablet terminals, enabling operators to perform tasks with real-time data synchronisation, which has significantly enhanced operational efficiency. Currently, an unmanned weighbridge system has been implemented for domestic cargo, while self-service weighbridge facilities have been deployed for international goods, both of which are now fully operational.

Kingdee EAS system





Furthermore, Digital Port and Shipping has been recognised as a High-Tech Enterprise in Guangdong Province for eight consecutive years, highlighting the Group's efforts in promoting technological applications.



Safety Management Reinforcement

The Group has integrated safety management throughout the entire service process, focusing on three key areas: terminal security, passenger safety, and fuel quality assurance, in order to provide customers with a safer and more reliable service experience.

Regarding terminal security, the Group enforces its *Internal Security and Anti-Smuggling Management Measures*, deploying fencing, 24-hour lighting and full-coverage surveillance, supported by a professional team. Through stringent access control for personnel and vehicles, routine patrols, and risk screening, overall security capabilities have been effectively enhanced. Moreover, the Group has established the *Emergency Response Plan for Handling Terrorist Incidents*, creating a structured emergency response mechanism that clarifies responsibilities across all levels, enhances coordination and adaptability, and ensures the continuous and stable operation of terminal activities.

Regarding passenger safety, Sun Ferry comprehensively implements passenger safety standards, with all ferries equipped with life-saving devices and first-aid kits that meet Marine Department requirements. The company has deployed Automated External Defibrillator (AED) at major passenger terminals and organises systematic first-aid training for staff, continuously enhancing emergency response capabilities to ensure passenger travel safety.

Regarding fuel safety, we proactively provide customers with Material Safety Data Sheets (MSDS) and collaborate with them on product pre-inspection and sample testing to ensure reliable quality of oil products. In addition, Sun Kong Petroleum regularly engages third-party institutions to inspect supplied diesel, with all test indicators meeting or exceeding national standards, thereby guaranteeing the cleanliness, safety and environmental compliance of fuel from the source.

5.2 Customer Satisfaction

The Group is committed to exceeding customer expectations and building long-term relationships. We have established a variety of communication channels to ensure effective interaction with our customers. By valuing their opinions and needs, we continuously strive to incorporate their feedback into our service enhancements, aiming to improve customer satisfaction and protect their rights. During the Reporting Period, satisfaction rates for both the terminal navigation logistics business and the fuel supply business exceeded 98%.

Listening and Responding Attentively

The Group has implemented the *Management Procedures for Customer Relationships* and related policy frameworks to standardise client interaction processes and continuously strengthen customer relationships. Specific responsibilities for departments and personnel in customer service have been clearly defined, ensuring a transparent and efficient service response system.

Furthermore, the Group and its subsidiaries maintain ongoing communication and engagement with customers through methods such as satisfaction surveys, regular follow-ups, and organised exchange meetings.

Fostering Communication with Customers

On 2 April 2025, Sun Ferry convened Passenger Liaison Group meetings for its Central-Cheung Chau and Central-Mui Wo routes, during which the management engaged in face-to-face discussions with passenger representatives. The exchanges focused on service enhancement initiatives, supporting the continuous improvement of service quality.

In addition to such in-person engagement mechanisms, passengers may also submit feedback and suggestions through multiple channels, including customer service hotlines, dedicated email address, Sun Ferry mobile app, or by scanning the QR codes on feedback forms displayed at ferry terminals and onboard vessels.



Complaint Management

The Group has established a rapid response and correction mechanism for customer complaints to ensure timely resolution of issues. Subsidiaries, including Sun Ferry, Gaoyao Port, Digital Port and Shipping, Civet Port, and Sun Kong Petroleum, have all implemented systematic customer complaint handling procedures, collectively forming a group-wide standardised complaint management system. During the Reporting Period, the Group received a total of 19 complaints, all of which were duly resolved.

5.3 Data and Privacy Protection

The Group has established a comprehensive information security protection system centred on "proactive prevention and comprehensive management," covering the entire lifecycle of information systems. The *Computer Security Management Regulations* have been formulated and implemented, ensuring the integrity, confidentiality, and availability of data during processing, storage, and transmission through strict separation of duties, access controls, and tiered authorisation mechanisms.

In terms of personnel management, rigorous vetting and access controls are enforced for personnel in critical roles handling sensitive data, with clearly defined security responsibilities for system administrators, developers, and operators to prevent overlapping privileges. Data backups are managed by designated personnel and stored off-site, strengthening the protection of data privacy through behavioural safeguards.

To address security incidents such as data breaches and cyberattacks, the Group has developed the *Computer Network Emergency Response Plan*, which defines incident reporting procedures, response measures, and accountability mechanisms. Regular drills are conducted to enhance response capabilities.

Through the implementation of effective information security management measures, our operations in Hong Kong and Guangzhou have successfully achieved ISO/IEC 27001:2013 Information Security Management System certification.

5.4 Intellectual Property Rights Protection

To protect intellectual property, the Group has established and implemented the *Computer User Handbook*, which mandates the use of licensed software by all staff and prohibits the use of unauthorised copies, thereby mitigating infringement risks at source. Furthermore, we maintain strict cooperation standards with advertising agencies, requiring compliance with intellectual property laws and regulations to ensure that all advertising content, creative materials and related assets do not infringe third-party intellectual property rights.

Intellectual Properties and Copyright

Digital Port and Shipping obtained 3 computer software copyrights during the Reporting Period

- Digital Port & Shipping V1.0.0
- Digital Port & Shipping Vessel Management System V1.0
- Digital Port & Shipping Distribution Mini-app V3.0



During the Reporting Period, the Group did not encounter any cases of infringement of laws and regulations related to data privacy and security as well as intellectual property rights.

5.5 Responsible Marketing

The Group has established a robust multi-level information release and review framework under its *Brand Building Management Measures*, encompassing preliminary departmental reviews, legal compliance vetting, and final executive sign-off. This mechanism mitigates the risks of false advertising and misleading marketing at source, ensuring the authenticity, accuracy, and compliance of all external disclosures.

Concurrently, underpinned by the *Brand Crisis Public Relations Management Manual*, the Group has formalised a dedicated task force mechanism and a "24-hour Golden Response" principle. Through standardised media communication guidelines, the Group has bolstered its risk-response resilience, effectively safeguarding brand value and corporate reputation while upholding the public's right to know.

During the Reporting Period, the Group had no litigation related to product and service health and safety or advertising.

5.6 Procurement Practices

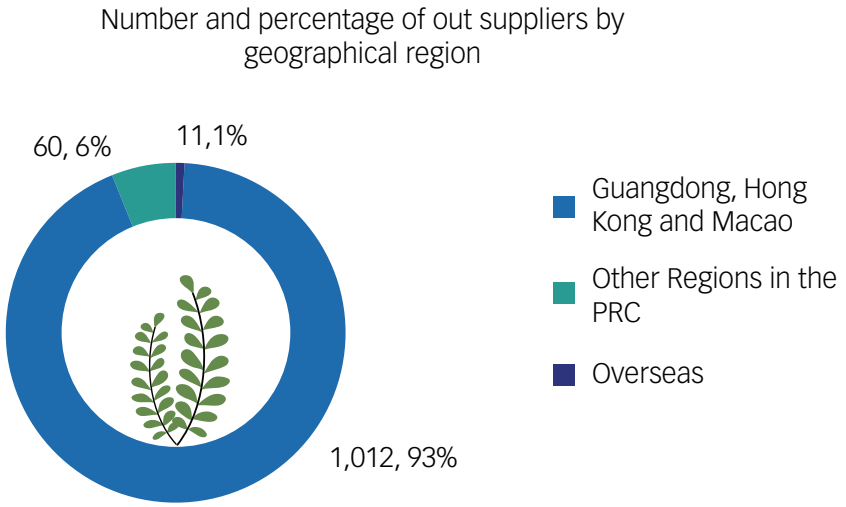
The Group upholds robust procurement and supply chain management principles rooted in transparency, fairness, and ethical business practices. By adopting standardised, streamlined, and traceable processes, we ensure complete oversight of purchasing activities while enhancing operational efficiency, product quality, and risk management across all supplier engagements.

Supply Chain Management System

The Group's *Procurement Management Measures* serve to set up clear definitions and standard procedures for all procurement affairs. At the same time, the *Management Measures for Tendering and Bidding* is established to specify the rules and processes for tendering and bidding activities within the Group.

To ensure that suppliers continue to meet the Group's quality and management requirements, the Group conducts annual performance evaluations and on-site assessments of existing suppliers in accordance with the standards and procedures set out in the *Regulations Governing Integrated Supplier Evaluation*. Where a supplier fails to meet the established criteria, it is required to formulate a corrective improvement plan, and appropriate follow-up or management measures are implemented as necessary to maintain supply chain stability and quality standards, and to drive continuous improvement. During the Reporting Period, all major suppliers in the Group had undergone the assessment.

During the Reporting Period, the number and percentage of our suppliers[1] by geographical region are as follows:



[1] Types of suppliers mainly include shipowners, manufacturers and distributors of machinery and mechanical parts, tire suppliers, fuel suppliers, and service providers.

Supplier Selection Processes

In accordance with the *Procurement Management Measures* and the *Management Measures for Tendering and Bidding*, the Group adopts appropriate procurement methods and management requirements based on the nature, scale and risk profile of each project. All procurement activities are carried out by personnel with the requisite qualifications. Below is an example of the supplier selection process utilising tendering and bidding as the chosen method.

Initiating the Tendering Work Plan	The functional department initiates the tendering work plan, specifying the tendering method, the formation of the Tendering Working Group, Supervisory Group, and Evaluation Committee, as well as the work procedures.
Reviewing the Tendering Plan	The tendering department's management team reviews the tendering plan, tender documents, and evaluation methods, and decides on the maximum price limit or bid base price. Subsequently, the tender announcement or invitation to bid would be issued to potential suppliers.
Evaluation	Upon collecting bid applications and acknowledgments, the Evaluation Committee conducts a qualification review to identify eligible bidders. The Committee then proceeds to evaluate the bids, prepares a comprehensive evaluation report, and submits it to the tendering department for further action.

Supplier ESG Management

The Group continues to promote sustainable development across its supply chain and systematically integrates ESG principles into supplier management. In terms of green procurement, the Group gives priority to products and services that meet environmental standards, such as vehicles and equipment emission standards of China V/Euro V or above, and office appliances with energy label grade 1 or the Energy Star certification, in order to reduce environmental impact.

To ensure that suppliers fully understand the Group's management expectations regarding sustainable development, the Group proactively communicates relevant ESG requirements and guidelines, and encourages suppliers to implement sustainable practices in their operations. At the same time, the Group's subsidiaries issue supplier management – related policies and guidelines that set out requirements in areas such as regulatory compliance, business ethics and environmental protection, with the aim of regulating and enhancing suppliers' ESG performance.

Sun Ferry *Supplier Code of Conduct*

Sun Ferry set up the *Supplier Code of Conduct*, which outlines requirements in different ESG aspects such as compliance with laws and regulations, moral integrity, forced labour and child labour, workplace health and safety and environmental protection. Meanwhile, Sun Ferry also requires suppliers to fill in the self-evaluation questionnaire on sustainability performance during the supplier selection phase, to better understand their commitment and encourage continuous improvement.

CKIFF *ESG Commitment Statement*

CKIFF issues the ESG Commitment Statement to partners and suppliers under its ISO 9001, ISO 14001 and ISO 45001 integrated management system. It sets out requirements for quality, environmental protection and occupational health and safety, promotes compliance with applicable laws and standards, and supports pollution prevention and OHS risk control through continuous improvement.

On the other hand, the Group places great emphasis on the safety management of its contractors. Based on the *Implementation Measures for Safety Management of Leasing and Outsourcing Operations*, we ensure a unified and coordinated approach to safety production by signing safety production agreements with suppliers. Finally, the Group conducts regular and ad hoc inspections of contractors focusing on production safety and fire safety. Any identified issues are promptly addressed, with corrective actions required within a specified timeframe, followed by verification of the rectification.

Shenzhen Zhu Chuan *Safety Production Management Agreement*

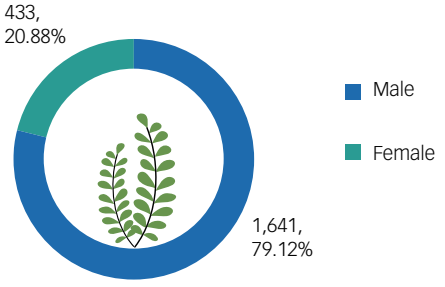
Shenzhen Zhu Chuan issues a *Safety Production Management Agreement* to its suppliers with the aim of defining safety management responsibilities for construction and operational activities under cooperative projects, safeguarding workers' occupational health and personal safety, preventing production safety risks, and ensuring the safe and orderly implementation of projects.

6. ADHERING TO PEOPLE-ORIENTED

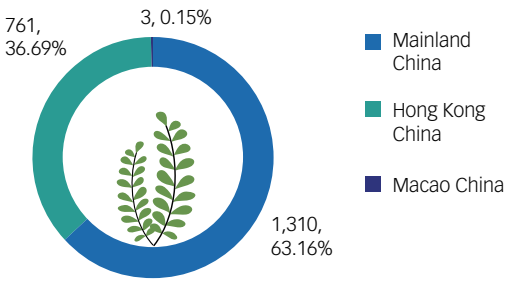
The Group consistently adheres to a people-oriented approach and sees human capital as the cornerstone of our business success. Within our operation, we strive to foster an inclusive, supportive, and empowering work environment that values diversity, equity, and continuous development. Meanwhile, our focus extends to attracting, retaining, and nurturing top talent by offering competitive opportunities, comprehensive training programmes, and clear career progression pathways.

6.1 Employment Profile

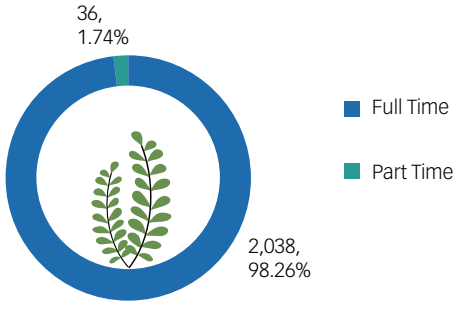
Percentage of Employee by Gender



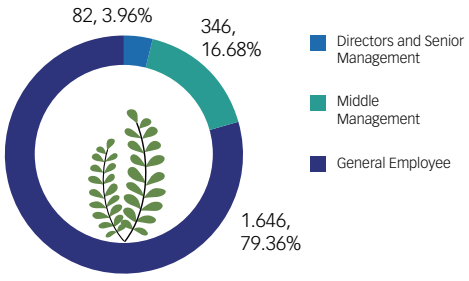
Percentage of Employee by Geographical Region



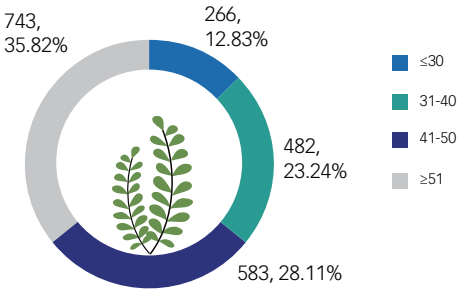
Percentage of Employee by Employment Type



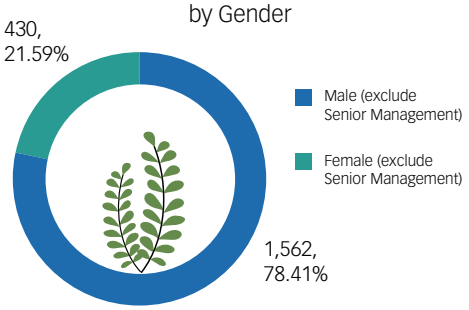
Percentage of Employee by Employee Category



Percentage of Employee by Age



Percentage of Employee (exclude Senior Management) by Gender



6.2 Employee Development

The Group's human resources policies are designed to safeguard employees' rights and interests, maintain effective communication, and ensure full compliance with applicable laws and regulations. During the Reporting Period, the Group recorded no material cases of non-compliance that had a significant impact on the Group in relation to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, other benefits and welfare, and preventing child and forced labour.

Adopting Reasonable Employment Practice

The Group's human resources framework provides a solid foundation for managing employment relationships. The Group has established and implemented a *Human Resources Management Policy*, covering employee recruitment and dismissal, labour contract management, employee development and prohibition of forced and child labour. In addition, the Group has issued an *Employee Handbook* setting out the Group's code of conduct, employees' basic rights, and their responsibilities and obligations. Prior to revising any policies, the Group collects employee feedback extensively through digital platforms and communication channels, and employees may also submit suggestions and comments in writing or electronically.



Fair and Reasonable Recruitment and Dismissal	– *Open Recruitment Management Measures* – *Labour Contract Management Measures* – *Implementation Rules for Bottom-Ranking Adjustments and Incompetence Exit Management* – *Background Check Management Measures for Recruited Personnel* – *Human Resources Management Policy*	The Group seeks and hires the right employees, regardless of gender, nationality, race, sexual orientation, marital status, and any other protected status under applicable laws and regulations. All candidates are treated fairly by adopting a rigorous recruitment process focusing on candidates' qualifications capacity and work experience The Group recruits through a range of channels, including graduate recruitment, external hiring and internal transfers/ organisational secondments, and operates an annual recruitment planning and approval mechanism under which no recruitment may be undertaken without prior approval of the plan The Group strictly prohibits unfair or unreasonable dismissal, the termination of labour contracts and the dismissal of employees are carried out in strict compliance with the relevant laws and regulations to protect the rights and obligations of both employees and the Group. Relevant dismissal conditions and rules are clearly stipulated in the *Employee Handbook* and the dismissal management system

Merit-based Remuneration and Promotion	– *Implementation Rules for Talent Development and Management* – *Implementation Measures for the Assessment of Leadership Teams of Directly Affiliated Companies*	The Group offers a comprehensive remuneration package to employees with reasonable terms. The Group conducts performance reviews and promotes employees based on their work performance. The review also enables management to assess what employees have accomplished and provides recommendations on how to achieve career goals. Besides, the Group has formulated the System to govern the promotion criteria and procedures and to encourage employees to enhance their capabilities
Working Hours Management	– *Implementation Measures for Leave Management of Dispatched Personnel* – *Implementation Measures for Leave and Vacation Management*	Based on the Group's business nature, flexible working hours systems are adopted to suit the operational needs. To ensure appropriate work and rest schedules are arranged for employees, the Group has stipulated the working days, normal working hours, and rest periods of employees in the relevant standards, which includes the appropriate arrangement of providing monetary compensation or granting time off to compensate for overtime work. The Group guarantees that all employees enjoy statutory holidays and non-statutory holidays such as marriage leave, maternity leave, funeral leave, and paid annual leave

Prevent Forced Labour and Child Labour	– *Open Recruitment Management Measures* – *Labour Contract Management Measures*	The Group strictly follows labour laws and regulations in areas where it operates and prohibits any form of child labour or forced labour. To prevent forced labour, the Group properly regulates employees' working hours and rest periods. We would never force employees to work against their wills with violence or intimidation, or by restricting their freedom. To avoid child labour, the Group requires candidates to provide proof of identity and candidates without valid identity proof would not be considered. If child labour and forced labour are discovered, the Group will immediately take actions to stop such from happening

Focusing on Employee Engagement

The Group continues to foster an inclusive, supportive and sustainable working environment, ensuring that employees are treated with respect and recognised for their contributions, thereby strengthening team cohesion and employees' sense of belonging. We place strong emphasis on employee relations and encourage open, two-way communication to understand employees' needs and concerns in a timely manner, maintaining positive engagement throughout their employment with the Group.

In addition to meeting statutory obligations and safeguarding employees' basic rights, the Group provides a range of supplementary benefits to enhance employee wellbeing and day-to-day convenience, including holiday and festival subsidies, meal and transportation provisions, residential allowances, and other benefits.

The Group-Cooling Relief Initiative



The Group-"National Games Momentum, United on the Pearl River" Event



CKIFF-Employee Birthday Party



Qingyuan Port-Dragon Boat Festival Event



Digital Port and Shipping-International Women's Day



Zhaoqing New Port-Employee Wellbeing Visit



Meanwhile, we have established regular communication mechanisms and use multiple channels – such as WeChat groups, team meetings, performance reviews and suggestion boxes, to gather feedback on an ongoing basis and to promote an open and collaborative communication culture.

Digital Port and Shipping Employee Meeting

Digital Port and Shipping held an employee meeting on 4 September 2025, engaging employees in face-to-face dialogue on matters relating to business management and issues of concern to staff, and encouraging employees to openly share their views and priorities. Following full discussion, the meeting proceeded to a vote, with the results tallied and announced on site. The meeting then announced the resolution and outlined follow-up actions and implementation arrangements to ensure that employee feedback is addressed in a timely and effective manner.



Investing in Employee Development

The Group continues to enhance its professional talent development and training framework, and is committed to providing diversified learning opportunities to support employees' individual career development goals. At the Group level, the *Implementation Rules for Employee Training Management* have been formulated and implemented to standardise training governance and execution processes, clarify training objectives and guiding principles, and promote the systematic delivery of training through key stages including training needs assessment, annual planning, approval and implementation, as well as post-training evaluation. For newly recruited employees, the Group has established a structured mentorship scheme under which each new hire is assigned both an integrated mentor and a job-specific mentor. The integrated mentor focuses on overall capability development and career guidance, while the job-specific mentor provides targeted practical training and on-the-job coaching aligned with the employee's responsibilities, facilitating a smooth transition and early job readiness.

During the Reporting Period, the Group formulated the *2025 Employee Education and Training Plan*. Training programmes funded under the Company's employee education budget amounted to RMB1,373,200 and HKD27,500. The training portfolio is closely aligned with the Company's high-quality development strategy, with a focus on key areas including management, auditing, finance, digital capability development, and ESG-related topics.

Foreign Trade Knowledge and Marketing Skills Training

On 17 April 2025, Beicun Port organised a training programme for the Business Department on foreign trade knowledge and marketing skills. The programme focused on air freight and foreign trade fundamentals, import and export operational procedures, route selection, and case study analysis, with the aim of enhancing business staff's capabilities in solution planning, marketing communication, and customer service.



The Group – Port Crane Lifting Operations Training

The Group held a dedicated training programme on terminal lifting operations at its Huangpu Port on 27 June 2025, with the aim of strengthening safety safeguards for lifting operations, enhancing on-site safety management, and improving the safety performance of frontline operations.



Tendering and Bidding Compliance Training

On 19 September 2025, Shenzhen Zhu Chuan organised a compliance training programme on tendering and bidding. The programme focused on the full tendering and bidding process, with in-depth coverage of key compliance aspects including the determination of the applicable scope, exemption scenarios, organisational models, and the prevention of bid-rigging risks, with the aim of enhancing employees' understanding and practical application of tendering and bidding laws and regulations.



Business Department Operational Procedures Training

In November 2025, Gaoming Port organised a training programme on business department operational procedures, focusing on the end-to-end management of port commercial operations. The training covered key areas including customer development and relationship management, contract and pricing management, fee settlement and reconciliation, cross-departmental coordination, as well as risk and compliance control, with the aim of further enhancing the professional capabilities and service efficiency of business personnel.



6.3 Safety and Health

The Group places paramount importance on employee health and safety, maintaining an unwavering commitment to fostering a secure and conducive work environment. We have established a comprehensive management system to ensure the safety of our daily operations.

Safety in the first place

The Group has established and enhanced its safety management system and has put in place 24 safety management policies and procedures, including the *Safety Production Responsibility System, the Implementation Measures for Safety Risk Assessment*, the *Safety Production Meeting System* and the *Emergency Response Plan for Production Safety Incidents*. In addition, the Group has developed dedicated management measures to address occupational risks associated with specific operational scenarios, thereby strengthening risk identification, prevention, and control.

Management Systems	The Group has implemented several safety management systems to maintain a high safety level. We have the *Safety Operation Liability System* in place, which clearly defines the roles and responsibilities of each party, to guarantee that the safety management and procedures are followed meticulously at different levels of every business segment
Performance Indicators	Setting performance indicators is crucial for evaluating operational safety performance. The Group requires subsidiaries to set performance indicators, such as the number and rate of work-related fatalities, number and rate of severe work injuries, number of accident cases, and other performance indicators to better measure, monitor, and manage safety performance
Training	The Group continues to arrange training in the safety management systems. All new employees must complete safety induction training, while ongoing job-specific trainings are offered to employees to equip them with comprehensive knowledge of safe operation and develop safety skills for their roles
Inspections and Supervision	To enhance the Group's safety standards, regular safety inspections are carried out to identify and monitor potential safety hazards. We pay attention to safety inspection plans for machinery, equipment, and working environment. Comprehensive inspections are conducted routinely, including daily, monthly, seasonal, and annual inspections

During the Reporting Period, the Group did not violate any laws and regulations that significantly impacted the Group about providing a safe working environment and protecting employees from occupational hazards.

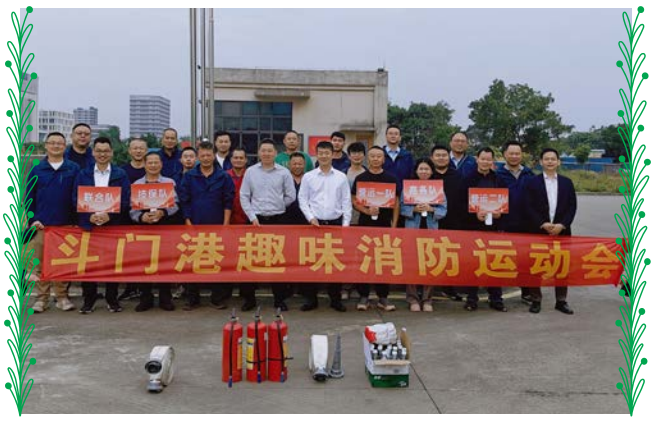
Safety Performance	Unit	2025	2024	2023
Number of work-related fatalities	No.	0	0	0
Work-related fatalities rate	%	0%	0%	0%
Lost days due to work injury	Days	464	740	433

Cargo Terminal Safety

Mechanical safety and fire safety are two key priorities in the safety management of freight terminals. To safeguard port operations, the Group continues to strengthen controls over safe mechanical operations and fire risk prevention. Through regular fire safety inspections, ongoing maintenance of fire-fighting facilities and equipment, and the organisation of fire drills, the Group continually enhances its emergency preparedness for unexpected incidents. At the same time, we emphasise proper warehouse organisation and good housekeeping standards to further reinforce and improve operational safety. In terms of mechanical safety, we maintain a programme of routine equipment maintenance to ensure machinery remains in optimal operating condition and to effectively extend its service life.

Doumen Port-Fun Fire Safety Games

To break away from traditional fire safety training models and enhance staff engagement and practical skills, Doumen Port organised the "Fun Fire Safety Games" during the Reporting Period. The initiative was designed to integrate fire safety knowledge acquisition with team-based competitions, adopting an interactive, learning-through-experience approach to effectively raise awareness of fire prevention and boost emergency response capabilities among employees.



Qingyuan Port-Safety Hazard Identification and Rectification

During the Reporting Period, Qingyuan Port continued to carry out safety inspections and checks of port facilities and mechanical equipment, with a focus on equipment operating conditions, operational environment risks, and the implementation of safety protection measures. All safety hazards identified during the inspections were assigned to responsible parties, addressed through corrective actions, and fully rectified, ensuring safe and stable operations across the port area.



Vehicle Safety

For fleet safety operations, the Group mandates that all drivers must complete compulsory safety training to ensure a thorough understanding and implementation of the Group's safety policies. Fleet safety management is based on routine monitoring and supervision, which includes daily pre-duty alcohol testing for drivers, real-time tracking of vehicle speed and location, and regular fleet inspections and maintenance. Furthermore, the Group has established comprehensive contingency plans. Through regular analysis of incident causes, potential risks are proactively identified and mitigated, enabling continuous improvement of the safety management system.

In terms of vessel safety management, subsidiaries under the Group that operate fleets develop targeted vessel safety management systems based on their specific ship types and operational characteristics. Taking Sun Kong Petroleum as an example, it strictly implements a monthly vessel self-inspection regime to ensure that safety management standards are effectively upheld. In compliance with local regulations and the company's internal safety management system, Sun Kong Petroleum commissions independent third-party organisations to conduct periodic comprehensive vessel inspections. Additionally, all relevant safety management personnel have obtained the professional certifications in safety production knowledge and management from the Guangdong Safety Production Association, ensuring that they are properly certified, qualified, and equipped with professional safety oversight capabilities.

In-port Mechanical Equipment Safety Training

The Group held an in-port mechanical equipment safety training session from 10 to 11 April 2025. The training commenced with an analysis of typical industry accident cases to examine their root causes. It focused on standardising safe coordination procedures for equipment such as trailers, front-end loaders, and forklifts during cargo handling operations. The session also emphasised enhancing drivers' awareness of signal confirmation, area vigilance, and emergency response during tasks, with the aim of comprehensively improving the safety and collaborative efficiency of trailer operations.



Passenger and Crew Safety

The Group assumes a strong responsibility for ensuring the safety of employees on ferries and ships. We have implemented the *Safety Management Manual for Ships* and other standards and guidelines to guide employees on daily maintenance and inspections, ensuring the proper functioning and safe operation of our ferries and ships. Additionally, we provide instructions to subsidiaries in the passenger transportation business on managing and responding to scenarios such as severe weather conditions and fires. During the Reporting Period, Sun Ferry had deployed the *Digital Crew Certification Management System*, which efficiently tracks crew licenses and certifications to ensure compliance with license requirements. These measures enhance the monitoring of the crew safety qualification and ensure safe operation of our ferries, ships and cruise ships.

Joint Ship and Shore Emergency Drill

On 30 July 2025, Sun Ferry conducted a joint ship and shore emergency drill, simulating a fire in the port engine room aboard Xin Ming Zhu XI while underway, requiring the release of fire suppressant and the deployment of life rafts for evacuation. With coordinated ship and shore command, reporting and communications, all 225 passengers and 5 crew members were safely transferred, demonstrating Sun Ferry's emergency response capabilities in ensuring personnel safety.





Shunde Port Joint Ship-Shore Exercise

On 18 September 2025, CKPT held a joint ship – shore emergency drill in Hong Kong waters with shore-based units. The exercise simulated a total loss of propulsion and electrical power on the ferry Xin Shun Shui and validated end-to-end response procedures, including communication, tug support, personnel transfer, and post-incident troubleshooting. The drill was well-coordinated and met its objectives of strengthening emergency preparedness and contingency plans.





Occupational Health Management

Safety Training

The Group has implemented stringent safety measures and protocols in all operational sites to ensure the safety of our employees and customers. To foster a strong safety culture in the workplace, we have arranged various safety trainings to keep our employees abreast of the latest safety regulations and practices. Additionally, we regularly conduct drills and simulation exercises to prepare for emergency situations.

The Group-2025 Safety Production Month Training



Sun Ferry-Safety Production Discussion Forum



Shenzhen Zhu Chuan-Safe Port and Maritime Lecture Series



Civet Port-Occupational Health and Safety Training



Doumen Port-Health and Safety Training



Gaoyao Port-Work Safety Training



Health and Wellness

The Group is committed to safeguarding the health and well-being of our employees. We strive to create a comfortable work environment for our employees and implement initiatives to help them manage stress and maintain a healthy body. These measures reflect our care for employees and aim to inspire their motivation at work and improve productivity.

During the Reporting Period, we actively encouraged employees to take part in a range of sports activities, strengthening team bonds and promoting a healthier lifestyle.

Participated in the Sports Invitational Tournament 2025, organised by The Chinese Manufacturers' Association of Hong Kong





Zhaoqing New Port-Friendly Basketball Match



In terms of labour protection and operational management, the Group ensures that employees are equipped with suitable personal protective equipment tailored to their specific job duties, including cotton gloves and oil-proof PVC gloves. Recognising the impact of fatigue on employee health, safety and job performance, the Group proactively prevents fatigue-related accidents by arranging reasonable work schedules that avoid excessively long shifts. Furthermore, the Group offers designated common rooms and adequate break times for employees to rest and rejuvenate.



7. GREEN DEVELOPMENT

The Group remains committed to green development, continually working to reduce the environmental impact of its operations and to comply strictly with applicable environmental laws and regulations across all operating regions. We embed environmental requirements into day-to-day processes through measures such as emissions monitoring and waste reduction initiatives and water conservation programmes. During the Reporting Period, the Group did not violate any laws and regulations that have a significant impact on the Group in relation to air and greenhouse gas (GHG) emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.

7.1 Environmental Targets

Setting environmental targets reflects the Group's strategic commitment to sustainable development. The Group has identified environmental targets covering air pollutant emission, GHG emissions, waste management, energy consumption, water efficiency and enhancing environmental awareness. Subsequently, the Group's subsidiaries have developed and submitted their respective short-to-medium-term environmental targets in line with the Group's key performance indicators. Going forward, the Board will actively oversee implementation progress, driving the realisation of the Group's vision for green port development.

The progress of the environmental targets in 2025 is as follows:

Indicators	Action Plan	Taken Actions during the Reporting Period	Target Progress
Reduce Air Pollutant Emissions			
Reduce Emissions from Port Operations and Vessels (Achieve a 15% reduction in sulphur oxide (SO_x) emission intensity by 2030, with 2024 as the baseline year)	• Increase clean marine fuel adoption: Promote the use of low-sulphur fuel for ships, cranes, and machinery • Provide shore power services for docked vessels and increase shore power facilities • Construct or lease eco-friendly ships (e.g., LNG-powered vessels)	• Subsidiary ports (e.g., Gaoyao Port, Zhaoqing New Port, Zhaoqing Kangzhou Port) have already implemented shore power systems，adopted electric equipment, including electric cranes, and gradually replaced staff dormitories, canteens, and other facilities with electric-powered equipment • Introduce hybrid, electric, and LNG-powered ships • Implement emission control measures: Switch to low-sulphur diesel and charter vessels equipped with exhaust treatment systems	In Progress

Indicators	Action Plan	Taken Actions during the Reporting Period	Target Progress
Reduce Vehicle Emissions	• Conduct regular maintenance and inspections on vehicles • Promote new energy applications, gradually replace official vehicles with low/ zero emission vehicles, and increase the use of new energy vehicles	• Enhance fleet management practices: Encourage carpooling among employees • Gradually replace official fleet vehicles with low-emission and new energy vehicles to improve emission reduction benefits	In Progress
Reduce Emissions from Machinery and Handling Equipment	• Using low-Sulphur fuel or electric-powered lifting equipment	• Subsidiary ports actively promote electrification of loading and unloading equipment, including electric-powered gantry cranes, shore cranes, bridge cranes, and other handling equipment • Equipped with electric forklifts to reduce the reliance on diesel-driven equipment; Optimise operational modes to lower energy consumption and achieve green port operations	In Progress

Indicators	Action Plan	Taken Actions during the Reporting Period	Target Progress
Reduce GHG Emissions			
Reduce GHG Emissions	• Minimise non-essential business travel and limit premium-class travel	• Prioritising virtual meetings for daily communication and work-related discussions to reduce air travel • Implementing standardised policies requiring eco-friendly transportation (e.g., trains, hybrid/electric vehicles) for unavoidable business trips, with restrictions on unnecessary first-class or business-class flights	In Progress
Enhance GHG Emissions Management System (Achieve a 10% reduction in carbon intensity by 2030, with 2024 as the baseline year)	• Establish a comprehensive data collection framework	• Gradual implementation of complete data collection framework • Cross-departmental coordination for daily management and data collection	In Progress
Waste Management Efficiency			
Reduce Waste Generation	• Reduce single-use items, tableware and promote green dining • Reduce generation of food waste	• Replace disposable utensils with stainless steel alternatives in company canteens and encourage employees to bring their own reusable utensils • Implement a meal reservation system to optimise ingredient procurement and reduce surplus • Educate employees on food conservation practices to cultivate waste reduction awareness	In Progress

Indicators	Action Plan	Taken Actions during the Reporting Period	Target Progress
Increase the recycling rate of all types of waste	• Identify recyclable materials and arrange for refurbishment or repurposing • Partner with recycling vendors for various waste types	• Prioritise refurbishing and reusing old mechanical parts, tires, locks, and other components • Reusable items are collected for recycling and reuse. Professional recycling companies have been contracted to handle recyclable waste materials such as used steel wire ropes, steel materials, and waste paper	In Progress
Sort and recycle waste	• Set up separate bins for non-recyclable and recyclable waste	• Companies generally implement waste sorting bins to ensure effective separation and proper handling of different types of waste • Hazardous waste such as ship waste oil and oil drums are handled by qualified recycling companies	In Progress
Reduce Paper Consumption	• Promote paperless office and advocate electronic documents instead of paper; use double-sided printing to reduce paper waste whenever possible	• Apply OA system to handle daily approvals, document transmissions and stamping, using online shared documents and electronic files, electronic forms (such as payslips and leave application forms) • Promote good paper usage habits, including double-sided printing, paper reuse and other conservation measures	In Progress

Indicators	Action Plan	Taken Actions during the Reporting Period	Target Progress
Energy Consumption Efficiency			
Reduce Energy Consumption in Office Buildings and Workspaces	• Use or purchase energy-saving equipment (e.g., LED lights, energy-efficient refrigerators) • Encourage turning off unused lights, computers, and other electrical devices, ensuring that computer screens are turned off when not in use • Replace office cooling units (central air conditioning systems)	• Use LED energy-saving lights to replace traditional lighting, and some subsidiary companies have also installed motion-sensor lights • Prioritise purchasing first-class energy-efficient models for air conditioners, refrigerators, and other electrical appliances, and retrofit old equipment to improve energy efficiency • Establish comprehensive energy-saving policies, including rules such as "turn off lights when leaving", automatic screen-off settings for computers, and maintaining air conditioning at 26° C • Strengthen employee awareness of energy conservation through measures such as posting reminder signs and assigning area-specific energy-use supervisors to ensure effective implementation of energy-saving measures	In Progress
Reduce Energy Consumption of Vessels	• Reduce shore power usage by vessels • Optimise vessel navigation routes • Control vessel speeds	• Ports are equipped with shore power facilities for use by docked small vessels • Sun Ferry has improved oil log recording systems, allowing for data evaluation based on operational needs to analyse optimal speeds for energy saving and fuel efficiency	In Progress

Indicators	Action Plan	Taken Actions during the Reporting Period	Target Progress
Reduce Vehicle Fuel Consumption	• Regularly record vehicle fuel consumption and optimise vehicle transport routes	• Regularly compile and record data on vehicle mileage and fuel consumption, and submit monthly reports to management • Implement multiple measures to improve fuel efficiency, such as introducing fuel-saving reward programmes and implementing driver energy-saving incentives and penalty systems. Additionally, reduce unnecessary fuel consumption by combining trips in the same direction and optimising vehicle dispatching	Completed
Improve Vehicle Fuel Efficiency	• Conduct regular vehicle energy efficiency tests and schedule routine maintenance and inspections to enhance fuel efficiency	• Regularly inspect and maintain official vehicles to ensure their optimal condition • Promptly replace worn components to optimise vehicle performance and ensure vehicles operate in their best state	In Progress
Implement Energy Management	• Establish a corporate energy management system	• Strengthen departmental collaboration, with the Safety and Supervision Department leading and coordinating efforts with the Administration, Operations, and Technical Departments to advance energy management initiatives • Set clear annual energy consumption targets, establish a monthly energy usage data tracking and reporting system, and conduct real-time monitoring and comparative analysis of fuel and electricity consumption	In Progress

Indicators	Action Plan	Taken Actions during the Reporting Period	Target Progress
Promote Port Electrification	• Increase the use of electric equipment at ports	• Develop a long-term plan to gradually expand the deployment of electric equipment. Currently, Doumen Port is equipped with three electric forklifts, and Huangpu Port has an electric reach stacker	In Progress
Build Smart, Automated, and Digitalised Ports	• Implement intelligent lighting systems at ports	• Promote the use of energy-saving LED lights, such as in port and yard areas and replace outmoded lighting fixtures promptly • Adopt intelligent control solutions, such as installing sound-activated energy-saving lights in corridors and smart lighting systems	In Progress
Advance Renewable Energy Projects	• Promote the use of renewable energy by enterprises	• Civet Port is currently planning to advance a distributed photovoltaic grid-connected power station project	In Progress
Water Efficiency			
Reduce Water Consumption	• Implement water-saving equipment and processes • Increase use of recycled and recirculated water • Regularly monitor water usage and check for leakage	• Arrange for security personnel to conduct regular patrols at each port and assign electricians to be on duty 24/7 to promptly identify and address water leakage issues • Implement water-saving measures in offices, such as installing press-type water-saving devices and reusing water for irrigating plants	In Progress

Indicators	Action Plan	Taken Actions during the Reporting Period	Target Progress
Promote Awareness of Environmental Protection and Conservation			
Provide Environmental Training for Employees	• Conduct environmental protection training periodically • Organise/ Participate in Environmental Activities	• Regular environmental awareness lectures and waste sorting training for employees • Active participation in various environmental public welfare activities, such as community tree planting activities and beach cleanup campaigns	In Progress
Set up Environmental Awareness Displays	• Install environmental protection signs and awareness slogans on public facilities and equipment (energy equipment, water resource facilities, etc.)	• Post energy-saving and environmental protection reminders in office areas, washrooms, and near electrical facilities	In Progress

7.2 Green Operation

Environmental Management System

To strengthen the Group's capability to respond to environmental challenges, we have established an environmental governance framework that encompasses both oversight mechanisms and risk response strategies. The Group has formulated and implemented the *Ecological and Environmental Protection Supervision and Management Measures*, advancing environmental management across three key dimensions: organisational safeguards, operational controls and risk and compliance management.

Ecological and Environmental Protection Supervision and Management Measures

Organisational Safeguards	The Group clarifies the responsibilities of the principal responsible person, the responsible officer in charge and relevant personnel, and appoints an ecological and environmental protection supervisor or designates a responsible department. This role/function is responsible for formulating environmental protection plans, inspecting the operation of production and pollution prevention and control facilities, compiling emissions statistics, promoting cleaner production, preparing contingency plans for environmental incidents and organising at least one emergency drill each year, as well as conducting hazard identification and remediation and supervising follow-up rectification.
Operational Controls	Specific requirements are set for different operating scenarios, including vessels, terminals, shipyards, construction sites and industrial parks (for example, equipping terminals with ship-to-shore domestic wastewater reception facilities and implementing appropriate treatment measures, enforcing dust suppression measures at bulk cargo stockyards, and maintaining canteen records covering the generation and disposal of food waste).
Compliance Management	Subsidiaries shall establish an environmental hazard screening and management system, maintain and annually archive environmental records. Units must conduct routine inspections, report hazards immediately, and submit annual environmental summaries and plans. Incidents require prompt response, reporting to local authorities and the Group, with plans updated and filed. Delayed or concealed reporting will incur accountability.

In terms of emergency management, the Group has formulated and implemented the *Overall Emergency Response Plan* and the *Emergency Response Plan for Production Safety Accidents*, incorporating "environmental pollution and ecological damage incidents" into its emergency management system and embedding environmental impact control requirements into the response protocols for production safety incidents. The Group takes the controllability, severity and scope of impact of environmental pollution affecting rivers, seas and other areas as key considerations when determining the level of emergency response. During incident handling, the Group prioritises on-site monitoring, risk isolation and personnel protection, and carries out pollutant clean-up, decontamination and environmental restoration during the post-incident disposal and recovery phase.

In addition, in line with the Group's guidance, each subsidiary is required to develop targeted environmental management policies tailored to its location and operational characteristics, so as to address local environmental conditions and operational risks.

Improving Ambient Air Quality

The Group strictly complies with applicable environmental laws and regulations across all operating regions and continues to advance emissions reduction and pollution prevention efforts, exploring and implementing innovative measures to reduce the environmental impact of air emissions.

The major air pollutants from the Group are attributed to vessels operating and berthing at cargo terminals, including sulphur oxides (SO_x), nitrogen oxides (NO_x), and particulate matter (PM). To mitigate the impact of these emissions on air quality in nearby communities, we continue to monitor and control emissions, strengthen oversight of vessel air emissions and enhance the effectiveness of air pollution control.

Container and Cargo Handling

Onshore Power Supply	• The Group has equipped all its cargo terminals in Mainland China with shore power facilities to minimise the reliance on diesel generators and cut down emissions from fossil fuel combustion of vessels during berthing. This initiative allows vessels to connect to a land-based power source, eliminating the necessity for continuous operation of onboard auxiliary generators
Employing Electrical Machinery	• Subsidiary ports have been gradually transitioning from diesel-powered equipment to electric-powered machinery. At present, ports including Zhaoqing New Port, Huangpu Port, Civet Port and Zhaoqing New Port are progressively advancing the electrification of their equipment by replacing conventional machinery with electric alternatives

Passenger Transportation

Promoting Environmental-Friendly Vessels	• The Group is progressively introducing carbon-fibre high-speed ferries, LNG-powered multipurpose vessels, hybrid-powered ferries and electric-powered vessels
Fuel Efficiency and Low-Sulphur Diesel	• Used low-sulphur diesel to reduce emissions from fuel combustion • Ferries are operated at economical cruising speeds, thereby optimised fuel efficiency and reduced overall emissions • Relocating ferries from an offshore anchorage to a sheltered inner bay has effectively reduced the dispatch distance for reserve ships

Fuel Supply

Fuel Enhancement	• Entire fleet has transited to Ultra-Low Sulphur Diesel with ≤0.001% sulphur content
Phase out of Aging Vessel	• In recent years, Sun Kong Petroleum had replaced 3 aging oil tankers, with vessels featuring enhanced fuel efficiency and emission control system

Qingyuan Port-Three electric cranes and shore power box



Gaoyao Port-Rail-mounted gantry crane (RMG) for containers and Overhead (bridge) crane



Energy Management

The Group is committed to enhancing energy efficiency and reducing energy consumption. We have implemented multiple energy-saving and emission-reduction initiatives, including promoting energy-conscious practices in the workplace, procuring high-efficiency equipment, conducting regular inspections and maintenance of machinery, vehicles, ferries, and vessels, and assigning dedicated personnel to monitor and record energy usage.

In addition, subsidiaries across the Group are accelerating their deployment of renewable energy sources to enhance energy resilience.

Sun Ferry-Solar PV Deployment

Sun Ferry has installed 27 solar PV panels on the rooftop of its office building (9.85 kW) and a further 296 solar PV panels across the rooftops of two warehouses (100 kW in total). The system generates approximately 10,200 kWh of electricity per year on average, which is exported and sold back to CLP Power Hong Kong Limited. This output is equivalent to offsetting around 5,400 kg of carbon emissions associated with generating approximately 10,000 kWh of electricity from coal-fired power. According to actual operational data from January to October 2025, the solar PV system generated a total of 121,819 kWh.





Water Resource Management

The Group's water supply is primarily sourced from the municipal network, with no water scarcity or abstraction constraints affecting daily operations. While the Group's operations are not water-intensive, we remain committed to reducing water consumption and improving water efficiency through a range of water-saving measures. These include conducting regular inspections and replacing ageing or corroded underground pipes to minimise leakage and reduce non-productive water use. In addition, water-saving notices are displayed in washrooms to raise employees' awareness of the importance of water conservation and to encourage water-saving practices in their daily work and lives.

In addition, the Group places strong emphasis on regulatory compliance and proper wastewater discharge management at its freight terminal operating subsidiaries. Dedicated wastewater treatment facilities have been installed within the terminal areas to ensure that all operational and domestic wastewater is systematically treated prior to discharge. Specifically, operational and domestic sewage is entrusted to qualified third-party service providers for professional treatment and is only discharged upon meeting all required standards.

Furthermore, to mitigate environmental risks, the terminals have implemented a rainwater-sewage diversion system, with separate drainage networks for rainwater and sewage, along with designated sewage collection points. These measures are designed to effectively prevent pollutants from entering adjacent coastal waters and to safeguard the marine ecosystem.

Gaoyao Port-Rainwater-Sewage Diversion System



Civet Port-Rainwater-Sewage Diversion System



Effective Utilisation of Materials and Waste Management

Waste generated from the Group's operations primarily comprises hazardous chemical waste (such as waste engine oil, vehicle batteries) and non-hazardous general waste (including domestic waste, waste tires). In compliance with relevant regulatory requirements, the Group implements responsible waste management by engaging qualified third-party contractors to handle and dispose of all waste streams in an environmentally sound manner, thereby safeguarding the environment and surrounding communities.

Non-hazardous Waste

The Group has installed recycling facilities across its operational sites to enable segregated collection of unavoidable waste such as used fluorescent tubes and scrap metal. We also conduct ongoing waste-sorting awareness campaigns to enhance employees' understanding of material recovery and resource conservation. Furthermore, the subsidiaries of the Group operating freight terminals actively collect and reuse old tyres generated on-site, thereby reducing both the volume of waste tyres and the consumption of new tyres. Worn tyres that cannot be refurbished are processed and disposed of in accordance with established procedures.

Civet Port-Used Tyre Retreading



Sun Ferry-Waste Paper Recycling



Hazardous Waste

The subsidiaries of the Group have established and continually enhanced hazardous waste management systems tailored to their respective operational profiles. These systems define clear roles and responsibilities, provide temporary storage facilities that meet anti-leakage and related requirements, and strictly implement the hazardous waste transfer manifest procedure, entrusting transport and disposal to licensed contractors. In addition, hazardous waste registers and records are maintained, while daily inspections and emergency drills are conducted to ensure full-process compliance management and risk control.

Building on this, and considering that waste oil that is relatively common in port and terminal operations and poses higher environmental risks, the Group has formulated and implemented the *Port Terminal Waste Oil Management Procedure*. These measures provide standardised management of waste oil throughout its lifecycle, from generation and collection to storage and transfer for disposal. They specify that a designated department is responsible for the centralised collection and storage of waste oil and for overseeing compliant treatment. Waste oil must be stored in sealed containers within designated areas, with warning signage and fire-fighting equipment in place, and regular leak inspections conducted to ensure safe storage. When waste oil reaches the storage limit, a qualified contractor must be engaged promptly for recovery and disposal. Open burning or use as fuel is strictly prohibited, and waste oil must not be mixed with debris, wastewater or refuse. No abnormalities were identified in the amount of waste oil generated during the Reporting Period.

Sun Ferry-Waste Oil Recovery





Sustainability Initiatives

To mitigate our impact on the environment and natural resources, the Group systematically integrates sustainability principles across all operational aspects, with a focused push towards green transformation in the areas of vessels, terminals, and office operations.

Green Vessels

The Group is actively advancing the transition towards green shipping, committed to achieving low-carbon vessel development through diversified technological pathways. We continuously evaluate and systematically introduce new environmentally friendly vessel types, including carbon-fibre high-speed ferries, LNG-powered multipurpose vessels, hybrid-powered ferries and electric-powered vessels. This approach aims to build a clean fleet that balances technical feasibility, operational efficiency, and environmental benefits, steadily progressing towards the decarbonisation of our shipping operations.

Hybrid-powered Ferries

During the Reporting Period, Sun Ferry operated two hybrid vessels ("**Xin Ming Zhu 6**" and "**Xin Ming Zhu 30**") and one fully electric vessel ("**Xin Ming Zhu 39**"), further diversifying its clean-energy fleet and advancing the transition towards low-carbon operations on local routes.



Green Terminal

In the construction and renovation of the terminals, the Group strictly adheres to the local laws and regulations, implementing the principles of sustainable development. The Group commissions third-party professional organisations to conduct environmental impact assessments, ensuring that wastewater, air emissions, noise, and other discharges meet the required standards, while minimising the impact on the surrounding environment.

Environmental Management Practices in the Huangpu Port Renovation and Expansion Project

To implement environmental protection requirements, the Huangpu Port Multi-purpose Terminal and Supporting Infrastructure (Phase I) Expansion Project has commissioned a third-party organisation to conduct an environmental impact assessment.

- For emission control, the port effectively collects and treats fugitive dust generated during the tank storage and loading/unloading processes using bag-type dust collectors, while kitchen exhaust emissions are treated by an electrostatic oil fume purification system.
- In wastewater management, initial rainwater is treated through sedimentation and oil separation before being reused for dust suppression, promoting water recycling.
- Regarding noise control, low-noise equipment is selected, and soundproofing and vibration-damping measures are implemented to effectively reduce noise from loading/unloading equipment, vehicles, and vessels.

Upon inspection, the project has complied with all environmental criteria and meets relevant national and local standards.

Bag Dust Collection Equipment



Electrostatic Oil Fume Purification Equipment



In addition, the subsidiaries of the Group are gradually replacing fuel-powered equipment with electric equipment, such as fully electric reach stackers, new energy vehicles, electric forklifts, electric stackers, and electric trailers, to reduce carbon emissions, lower energy consumption, and promote green, low-carbon operations.

Electrification Initiative at Civet Port

Civet Port has replaced traditional fuel-powered reach stackers with fully electric reach stackers, significantly reducing energy costs. Based on data from a five-month trial operation, the introduction of electric equipment resulted in savings of over RMB230,000 in energy costs, with a savings rate of more than 86%. This transition not only drives the terminal towards greener, more sustainable operations but also lays a solid foundation for achieving long-term environmental and economic benefits.



Green Office

The Group is committed to integrating environmental protection principles into its daily operations. During the Reporting Period, we developed and implemented the *Administrative Office Cost Control Initiative*, aimed at reducing the environmental impact of our operations through a series of specific measures, primarily including:

Energy Conservation	• Power down computers promptly when not in use and turn off the meeting system when no meetings are scheduled to minimise energy consumption. Ensure lights are switched off when the office is unoccupied • Installed electricity meters in office areas to monitor monthly energy consumption and identify excessive use • Use energy-efficient appliances, such as Grade 1 energy-saving air conditioners • In daily office operations, office supplies are used as needed, with a strong emphasis on paperless office practices, streamlining document printing to reduce paper waste. • Replacing air conditioning ducts to improve system efficiency, reduce overall energy consumption, and lower carbon emissions.
Business Travel Management	• Prioritise online methods such as video conferencing for work communication to reduce GHG associated with transportation, such as air travel and railways • Company vehicles are managed under the *Administrative Vehicle Management Implementation Rules*, to optimise vehicle Dispatch System and reduce redundant vehicle deployments • Plan to replace conventional vehicles and gradually transition to hybrid, EV and other vehicles powered by renewable power source
Water Conservation	• Install automatic water-saving faucets to prevent water wastage • Display water-saving posters to raise awareness among employees

Waste Recycle	• Recycling bins are set up in the office to collect and recycle paper, aluminium/iron items, plastic materials, used light tubes, and batteries • We had supported various recycle initiatives organised by the government and NGOs, including Green@Community scheme, Mooncake Boxes Recycling Programme, The Producer Responsibility Scheme on Waste Electrical and Electronic Equipment of the Environmental Protection Department

Promotion of Environmental Protection among Employees

Fostering environmental awareness among our employees is a key mechanism for embedding a culture of sustainability. During the Reporting Period, we organised a programme of green initiatives. These have successfully enhanced staff engagement and understanding, translating the principles of sustainable development into tangible collective action.

In March 2025, CKIFF organised a tree-planting initiative for Party members



On 12 March 2025, Civet Port, in collaboration with joint inspection authorities, carried out a tree-planting activity in the external storage yard



7.3 Climate Change

As global warming continues to intensify, addressing climate change has become an urgent priority. We have always considered climate change mitigation as a key element of our environmental management strategy, and we are committed to providing clear and comprehensive climate-related information to help stakeholders assess our resilience and capacity to respond to climate change.

In compliance with the Hong Kong Stock Exchange’s latest requirements on climate-related disclosures, we systematically disclose climate-related risks and opportunities across four core areas: “Governance”, “Strategy”, “Risk Management”, and “Metrics and Targets”, along with corresponding management measures and planning arrangements.

Governance

To further standardise the Group’s climate change efforts, the Group is gradually defining and clarifying climate-related governance functions and roles, ensuring that our Group’s approach to climate change is systematic, transparent, and sustainable.

The Group provides sustainability and climate change management training for the Board and senior management to further enhance their skills and competencies in addressing climate-related risks and opportunities.

Climate Change Governance Framework	**The Board** is responsible for overseeing the Group's climate change management framework, strategies, policies, targets and their progress, as well as climate change risks and opportunities, and the overall work. It will also incorporate climate change-related issues into the Board's project agenda. **The Governance Group for the ESG Report** is responsible for formulating the Group's climate change management strategy, policies, and targets, identifying and assessing climate change risks and opportunities, and promoting the ESG reporting process. The committee conducts climate change policy formulation and governance work, ensuring that related policies and works are incorporated into the Group's day-to-day operations. **The Working Group for the ESG Report** is responsible for reporting to the Board annually on major climate change matters, including key climate risks and opportunities, climate targets, and progress towards their achievement.

Strategy

At the strategic level, the Group incorporates climate change-related risks and opportunities into its overall development strategy and business decisions. In alignment with the national "dual carbon" goals and industry trends, we coordinate the planning of business layout, investment directions, and operational management. At the same time, we further identify and analyse the potential impacts of related risks and opportunities on the Group's operations under different climate scenarios, and conduct financial impact assessments to enhance our ability to respond to climate change, fully supporting the Group's long-term sustainable development.

Climate-related risks and opportunities

The Group identifies, assesses, and manages climate-related risks and opportunities by evaluating them based on two dimensions: the "impact of the risk/opportunity" and the "likelihood of the risk/opportunity occurring." This assessment helps determine the potential impact of each climate risk and opportunity on the Group's business and operations.

Risk/Opportunity Type	Risk/Opportunity Description and Potential Impact	Time Horizon[2]	Impact level
Physical Risks			
Acute Physical Risks – Adverse impacts caused by frequent extreme weather events	Natural disasters (e.g., tropical cyclones) may result in: • Damage to equipment and assets at operational locations, such as terminals, vessels, and cargo • Threats to employee safety from extreme weather, disrupting normal operations in logistics, passenger transport, and other services	Short-term/ Medium-term	High
Chronic Physical Risks – Adverse impacts caused by long-term changes in global climate patterns	Rising average temperatures may lead to: • Increased energy consumption (for cooling systems) at offices, terminals, and other operational locations, raising overall operational costs • Negative impacts on employee health, reducing work efficiency; employees may be unable to work outdoors for extended periods during high-temperature seasons, affecting operational efficiency • Rising sea levels leading to changes in wave patterns, impacting vessel navigation and the operations of freight loading and unloading	Medium-term/ Long-term	Medium

2 In line with China's "dual carbon" goals and the Group's own business situation, the time horizons for assessing climate risks and opportunities are defined as follows: short-term (now to 2025), medium-term (2025 to 2030), and long-term (2030 to 2060).

Risk/Opportunity Type	Risk/Opportunity Description and Potential Impact	Time Horizon[2]	Impact level
Transition Risks			
Policy and Legal Risks – Pricing of GHG Emissions	With the continuous evolution of GHG emission policies and regulatory measures, government-imposed charges such as carbon taxes, emission trading schemes, and fuel taxes could be introduced. These carbon pricing mechanisms may impact the shipping industry's market dynamics, leading to an increase in operational costs	Medium-term/ Long-term	Medium
Technological Risks – Expenditure on Low-Carbon Technology Transition	In the context of global climate change, businesses are required to transition towards low-carbon operations. This includes research and development of new technologies (such as ship energy efficiency retrofits and energy-saving technologies) and the adoption of new energy sources or energy-efficient equipment to replace traditional, high-energy-consuming, or aging equipment. These adjustments could result in increased operational expenses	Medium-term/ Long-term	Medium
Market Risks – Transition to Renewable Energy	As renewable energy projects progress, the demand for traditional fossil fuels may gradually decline, and shipping fuel is expected to shift towards cleaner alternatives	Long-term	High

[2] In line with China's "dual carbon" goals and the Group's own business situation, the time horizons for assessing climate risks and opportunities are defined as follows: short-term (now to 2025), medium-term (2025 to 2030), and long-term (2030 to 2060).

Risk/Opportunity Type	Risk/Opportunity Description and Potential Impact	Time Horizon[2]	Impact level
Opportunities			
Improving Energy Efficiency	• Introducing energy-saving technologies and equipment to enhance energy efficiency and reduce operational costs • Stay aligned with sustainable market development requirements by actively investing in green ferries, properly disposing of old vessels, and gradually improving economic efficiency and return on investment	Medium-term/ Long-term	Medium
Product and Service Innovation	By developing low-carbon product lines, businesses can meet the growing demand for green consumption while establishing an environmentally friendly brand image	Medium-term/ Long-term	High
Green Financial Market Development	With the rapid growth of sustainable finance, actively engage in green financial products, such as securing green loans from banks and utilising ESG investment tools, to provide the company with more diversified financing channels	Short-term/ Medium-term	Medium

During the Reporting Period, the Group reviewed and assessed the identified climate risks and opportunities. Based on this, and considering the latest internal and external factors, we classified climate risks and opportunities with a "high" risk level as significant. Accordingly, we conducted a review and optimisation of the related management measures.

[2] In line with China's "dual carbon" goals and the Group's own business situation, the time horizons for assessing climate risks and opportunities are defined as follows: short-term (now to 2025), medium-term (2025 to 2030), and long-term (2030 to 2060).

Material Risks/Opportunities		Mitigation Strategies
Physical Risks	Acute Physical Risks – Adverse impacts caused by frequent extreme weather events	– The Group has developed the *General Emergency Response Plan*, aimed at standardising the emergency response procedures for all natural disasters, ensuring that, in the event of a disaster, the situation can be swiftly assessed and effective rescue and preventive measures are taken. – The Group has developed and published the *Tropical Cyclone Emergency Response Plan*, which defines the warning and response levels for typhoons, severe tropical storms, and other related events. The plan stipulates that, in the event of a tropical cyclone, immediate actions such as evacuating personnel, sealing off hazardous areas, and protecting facilities must be taken to minimise casualties and property damage. – To address the potential risks of floods, heavy rainfall, and other natural disasters during the flood season, the Group has developed and published the *Flood Emergency Response Plan*. The plan requires subsidiaries to regularly inspect flood prevention facilities and material reserves to ensure adequate preparation before a disaster. It also defines the responsibilities of various command departments and the response procedures for different disaster levels. – All subsidiary ports have strictly implemented typhoon emergency response plans and conducted drills and training. – We distributed care packages to frontline staff during periods of high temperatures.

Material Risks/Opportunities		Mitigation Strategies
Market Risks	Market Risks – Transition to Renewable Energy	– The Group's subsidiaries, such as Sun Ferry and CKTL, have begun to develop renewable energy projects. In addition, Civet Port is also planning the construction of a distributed photovoltaic grid-connected power station project. – The fleet of Sun Kong Petroleum has fully transitioned to ultra-low sulphur diesel. From a policy perspective, the Hong Kong government is currently formulating regulations that will require all local vessels to adopt ultra-low sulphur fuel. This presents significant advantages for our fuel supply operations, as the company has maintained supply channels for compliant fuel.
Opportunities	Product and Service Innovation	– The Group has introduced a variety of green vessels, including LNG vessels, carbon fibre vessels, and electric ferries.

Climate Scenario Analysis

To systematically assess the potential impacts of climate change on the Group's business, operations, and financial performance under different future scenarios, the Group has selected internationally recognised climate scenario models and key parameters. It conducts forward-looking analysis of climate-related risks and opportunities, evaluating the potential impact of transition and physical risks under different climate pathways, supporting decision-making processes in strategic planning, risk management, and capital allocation.

Scenario Analysis Assumptions:

- It is anticipated that the geographical location of assets will remain unchanged for the foreseeable period under the 2025 analysis.
- Disclosure practices are aligned with the climate-related disclosure listing rules and requirements set by the Hong Kong Stock Exchange.
- Mitigation measures are assumed to remain constant (i.e., for the purpose of climate scenario analysis, currently implemented policy measures to mitigate climate change are assumed not to change in the future).
- The carbon neutrality target for Mainland China is held constant, i.e., achieving carbon neutrality by 2060.

Climate Scenarios Selection

Publisher	Low Emission Scenario	High Emission Scenario
United Nations Intergovernmental Panel on Climate Change (IPCC)	Shared Socioeconomic Pathway SSP1-2.6	Shared Socioeconomic Pathway SSP5-8.5
International Energy Agency (IEA)	Sustainable Development Scenario (SDS)	Business-as-Usual Pathway: Stated Policies Scenario (SPS)
Network for Greening the Financial System (NGFS)	Orderly Pathway	Hot House World Pathway

Key Parameters of Low Emission and High Emission Scenarios

	Low Emission Scenario	High Emission Scenario
Physical Environment		
Global mean temperature increase	• About 1.5° C by 2040, 1.7° C by 2060, and 1.8° C by 2100	• About 1.6°C by 2040, 2.4°C by 2060 and 4.4°C by 2100
Global mean sea level increase	• By 2050, the sea level could rise by 0.19 meters (with a very likely range of 0.16 to 0.25 meters) • By 2100, it could rise by 0.44 meters (with a very likely range of 0.32 to 0.62 meters)	• By 2050, the sea level could rise by 0.23 meters (with a very likely range of 0.20 to 0.29 meters) • By 2100, it could rise by 0.77 meters (with a very likely range of 0.63 to 1.01 meters)
Climate change impacts	• Relatively stable	• Significant (e.g., increased frequency and severity of floods, extreme weather events)
Socio-Economic Environment:		
Economic development	• A more inclusive economic development that respects the perceived environmental boundaries	• Economic growth and technological advancement are fueled by fossil fuels, resulting in high levels of GHG emissions by 2100, which can exacerbate extreme weather events
Climate policies	• The Mainland China and Hong Kong governments adopt more aggressive and stringent carbon reduction strategies and roadmaps, such as increasing the proportion of renewable energy, implementing carbon pricing, and mandating climate-related risk and opportunity disclosures	• Due to systemic, political, and economic barriers, i.e., policy inertia, there is a lack of new climate policies

Key Parameters of Low Emission and High Emission Scenarios

	Low Emission Scenario	High Emission Scenario
Common business model	• Rapid shift from a fossil fuel-dependent economy to a renewable energy driven economy	• Profit driven business model with only casual consideration of environmental and social impacts
Level of commitment	• Corporates are committed to contributing to national and regional climate action goals, i.e. business partners work together to achieve lower-carbon operations	• Insufficient public environmental awareness to drive system change

Climate Resilience Enhancement

During the Reporting Period, the Group's subsidiaries carried out extreme weather emergency drills in an orderly manner. Lessons learned from these exercises were used to refine contingency plans, streamline cross-departmental coordination, strengthen protection for critical facilities and improve recovery capabilities, thereby enhancing the Group's overall climate resilience.

Huangpu Port-Typhoon and Flood Preparedness Emergency Drill





Civet Port-Typhoon Preparedness Emergency Drill



Financial Impact Analysis

Building upon the climate scenario analysis, the Group has conducted a quantitative financial impact assessment related to climate change. This evaluates the potential effects of material climate risks and opportunities on the Group's asset values, operating costs, revenue structure, and overall financial performance under various scenarios. The analysis supports the Group's climate strategy planning and enables management to understand foreseeable climate-related financial implications for future periods.

Quantified Financial Impact under a Low-Emission Scenario

Material Risks/Opportunities		Short-term (now to 2025)	Medium-term (2025 to 2030)	Long-term (2030 to 2060)
Physical Risks	Acute Physical Risks – Adverse impacts caused by frequent extreme weather events	1.0 – 1.5%	2.5 – 3.0%	2.5 – 3.0%
Market Risks	Transition to Renewable Energy	1.0 – 1.5%	1.0 – 1.5%	2.5 – 3.0%
Opportunities	Product and Service Innovation	0.0 – 0.5%	0.0 – 0.5%	0.5 – 1.0%

Quantified Financial Impact under a High-Emission Scenario

Material Risks/Opportunities		Short-term (now to 2025)	Medium-term (2025 to 2030)	Long-term (2030 to 2060)
Physical Risks	Acute Physical Risks – Adverse impacts caused by frequent extreme weather events	1.0 – 1.5%	2.5 – 3.0%	1.0 – 1.5%
Market Risks	Transition to Renewable Energy	1.0 – 1.5%	1.0 – 1.5%	2.5 – 3.0%
Opportunities	Product and Service Innovation	0.0 – 0.5%	0.0 – 0.5%	0.5 – 1.0%

Based on the assessment above, we believe that the proportion of assets and core business activities exposed to climate-related transition risks, physical risks and aligned with climate opportunities is not significant to the Group. No material climate-focused capital expenditure, investment or financing was recorded in the Reporting Period.

Risk Management

The Group has incorporated climate-related matters into its operational risk assessment and management framework, and has established robust processes for managing climate-related risks and opportunities. We continue to identify, assess and manage climate-related risks and opportunities on an ongoing basis.

During the Reporting Period, we reviewed all identified climate-related risks and opportunities, further quantified the financial impacts of material climate-related risks and opportunities on the Group's operations. We also conducted scenario analysis under different climate scenarios to assess the Group's resilience under alternative climate pathways, providing a reference for strategic decision-making and development planning.

Process for Reviewing Climate Risks and Opportunities, Assessing Financial Impacts and Conducting Scenario Analysis

1. Review of climate risks and opportunities
   During the Reporting Period, the Group reviewed its existing list of identified climate-related risks and opportunities, with reference to industry practice and changes in the policy environment and considering the characteristics of its value chain. This helped to further clarify and determine the material climate-related risks and opportunities for the Reporting Period, providing a basis for subsequent quantification of financial impacts and the formulation of management response measures.

2. Climate scenario analysis and financial impact assessment
   The Group selected internationally recognised climate scenarios and key parameters to analyse the extent to which material climate-related risks and opportunities may be affected under different scenarios, as well as the potential financial impacts.

3. Response measures and continuous improvement
   The Group reviewed and assessed existing management measures and, drawing on industry best practice, developed and refined response action plans, continually enhancing its climate risk management capability and business resilience.

Metrics and Targets

To strengthen the Group's capabilities in climate resilience and strategic positioning, we have established quantitative GHG targets for Scope 1 and Scope 2 emissions. Taking 2024 as the baseline year, we aim to achieve a 10% reduction in carbon emissions intensity by 2030. For details, please refer to "7.1 Environmental Targets" in this Report.

2025	GHG Emissions (Scope 1)	GHG Emissions (Scope 2)	GHG Emissions (Scope 1 & 2)
Tonnes	52,255.15	7,947.52	60,202.67
Tonnes per HKD million revenue	20.48	3.12	23.60

To further strengthen the management of GHG emissions data, the Group has been progressing the identification and calculation of Scope 3 emissions in an orderly manner in accordance with the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Through cross-functional collaboration, we continue to collect, collate, and organize Scope 3 GHG emission data, building on the already identified Scope 3 emission categories relevant to our operations.

Scope 3 Categories Relevant to the Group
Category 1: Purchased Goods and Services
Category 2: Capital Goods
Category 3: Fuel-and Energy-Related Activities (Not Included in Scope 1 or Scope 2)
Category 4: Upstream Transportation and Distribution
Category 5: Waste Generated in Operations
Category 6: Business Travel
Category 7: Employee Commuting
Category 8: Upstream Leased Assets
Category 13: Downstream Leased Assets



8. COMMUNITY ENGAGEMENT

Serving the Public

Leveraging our core maritime expertise and logistics capabilities, the Group remains steadfast in prioritising public safety and national interests. By efficiently executing major strategic missions and providing swift emergency responses, we contribute our professional strengths to the prosperity and stability of the Greater Bay Area.

Successful Delivery of Support Missions for the Carrier CNS Shandong's Visit to Hong Kong

In July 2025, the Group acted as the designated service provider for the visit of the Carrier CNS Shandong formation to Hong Kong. We coordinated a specialised working group across multiple subsidiaries including CKPT, Sun Ferry, and Oriental Pearl to ensure the successful delivery of personnel transfers and professional pilotage along with comprehensive on-site logistics. This high standard of professional service demonstrated our steadfast commitment and sense of mission as a prominent Hong Kong-based enterprise.



Successful Delivery of Major Maritime Emergency Missions

In October 2025, the Group successfully collaborated with the Guangzhou Salvage Bureau and the Airport Authority Hong Kong to complete the recovery and removal of a cargo aircraft at Hong Kong International Airport. This mission demonstrated our rapid, efficient, and mission-driven capabilities in maritime emergency response.



Supporting Society

The Group is committed to fulfilling its corporate social responsibilities by actively engaging in diverse community initiatives to forge stronger local ties. During the Reporting Period, we focused our resources on key areas such as environmental protection, youth development, elderly care, community health, striving to deliver positive social impact.

Our Commitment to the Strive and Rise Programme

The Group actively supports the Hong Kong Government's Strive and Rise Programme. We have selected 23 employees based in Hong Kong to serve as mentors across three consecutive cohorts, providing year-long in-depth guidance and companionship to help mentees understand industry developments and establish personal career plans. To date, the first two cohorts have been successfully concluded and the third has commenced, demonstrating the Group's steadfast commitment to fulfilling its social responsibilities.



Youth Volunteerism by Civet Port and CKIFF

Civet Port and CKIFF jointly organised the "Youth Volunteer Initiative". Through a life skills workshop designed for children with special needs, the activity promoted values of care and mutual support while demonstrating the social responsibility and commitment of the companies' young professionals.





Community Art Platforms in Cheung Chau and Mui Wo

Sun Ferry continues to champion its community art development programme by establishing permanent exhibition platforms in Cheung Chau and Mui Wo. These venues host ongoing art submission and display initiatives for local kindergarten, primary, and secondary school students, designed to foster local cultural exchange and inspire creative passion among the youth.



Value of Community Investment	Contributed Hours in Community Activities
4,116	5,231.73

9. OUR PERFORMANCE

Revenue[3]

	Units	2025	2024	2023
Revenue	HKD million	2,551.16	2,716.47	2,553.84

Emissions and Waste

	Units	2025	2024	2023
Air Emissions[4]				
NO_x	Tonnes	1,063.68	1,077.09	1,206.20
	Tonnes per HKD million revenue	0.42	0.40	0.47
SO_x	Tonnes	14.81	14.82	14.22
	Tonnes per HKD million revenue	5.80×10^{-3}	5.46×10^{-3}	5.57×10^{-3}
CO	Tonnes	80.29	83.39	137.30
	Tonnes per HKD million revenue	0.03	0.03	0.05
PM2.5	Tonnes	13.28	14.44	21.84
	Tonnes per HKD million revenue	5.21×10^{-3}	5.32×10^{-3}	8.55×10^{-3}
PM10	Tonnes	16.56	16.82	22.89
	Tonnes per HKD million revenue	6.49×10^{-3}	6.19×10^{-3}	8.96×10^{-3}

3 Revenue of the Group is used for the calculation of the intensity of environmental KPIs.

4 The reporting scope of air pollutants includes those generated from the operation of vehicles, vessels and machinery. Air pollutants were calculated using the methods and emission factors from the *Discharge Coefficients of Industrial Pollutants in the First National General Survey of Pollution Sources,* the *Non-road Mobile Source Air Pollutant Emission Inventory Preparation Technical Guide (Trial),* the *Road Vehicles Air Pollutant Emission Inventory Preparation Technical Guide (Trial)* and the *EMEP/EEA Air Pollutant Emission Inventory Guidebook 2023*.

	Units	2025	2024	2023
GHG Emissions				
Total GHG emissions (Scope1 and Scope2)	Tonnes CO_2e	60,202.67	61,449.97	64,451.56
	Tonnes per HKD million revenue	23.60	22.62	25.24
Direct GHG emissions (scope 1)[5]	Tonnes CO_2e	52,255.15	53,584.55	55,588.66
Indirect GHG emissions (scope 2)[6]	Tonnes CO_2e	7,947.52	7,865.42	8,862.90
Non-Hazardous Waste				
Domestic waste	Tonnes	438.57	462.47	632.07
	Tonnes per HKD million revenue	0.17	0.17	0.25
Waste tire	Pcs	1,025.00	1,232.00	1,291.00
	Pcs per HKD million revenue	0.40	0.45	0.51
Hazardous Waste				
Waste machine oil	Tonnes	22.40	26.96	39.71
	Tonnes per HKD million revenue	0.01	0.01	0.02
Waste vehicle battery	Pcs	115.00	192.00	190.28
	Pcs per HKD million revenue	0.05	0.07	0.07

5 The calculation scope of Scope 1 GHG emissions includes those generated from the operation of vehicles, vessels and machinery. Scope 1 GHG emissions was calculated using the methods and emission factors from the *Reporting Guidance on Greenhouse Gas Emissions for Other Industrial Enterprises (Trial)*, the *Guidelines for Calculation Method and Reporting Guidance on Greenhouse Gas Emissions for On-road Transportation Enterprises (Trial)*, and the *Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong*.

6 The calculation scope of Scope 2 GHG emissions includes those came from the use of electricity. Scope 2 GHG emissions was calculated by referencing the *Announcement on the Release of 2023 Electricity Carbon Footprint Factor Data*, and the *emission factors provided in the Sustainability Report 2024 of HK Electric Investments Limited*, the *Sustainability Report 2024 of CLP Holdings Limited*, and the *CEM Sustainability Report 2024 of Companhia de Electricidade de Macau – CEM, S.A.*

Use of Resources

	Units	2025	2024	2023
Direct Energy				
Total direct energy	MwH	201,243.29	206,716.85	213,233.49
	MWh per HKD million revenue	78.88	76.10	83.50
Gasoline (vehicles)	Litres	56,834.32	60,980.73	64,826.45
	Litres per HKD million revenue	22.28	22.45	25.38
Diesel (vehicles and machinery)	Litres	3,059,177.23	3,002,736.87	4,411,187.92
	Litres per HKD million revenue	1,199.13	1,105.38	1,727.28
Diesel (vessels)	Tonnes	14,141.48	14,637.93	14,013.49
	Tonnes per HKD million revenue	5.54	5.39	5.49
Indirect Energy				
Electricity	kWh	15,313,273.06	15,099,161.29	15,424,995.82
	kWh per HKD million revenue	6,002.47	5,558.38	6,039.92
Water				
Water	Tonnes	207,991.03	182,232.55	238,446.18
	Tonnes per HKD million revenue	81.53	67.08	93.37



Employees[7]

	Units	2025	2024	2023
Total no. of employees	No.	2,074	2,147	2,206
By Gender				
Male	No.	1,641	1,684	1,737
Female	No.	433	463	469
By Employment Type				
Full-time	No.	2,038	2,110	2,152
Part-time	No.	36	37	54
By Employee Category				
Directors and senior management	No.	82	72	64
Middle management	No.	346	343	391
General employee	No.	1,646	1,732	1,751
By Age Group				
≤ 30	No.	266	293	300
31 – 40	No.	482	529	519
41 – 50	No.	583	586	614
> 50	No.	743	739	773
By Operating Location				
Mainland China	No.	1,310	1,335	1,377
Hong Kong	No.	761	808	824
Macao	No.	3	4	5

[7] The Group followed Hong Kong Stock Exchange's guidance on how to calculate the information called for under the social KPIs provided in the *How to Prepare an ESG Report Appendix 3: Reporting guidance* on Social KPIs. The calculation formulas for employee turnover rate, employee training coverage, percentage of employees trained, and average training hours completed per employee are provided in this section.

Employee Turnover

	Units	2025	2024	2023
Employees turnover rate[8]	%	12.2%	13.1%	14.4%
By Gender				
Male	%	12.6%	13.4%	13.9%
Female	%	10.9%	12.1%	16.4%
By Age Group				
≤ 30	%	12.8%	17.1%	17.0%
31 – 40	%	6.8%	7.6%	11.4%
41 – 50	%	10.3%	12.8%	7.2%
> 50	%	17.1%	15.7%	21.2%
By Operating Location				
Mainland China	%	8.7%	11.5%	10.2%
Hong Kong	%	18.4%	15.6%	21.6%
Macao	%	0.0%	25.0%	0.0%

Training and Development

Employee Training Coverage[9]	Unit	2025	2024	2023
Employee Training Coverage	%	83.4%	90.6%	89.6%
By Gender				
Male	%	84.0%	91.0%	89.8%
Female	%	81.1%	89.4%	88.7%
By Employee Category				
Senior management	%	58.2%	63.9%	59.4%
Middle management	%	67.6%	85.7%	90.5%
General employee	%	88.1%	92.7%	90.5%

8 The calculation formula of percentage of employee turnover rate is: number of employees who left during the Reporting Period/number of employees as of the end of the Reporting Period x 100%.

9 The calculation formula of employee training coverage is: number of trained employees during the Reporting Period/number of employees as of the end of the Reporting Period x 100%

Percentage of Employees Trained[10]	Units	2025	2024	2023
By Gender				
Male	%	79.7%	78.7%	78.9%
Female	%	20.3%	21.3%	21.1%
By Employee Category				
Senior management	%	2.7%	2.4%	1.9%
Middle management	%	13.5%	15.1%	17.9%
General employee	%	83.8%	82.5%	80.2%

Average training hours completed per employee[11]	Units	2025	2024	2023
Average training hours completed per employee	Hours	20.7	19.5	34.8
By Gender				
Male	Hours	22.1	21.6	32.9
Female	Hours	15.3	11.8	41.9
By Employee Category				
Senior management	Hours	19.1	15.8	64.6
Middle management	Hours	18.5	16.3	66.7
General employee	Hours	21.3	20.3	26.6

Safety Performance

	Units	2025	2024	2023
Number of work-related fatalities	No.	0	0	0
Work-related fatalities rate	%	0%	0%	0%
Lost days due to work injury	Days	464	740	433

10 The calculation formula of percentage of employees trained is: number of employees trained of the specific category during the Reporting Period/total number of trained employees during the Reporting Period x 100%.

11 The calculation formula of average training hours completed per employee is: total training hours received by employees during the Reporting Period/number of employees as of the end of the Reporting Period x 100%.

Appendix I.
Applicable Laws and Regulations

The laws and regulations that have a significant impact on the Group's operation in Mainland China, Hong Kong and Macao and our performance during the Reporting Period are as follows:

Laws and Regulations[12]

Environment

Mainland China

- Environmental Protection Law of the People's Republic of China
- Atmospheric Pollution Prevention and Control Law of the People's Republic of China
- Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes
- Water Pollution Prevention and Control Law of the People's Republic of China
- Law of the People's Republic of China on Water and Soil Conservation
- Law of the People's Republic of China on the Promotion of Cleaner Production
- Law of the People's Republic of China on Ports
- Law of the People's Republic of China on Conserving Energy

Hong Kong

- Cap. 311Z Air Pollution Control (Non-road Mobile Machinery) (Emission) Regulation
- Cap. 358 Water Pollution Control Ordinance
- Cap. 354 Waste Disposal Ordinance
- Cap. 313 Shipping and Port Control Ordinance
- Cap. 311Y Air Pollution Control (Marine Light Diesel) Regulation

Macao

- Administrative Regulation No. 15/2016 Standards for Unleaded Petrol and Light Diesel for Vehicles

Employment and Labour Practices

Mainland China

- Labour Law of the People's Republic of China
- Labour Contract Law of the People's Republic of China
- Law of the People's Republic of China on the Protection of Minors
- Provisions on the Prohibition of Using Child Labour

Hong Kong

- Cap. 57 Employment Ordinance
- Cap. 282 Employee Compensation Ordinance
- Cap. 608 Minimum Wage Ordinance

Macao

- Law No. 4/98/M Framework Law on Employment Policy and Worker's Rights
- Law No. 7/2008 Labour Relations Law
- Administrative Regulation No. 13/2010 Regulation of the conditions or responsibilities to be established in the employment permit for non-resident workers

[12] The laws and regulations of Macao are translated from Português.

Laws and Regulations[12]

Health and Safety

Mainland China

- Production Safety Law of the People's Republic of China
- Law of the People's Republic of China on the Prevention and Treatment of Occupational Diseases

Hong Kong

- Cap. 509 Occupational Safety and Health Ordinance
- Cap. 59J Factories and Industrial Undertakings (Lifting Appliance and Lifting Gear) Regulation
- Cap. 59K Factories and Industrial Undertakings (Cargo and Container Handling) Regulation
- Cap. 59AC Factories and Industrial Undertakings (Suspended Working Platforms) Regulation
- Cap. 59AG Factories and Industrial Undertakings (Loadshifting Machinery) Regulation
- Cap. 81 Port Control (Cargo Working Areas) Ordinance

Macao

- Law No. 2/83/M Sanctions Applicable to the Transgression of Legal or Regulatory Norms on Occupational Health or Safety in Industrial Establishments
- Decree-Law No. 24/95/M Fire Security Regulation
- Decree-Law No. 37/89/M Approves the General Regulation on Occupational Health and Safety in Commercial, Office and Service Establishments

Product Responsibility

Mainland China

- Product Quality Law of the People's Republic of China
- Law of the People's Republic of China on Import and Export Commodity Inspection
- Law of the People's Republic of China on the Protection of Consumer Rights and Interests

Hong Kong

- Cap. 486 Personal Data (Privacy) Ordinance
- Cap. 456 Consumer Goods Safety Ordinance
- Cap. 362 Trade Descriptions Ordinance
- Cap. 26 Sale of Goods Ordinance

Macao

- Law No. 8/2005 Personal Data Protection Act

Anti-Corruption

Mainland China

- Criminal Law of the People's Republic of China
- Anti-Unfair Competition Law of the People's Republic of China
- The Bidding Law of the People's Republic of China
- Supervision Law of the People's Republic of China
- Interim Provisions on Banning Commercial Bribery

Hong Kong

- Cap. 201 Prevention of Bribery Ordinance

Appendix II.
ESG Reporting Gode Content Index

Mandatory Disclosure Requirements	Descriptions	Relevant section and remarks
Governance Structure	A statement from the board containing the following elements: (i) a disclosure of the board's oversight of ESG issues; (ii) the board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer's businesses); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses.	3.2. ESG Governance Framework 3.1. Adhering to Our ESG Policy 3.3. Stakeholder Engagement and Materiality Assessment
Reporting Principles	A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG report: **Materiality:** The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer's stakeholder engagement. **Quantitative:** Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed. **Consistency:** The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.	1.2. Basis of Report Preparation
Reporting Boundary	A narrative explaining the reporting boundaries of the ESG report and describing 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.	1.1. Reporting Scope

Part C: "Comply or explain" Provisions Subject Areas, Aspects, General Disclosures and KPIs	Descriptions	Relevant section and remarks
Environment **Aspect A1: Emissions**		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	7.1. Environmental Targets 7.2. Green Operation Appendix I. Applicable Laws And Regulations
KPI A1.1	The types of emissions and respective emissions data.	9. Our Performance
KPI A1.2	Repealed 1 January 2025	/
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	9. Our Performance
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	9. Our Performance
KPI A1.5	Description of the emission targets set and the steps taken to achieve them.	7.1. Environmental Targets
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled and description of the emission targets set and the steps taken to achieve them.	7.1. Environmental Targets 7.2. Green Operation

Part C: "Comply or explain" Provisions Subject Areas, Aspects, General Disclosures and KPIs	Descriptions	Relevant section and remarks
Aspect A2: Use of resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	7.2. Green Operation
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	9. Our Performance
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	9. Our Performance
KPI A2.3	Description of energy use efficiency targets set and the steps taken to achieve them	7.1. Environmental Targets 7.2. Green Operation
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, the water use efficiency targets set, and the steps taken to achieve them.	7.1. Environmental Targets 7.2. Green Operation
KPI A2.5	Total packaging material used for finished products (in kg) and, if applicable, with reference to per unit produced.	The Group does not produce any products. The total packaging material used for finished products is not applicable to the Group.
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	7.2. Green Operation
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	7.2. Green Operation

Part C: "Comply or explain" Provisions Subject Areas, Aspects, General Disclosures and KPIs	Descriptions	Relevant section and remarks
Social		
Employment and Labor Practices		
Aspect B1: Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare	6.2. Employee Development Appendix I. Applicable Laws And Regulations
KPI B1.1	Total workforce by gender, employment type (for example, full-or part-time), age group and geographical region	6.2. Employee Development 9. Our Performance
KPI B1.2	Employee turnover rate by gender, age group and geographical region	9. Our Performance
Aspect B2: Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	6.3. Safety and Health Appendix I. Applicable Laws And Regulations
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	6.3. Safety and Health 9. Our Performance
KPI B2.2	Lost days due to work injury.	6.3. Safety and Health 9. Our Performance
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	6.3. Safety and Health

Part C: "Comply or explain" Provisions Subject Areas, Aspects, General Disclosures and KPIs	Descriptions	Relevant section and remarks
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	6.2. Employee Development
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	9. Our Performance
KPI B3.2	The average training hours completed per employee by gender and employee category.	9. Our Performance
Aspect B4: Labor Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	6.2. Employee Development Appendix I. Applicable Laws And Regulations
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	6.2. Employee Development
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	6.2. Employee Development
Operating Practices		
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	5.6. Procurement Practices
KPI B5.1	Number of suppliers by geographical region.	5.6. Procurement Practices
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	5.6. Procurement Practices
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	5.6. Procurement Practices

Part C: "Comply or explain" Provisions Subject Areas, Aspects, General Disclosures and KPIs	Descriptions	Relevant section and remarks
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	5.6. Procurement Practices
Aspect B6: Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	5. Providing Excellent Service Appendix I. Applicable Laws And Regulations Due to the Group's business nature, products, labelling is are not applicable to the Group.
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	The Group does not produce any products.
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	5.2. Customer Satisfaction
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	5.3. Data and Privacy Protection and Intellectual Property Rights Protection
KPI B6.4	Description of quality assurance process and recall procedures.	Due to the Group's business nature, recall procedure is not applicable to the Group.

Part C: "Comply or explain" Provisions Subject Areas, Aspects, General Disclosures and KPIs	Descriptions	Relevant section and remarks
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	5.3. Data and Privacy Protection and Intellectual Property Rights Protection
Aspect B7: Anti-corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	4.3 Operating with Integrity Appendix I. Applicable Laws And Regulations
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	4.3 Operating with Integrity
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	4.3 Operating with Integrity
KPI B7.3	Description of anti-corruption training provided to directors and staff.	4.3 Operating with Integrity Community
Aspect B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	8. Community Engagement
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	8. Community Engagement
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	8. Community Engagement

Part D: "Comply or explain" Provisions Climate-related Disclosures		
(I). Governance		
19(a) the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities:		
	i) how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities;	7.3. Climate Change
	ii) how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities;	7.3. Climate Change
	iii) how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the issuer's strategy, its decisions on major transactions, and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities;	7.3. Climate Change
	iv) how the body(s) or individual(s) oversees the setting of, and monitors progress towards, targets related to climate-related risks and opportunities (see session "Climate-related targets"), including whether and how related performance metrics are included in remuneration policies (see session "Remuneration");	7.3. Climate Change
19(b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities:		
	i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and	7.3. Climate Change
	ii) whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	7.3. Climate Change

Part D: "Comply or explain" Provisions **Climate-related Disclosures**	
(II). Strategy	
Climate-related risks and opportunities	
20(a) describe climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term;	7.3. Climate Change
20(b) explain, for each climate-related risk the issuer has identified, whether the issuer considers the risk to be a climate-related physical risk or climate-related transition risk;	7.3. Climate Change
20(c) specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons – short, medium or long term – the effects of each climate-related risk and opportunity could reasonably be expected to occur;	7.3. Climate Change
20(d) explain how the issuer defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the issuer for strategic decision-making.	7.3. Climate Change
Business model and value chain	
21(a) a description of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain;	7.3. Climate Change
21(b) a description of where in the issuer's business model and value chain climate-related risks and opportunities are concentrated.	7.3. Climate Change

Part D: "Comply or explain" Provisions Climate-related Disclosures		
Strategy and decision-making		
22(a)	information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation:	
	i) current and anticipated changes to the issuer's business model, including its resource allocation, to address climate-related risks and opportunities;	7.3. Climate Change
	ii) current and anticipated adaptation and mitigation efforts (whether direct or indirect);	7.3. Climate Change
	iii) any climate-related transition plan the issuer has (including information about key assumptions used in developing its transition plan, and dependencies on which the issuer's transition plan relies), or an appropriate negative statement where the issuer does not have a climate-related transition plan;	7.3. Climate Change
	iv) how the issuer plans to achieve any climate-related targets (including any greenhouse gas emissions targets(if any)), described in accordance with "Climate-related targets" session;	7.3. Climate Change
22(b)	information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph	7.3. Climate Change
23.	disclose information about the progress of plans disclosed in previous reporting periods in accordance with 22 (a).	7.1. Environmental Targets 7.3. Climate Change
Financial position, financial performance and cash flows **Current financial effect**		
24(a)	how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period;	7.3. Climate Change
24(b)	the climate-related risks and opportunities identified in paragraph above for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	Following a thorough review, no identified climate-related risks or opportunities will trigger material adjustments to the Group's asset and liability carrying amounts in the coming year.

Part D: "Comply or explain" Provisions **Climate-related Disclosures**	
Anticipated financial effect	
25(a) how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration:	7.3. Climate Change
i) its investment and disposal plans;	7.3. Climate Change
ii) its planned sources of funding to implement its strategy;	7.3. Climate Change
25(b) how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	7.3. Climate Change
Climate resilience	
26(a) the issuer's assessment of its climate resilience as at the reporting date, which shall enable an understanding of:	7.3. Climate Change
i) the issuer's assessment of its climate resilience as at the reporting date, which shall enable an understanding of: the implications, if any, of the issuer's assessment for its strategy and business model, including how the issuer would need to respond to the effects identified in the climate-related scenario analysis;	7.3. Climate Change
ii) the significant areas of uncertainty considered in the issuer's assessment of its climate resilience;	7.3. Climate Change Beyond the stated scenario assumptions in this Report, our resilience assessment considers key uncertainties: the inherent limitations of climate models, the unpredictability of extreme weather patterns, the trajectory of policy and carbon pricing, and limitations of financial quantification modelling.

Part D: "Comply or explain" Provisions **Climate-related Disclosures**	
iii) the issuer's capacity to adjust, or adapt its strategy and business model to climate change over the short, medium or long term;	7.1. Environmental Targets
26(b) how and when the climate-related scenario analysis was carried out, including:	
i) information about the inputs used, including: (1) which climate-related scenarios the issuer used for the analysis and the sources of such scenarios; (2) whether the analysis included a diverse range of climate-related scenarios; (3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks; (4) whether the issuer used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change; (5) why the issuer decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties; (6) time horizons the issuer used in the analysis; and (7) what scope of operations the issuer used in the analysis (for example, the operation, locations and business units used in the analysis);	7.3. Climate Change
ii) the key assumptions the issuer made in the analysis;	7.3. Climate Change
iii) the reporting period in which the climate-related scenario analysis was carried out.	7.3. Climate Change

Part D: "Comply or explain" Provisions **Climate-related Disclosures**		
Risk Management		
27(a) the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks, including information about:		
	i) the inputs and parameters the issuer uses (for example, information about data sources and the scope of operations covered in the processes);	7.3. Climate Change
	ii) whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related risk;	7.3. Climate Change
	iii) how the issuer assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the issuer considers qualitative factors, quantitative thresholds or other criteria);	7.3. Climate Change
	iv) whether and how the issuer prioritises climate-related risks relative to other types of risks;	7.3. Climate Change
	v) how the issuer monitors climate-related risks;	7.3. Climate Change
	vi) whether and how the issuer has changed the processes it uses compared with the previous reporting period;	7.3. Climate Change
27(b) the processes the issuer uses to identify, assess, prioritise and monitor climate-related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities);		7.3. Climate Change
27(c) the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer's overall risk management process.		7.3. Climate Change

Part D: "Comply or explain" Provisions **Climate-related Disclosures**	
Greenhouse gas (GHG) emissions	
28. disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO2 equivalent, classified as: (a) scope 1 emissions; (b) scope 2 emissions; (c) scope 3 emissions.	7.3. Climate Change 9. Our Performance
29(a) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions;	7.3. Climate Change 9. Our Performance
29(b) disclose the approach it uses to measure its greenhouse gas emissions including:	
i) the measurement approach, inputs and assumptions the issuer uses to measure its greenhouse gas emissions;	9. Our Performance
ii) the reason why the issuer has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions;	9. Our Performance
iii) any changes the issuer made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes;	9. Our Performance
29(c) disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer's Scope 2 greenhouse gas emissions;	7.3. Climate Change 9. Our Performance
29(d) disclose the categories included within the issuer's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).	7.3. Climate Change

Part D: "Comply or explain" Provisions **Climate-related Disclosures**		
Climate-related risks, opportunities and carbon price		
30.	disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	7.3. Climate Change
31.	disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	7.3. Climate Change
32.	disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.	7.3. Climate Change
33.	disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities	7.3. Climate Change
34(a)	an explanation of whether and how the issuer is applying a carbon price in decision-making (for example, investment decisions, transfer pricing, and scenario analysis);	Carbon pricing is not currently incorporated into our decision-making processes.
34(b)	the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions.	
Remuneration		
35.	disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement. This may form part of the disclosure under paragraph 19(a)(iv).	Climate-related performance is not currently incorporated into remuneration arrangements.
Industry-based metrics		
36.	encouraged to disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry.	7.3. Climate Change 9. Our Performance

Part D: "Comply or explain" Provisions Climate-related Disclosures		
Climate-related targets		
37.	disclose (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target: (a) the metric used to set the target; (b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives); (c) the part of the issuer to which the target applies (for example, whether the target applies to the issuer in its entirety or only a part of the issuer, such as a specific business unit or geographic region); (d) the period over which the target applies; (e) the base period from which progress is measured; (f) milestones or interim targets (if any); (g) if the target is quantitative, whether the target is an absolute target or an intensity target; (h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	7.1. Environmental Targets 7.3. Climate Change
38.	disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including:	
	(a) whether the target and the methodology for setting the target has been validated by a third party;	External third-party validation has not been conducted, and will be considered in due course.
	(b) the issuer's processes for reviewing the target;	7.1. Environmental Targets 7.3. Climate Change
	(c) the metrics used to monitor progress towards reaching the target;	7.1. Environmental Targets 7.3. Climate Change
	(d) any revisions to the target and an explanation for those revisions.	No
39.	disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer's performance.	7.1. Environmental Targets 7.3. Climate Change

Part D: "Comply or explain" Provisions **Climate-related Disclosures**			
40.	For each greenhouse gas emissions target disclosed in accordance with paragraphs 37 to 39, an issuer shall disclose:		
	(a)	which greenhouse gases are covered by the target;	7.1. Environmental Targets 7.3. Climate Change
	(b)	whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target;	7.1. Environmental Targets 7.3. Climate Change
	(c)	whether the target is a gross greenhouse gas emissions target or a net greenhouse gas emissions target. If the issuer discloses a net greenhouse gas emissions target, the issuer is also required to separately disclose its associated gross greenhouse gas emissions target;	7.1. Environmental Targets 7.3. Climate Change
	(d)	whether the target was derived using a sectoral decarbonisation approach;	Climate targets are developed based on internal strategic considerations, instead of following generic sectoral decarbonisation benchmarks.
	(e)	planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits, the issuer shall disclose: (i) the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits; (ii) which third-party scheme(s) will verify or certify the carbon credits; (iii) the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and (iv) any other factors necessary to enable an understanding of the credibility and integrity of the carbon credits the issuer plans to use (for example, assumptions regarding the permanence of the carbon offset).	We will consider using carbon credits in the future.

Part D: "Comply or explain" Provisions Climate-related Disclosures		
Applicability of cross-industry metrics and industry-based metrics		
41.	In preparing disclosures to meet the requirements in paragraphs 21 to 26 and 37 to 38, an issuer shall refer to and consider the applicability of cross-industry metrics and industry-based metrics.	The Group adopts applicable cross-industry ESG metrics for general disclosure, and incorporates industry-specific characteristics of port and marine transportation sectors by referencing recognised industry materiality benchmarks.

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