SHENZHEN INVESTMENT HOLDINGS BAY AREA DEVELOPMENT COMPANY LIMITED

(incorporated in the Cayman Islands with limited liability)
Stock Codes: *737* (HKD counter) & *80737* (RMB counter)



2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Shenzhen Investment Holdings Bay Area Development Company Limited

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT **2025**

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1. About This Report

This is the fifteenth Environmental, Social and Governance Report issued by Shenzhen Investment Holdings Bay Area Development Company Limited ("the Company" or "Bay Area Development"). It aims to present the latest policies, initiatives and performance of the Company, a non-wholly owned subsidiary and two joint ventures (collectively referred to as the "Group" or "We") in environmental, social and governance ("ESG"), for the sake of strengthening stakeholders' understanding of the Group's progress and commitments in sustainable development. This report is compiled in Chinese and English, and has been uploaded to the website of the Stock Exchange of Hong Kong Limited ("SEHK") and the Company's publication website.

Reporting Scope

The reporting period of this report is consistent with the Shenzhen Investment Holdings Bay Area Development Company Limited 2025 Annual Report, covering the period from 1 January 2025 to 31 December 2025 (the "Year" or the "Reporting Period"). To enhance the comparability of this report, part of the content is extended to other years as appropriate, details can be found in the relevant content. In view of its relevance to the ESG strategy, the organisational boundaries of this report cover the Company's Hong Kong and Shenzhen offices, the Shenzhen section of Guangshen Coastal Expressway (the "Coastal Expressway (Shenzhen Section)", a non-wholly owned subsidiary), as well as the Guangzhou-Shenzhen Superhighway (the "GS Superhighway") and the Guangzhou-Zhuhai West Superhighway (the "GZ West Superhighway") projects operated by the two joint ventures. Part of the reporting content covers different organisational boundaries, and such content has been indicated in the relevant section.

For ease of presentation and reading, the Company, subsidiaries and joint ventures are referred to by the following abbreviations:

Bay Area Development	refer to	Shenzhen Investment Holdings Bay Area Development Company Limited
Coastal Company	refer to	Shenzhen Guangshen Coastal Expressway Investment Company Limited
GS JV	refer to	Guangzhou-Shenzhen-Zhuhai Superhighway Company Limited
GZ West JV	refer to	Guangdong Guangzhou-Zhuhai West Superhighway Company Limited

Compilatory Basis

The Group compiles this report in accordance with the Environmental, Social and Governance Reporting Code (the "Code") set out in Appendix C2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and with reference to Industry-based Guidance on Implementing IFRS S2 — Engineering and Construction Services. This report has complied with the "Mandatory Disclosure Requirements" and "Comply or Explain" provisions set out in the Guide, and is prepared based on the four reporting principles of "Materiality", "Quantitative", "Balance" and "Consistency", to ensure high quality information is presented.

Materiality The Group closely aligns with domestic and international ESG development trends and industry dynamics to ensure that identified topics are highly consistent with the Company's business and industry characteristics. Relevant topics are reviewed jointly by the management and external sustainable development experts to form a materiality matrix, which serves as the core for compiling this report. The results of the materiality assessment have been confirmed by the Board.	**Balance** This report provides an unbiased picture of the Group's performance within the Reporting Period, avoiding selections, omissions, or presentation formats that may inappropriately influence a decision or judgment by the report reader.
Quantitative The key performance indicators disclosed by the Group in respect of historical data are measurable and, where applicable, information on standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used was disclosed.	**Consistency** Where applicable and unless stated otherwise, the methodologies and key performance indicators in this report are consistent with those in previous reports to allow for meaningful comparisons.

Reliability Assurance

The information involved in the content of this report comes from official documents, statistical reports, and publicly disclosed materials of the Group. The board of directors of the Company (the "Board") has reviewed and approved this report and is responsible for the authenticity and validity of the content contained therein.

Opinion and Feedback

The Group values the opinions of its stakeholders. If you have any questions or suggestions regarding the content or presentation format of this Report, please contact us by the following means:

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Board Statement

The Board is the ultimate responsible body for the Company's ESG issues and is responsible for supervising and approving ESG management policies and strategies that including the identification, evaluation, prioritisation and management of ESG-related material issues.

The management of material issues is one of the annual priorities for the Group's ESG work, and the Group conducts materiality assessment of ESG issues annually. Among the work, the Working Group is responsible for identifying key stakeholders, preparing the list of material issues and analytical reports, and presenting the results to the Board. The Board will review and confirm the annual result of the materiality assessment of ESG issues, consider the annual material issues as part of the revision of the Group's overall strategy, and monitor the management and performance of such issues.

In terms of risk management, the Board ensures that the Group establishes an appropriate and effective ESG risk management and internal monitoring system; the Working Group is responsible for analysing the potential risks and opportunities and related implications of material ESG issues on the Group's business strategy based on this risk management and internal monitoring system. After years of exploration and practice, the Group has developed a comprehensive risk assessment framework and has basically completed the integration work of ESG risk. To ensure that the risk assessment work can be carried out continuously, the Group has standardised the relevant procedures, including annual identification and assessment of major risks by business units and departments, determination of risk mitigation measures and the personnel responsible for implementation, as well as routinely review and update the risk register. In 2025, the group further deepens the identification, assessment and development of targeted responses to climate change risks and opportunities.

In terms of target management, the Board is responsible for approving the Group's ESG-related targets and reviewing progress on achieving such targets; the Working Group is responsible for formulating relevant targets and work plans, supervising the implementation progress and reviewing the effectiveness. Meanwhile, the Group regularly reviewed the implementation of the ESG targets during the Reporting Period. In the future, we will revise the work plan based on the reviewing results of targets and further improve targets, so as to validate the effectiveness of our ESG management system more accurately.

This report provides detailed information on the progress and effectiveness of the Group's ESG work in 2025, which have been reviewed and approved by the Board.

2. About Bay Area Development

Company Profile

Bay Area Development was incorporated in the Cayman Islands, and has been listed on the main board of SEHK since 6 August 2003. After several changes of controlling shareholders, it is currently a subsidiary of Shenzhen Expressway Corporation Limited ("Shenzhen Expressway"). The Group is principally engaged in toll-expressway projects and adopts development strategies focusing on infrastructure construction and correlated business as well as land development and utilisation along the expressway within the Guangdong-Hong Kong-Macao Greater Bay Area (the "Greater Bay Area"). As for toll road projects, through partnership with Guangdong Provincial Highway Construction Company Limited[1], the Group currently holds a 45% equity interest in GS JV, which operates the GS Superhighway; a 50% interest in Guangdong Guangzhou West Expressway Co., Ltd., which operates the GZ West Superhighway; and has subscribed for a 51% interest in the enlarged share capital of Coastal Company through capital injection, whose principal business is the investment, construction and operation of the Coastal Expressway (Shenzhen Section). For land development and utilisation projects, the Group currently holds a 15% equity interest in Guangzhou Zhentong Industrial Development Co., Ltd. ("Xintang Joint Venture")[2].

As a main expressway artery connecting Guangzhou, Dongguan and Shenzhen — the three major cities on the eastern bank of the Greater Bay Area and Hong Kong, the GS Superhighway sustains the great responsibility of connecting the Greater Bay Area internally and externally, and provides convenience in daily travelling for the public. During the Reporting Period, the Group continues to advance Beijing-Hong Kong-Macao Expressway (Guangzhou to Shenzhen Section) reconstruction and expansion project as planned.

GZ West Superhighway is the main expressway artery between Guangzhou and Zhuhai, and offers the most convenient access to Hengqin, Macao and Hong Kong respectively through its connection with the Second Hengqin Bridge, the Zhuhai Link Road and the Hong Kong-Zhuhai-Macao Bridge. It is an important part of the "one-hour living circle" of the Greater Bay Area.

Coastal Expressway (Shenzhen Section) is the Shenzhen section of Guangshen Coastal Expressway. It starts from Dongbao River at the junction of Dongguan and Shenzhen, and ends at Nanshan District of Shenzhen, connecting the Hong Kong-Shenzhen Western Corridor in the south. The Coastal Expressway (Shenzhen Section) is constructed in two phases, of which Phase I of the Coastal Expressway (Shenzhen Section) is located on the main line of the Guangshen Coastal Expressway and opened to traffic on 28 December 2013. The connecting lane on the Shenzhen side of Shenzhen-Zhongshan Link of the Phase II of Coastal Expressway (Shenzhen Section) and Shenzhen-Zhongshan Link completed and opened to traffic simultaneously in June 2024.

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1 Guangdong Provincial Highway Company Limited is a Chinese joint venture partner of GS JV and GZ West JV.

2 The Group only holds a 15% equity interest in Xintang Joint Venture, which is an insignificant proportion and thus has not been included in the scope of this report.



2025	GS Superhighway	GZ West Superhighway	Coastal Expressway (Shenzhen Section)[4]
Average daily toll revenue (RMB'000, excluding tax)	7,718	3,096	2,155
Average daily mixed traffic flow (thousands)[3]	642	268	226

[3] Excludes toll free traffic travelled during the period when Holiday Toll-free Policy was implemented.

[4] Phase II of Coastal Expressway (Shenzhen Section) ("Coastal Phase II") commenced operations on 30 June 2024. Currently, it is not possible to separate the traffic volume data of Coastal Phase II for consolidated statistics. Therefore, the traffic volume data of Coastal Expressway (Shenzhen Section) only reflects the traffic volume data of Phase I of Coastal Expressway (Shenzhen Section) ("Coastal Phase I"), excluding that of Coastal Phase II. The toll revenue data of the Coastal Expressway (Shenzhen Section) includes both Coastal Phase I and Coastal Phase II.

Annual ESG Highlights of Performance

Field	Highlights of Performance
Environment 	• Implement civilised construction standards and minimise disturbance to the surrounding environment through measures such as dust control, noise control, and ecological protection. • Establish a list of environmental risks, prepare emergency contingency plans, and enhance the ability to respond to environmental emergencies. • Building green landscape at the entrance and exit of toll stations, service areas and slope of the interchange ramps, and landscape facilities were coordinated with the surrounding environment to improve quality of greening. • Build a "Concrete Green Recycling Centre" to realise the resource utilisation of construction solid waste and reduce the land occupation by landfilling. • Identify the impact of climate change on our own operations and financials, improve response measures, and assess climate resilience.
Society 	• To construct an efficient road traffic guarantee system through AI detection, multi-party joint dispatch and intelligent guidance means, an efficient road traffic guarantee system and to improve the traffic efficiency of the overall road network. • Carry out itinerant demonstration activities of high-quality services, standardise service operations, scientifically simplify service processes, and improve service satisfaction. • Promote new toll collection models such as unmanned toll stations and quasi-free flow, carry out research and application of AI large models, and expand the functions of "Shenzhen E-Traffic" and other intelligent construction. • Improve the safety production management system, enhance the level of safety production management, draw the four-color distribution map of road safety risks, and improve the risk classification and control mechanism. • Incorporate the suppliers' performance in safety, environmental protection and integrity into the supplier performance evaluation system, and strengthen the suppliers' awareness of environmental and social responsibilities. • Conduct special assessments on the environmental and social risks of the project, formulate mitigation plans item by item for the identified and evaluated factors, and safeguard public interests as well as social harmony and stability. • Carry out community public welfare and voluntary service activities, develop together with the community, and bring warmth to the city.
Governance 	• Build a compliance culture, organise compliance training, and embed the concept of compliance in employees' minds through publicity and education activities. • Promote a closed-loop risk assessment plan and implement a risk management process of risk identification, communication, mitigation and escalation to effectively address various risks, including ESG risks. • Use the internal and external networks, publicity boards, and internal publications to carry out warning education and integrity culture publicity to continuously improve the quality and effectiveness of integrity education.

Annual Awards

Honor Name	Time	Awarding Organisation
GZ West JV won the "2024 Guangdong Provincial Smart Transportation New Quality Productivity Leading Team"	January 2025	Guangdong Provincial Intelligent Transportation Association
GS JV won the "The 7th National Civilized Unit"	May 2025	Central Leading Group for Publicity, Ideological and Cultural Work
GZ West JV won the "2025 Annual Transportation and Tourism Integration Innovation Project"	June 2025	China Highway and Transportation Society
GS JV won "The 5th Scientific and Technological Innovation Contribution Achievement of Transportation Enterprises"	July 2025	China Communications Enterprise Management Association, Evaluation Committee for Excellent Enterprise Management Achievements in the Transportation Industry
GZ West JV won the "Top 10 Typical Cases of Guangdong Provincial Smart Transportation"	July 2025	Department of Transportation of Guangdong Province
GS JV won the "Good Grade of 2025 Guangdong Provincial Highway Micro-innovation Achievement"	September 2025	Guangdong Highway Society
GZ West JV won the "The 2nd Excellent Case of Innovation Practice in Smart Transportation Application Scenarios"	November 2025	China Communications News Co., Ltd.
GS JV won the "Benchmark Party Building Culture Brand in Transportation Industry"	December 2025	China Communications Enterprise Management Association
GZ West JV won the "Benchmark Party Building Culture Brand in Transportation Industry"	December 2025	Evaluation Committee for Guangdong Provincial Enterprise Management Modernization Achievements

3. Chairman's Preface

2025 is the decisive year for concluding the 14th Five-Year Plan and a pivotal transitional year for implementing the 15th Five-Year Plan as well as a critical year for Bay Area Development to achieve high-quality development. As a major expressway operator deeply rooted in the Greater Bay Area, we embed sustainability at the core of our business. Leveraging the connectivity and green upgrading of transportation infrastructure, we align precisely with regional development needs and fulfil our corporate mission and responsibilities.

Build an efficient and collaborative intelligent transportation network

The efficient linkage of the transportation network is the core support for the economic vitality of the Greater Bay Area. Guided by the optimisation of customer experience and the improvement of operational efficiency, we build a transportation service system of "intelligent empowerment + quality assurance". From forward-looking prediction in project planning, to strict control in the construction link, and then to lean service in the operation scenario, the whole chain anchors the high-quality development standards. Through the tackling of key projects and the upgrading of technological iteration, we continuously shorten the regional time-space distance, help improve the quality and efficiency of the "one-hour living circle" in the Greater Bay Area, build a solid transportation bridge for talent flow and industrial collaboration, and deeply align with the development goal of "hard connectivity" in the Greater Bay Area.

Build an eco-friendly green development model

Green transformation is an inevitable path for enterprises to achieve high-quality development, and even more a core embodiment of proactively assuming environmental responsibilities. We integrate the green concept throughout the entire project cycle, strictly implement civilised construction standards in the construction phase, and minimise disturbances to the surrounding environment through measures such as dust control, noise management, and ecological protection; at the same time, we deepen intensive resource utilisation, promote models such as the recycling of construction waste and the application of energy-saving equipment, and improve resource use efficiency. In addition, we establish a normalised climate risk management and control mechanism, proactively identify and assess the impact of climate risks on the Group's operations and financial performance, formulate targeted risk mitigation plans, and gradually enhance climate resilience.

Establish a diverse and collaborative social responsibility system

The long-term development of an enterprise is rooted in the coexistence and prosperity with its stakeholders. We integrate social responsibility into the fabric of daily operations. With regard to employee rights and interests, we have established a sound career development and welfare system. In community co-construction, we focus on people's livelihood needs and participate in supporting infrastructure and improving public services. In supply chain management, we drive our partners to jointly practice the concept of sustainable development. These practices not only demonstrate corporate responsibility but also consolidate a solid foundation for the steady and long-term development of the enterprise through value sharing.

Looking ahead, we will empower regional coordination with high-quality transportation services, promote intelligent upgrading and green transformation with more determined actions, and convey corporate warmth through solid social responsibility practices. In the process of supporting the high-quality development of the Greater Bay Area, we will realize the two-way improvement of corporate value and social value and write a more steady chapter of development.

Jianming WU
Chairman
Hong Kong , 18 March 2026

4. Prudent Governance: Strengthening the Foundations of Development

The Group regards a robust governance system as the cornerstone of its sustainable development, and is committed to continuously optimising governance mechanisms, enhancing risk management resilience, and deepening ESG management. This ensures that while upholding corporate integrity and addressing stakeholders' concerns, the Company progresses steadily and achieves long-term value creation.

In response to the SDGs targets:



Topics covered: Compliance Management; Anti-corruption and Anti-bribery; ESG Management

2025 Key Performance:

- Employees in key positions signed the *Integrity Commitment Pledge,* with a coverage rate of 100%.
- 0 case of corruption lawsuits against all employees of the Company

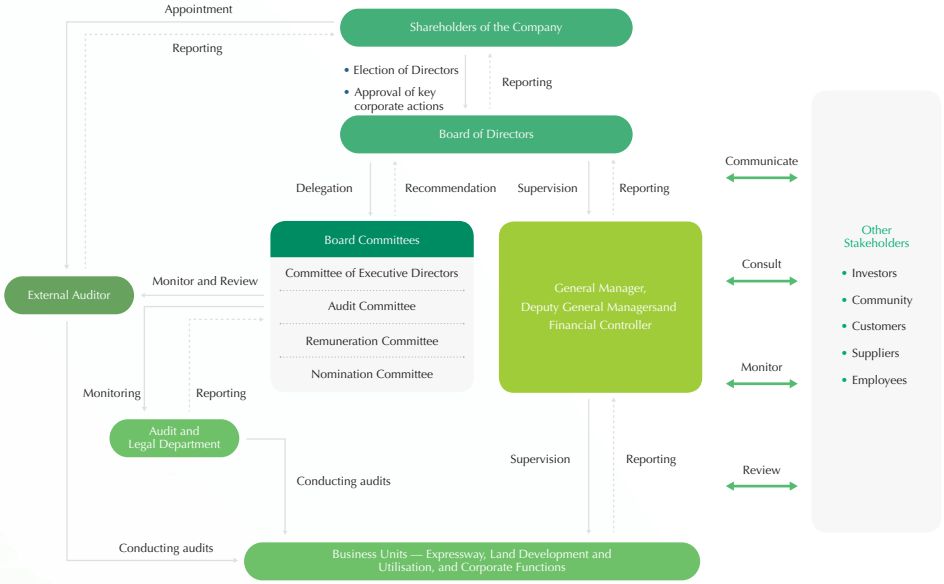
I. Enhancing Corporate Governance

The Group firmly believes that sound corporate governance can foster corporate's sound operation and healthy development. Therefore, the Group continuously deepens its governance system and operational standards, transforming its solid governance advantages into effective performance in fulfilling social responsibilities.

1. Improving Governance Structure

Bay Area Development has always adhered to a prudent and robust management principle and regulatory system, and strived to follow guidelines of the SEHK's *Corporate Governance Code*. The Board has formulated corporate governance procedures to ensure full compliance with the requirements of the Code, laying a solid foundation for compliant operation and standardised governance.

Bay Area Development has established a corporate governance structure centered on the Board, which consists of the Executive Committee, the Audit Committee, the Remuneration Committee and the Nomination Committee. Authorised by the shareholders' general meeting, the Board exercises management decision-making powers on development strategies, investment and financing, financial monitoring, human resources, and corporate governance. It is responsible for leading the overall development of the Company and providing the necessary resources to achieve the strategic objectives. We have formulated a number of corporate governance-related documents, including the *Memorandum and Articles of Association*, the *Rules and Procedures for the Board Meetings*, the *Executive Committee — Terms of Reference* and the *Terms of Reference* of each specialised committee, the *Disciplinary Code* and the *Whistleblowing Policy*.



Corporate Governance Structure

2. Deepening Risk Management

In order to implement the prudent and stable operation philosophy, Bay Area Development has formulated the *Risk Control Management Procedures* applicable to all departments and subsidiaries of the Company. The Company closely follows its business development goals, embeds the basic process of risk management into the whole process and every link of operation and management, and builds a comprehensive risk management system to provide a solid guarantee for the achievement of the overall goal of risk management.

Improve the Three Lines of Defence and Consolidate the Organisational Structure of Risk Management

Bay Area Development has established a risk management organisational structure consisting of "Three Lines of Defence" to ensure that risk management and control run through the whole process of decision-making and operation. The Company's risk management structure operates under the top-level supervision of the Board and its Audit Committee and under the direct leadership of the General Manager, ensuring a high degree of alignment between risk management strategies and the Company's overall strategic objectives.

Three Lines of Defence in Risk Management		
First Line of Defence	All functional departments and subsidiaries of the Company	Responsible for identifying, assessing, responding, monitoring, and reporting risks existing in each unit, and operating in strict accordance with laws, regulations, and policies.
Second Line of Defence	Audit & Legal Department	Responsible for coordinating and managing cross-departmental and cross-domain major risk events, formulating various risk management and control systems and standards; inspecting business risk management and control, supervising the implementation of risk management policies and measures; evaluating the risk management and control work of subsidiaries.
Third Line of Defence	Party-Masses Affairs Department	Responsible for in-process supervision of risk prevention and control, post-event investigation of risk events, and assessment of the effectiveness of first and second lines of defence.

Improve the Closed-loop Process and Build a Dynamic Management System

The Company adopts a comprehensive risk management framework and is committed to building a systematic, end-to-end management mechanism covering the entire process from risk identification to response implementation. It systematically identifies, communicates, effectively mitigates, and promptly reports all major risk matters, ensuring continuous early warning for ESG and other related risks. It promotes the in-depth integration of risk management principles into corporate strategic planning, operational decision-making, and resource allocation processes, achieving the deep integration of risk management and control with business development, and comprehensively enhancing the Company's risk resilience and operational robustness.



Risk Identification and Assessment Process

Cultural Integration, Internalising Organisational Risk Awareness

Through systematic measures, Bay Area Development has cultivated a risk culture of "Shared Responsibility and Proactive Management" to provide an inherent guarantee for sustainable development. First, it incorporates risk management effectiveness into the annual performance appraisal of subsidiaries, clarifies responsibility boundaries and consolidates primary accountability. Second, it regularly conducts training on risk awareness and professional skills, and leverages internal channels to continuously promote corporate risk management concepts and best practices, thereby enhancing the risk identification and response capabilities of all employees. Third, it establishes a risk exemption incentive mechanism, under which employees who strictly adhere to procedures and proactively raise risk warnings are exempted from liability when uncontrollable risks occur, encouraging open communication and prudent decision-making and fostering an open and responsible risk management atmosphere.

3. Strengthening Compliance Management

To further enhance its corporate governance and compliance management capabilities and effectively mitigate compliance risks, Bay Area Development has formulated a compliance management approach that covers all departments and subsidiaries of the Company (including wholly-owned subsidiaries, holding companies, and other entities under its actual control), thereby establishing and improving its compliance management system.

The Company has established a three-level compliance management organizational structure of "Decision-making level — Management level — Execution level" with clearly defined responsibilities, coordinated operations, and efficient execution, and has explicitly defined the compliance responsibilities of the Company's Party branch, the Board, primary compliance responsible person, company division heads, compliance department, as well as all departments and subsidiaries.

Three Lines of Defence in Compliance Management

First Line of Defence	All functional departments and subsidiaries of the Company	Submit the annual compliance management plan and work summary, establish and refine the compliance management systems and processes, and continuously monitor and dynamically improve them. Conduct compliance risk identification and assessment, and compile the compliance risk ledger.

Three Lines of Defence in Compliance Management		
Second Line of Defence	Audit and Legal Department	Promote the development and improvement of the compliance management system and mechanisms, organise compliance inspections, reviews and assessments; accept reports of violations and participate in investigations to urge the rectification and continuous improvement of violations; organise training and publicity to cultivate a compliance culture for all employees.
Third line of defence	Party and Mass Department	Conduct comprehensive inspections or special inspections on compliance management, supervise the implementation of compliance rectification, investigate violations, and hold relevant departments and personnel accountable based on the facts of violations and losses caused.

At the same time, to promote the popularisation and implementation of the *Guidelines on Corporate Governance for Boards and Directors* issued by the SEHK in 2025, as well as the revised provisions of the *Corporate Governance Code* and the *Listing Rules* that came into effect, and to continuously enhance the professionalism of the Company's overall corporate governance, the Company invited overseas legal advisers and compliance regulatory legal advisers for Hong Kong-listed companies to conduct corporate governance and compliance training and exchange sessions. This effectively enhanced the understanding of all employees regarding the *Guidelines on Corporate Governance for Boards and Directors*, the *Corporate Governance Code*, and the *Listing Rules*, thereby providing important guidance and support for the Company's ongoing compliance management.



II. Deepening Responsibility Management

The Group regards a sound ESG management system as the core driver of long-term value and responsible growth. To this end, we have established a clear hierarchical ESG governance structure with defined responsibilities, a comprehensive and robust ESG risk management system, and an internal monitoring system, and has put in place a regular review mechanism to continuously assess effectiveness. By systematically collecting internal and external feedback, the Company dynamically optimises its ESG objectives to ensure that they not only align with the Company's strategy and social responsibility aspirations, but also actively respond to and support the achievement of the United Nations Sustainable Development Goals (SDGs).

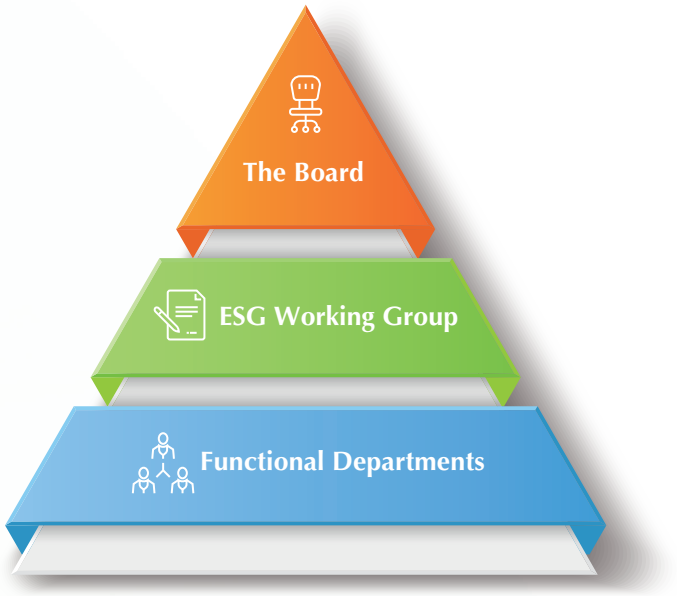
1. Sustainable Development Strategies

To build a scientific, systematic and standardised ESG work system, and enhance Bay Area Development's ESG risk prevention and control capabilities as well as value creation capabilities, we have formulated the *Sustainable Development Policy*, which systematically governs practices in employees' rights and interests, community building, environmental protection and value chain management, thereby fully fulfilling its commitment to sustainable development.

Employees	• Treat employees with fairness and respect • Provide training and development opportunities for employees • Maintain a healthy, safe and suitable working environment
Community	• Actively support and participate in positive initiatives, activities and cooperation in the communities where the operations are located • Encourage employees and stakeholders to support community and educational charitable activities, and to participate in voluntary work • Maintain good relationships and close communication with stakeholders
Environment	• Minimise the potential impact of the operational process on the environment • Effective use of resources and promote environmentally friendly practices • Integrate sustainability practices into the supply chain and value chain where feasible
Value chain	• Conduct business in an ethical and legal manner to maintain a high degree of integrity • Jointly promote sustainability practices with business partners, suppliers, customers and other value chain entities • Strengthen service quality management to cope with changing market demands

2. Sustainability Governance Structure

Bay Area Development has established an ESG governance structure with clear rights, responsibilities and layered accountability. The Board, as the highest decision-making body, is responsible for the top-level design, oversight and approval of the ESG strategy. The ESG Working Group established under the Board is responsible for overall coordination and implementation, ensuring the effective execution and daily monitoring of the Company's ESG strategy. Each functional department carries out specific ESG tasks and projects in accordance with its strategic responsibilities, jointly forming a complete management closed loop from decision-making to implementation.



ESG Governance Framework

3. Sustainability Capacity Building

In order to continuously improve our sustainable development capabilities, Bay Area Development actively supports employees to participate in ESG-related professional training and qualification certification. By the end of the Reporting Period, the Company has assisted employees to complete systematic learning and assessment in the field of sustainable investment, and officially obtained the sustainable investment certificate. This not only reflects a significant improvement in employees' professional capabilities, but also builds a professional talent reserve for the Company's future project development in green finance, responsible investment and other areas.

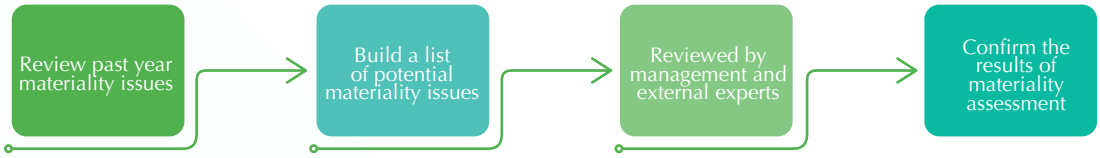
4. Stakeholder Communication

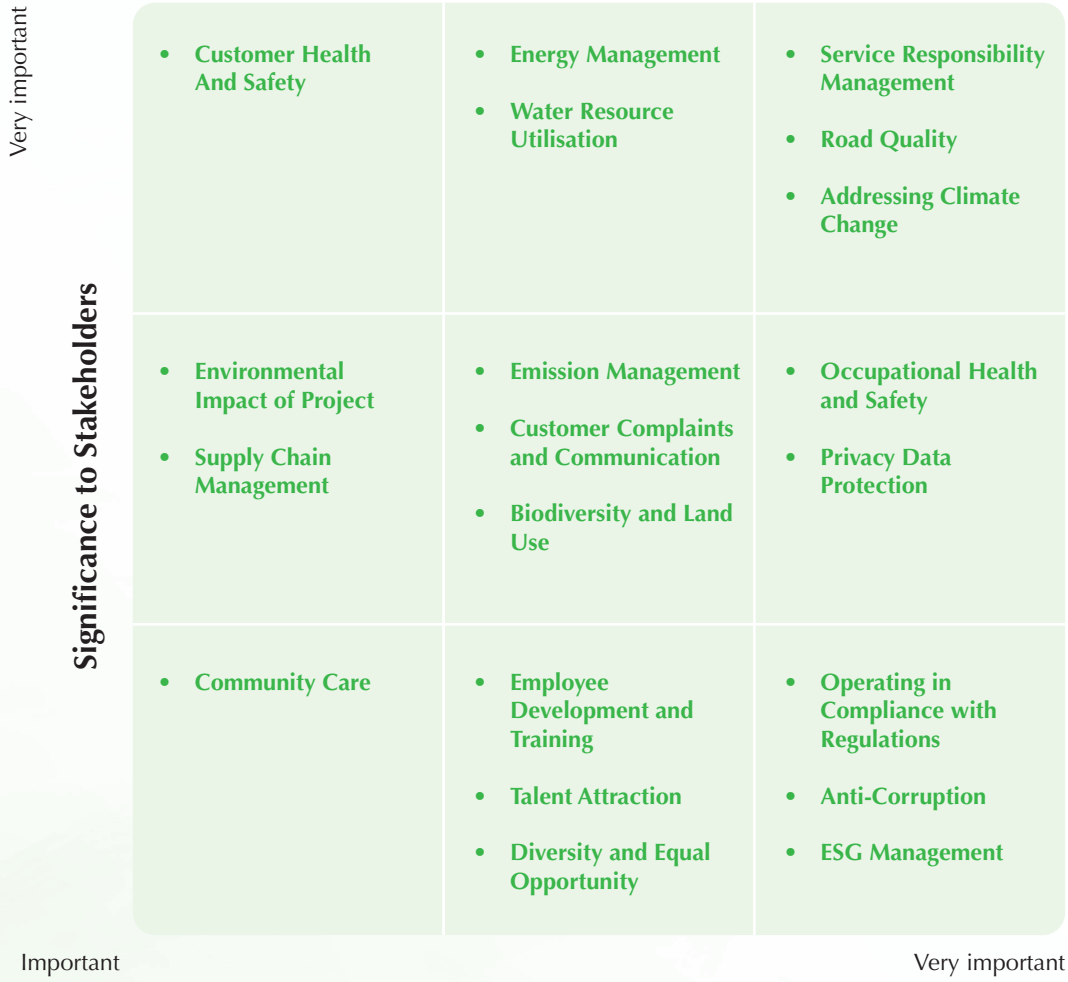
Bay Area Development attaches great importance to mutual trust and mutual benefit with stakeholders, and has established a normalised communication mechanism for this purpose. Through diversified communication channels, we maintain close communication with all key stakeholders, actively identify and accurately respond to their concerns and expectations, and ensure that the Company's development always resonates and advances synergistically with stakeholders' expectations.

Stakeholder	Expectations and Requirements	Communication Methods
Regulatory Authorities	Compliance management Anti-corruption and anti-bribery ESG governance	Regular reporting and communication Meetings and exchange activities
Board, Management and Joint-venture Partners	Compliance management Community care Service responsibility management	Regular reporting and communication Work meetings Annual reports
Shareholders and Investors	Investor relations management Improvement of corporate governance Risk management Disclosure of business information	General meetings of shareholders Regular and ad-hoc reports Investor hotline Company's publication website
Customers/Highway Passengers and Drivers	Road quality Service responsibility management Customer complaints Customer communication	Highway travel announcement Communication with staff at toll booths and service areas Customer service hotline
Employees	Protection of employees' rights and interests Ensuring occupational health and safety Promoting employee development Enhancing employee well-being	Employee training Employee condolences Union organisations and activities Employee lectures Networking events
Suppliers	Supply chain management Contribute to industry development Sustainable and stable cooperation	Business cooperation and daily communication Supplier communication channels Discussion, exchange and cooperation
Communities and Media	Community care Contribute to the "dual-carbon" goals	Public welfare and charity activities Exchange and cooperation

5. Materiality Issues Survey

Bay Area Development systematically reviewed prior topics and fully integrated domestic and international ESG trends and industry dynamics when assessing material ESG topics for the year, ensuring the topics are highly aligned with the Company's business and industry characteristics. Given that there were no significant changes to the Company's business during the year and the overall industry trend remained stable, the material topics for this year, after joint review by management and external sustainability experts, remained consistent with those of previous years as a whole.





Bay Area Development Materiality Assessment Matrix

III. Adhering to Business Ethics

The Group has always maintained a "zero tolerance" attitude towards corruption, bribery, fraud, and other unethical behaviors, and has established a comprehensive system covering prevention, reporting, enforcement and supervision. The Company has formulated the *Code of Conduct and Whistleblowing Policy* to employees' ethical standards and reporting procedures.

1. Preventing and Controlling Integrity Risks

Bay Area Development has revised and improved the Company's *Integrity Risk Prevention and Control Work Manual*. Through conducting integrity risk point identification, risk level assessment, formulating prevention and control measures, and clarifying integrity management responsibilities, the Company has established and improved an integrity risk prevention and control mechanism with clear powers and responsibilities, focused priorities and effective measures. It has strengthened the ideology among all employees of "daring not to corrupt, being unable to corrupt and having no desire to corrupt", and continued to foster an integrity culture of "loyalty, integrity and responsibility".

In addition, we innovate the integrity construction mechanism and strengthen the integrity construction with our partner companies based on the Company's own business characteristics. At the beginning of 2025, the Company cooperated with the party organizations of the joint ventures to jointly build integrity and formally signed the *Integrity Collaboration Joint Declaration* to build a more extensive, collaborative and efficient integrity supervision network and further improve the supervision mechanism.

Optimisation of the Integrity Culture Development System and the "1234" Working Approach	
"1 Goal" – Providing a Solid Escort	The work goal of "Focusing on core responsibilities and main business, and strengthening political oversight" has truly transformed integrity and discipline into the daily habits and behavioural norms of all employees of the Company.
"2 Letters" – Building a Line of Defence	Organise integrity advocacy activities, with employees in key positions signing the *Integrity Commitment Pledge*. Issue the *Integrity Proposal* to the Company's employees and their family members. In 2025, a total of 63 *Integrity Commitment Pledges* were signed.

Optimisation of the Integrity Culture Development System and the "1234" Working Approach	
"3 No Corruption" – Integrated Promotion	Promote the fundamental initiatives of "daring not to corrupt, being unable to corrupt and having no desire to corrupt". Comprehensively and systematically sort out integrity risk points and compile a job-specific integrity risk level catalogue; formulate targeted prevention and control measures based on integrity risks; establish a two-tier leadership responsibility system for integrity management and sign the *Integrity Management Responsibility Statement* at each level.
"4 Dimension" – Force in the Same Direction	The Party Branch Committee, management team, trade union and youth organisations work in concert in four dimensions. Under the Party-building-led"1+3+X" innovative work model, and through regular Party discipline education, strict supervision and management, integrity-themed Party Day activities, and integrity culture promotion, the Company enhances the influence of integrity development.

2. Building a Culture of Integrity

Bay Area Development focuses on channel expansion and content innovation, integrating multiple online and offline media such as the Company's internal and external websites, offline publicity boards, corporate magazines, WeChat groups, and normalising warning education and integrity culture publicity through rich and diverse forms of presentation. With content that better meets the needs of employees and wider dissemination coverage, we will continue to improve the quality and effectiveness of integrity education, ensuring that the concept of integrity is comprehensively embedded and internalised, so that it can be truly heard, seen, understood and upheld in their daily work and conduct.



Organising the Viewing of Anti-corruption Education Promotional Films

3. Protecting Whistleblowing Rights

Bay Area Development has formulated the Whistleblowing Policy, which aims to enhance employees' integrity awareness by establishing an internal monitoring mechanism and providing a confidential whistleblowing channel free from retaliation. This safeguards corporate transparency, integrity and accountability, and prevents improper conduct from impairing the interests of shareholders and other stakeholders as well as the corporate image. The Policy sets out the scope of reportable matters, including violations of laws or regulatory requirements, financial and audit fraud, threats to personal safety, environmental damage, breaches of the code of conduct, unethical behaviour and deliberate concealment of the aforementioned acts. It also stipulates that whistleblowers will be afforded identity confidentiality and protection against retaliation, while those who deliberately lodge false or malicious accusations will face disciplinary action (including dismissal) and possible legal proceedings.

The Company has established a clear and standardised whistleblowing mechanism. Employees may report to their department head or the head of Audit and Legal Department (if the reported incident involves the department head, they may contact the general manager; if the report involves senior managers, they may report directly to the Audit Committee). The Company accepts real-name reports in person or in writing, and handles them in accordance with the "Real-Name Principle". Investigations will be conducted either internally or via external referral as appropriate, and whistleblowers will receive written feedback throughout the process.

5. Craftsmanship in Operations: Building Quality Transportation

The Group believes that operational excellence is the core engine driving transportation infrastructure to realise its social and economic value, and it is also the fundamental guarantee for the enterprise to fulfil its commitment to responsible growth. By integrating the spirit of excellence and meticulous craftsmanship into the complete process of safety, maintenance and service, the Company has built a safe and smooth quality travel corridor, laying a solid foundation for public well-being and long-term corporate value.

In response to the SDGs targets:



Topics covered: Service Quality Management; Customer Complaints; Customer Communication; Occupational Health and Safety; Technological Innovation

2025 Key Performance:

- 100% settlement rate of customer complaints

I. Building a Solid foundation for safety

With road traffic safety as its core, the Group deeply integrates the concept of "Safety First" into all aspects of daily operations. The Company consolidates work safety responsibilities at every level, continuously promotes the investigation and rectification of hidden dangers, and conducts safety education and emergency drills on a regular basis, comprehensively building a road safety defence line and striving to ensure safe and secure travel.

1. Establishing a Safety Mechanism

To strengthen and standardise work safety management, prevent and reduce work safety accidents, Bay Area Development has formulated a work safety management system and an emergency response plan for work safety accidents. It requires its wholly-owned and controlled subsidiaries to implement such systems and plans by reference, so as to ensure the normal conduct of production and business activities, and safeguard the Company's property and the personal safety and health of its employees.

The Group adheres to the work policy of "Safety First, Prevention Primacy, Comprehensive Management" and effectively carries out various work safety activities in accordance with the Company's annual work safety plan.

Safety Production Policy	"Safety First, Prevention First, Comprehensive Treatment"
Safety Production Goals	• Zero fatalities attributable to the Company • Elimination of major and above-level production safety incidents • Elimination of liability incidents such as personal injury, fire, and food poisoning exceeding the unit's handling level • 100% rectification rate of identified hazards within stipulated timeframes

Safety Management Organisation Structure. The Group has established a safety management organisation structure with clear levels and well-defined responsibilities. With the Work Safety Committee (the "Committee") as the core decision-making body, it provides overall leadership for the Group's safety management. The Office of the Work Safety Committee (the "Committee Office") is established under the Committee, and safety officers from the Engineering Management Department and the Administration Department implement the relevant requirements of the Committee.

Work Safety Responsibility System. The Group has formulated a work safety responsibility system and a responsibility list to clarify the work safety duties of personnel at all levels. In accordance with the *2025 Annual Work Safety Plan* formulated at the beginning of the year, the Group decomposes work tasks and the responsibility list, earnestly implements all work safety tasks, and breaks down responsibility indicators layer by layer. Work safety responsibility statements are signed level by level to achieve full coverage of all employees.

Work Safety Standardisation. The Group further promotes standardisation development and has established a scientific, systematic and standardised work safety management system, striving to build a long-term mechanism for work safety. It strictly implements work safety-related activities in accordance with work safety standards and continuously enhances work safety standardisation. The Group strictly implements the Safety Meeting Management System. The Party Committee reviews work safety matters semi-annually, and the Board of Directors or Executive Board reviews work safety matters quarterly, so as to ensure the effective implementation of work safety laws, regulations and higher-level requirements, and to timely communicate and summarise progress in work safety.

Two-Prevention Mechanism for Work Safety. The Group has fully carried out hidden danger investigation and rectification work and improved the risk classification and control mechanism. Focusing on special investigation and rectification campaigns, it encourages employees to act as "safety whistleblowers" and Party members to actively participate in on-site safety inspections and daily safety supervision. A total of 37 safety inspections and hidden danger investigations of various types were carried out, including monthly inspections, pre-holiday inspections and expert-led inspections, with 126 person-times of inspectors dispatched. Key comprehensive inspections were conducted on electrical facilities, fire-fighting equipment, fire safety evacuation routes and other items in office areas in both Shenzhen and Hong Kong. A total of 18 hidden dangers were identified, with a rectification rate of 100%.

2. Safe Production Operation

Bay Area Development has established a dual prevention system comprising safety risk classification, control and hazard investigation and remediation. Through comprehensive safety risk identification, the Group has developed a four-colour road safety risk distribution map and an operational safety risk comparison map based on risk registers, and has continuously improved its risk classification and control mechanism. Meanwhile, the Group promotes hazard investigation on a regular basis, establishes a ledger for accident hazard investigation and remediation, develops targeted response measures, and ensures the effective implementation of all risk control measures.

Summary of Emergency Drill for New Energy Vehicle Fire at Bijiang Central Station

On June 24, 2025, the "New Energy Vehicle Fire Emergency Comprehensive Drill" was organised at Bijiang Central Station of GZ West Superhighway in conjunction with relevant units. The drill process was highly simulated actual combat, covering the process from incident detection and initial handling, to the rapid reporting of information to the monitoring centre, and the linkage of notification to the traffic police, road administration, fire protection, and traffic rescue. It effectively tested the emergency plan, command and dispatch mechanism, and multi-party coordinated combat capability to respond to a sudden fire of new energy vehicles on site, and achieved the expected goals.



New Energy Vehicle Fire Emergency Drill

Fire Safety Emergency Drill and Comprehensive Emergency Drill for Traffic Accidents

On June 20, 2025, the Coastal Management Centre organised off-duty employees, the road administration team, and personnel from the project department to conduct a fire safety drill, which was commanded by the head of the fire station with a total of 262 participants. The drill was highly aligned with real-world scenarios, covering preliminary material preparation (inspection of fire extinguishers, fire hydrants and other equipment) and facility checks (verifying that safety exits, emergency lighting and other facilities were in good condition). On-site demonstrations and hands-on training were provided on the "pull, aim, squeeze, sweep" method of using fire extinguishers, and the core principles of fire escape in high-rise buildings were taught. The drill effectively enhanced employees' fire emergency evacuation capabilities and proficiency in operating fire-fighting equipment.



Fire Safety Emergency Drill





Comprehensive Emergency Drill for Traffic Accidents of GS JV

2025 Hidden Hazard Inspection and Treatment of GZ West JV

Existing Hidden Dangers: The sunshade at the underpass entrance of Liwan South Station has been removed, and no safety barricades have been installed.

Control Measures: The Electrical and Mechanical Tunnel Department urges the construction unit to take protective measures in accordance with the requirements of the construction standard "one hole, one protection".



Before Rectification



After Rectification

3. Extreme Weather Prevention

To effectively respond to the challenges posed by extreme weather such as flood seasons and typhoons, Bay Area Development has established a comprehensive safety management system covering the entire process of "early warning, prevention and emergency response". The Office of the Work Safety Committee of the Company closely monitors meteorological developments, promptly issues early warning information through multiple channels, and clarifies risk levels and key prevention points. It regularly conducts safety publicity and case-based education to enhance employees' awareness of disaster prevention and self-rescue capabilities. At the same time, it focuses on inspecting electrical circuits and fire-fighting facilities in office areas, reinforces weak links such as doors and windows, and eliminates potential safety hazards in advance. In response to extreme weather such as flood seasons, typhoons and heavy rainfall, early warning and forecast information is issued in a timely manner, and publicity through multiple channels has improved employees' awareness of preventing extreme weather. Safety work reminders are implemented before major holidays such as the Spring Festival, Lantern Festival, May Day and Dragon Boat Festival to achieve early risk prediction.

In order to improve the overall resilience of engineering projects, the Group has established a systematic emergency management system, clearly defined the emergency organisational structure and division of responsibilities, standardised the whole process management covering "early warning-prevention-response-handling", and refined information reporting, material guarantee, publicity and training and other supporting mechanisms. The Company has actually improved the proactive disaster prevention and emergency response capabilities of projects by strengthening internal and external linkages, implementing hierarchical responses, regularly organising drills, and continuously revising plans. In addition, we encourage our subsidiaries to systematically carry out disaster prevention and mitigation work based on their local characteristics.

Coastal Company	During the extreme weather early warning period, the leadership team and the 24-hour on-duty system was fully implemented to enable immediate emergency response; a total of 37 various warning notifications were forwarded.
GS JV	GS JV has formulated the *Special Emergency Plan for Flood, Drought and Typhoon Prevention and the Special Emergency Plan for Meteorological Disasters*, strengthened emergency reserves, and implemented a 24-hour on-duty system during the flood season. A leading group for flood and typhoon prevention has been established to coordinate and oversee all flood and typhoon prevention work. GS JV conducted a major hazard investigation and rectification campaign during the 2025 flood season and typhoon period, and developed a work plan for the special protection period. Measures included timely dredging of drainage systems along the roads, remediation of waterlogging points on road surfaces, and maintenance of traffic safety facilities.
GZ West JV	Revised emergency response plans for flood control, drought, wind, and meteorological disasters, and cooperated with Foshan Meteorological Service Centre to provide meteorological services to the Company. During the early warning period of natural disasters, we conducted inspections of key locations and strengthened wind proofing of facilities and equipment along the route, and continuously strengthened communication and coordination with local traffic police, emergency response, meteorology and other departments. After the typhoon passed, we organised road administration and maintenance personnel to inspect the slopes, bridges, and tunnels along the entire line, and cleared road debris and fallen trees.

II. Strictly Controlling Quality Standards

The Group regards quality as the lifeblood of corporate development and is committed to building a modern quality management system covering the entire chain of "planning and design — engineering construction — operation and maintenance". Based on forward-looking engineering quality management, the Group implements a scientific road maintenance strategy, and embeds the concepts of prevention and precision throughout the entire process. Ultimately, it achieves the fundamental goal of ensuring smooth traffic during peak hours and serving public travel needs, and systematically forges a high-quality travel corridor.

1. Engineering Quality Management

In terms of quality management, the Bay Area Development focuses on "formalisation, standardisation, and refinement", combining project characteristics and regulatory requirements to build a full-process, multi-subject collaborative management system.

Quality Management Target of GS JV

Basic Quality Standards: The main and ancillary works shall comply with the Quality Inspection and Evaluation Standards for Highway Engineering. The compliance rate of sectional works shall reach 100%, the qualification rate of Class I pile foundations and concrete cover shall exceed 95%, quality accidents of general level and above shall be eliminated, and the project shall be delivered as an Excellent Engineering.

Goal of Excellence: Strive for Ping An Centennial Quality Project, Green/Smart Highway Demonstration Project, Highway Engineering Quality Project Award, Luban Award and other honors.

Industry leadership: Project quality and management level shall reach the international leading level in the field of expressway reconstruction and expansion.

Responsibility System

We define the quality management responsibilities of the owners, design, construction supervision, and construction parties, forming a responsibility chain of "owners' overall planning, design foundation, supervision and oversight, and construction implementation". Through the establishment of a civilized leading group, the owner unit urges all parties to perform their duties, and entrusts a professional institution to carry out environmental engineering design and supervision. As the core executive body, the construction unit has established a management agency headed by a project manager to formulate project plans and emergency response plans, and set up full-time positions to implement quality control to ensure that quality management is in place.

Process Control

We require the contractor to complete the construction site layout plan, put rules and regulations on display before construction, clarifying the standards for material stacking and temporary electricity consumption. During construction, we formulate project quality requirements for different project types such as roadbed, pavement, bridges and culverts, Meanwhile, we strengthen monitoring of environmentally sensitive sites, and conduct real-time monitoring of noise, dust, water quality and other indicators via an integrated platform, with full-process archives established to ensure that construction quality and environmental protection requirements are implemented simultaneously.

Supervision and Assessment

We have established a multi-level inspection and quantitative scoring system to ensure the implementation of quality management. The Management Office conducts monthly inspections of the whole line, the supervision unit conducts inspections every two weeks and the resident supervision weekly, and the construction unit conducts daily self-inspections and reports monthly. For all inspections, contact slips shall be completed to clarify rectification responsibilities and time limits. A civilised construction scoring form has been formulated, with quantitative standards set for organisational assurance, site layout and various construction procedures, and the final scores are incorporated into performance appraisal and commendation. At the same time, we will penalise units that fail to rectify or repeat the problem. If the contractor fails to meet the environmental protection acceptance standards, the employer can deduct the relevant costs from the construction environmental protection fee.

2. Road Science Maintenance

The Group has established an integrated management system that combines safety, green development and intelligence in the road maintenance sector. With preventive maintenance as the core principle, we have driven the shift of maintenance models from passive response to proactive intervention, significantly extending the service life of road infrastructure. Through the extensive application of digital tools such as the intelligent operation and maintenance platform, structural health monitoring and UAV inspection, we have achieved real-time perception and accurate assessment of bridge and road conditions.

At the same time, we actively promote green maintenance technologies such as hot in-place recycling, recycling of old materials, and low-noise pavement to comprehensively improve resource utilisation efficiency and environmental protection standards. In terms of management, relying on regular inspections, closed-loop assessments, and cross-departmental coordination mechanisms, we ensure the roadside environment is clean and tidy, and traffic is safe and smooth, systematically developing high-quality transport corridors featuring the characteristics of "smoothness, safety, comfort and aesthetics".

Road Maintenance Highlights Practice

Coastal Company

- Uphold the intelligent management and maintenance platform as the core, and establish a closed-loop management system of "monitoring — early warning — decision-making — treatment — evaluation".
- The structural health monitoring system provides 24/7 real-time monitoring of key parameters such as bridge stress and displacement. The road clearance team receives multi-source instructions to enable rapid deployment. Road potholes are required to be rectified by the minor repair team within 24 hours.
- SMA low-noise pavement is used for the milling overlay on all expressways under its jurisdiction. The treatment of *Mikania micrantha* and control of red imported fire ants (*Solenopsis invicta*) are carried out continuously, with drone aerial photography used to assess the effectiveness.
- We regularly prune, fertilise and irrigate the greenery in expressway median strips and on roadsides. We focus on the control of invasive plants including *Leucaena leucocephala* to ensure sufficient growing space for greenery along the route.

Road Maintenance Highlights Practice

GS JV

- Conduct comprehensive inspections and timely remediation of key structures such as slopes and retaining walls along the route, and carry out retrospective analysis of historical project quality to enhance the targeting of maintenance efforts.

- In the asphalt pavement maintenance projects over the years, all waste materials generated by milling were used for site filling and levelling to achieve resource utilisation.

- During the milling and resurfacing of certain road sections, a new anti-skid and noise-reducing pavement material (2cm UHPP) is used, delivering a noise reduction of 2–5 decibels compared with conventional asphalt pavement.

- For three consecutive years, we have collaborated with multiple organisations to plant trees along the Luogang section, establishing a total of 616 trees in the "Kaopu Youth Forest" to contribute to ecological development through practical actions.

GZ West JV

- Senior leaders have participated in establishing a regularised dedicated cleaning task force to conduct thorough cleanup of accumulated roadside garbage and illegally dumped construction waste, significantly improved the roadside environment.

- Based on the long-term pavement maintenance plan, the preventive maintenance work will be promoted in the next three years for the Phase II of the GZ West Superhighway and some sections of the Phase III of the GZ West Superhighway that have been opened to traffic for more than 10 years to extend the service life of the roads.

- In pavement maintenance projects, 100% of waste asphalt mixtures are recycled and 95% are reused, with over 5,000 tonnes of waste material processed in 2025.



Thorough Roadside Cleanup



Road Area Environmental Improvement

Coastal Company Focuses on the Prevention and Control of Invasive Plants such as *Leucaena leucocephala*

In 2025, as part of its greening improvement works, Coastal Company carried out targeted prevention and control of *Leucaena leucocephala* on the slopes of the S86 Outer Ring Expressway in the Guangming District section. A scientific herbicide spraying method was adopted for this operation. Focusing on the stumps retained after felling, the cross-sections, wounds and root gaps were intensively sprayed to ensure the herbicide reached the root system directly. After two months of observation, approximately 400 square metres of invasive vegetation were effectively cleared, successfully curbing the spread of *Leucaena leucocephala* and laying a solid foundation for the restoration of the native ecological environment. Coastal Company will subsequently optimise its construction plan to adapt to the special terrain of the upper slopes and continue to advance prevention and control efforts.





3. **Ensuring Smooth Travel during Peak Hours**

The Group takes "technology empowerment, collaborative coordination, and refined management and control" as its core principles. Adhering to the philosophy of "one strategy for each station" and "one solution for each congestion point", it has established an efficient road traffic assurance system to improve the efficiency of the overall road network and create a smoother travel environment for the public. The Group leverages AI monitoring, multi-party coordinated dispatching and intelligent diversion measures to achieve rapid incident detection, precise resource deployment and proactive traffic intervention, thereby fully ensuring the smooth operation of the road network. Drawing on the characteristics of their respective road sections, each unit have developed distinctive traffic smoothness models, which have significantly improved road traffic efficiency and the travel experience of drivers and passengers.

Coastal Company

- **AI Monitoring and Rapid Detection:** Adopting the "AI and Human" road network surveillance system, with an automatic early warning response time of no more than 10 seconds and a manual review time of no more than 1 minute, enabling early detection and early intervention of abnormal events.

- **Integrated Dispatching and Resource Coordination:** Developing the "one road, multi-party" command and dispatch platform to enable joint dispatching of road administration, rescue and obstacle-clearance teams, with a response time of no more than 3 minutes; optimising the deployment of road administration patrols, trailer rescue and maintenance and obstacle-clearance stations, forming a "2km rescue circle" in the core area of the Coastal Expressway (Shenzhen section), and controlling the arrival time within 30 minutes.

- **Hierarchical Response and Coordinated Diversion:** Providing evacuation guidance for minor incidents to be cleared within 5 minutes, and simultaneous scheduling and handling for major incidents; through the joint efforts of six departments-traffic police, road administration, rescue, obstacle clearance, monitoring and toll collection — we have achieved information sharing and joint responsibility.

- **Regional Collaboration and Information Sharing:** Strengthening coordination with construction units, adjacent expressways and traffic police departments, and reporting congestion and disposal progress in real time via the command centre and dedicated work WeChat groups, to coordinate adjacent units to implement traffic diversion measures in advance.

- **Public Guidance and Travel Services:** Establishing an external communication coordination mechanism to release traffic flow predictions and diversion plans in a timely manner, and identifying congestion-prone and accident-prone road sections; disseminating real-time traffic conditions and traffic management information through multiple channels such as traffic radio, Weibo and information boards to guide drivers and passengers to plan their routes prudently.

- **Differentiated Traffic Management and Regional Synergy:** Addressing traffic congestion on the Coastal Expressway (Shenzhen section) caused by the opening of the Shenzhen — Zhongshan Link by upgrading and optimising traffic channelisation, signs and markings on congested sections.

GS JV

- **Collaborative Governance and Mechanism Optimisation:** Regularly organising multi-party seminars with traffic police to iteratively upgrade management strategies; implementing "fine adjustments" to traffic organisation, "minor modifications" to facilities, and additional monitoring and broadcasting to regulate traffic flow at key nodes and effectively alleviate congestion; deploying fixed-point road administration duty posts and joint patrols with traffic police during peak times and on key sections to build a "fixed-point stationing and patrol supplementation and joint response" mechanism, achieving the "five quick" objectives.

- **Refined Management and Targeted Congestion Relief:** Combining historical data and real-time monitoring to continuously optimise congestion relief and emergency response plans; focusing on expressway elevated sections and high-traffic sections, flexibly activating emergency lanes and installing guidance signs during peak hours to balance traffic flow distribution.

- **Technology Empowerment and Road Network Coordination:** Deploying 238 high-definition surveillance cameras across all sections and integrating them with the incident detection and alert system to enable real-time detection of congestion and abnormal events; issuing advance safety reminders via information boards and broadcasts to mitigate the risk of secondary accidents; implementing the "remote diversion and near-end traffic restriction" dual-control model, leveraging the integrated road operation platform and high-definition digital base map to achieve information sharing, efficient coordination and hierarchical management and control of adjacent road sections.

- **Specialised Service Support and Emergency Response Mechanism:** Establishing 13 ETC service points to ensure the handling of special cases is controlled within 5 minutes; collaborating with the "one road, three parties" to establish a breakdown transfer mechanism for large passenger vehicles, with approximately 3,700 passengers safely transferred since 2022.

GZ West JV

- **"Seven-in-One" Collaborative Response:** Leveraging the monitoring centre as the core hub to coordinate seven parties, including road administration, maintenance, rescue, traffic police and other relevant forces, and implementing the "five quick mechanism" to achieve rapid accident response and clearance.

- **Innovative Application of Unmanned Aerial Vehicle (UAV) and Intelligent Inspection:** Deploying UAV inspections and vehicle-mounted mobile airports to enable rapid monitoring and control of service areas and slow-traffic road sections, as well as tailgating control, thereby enhancing the efficiency of congestion relief.

- **Intelligent Upgrade and Long-Term Safeguards:** Completing the renovation of intelligent toll stations and applying technologies such as digital twins and tidal robots to increase traffic efficiency by 10%.

III. Providing Premium Travel Services

The Group continuously optimises service processes, improves service quality, and advocates a new trend of civilised travel. By enhancing service efficiency in all aspects, we strive to create a harmonious and orderly traffic environment to facilitate smoother urban transportation and happier people's lives, thereby practising its social responsibility of "Transport Services Empower a Better Life" with concrete actions.

1. Improving Service Quality

The Group adheres to the civilised service standard, taking customers as the centre and prioritising their interests. We continually refine our service philosophy, optimise service processes and systems, and explore innovative service models. Our aim is to create safe and comfortable travel experiences for customers through professional expertise and ethical conduct.

- ***Improving The Standardised Service System***

  In order to improve the standardised service system, during the Reporting Period, the GS JV revised a series of rules and regulations, such as *Administrative Measures for Operational Charges, Operation Manual for Charges*, and *Monitoring Manual* to make them more in line with the practical operational requirements. GS JV continued to monitor the development of the Guangdong Provincial Local Standard *Technical Guidelines for the Construction of Expressway Smart Toll Stations*. Based on this standard, we sorted out the standardised service process and toll business operation guidelines of smart stations, continuously improved the toll business knowledge base, and promoted the standardisation and normalisation of the management system. At the same time, GS JV systematically summarised the experiences and practices of the smart toll stations, digital toll stations, and micro-innovation applications, forming replicable and scalable outcomes to enhance the influence of quality development.

- ***Improve Staff Service Capabilities***

  The Group continues to empower front-line employees and management to improve their capabilities by conducting diversified training activities such as centralised training and roadshows, thereby cultivating a more professional and innovative team. In addition, GS JV has set up a 24-hour "Most Beautiful Road Sister Demonstration Post" in the monitoring centre. Adhering to the "Five Commitments" service philosophy — Sincere Smiles, Dedicated Incident Handling, Patient Explanations, Meticulous Operations, and Warm Assistance — the initiative is dedicated to safeguarding customers' legitimate rights and interests and continuously elevating their service experience.

Coastal Company Conducted 2025 Civilised Service Centralised Training and Tour Demonstration

In order to continuously optimise service quality and create a mobile emblem of urban civilisation, from 28 July to 13 August, 2025, the Station Operation and Management Department of Coastal Company organised a 16-day centralised training and tour demonstration on premium service. Covering 14 administrative stations, it aims to comprehensively improve the service level of frontline services and strengthen employees' service awareness. The activity adopted a progressive training model of "Centralized Training + Exemplary Guidance". In the first phase, a closed-door training session was systematically conducted to enhance the professional competence and service capabilities of the core team. During the second phase, a "Service Demonstration Team", comprised of outstanding employee representatives and internal trainers, visited operational stations. Through the approach of "Theoretical Explanation + Demonstrative Modeling + Interactive Correction", the team accurately disseminated standardised service procedures to over 1,800 frontline staff, ensuring full and seamless coverage of service protocols.





GS JV Organised the "Most Beautiful Road Sisters (Teams)" and "Best Road Brothers" Selection Activities For 8 Consecutive Years

In order to continuously stimulate the vitality of employees and improve the quality of services, GS JV has carried out the selection activities of "Most Beautiful Road Sisters (Teams)" and "Best Road Brothers" for 8 consecutive years to build a platform for young employees to show their personal image and youthful demeanor. GS JV strictly adhered to the evaluation standards, dug deep into outstanding typical deeds, and prudently determined the recommenders. In the end, 11 each of "Most Beautiful Road Sisters" and "Best Road Brothers", and 6 "Most Beautiful Road Sisters Teams" were selected for the year. Guided by the advanced culture of civilised units across the country, GS JV strengthened the promotion of advanced and typical deeds through multiple online and offline channels, vigorously promoted the dedication and service concepts of "Most Beautiful Road Sisters (Teams)" and "Best Road Brothers", and continued to expand the demonstration effect. The activity effectively created a strong atmosphere of "learning advanced and striving for first-class", stimulated the enthusiasm and creativity of employees, and injected a strong impetus for the Company to build a high-quality service team and achieve high-quality development.





"White Magnolia" Road Sisters Team



"Phoenix Flower" Road Sisters Team

- *Innovative Service Model*

  The Group actively explores an innovative service model that integrates transportation and travel. As a core transportation trunk road in the Greater Bay Area, GZ West JV connects cultural and tourism resources along the routes of Guangzhou, Foshan, Zhongshan, and Zhuhai. During the Reporting Period, GZ West JV innovated the "transportation + tourism + food" model, and created the theme development of "Tasteful West Line•Bay Area Scenic Corridor". The project was successfully selected into the "2025 Innovative Transportation — Tourism Integration Project" and became the first route in Guangdong Province to be awarded the title of "National Tourism Highway". In addition, GZ West JV has renovated and upgraded the Shaxi service area, striving to build a benchmark for the integration of transportation and tourism.

Shaxi Service Area Takes a New Look and Sets a Benchmark For Integration of Transportation and Tourism

GZ West JV has thoroughly implemented the construction requirements of the "Bai County, Qian Town, Wan Village" High-Quality Development Project and the "Green and Beautiful Guangdong" initiative. During the Reporting Period, with the theme of "Harmony Between Mountain and Sea, Ancient Charm of Xiangshan", GZ West JV carried out a systematic renovation of the Shaxi Service Area, integrating Zhongshan's rosewood culture and local aquatic product characteristics into the redesign. In terms of convenience services, we set up special counters for rural revitalization, and created special functional areas such as driver's home, Cantonese tour station, care facilities for mothers with infants and special needs groups to effectively meet the differentiated needs of different groups. In terms of smart construction, we focused on high-frequency scenarios such as restroom usage and parking, leveraging technology to precisely optimise core user experiences. In the field of environmental protection, we focused on forward-looking layout, adopting energy-saving building materials and environmental protection facilities to achieve green and low-carbon operations. In addition, through the overall renovation of pavement, lighting and building appearance, a modern rest area combining safety, comfort, and aesthetic appeal has been created, significantly enhancing service quality and environmental benefits.



2. Building Smart Expressways

The Group adheres to the main line of smart expressway, closely following the cutting-edge directions such as new toll collection technology, front-end sensing technology, the Internet of Things technology, AI large model, and the application of four new technologies. We strive to promote hub and station congestion control, road operation monitoring and emergency response, intelligent toll collection, smart operation and maintenance, smart service and other application scenarios, creating a new paradigm for expressway operation and management characterised by "safety, smooth flow, environmental sustainability, and harmony" within an integrated "people, vehicles, roads, and environment" framework, driving the digital transformation of expressway systems. During the Reporting Period, the Group steadily promoted new toll collection models such as unmanned toll station and quasi-free flow tolling system. We conducted research and application of AI large models, and expanded the functions of "Shenzhen E-Transportation" platform. Through multiple drivers of technological innovation and data empowerment, we made travel smarter.

Smart Expressways Application Achievements	
Station congestion management	• ETC gantry pre-transaction and CPC plaza pre-payment technologies have been implemented at 7 toll stations, while the application of quick-issue card technology has been deployed at 16 toll stations, effectively improving the efficiency of vehicle traffic and the standard of station operation management and control.
Smart charging	• Completed the pilot program of quasi-free-flow toll collection for some sections of the Coastal Expressway (Shenzhen Section), enabling registered vehicles to travel without a card and improving traffic efficiency. • Completed the construction and acceptance of unmanned station at Xixiang South Exit Station of Coastal Expressway (Shenzhen Section) replacing the traditional manual toll collection model with the "self-service payment + remote control" model, which reduced tolling personnel by 25% and effectively reduced operating costs. At the same time, the efficiency of vehicle traffic and station operation has been significantly improved. • The digital station service construction project of GZ West JV has passed the final acceptance test. The "One-Stop" portal created by the project fully covers all aspects of the operation and management of toll stations. By systematically streamlining 59 offline business processes and completing digital transformation, it enables automated generation and processing for 95% of operations. This has significantly improved the safety and smoothness of the toll collection site and the operational efficiency of the toll collection management.

Smart Expressways Application Achievements	
Smart operation and maintenance	• The Robotic Process Automation (RAP) system deployed by GZ West JV relies on automation technology to empower audit work, greatly improving audit efficiency and accuracy. Since its launch in April 2025, it has achieved remarkable results: identifying evidence of toll evasion for 18,000 vehicle trips and achieving a 93% audit success rate. Compared to traditional manual auditing, this system has tripled operational efficiency. • GZ West JV has innovatively adopted the "drone + smart monitoring" inspection mode to achieve rapid deployment of service areas and slow-moving road sections, efficiently handle abnormal parking and minor accidents, and further improve the efficiency of holiday traffic management.
Smart service	• Coastal Company has completed the upgrade of the Shenzhen e-transportation platform to further enhance the public service experience. At the same time, we have successfully built a collaborative system of "One Road, Multiple Parties + Three Circles and Three Stages". This model establishes a fully integrated closed-loop management model encompassing "intelligent sensing, data-driven decision-making, and coordinated response", breaking through the barriers of information islands in traditional management to significantly improve the speed of emergency response and the efficiency of emergency response.





ETC Cloud Toll Lane

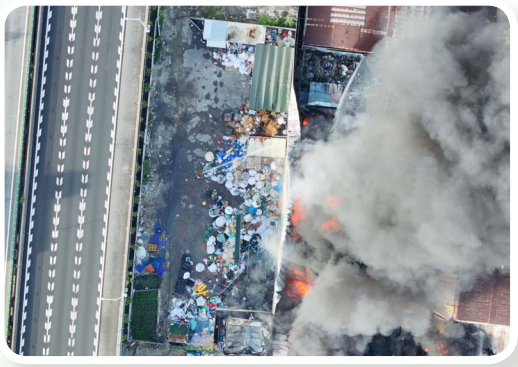




Smart Maintenance Platform



Liwan South Smart Station



Drone Aerial Photography of Fire

The Group always adheres to the core orientation of "implementing scientific research results and exporting industrial value". We continuously strengthen the value transformation of scientific research results, and actively promote relevant awards and standard certifications. With the digital achievements in the design stage, GS JV won the first prize in the 2025 "Tiangong Cup" Digital Transportation and Smart Construction Technology Application Competition. The *Technical Standards for Digital Toll Station Construction* co-developed by the GZ West JV has been honored with multiple accolades, including the 2nd Transportation Enterprise Smart Construction Innovation Practice Benchmark Case, the Leading Team for New Quality Productive Forces in Guangdong Intelligent Transportation, and the 5th Transportation Enterprise Science and Technology Innovation

Outstanding Achievement Award (highest honor). The Liwan South Smart Toll Station Construction Project was shortlisted for one of the top ten typical cases of the Guangdong Provincial Department of Transportation. The core technical achievement *Technical Guide for the Construction of Expressway Smart Toll Stations* has been incorporated into the project for the formulation and revision of Guangdong Provincial Local Standards, which will provide a replicable and scalable practice model for smart toll station construction across the province , and fully promote the Company's technological leadership and industrial influence in the field of smart transportation.

3. Protecting the Well-Being of Drivers and Passengers

The Group attaches great importance to listening to customers' voices. Coastal Company conducts customer satisfaction surveys every year according to the procedures stipulated in the *Customer Satisfaction Survey and Evaluation Control Program*. The survey questionnaire covers 27 specific items across three core dimensions — Impression, Quality, and Service — including aspects such as traffic efficiency and frontline service. This process enables the company to understand the current needs of drivers and passengers, identify key factors affecting customer satisfaction, and develop targeted improvement measures. Through ongoing exploration of innovative service models, the company continuously enhances overall customer satisfaction.

Survey Dimensions	Survey Content
Impression	Overall impression and feelings about the quality of service
Quality	Road signs guidance, lighting, road conditions, road maintenance, toll equipment, facilities along the route
Service	Work efficiency, service attitude, complaint response, towing and rescue, routine maintenance, holiday emergency, information dissemination

- ***Customer Complaint Handling Process***

  GS JV implements the principle of "First Ask Responsibility System" for complaint handling, ensuring thorough follow-through with designated personnel accountability. Facts, national policies, industry regulations and notification documents are used as the basis for judging and investigating the incident. For matters that cannot be settled immediately, a designated person will be arranged to coordinate with the relevant departments (units) to address the issue. The first recipient will continue to follow up the handling of the incident, and the verification results will be fed back to the complainant in a timely manner. All complaints strictly follow the full-process closed-loop handling mechanism of "acceptance-recording-case filing-investigation-resolution-follow-up-analysis-archiving", forming a continuous optimisation cycle of "handling-review-improvement". In addition, the Coastal Company strictly implements the latest processing time limit of 12328, and takes "100% contact within 24 hours" and "resolution within 24 hours" as the primary goal for each petition report. During the Reporting Period, in order to improve the complaint handling capability of customer service personnel, the GS JV conducted several specialized trainings. As at the end of the Reporting Period, the handling rate of customer complaints reached 100%.

- ***Protect Customer Privacy***

  Coastal Company attaches great importance to the protection of customer privacy and data security, and strictly restricts the collection of customer data for internal operations only; confidential documents and data are kept or stored by designated personnel in designated places. At the technical level, Coastal Company strictly implements a 7×24-hour regular network security monitoring mechanism, and achieves the goal of "zero notification" of illegal access to the Provincial Road Centre through the combination of daily inspections and special inspections. High-risk servers, industrial control equipment, and office terminals are managed and controlled to prevent illegal connections to the public network from private toll networks. In addition, Coastal Company has formulated the *Network Security Incident Emergency Plan*, established a sound emergency working mechanism for cybersecurity incidents, and continued to conduct cybersecurity and data security awareness training for employees. Through a dual-pronged approach of "technical safeguards and personnel awareness", the system builds a robust cybersecurity defense to resolutely prevent the risk of customer information leaks.

6. Gathering Talent: Creating a Diverse Future Together

The Group adheres to the "people-oriented" philosophy, continuously refining the meticulous human resources management system and innovating mechanisms for talent recruitment, development, retention and deployment. We are committed to fostering an equal, inclusive and diverse working environment, implementing multi-tiered employee training programs, and providing a competitive remuneration and benefits package alongside a fair and transparent career progression framework. We take care of the physical and mental health of employees and promote the all-round development and growth of each employee.

In response to the SDGs targets:



Topics covered: Employee Development and Training; Talent Acquisition; Diversity and Equal Opportunity

2025 Key Performance:

- 36.5% of female employees
- The proportion of employees receiving training is 45.2%, and the average training time is 46.41 hours.

I. Safeguarding Employee Rights and Interests

The Group has always adhered to the principle of lawful and compliant employment, firmly safeguarding the legitimate rights and interests of employees, and is committed to establishing a fair and transparent compensation and welfare system to ensure that every employee can receive a fair value return for their hard work.

1. Ensuring Compliance in Employment

The Group strictly abides by the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, and the *Employment Ordinance of Hong Kong*. We have formulated and refined internal policies, including the *Employee Handbook*, upholding lawful and compliant employment practices to fully safeguard the legitimate rights and interests of every employee.

We are committed to creating a diverse and inclusive working environment, abiding by the employment principles of "fairness, impartiality, openness, selecting the best talents, and competitive recruitment," and oppose any discriminatory provisions concerning "gender, ethnicity, marital status, religion, health condition" that contravene the principle of fairness. During the recruitment process, we require candidates to fill in the job application information truthfully, and strictly review the job seeker's identity information, and strictly prohibit the employment of child labour. In the employment process, if falsification or deliberate concealment of information is discovered, we will terminate the employment. During the Reporting Period, there were no incidents of illegal employment.

In addition, the Company strictly protects employees' working hours and leave rights, formulates the *Employee Attendance and Leave Management Measures*, adheres to an 8-hour work day, 5 days a week, the Company does not advocate overtime and strictly prohibits any form of forced labour. Approved by the Guangdong Provincial Department of Human Resources and Social Security, the GS JV and GZ West JV have implemented a quarterly comprehensive working hour system for specific positions such as toll collectors, monitors, and station supervisors at toll stations. For departments that must operate 24 hours a day, we have implemented a shift system to ensure adequate staffing and prevent employees from becoming overworked due to insufficient scheduling.

During the Reporting Period, the number of employees by employment type, gender, age and region is as follows:

Employee Type	Unit	Quantity
Number of employees	Person	3,648
By type of employment		
Full-time	Person	3,648
Part-time	Person	0
By gender		
Male	Person	2,316
Female	Person	1,332
By age		
Below 30 years old	Person	1,697
30 to 50 years old	Person	1,610
Over 50 years old	Person	341
By Region		
Mainland China	Person	3,633
Hong Kong	Person	15

The employee turnover rates by gender, age and region are as follows:

Employee Type	Unit	Quantity
By gender		
Male	%	8.6
Female	%	11.9
By age		
Below 30 years old	%	17.0
30 to 50 years old	%	3.0
Over 50 years old	%	5.4
By Region		
Mainland China	%	9.8
Hong Kong	%	12.5

2. Refining the Compensation and Benefits System

Bay Area Development is guided by value distribution, establishing a scientific employee compensation and benefits system, as well as an incentive and restraint mechanism. The *Employee Remuneration Distribution System* has been formulated and implemented to ensure the effective operation of the remuneration framework, continuously stimulating team potential while fully mobilising personnel initiative and creativity. The Company implements a position structure salary system, and employees' remuneration consists of three parts: basic salary, performance-based salary, and welfare subsidies to ensure that the remuneration returns are in line with personal contributions. In addition to statutory benefits, we also provide comprehensive supplementary benefits for employees, covering daily life, health care and career development.

Structure of Remuneration and Benefits		
Daily Benefits	•	Supplementary insurance, birthday benefits, health check-ups, employee cafeteria, union benefits
Statutory Protection	•	Five insurance policies and one pension
	•	Corporate pensions
Holiday Benefits	•	Paid leave such as annual leave, marriage leave, bereavement leave, maternity leave, carer's leave and employment injury leave
Additional Subsidies	•	Coastal Company and the two joint-venture companies provide their employees with work uniforms and labour protective equipment in accordance with the actual needs of road operations, as well as electricity subsidies, meal subsidies, night-shift allowances, open-air allowances, high-temperature allowances, birth control allowances, health-care allowances, safety allowances, and sickness relief payments, etc.

During the Reporting Period, in response to the problems of a single form of annual performance appraisal and insufficient horizontal comparison, the Company innovatively introduced an on-site review and appraisal mechanism, organised the Company's senior executives and team leaders to debrief according to the performance responsibility statement, and implemented a 360-degree on-site rating. Through performance reporting and evaluation-driven motivation, we strengthen benchmarking management, strictly implement the mandatory distribution rules of assessment results, and effectively improve the performance assessment system to ensure that employees receive fair and reasonable value recognition. In addition, the Company continues to promote the digital transformation of human resources, and has migrated core processes such as performance indicator formulation and assessment, salary approval and adjustment to online operation, which has significantly improved work efficiency.

II. Empowering Talent Development

The Group firmly upholds the principle that talent constitutes its core competitive advantage. By aligning with corporate strategic planning, we refine our employee development framework, establish clear career progression pathways, empower sustained professional growth, enable staff to realize personal fulfilment, and drive organisational advancement.

1. Paving the Path to Growth

Bay Area Development has established a multi-level training system covering new employees, middle and senior executives, and key employees with different levels and positions to promote talent development. Through online and offline modes, we coordinate internal lecturers and external experts to formulate training plans with different contents as needed to empower employees to grow and build a learning organisation. To ensure training effectiveness, we have established an evaluation and optimisation mechanism throughout and after training. During the training, employees are encouraged to internalize their knowledge through assessment tests; after the training, trainees are invited to fill in the *Training Effectiveness Evaluation Questionnaire* to review the quality of the courses, and continue to optimise the course content based on data feedback to improve training effectiveness.

Training Type	Training Content
Knowledge training	Expertise, management knowledge, company knowledge (company development strategy, governance structure, business situation, management philosophy, rules and regulations, market and competition), etc.
Skills training	Comprehensive analysis, planning judgment, pioneering and innovation, public relations, internal collaboration, computer applications, and official document writing.
Cognitive training	Identification with the Company, professional and work attitude, team spirit, etc.

The Company attaches great importance to the cultivation and development of young talents. During the Reporting Period, we established the "Bay Area Lecture Hall" professional training system and continued to promote the "1234 Plan" for young employees' career development, which closely focused on the Company's business difficulties, strategic development needs and employee quality improvement. We continue to refine the training model of "centralized learning-action learning-presentation and review," integrate high-quality industrial resources, develop modular and systematic courses, and design practical tasks that closely follow the training themes and fit the actual business situation. We leverage the leading role of "Party Member Demonstration Posts" to enhance young employees' professional capabilities and overall competence through tackling practical challenges.

We encourage all employees to pursue further academic qualifications and apply for professional title accreditation related to their respective positions. We give certain rewards and subsidies to employees' self-initiated education and professional ability improvement training programs to motivate employees to continuously improve and surpass themselves.

Bay Area Development Organised a Specialised Training on Exploring the Strategic Development Pathways of Low-Altitude Economy in Expressways

During the Reporting Period, the Company organised a specialised training session titled "Exploring the Strategic Development Pathways of Low-Altitude Economy in Expressways" for middle and senior management personnel and party members in demonstration positions. This training enabled the core team to gain a deeper understanding of macro policies and the layout and development trends of Shenzhen's low-altitude economy industry. It also laid a solid foundation for the Company to assess opportunities in the low-altitude economy sector and formulate scientifically feasible measures in support of its "15th Five-Year" Strategic Plan.



GS JV Conducted Training for Management Personnel of Toll Collection Operations

In March 2025, GS JV conducted a series of management training for toll collection operations with the theme of "Management Change and Innovation under Digital Transformation". The training covered core business and management points such as toll charging management policies and regulations, professional knowledge, daily toll charging management, and emergency handling procedures. This training has effectively improved the comprehensive management capabilities of management personnel and the professional ability to use big data and other technologies to optimise decision-making, further enhancing GS JV's overall digital operation competitiveness.



Employee Type	Unit	Average Training Hours
By gender		
Male	hours	47.8
Female	hours	44.0
By rank		
Senior Management	hours	84.06
Middle Management	hours	105.78
General Staff	hours	37.60

2. Building a Career Ladder

Bay Area Development is committed to building a fair and transparent talent selection and career promotion system. In accordance with the Company's internal *Management Selection and Appointment Measures*, the selection and promotion of management personnel is classified and managed, and both ability and political integrity and performance orientation are regarded as key criteria for career promotion. We provide equal competition and development opportunities for all employees through democratic recommendation, competitive appointment and other selection mechanisms. Concurrently, processes including performance evaluation and work assessment are implemented to ensure the fairness and transparency of the selection process, thereby motivating employees' professional growth. In addition, we attach great importance to the career development of young employees and set up exceptional promotion channels to promote employees' career growth and the Company's strategic development.

During the Reporting Period, we focused on diagnosing the organisational structure and sorting out positions, adjusting and optimising the organisational structure and departmental functions and responsibilities, scientifically assigning positions, and accurately identifying key positions and core talents to ensure the matching of matching of talents to positions.

III. Cultivating a Culture of Care

The Group continues to improve the democratic management mechanism, builds open and smooth communication channels, encourages employees to actively participate in corporate decision-making, and listen to their voices. At the same time, the Group organises diverse cultural and sports activities and has established a regularised care mechanism that covers key moments in employees' lives, such as childbirth, injury, and major holidays. These initiatives effectively enhance employees' sense of well-being and belonging.

1. Bringing Together Diverse Voices

Bay Area Development strictly abides by the *Trade Union Law of the People's Republic of China*, insists on and improves the enterprise democratic management system with the workers' congress as the basic form, and comprehensively sorts out, revises and improves the *Interim Measures for the Implementation of the Provisional Regulations on the Work of the Trade Union Committee*, and 9 other work systems and management methods. During the Reporting Period, the Company convened three enlarged meetings of the Trade Union committee to extensively listen to employees' opinions, summarise the work of the trade union, and deliberate and approve the revision of the relevant trade union system.

In addition, the Company also solicits feedback from employees by convening employee forums, setting up employee feedback boxes, and distributing questionnaires by e-mail. All received feedback is addressed in a timely manner. To ensure effective resolution, the Company conducts follow-up visits offline to accurately confirm employee satisfaction with the outcomes, thereby establishing a closed-loop management process of "Collection — Feedback — Resolution — Follow-up".

During the Reporting Period, the Company implemented various measures to smooth the communication channels and gather development synergy. On the one hand, the annual democratic life meeting of party members and leading cadres was held to a high standard, and the foundation of democratic decision-making was consolidated through in-depth heart-to-heart conversations and extensive collection of opinions and suggestions; on the other hand, according to the human resources planning of superior unit, an organisational engagement survey, and regular canteen satisfaction surveys were carried out. Reasonable suggestions raised by employees were swiftly addressed through optimisation and rectification, enabling genuine employee participation in corporate decision-making and management. This effectively strengthened team cohesion and centripetal force.

2. Enhancing Employee Well-Being

Bay Area Development cares deeply about the well-being and sense of belonging of employees, and is committed to building a warm and collaborative organisational atmosphere. We regularly refresh greenery in communal office spaces and undertake essential infrastructure maintenance, including waterproofing and leak repairs in office buildings and dormitories across all residential zones. These measures collectively foster a comfortable and welcoming environment for both work and daily life. By organising diverse cultural and sports activities and team building projects, we strengthen emotional bonds and collective cohesion among staff members. At the same time, we provide timely and practical help and support to employees who are facing difficulties, offering comprehensive and compassionate care and companionship.

- ***Create diverse cultural and sports activities***

  Focusing closely on the needs of employees, the Company carefully planned and organised various cultural and sports activities, such as the Spring Festival Garden Party, the special activities of Women's Day, the hiking and cycling activities under the greenway of the Coastal Expressway (Shenzhen Section), and the Double Ninth Festival hiking competition. More than 500 person-times participated in 14 cultural and sports activities of various party and labour groups. In addition, employees have spontaneously formed cultural interest groups such as lion dance team and art team, establishing a regular activity mechanism. Through diversified and continuous activities, we have effectively enriched our employees' spare-time cultural life and enhanced team cohesion and employees' sense of belonging.



2025 Double Ninth Festival Hiking Competition



2025 Spring Festival Garden Party



"Intangible Cultural Heritage Ingenuity, Art Together" Women's Day Theme Activity



"Planting Greenery, Building Our Future Together" Voluntary Tree Planting Event



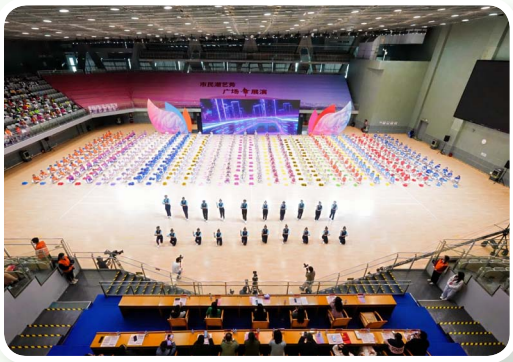
GZ West JV Held "Western BA" Staff Basketball Tournament



GZ West JV Hosted a Fitness Competition for Employees and Won the First Prize



Coastal Company Organised a Cultural and Sports Activity of "Tethered Feathers Together"



Coastal Company's May Day Art Exhibition

- ***Thoughtful care and support for employees***

  The Group takes a solid role in providing care and protection for employees, and practically solves problems for employees. We regularly distribute festive condolences and consumer poverty alleviation products; carry out condolences and provide financial assistance for employees on childbirth, hospitalisation, and marriage; assist employees with over five years' service in applying for trade union reemployment subsidies upon resignation; and administer a mutual aid scheme for all trade union employees. This enhances members' capacity to manage risks associated with illness and accidents, conveying organisational warmth through multiple channels to ensure genuine care is delivered.



Symposium on Extending Support to Employees in Need at GZ West JV

IV. Ensuring Occupational Health

The Group always attaches great importance to the occupational health of employees, fully implements the work policy of "prevention first and combines prevention and treatment," and actively prevents, controls and eliminates occupational health risks through a series of measures to safeguard employees' occupational health.

1. Building a Solid Defense Line for Health

Bay Area Development strictly adheres to laws and regulations such as the *Occupational Disease Prevention Law of the People's Republic of China*, formulates and implements the *Occupational Health Management System*, and actively maintains a healthy and safe working environment with zero accidents and zero occupational diseases by relying on a sound occupational health and safety management system. We strive to ensure every employee can perform their duties safely and work with peace of mind through continuous optimisation of management processes and enhancement of safety protection measures.

Occupational Health and Safety Measures

Occupational Hazard Notification and Warning

- When signing an employment contract, we truthfully inform employees of possible occupational hazards, potential consequences and corresponding protective measures during the work process, and clearly state the relevant content in the employment contract .
- If an employee is found to have health damage related to their occupation during the occupational health examination, we will promptly transfer them from their original positions and make appropriate arrangements.
- Warning signs and Chinese warning instructions are set up at the entrance of the workplace that may produce serious occupational disease hazards or at a prominent location in the workplace.

Employee Health Screening

- Pre-employment examination: All new employees are required to undergo pre-employment occupational health examination and truthfully fill in the Employee Occupational Health Record Form. New employees can only work in the corresponding types of work after passing the occupational health examination; if new employees are diagnosed with occupational diseases, we will record their relevant conditions in detail.
- Inspection during duty: According to the occupational characteristics and special needs of each position, special health inspection items are formulated. All employees exposed to occupational hazards must undergo regular physical examinations in accordance with regulations. For employees who are found to have occupational contraindications and occupational diseases during physical examination, we will immediately stop their work in related types of work, and the human resources department will coordinate the follow-up arrangements.
- Post-employment health examination: Before employees intend to be transferred or terminate their employment with occupational hazards, they must complete an occupational health examination upon departure as required.

Occupational Health and Safety Measures

Occupational Health Protection

- Equip employees with occupational disease protective equipment appropriate to their work.
- Regularly check the use of protective equipment provided by the company and urge them to wear and use it correctly.
- Conduct regular or unscheduled inspections and checks of protective facilities and supplies used by the on-site personnel of relevant parties.

GZ West JV Promotes Employee Health Care in an All-round Way and Builds a Health Barrier

GZ West JV attaches great importance to employee health management and care, and provides occupational health check-up services for all employees every year. During the Reporting Period, on the basis of routine physical examination items, GZ West JV added targeted screening items for sudden death prevention, such as dynamic electrocardiogram and coronary heart disease risk index assessment, taking into account the age and health risks of employees, further strengthening the health protection network for employees. At the same time, GZ West JV pays special attention to the health needs of female employees, and systematically popularizes the knowledge of traditional Chinese medicine health care and women's "two cancers" prevention by organising health knowledge lectures, effectively strengthening employees'awareness of being "the primary person responsible for their own health management"



GS JV has Built a "Health Station" for Employees and Explores a New Model of Medical-Enterprise Health Management

In order to further explore a new model of health management in medical enterprises and continuously improve the health and well-being of employees, GS JV Trade Union and Dongguan Humen Hospital of Traditional Chinese Medicine jointly established the "Health Station". The station is open to employees every Wednesday afternoon, equipped with blood pressure monitors, massage chairs, infrared lamps and other medical and health care facilities to provide convenient health services for employees. In the future, GS JV will continue to strengthen communication and coordination with Humen Hospital of Traditional Chinese Medicine, continuously improve the functional configuration of the health station, and optimise the service experience to make health care more responsive to the needs of employees.





2. Fostering a Safety Culture

Bay Area Development attaches great importance to the safety education and training of employees, and actively conducts a series of activities such as safety education, case warning education, and knowledge competitions. At the same time, regular health promotion activities are carried out, covering health education lectures, physical activities and psychological support services, etc. These efforts promote a culture of safety and wellness, continuously enhancing employees' safety awareness, emergency handling capabilities and health literacy.

- ***Safety education and training***

  The Group took the "Safety Production Month" as an opportunity to coordinate and deploy a series of activities. Each subsidiary tailored its implementation plan based on local conditions. Through diverse and substantive safety awareness campaigns, we disseminated work safety regulations and knowledge, promoted a culture of safety, and continuously enhanced employees' safety awareness and practical skills. At the same time, in order to build a "safe construction site," we have organised specific work safety activities and competitions for expressway reconstruction and expansion projects. Incentive funds were allocated to commend initiatives, competitions, safety innovations, and exemplary safety management zones that demonstrate significant value in enhancing safety management standards and operational efficiency. This approach cultivates a positive atmosphere of "competing, learning, catching up, and surpassing".

Bay Area Development Launched 2025 "Safety Production Month" Campaign

In order to continuously strengthen the awareness of the safety bottom line and promote the implementation of safety production responsibility, the members of the Company's Safety Production Committee formed the "Safety Production Month" activity leading group to promote the smooth implementation of various activities in the Safety Production Month. The Company has formulated the *2025 "Safety Production Month" Activity Plan of the Bay Area Development*, and made unified arrangements for mobilisation and deployment, publicity activities, education and training, emergency drills, and hidden danger inspections. The Company has effectively strengthened the awareness of work safety production responsibilities and risk prevention capabilities of all employees through activities such as posting posters on the theme of the activity in high-traffic areas of the office premises, organising employees to watch Safety Production Month themed videos, inviting external professional lecturers to conduct work safety education and training, and organising simulated emergency evacuation drills. In addition, the Company made full use of safety platform resources such as the "Learning for Safety" APP to conduct online safety training for safety management personnel, effectively enhancing their professional knowledge and safety skills.

GS JV Organised an Online Safety Knowledge Examination Competition

In order to implement the requirements of the GS JV Safety Production Month, the Company utilised the DingTalk platform to organise an online safety knowledge examination competition. This initiative aimed to strengthen safety defense with "learning through competition and applying through learning". The competition covered 100 questions, focusing on core laws and regulations such as the *Work Safety Law of the People's Republic of China*, *the Fire Control Law of the People's Republic of China*, *Road Traffic Safety Law of the People's Republic of China*, *and Emergency Response Law of the People's Republic of China*. It also incorporated relevant administrative rules, industrial safety production specifications and guidelines, ensuring both professional rigour and practical relevance. The activity received widespread responses from employees, with 1,841 participants, representing a participation rate of 96.9%, effectively creating a strong atmosphere of "everyone learns and understands safety".



- *Care for employees' mental health*

  The Group actively organised a number of psychological group counselling activities and invited professional psychological counselors to give lectures, focusing on topics such as workplace stress management, Baduanjin physical and mental relaxation, and adopting theoretical explanations, case studies, group discussions, situation simulations and other forms to help employees master practical methods to cope with workplace stress and emotional problems, effectively improving employees' psychological quality and self-regulation ability. Moreover, GS JV's Gao Guiping Psychological Counselling Room used "one consultation room + four psychological counselling workstations" as a platform to conduct safety mini-lecture activities in six residential areas, providing strong support for employees' mental health.



GZ West JV Conducted Psychological Group Counselling on "Heart on a Sunny Path, Setting Sail for Well-being"

7. Moving Towards Green: Painting an Ecological Masterpiece

The Group is fully aware that its operations are closely related to the regional ecological environment. The Group deeply integrates environmental protection and climate change response into its corporate strategy and daily operations, and actively explores a high-quality development path oriented by ecological prioritisation, conservation and intensification, as well as green and low-carbon principles. We are committed to minimising our impact on the natural environment, preventing and adapting to climate change risks, and driving the green transformation of the value chain through systematic environmental management, innovative technological applications and forward-looking climate action. We endeavour to depict a sustainable ecological vision of smooth connectivity, beautiful landscapes, low-carbon emissions and harmony for the Greater Bay Area.

In response to the SDGs targets:



Topics covered: Climate Change; Biodiversity and Land Use; Three Wastes Discharge; Environmental Management; Resource Management

2025 Key Performance:

- GHG emissions of 13,469,326.18 tonnes of carbon dioxide equivalent (tCO_2e)
- GHG emission intensity (calculated by length of expressway) 52,267.47 tCO_2e/km

I. Practicing Green Operations

The Group strictly complies with national and local environmental protection laws and regulations, including the *Environmental Protection Law of the People's Republic of China*, the *Soil and Water Conservation Law of the People's Republic of China*, the *Water Pollution Prevention and Control Law of the People's Republic of China*, *the Environmental Impact Assessment Law of the People's Republic of China*, the *Regulations of Guangdong Province on Flood, Drought and Wind Prevention*, and *the Regulations of Guangdong Province on Meteorological Disaster Prevention*, and continuously deepens and implements the philosophy of green construction and operation in practice. Throughout the entire lifecycle of project design, construction, maintenance and operation, we are committed not only to strengthening environmental safety protection along road corridors, but also to prioritising systematic and preventive ecological protection measures to ensure the efficient and unimpeded flow of vital transport arteries, preserve the integrity, stability and health of the ecosystems along the routes, so as to achieve long-term harmonious coexistence between infrastructure development and the natural environment.

1. Protecting The Ecological Foundation

Bay Area Development is fully aware that the construction and operation of expressways have a profound impact on the ecological environment along the route. In order to ensure that the whole project cycle meets the requirements of national environmental protection regulations and minimise the disturbance to the natural environment, we have established a systematic environmental management system, which runs through every link of project planning, design, construction and operation.

(1) Organisational Structure of Environmental Management

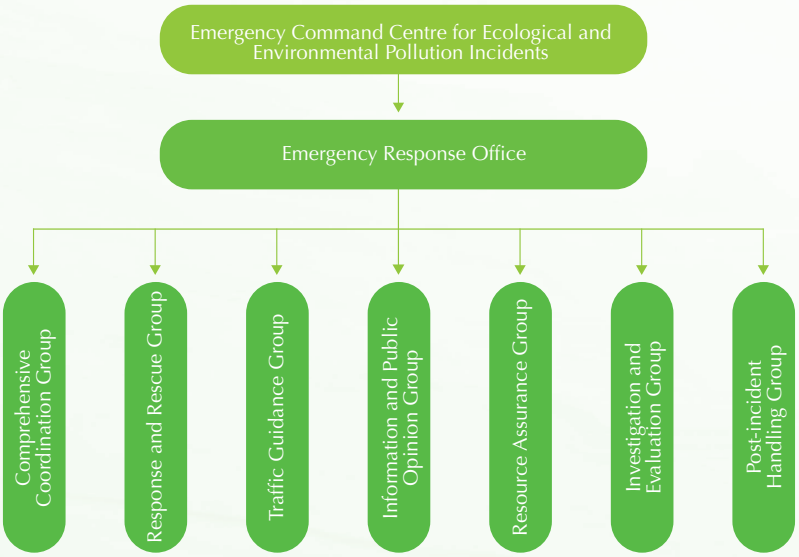
GS JV has established an environmental management organisational structure with clear layers and responsibilities. As the owner unit, the Civilized Construction Special Class Leading Team and Execution Team established by the Project Management Office are fully responsible for supervising and inspecting the environmental protection work of all parties involved in the construction. Clear requirements have been laid down as follows: the design units implement various environmental protection and soil and water conservation measures approved by the EIA in the plan; GS JV entrusts the supervision units to formulate a special environmental supervision plan to independently supervise the construction process; the monitoring units conduct environmental monitoring according to specifications and provide data support; the construction units establish a civilized construction leading group with the project manager as the person primarily responsible, and formulate a detailed environmental protection implementation plan and emergency plan. The structure enables everyone from the management level to the executive level to perform their duties, ensuring that environmental responsibility is transmitted at all levels and effectively implemented.

(2) Environmental Risk And Emergency Management

GS JV has established an environmental management system of "pre-risk identification — hierarchical management and control — efficient emergency response" to ensure that environmental risks are controllable and environmental emergencies are properly handled.

In terms of environmental risk identification and control, it covers the whole stage of design, construction, maintenance, and operation, including ecologically sensitive areas, key construction links, and high-risk operation scenarios. Risks are systematically identified through site investigations, data analysis and professional assessments, and classified by hazard level based on likelihood, exposure and consequence severity. A dynamic risk register is established, with clear control responsibilities and measures defined, so as to achieve closed-loop risk management.

For environmental emergency management, a dedicated environmental emergency task force is established under the project emergency command centre, with a clear division of responsibilities among the Emergency Office, Engineering Management Department, participating construction units and other relevant parties, forming a collaborative mechanism under unified command. We have also formulated the *Special Emergency Response Plan* and on-site disposal plans for incidents including water pollution and hazardous chemical leakage, which are effectively aligned with the emergency plans of local governments and higher-level authorities. We use environmental supervision inspections and online monitoring systems to catch abnormalities and initiate emergency responses based on risk levels. Emergency handling follows the principle of "control first, cure later", that is, priority is given to blocking the spread of pollution and then cleaning up. After the incident, environmental impact is assessed, ecology is restored, and the plan is reviewed and optimised. At the same time, we regularly reserve necessary emergency materials and regularly organise emergency drills to continuously improve our emergency response capabilities.



Emergency Response Organisational Structure

(3) Environmental Management Mechanism

GS JV put the emphasis on environmental management in "pre-planning" and "process control". Prior to project commencement, GS JV engages professional institutions to carry out environmental engineering design and supervision in accordance with the EIA approval. At the same time, GS JV requires construction units to formulate civilised construction planning and implementation plans, and to prepare emergency response plans for environmental protection and soil and water conservation synchronously, based on the hydrological geology, topography, ecological conditions of the contract sections, as well as relevant design and construction requirements. During the construction process, GS JV has established a regular multi-level inspection mechanism: the Management Office organises full-line inspections monthly; supervisory units conduct inspections every two weeks; resident supervisors

carry out weekly patrols; and construction units are required to perform daily self-inspections, with project managers leading comprehensive inspections each month. All inspections adopt the standardised Civilised Construction Work Contact Form, which records problems and potential hazards in detail, defines rectification standards, responsible entities and completion deadlines, and follows up with re-examinations synchronously, forming a complete management closed loop of "inspection — feedback — rectification — review". In addition, GS JV fully utilises the integrated construction management platform to conduct full-process online monitoring at key locations including mixing stations, prefabrication yards, borrow and spoil areas, and sections adjacent to environmentally sensitive sites. The monitoring covers noise, dust, water quality, solid waste and other indicators, and traceable electronic records are established accordingly.

(4) Implementing refined ecological and environmental protection measures

In specific ecological protection practices, GS JV implements a series of refined and standardised management measures, strictly adheres to the primary principle of reducing vegetation damage, and avoid environmental pollution from dust, harmful gases, and noise caused by construction operations. Upon completion of the construction, efforts will be made to restore the land use function and ecological appearance.

Ecological and Environmental Protection Measures During Construction	
Vegetation and Ecological Sensitive Spot Protection	Arbitrary destruction of vegetation along the line is strictly prohibited, and off-site protection measures such as transplanting ancient and famous trees within the construction area are adopted. The trees and green plants generated by the table-clearing operation are centrally fragmented and fermented, and converted into green fertilisers in the later stage for resource recycling.
Soil and Water Conservation and Topographic Maintenance	Strict assessment and standardised management shall be applied to the siting of borrow areas and spoil disposal sites. Borrow areas are required to be exploited in a centralised and orderly manner. Drainage systems shall be fully in place before construction, and comprehensive botanical and engineering protection measures shall be implemented after construction. Land reclamation shall be carried out where conditions permit to restore land use functions. Spoil disposal sites are strictly prohibited from occupying arable land or being located adjacent to watercourses. Topsoil shall be stripped and preserved prior to spoil disposal. Spoil shall be compacted in layers and stacked in a standardised way. Upon completion, terrain shaping, drainage installation and vegetation restoration shall be carried out to ensure harmony with the surrounding landform and prevent soil erosion and geological hazards.

Ecological and Environmental Protection Measures During Construction	
Water Environment Protection	In the construction of bridge pile foundations, a closed-loop circulation system of "steel casing + mud separator" is mandatory to ensure that the mud does not fall on the ground and is not discharged directly to avoid polluting the surrounding water bodies and farmland. For construction near river sections and water source protection areas, GS JV formulates and implements strict special protection plans, set up sedimentation tanks and silt containment facilities, and ensures that construction wastewater can only be discharged after treatment and compliance.
Air and Noise Pollution Prevention and Control	Fully implement the "Six 100%" standards for construction sites (fencing, material stacking cover, vehicle washing upon entry and exit, site hardening, wet demolition work, and closed transportation of muck by vehicles). Large-scale stations such as mixing stations and prefabrication yards are required to operate in an enclosed manner and are equipped with dust removal, noise reduction and sewage treatment devices. Asphalt mixing plants should use clean energy such as liquefied natural gas and are equipped with advanced flue gas purification systems. Transport vehicles must be airtight or tightly covered and cleaned regularly.
Land Resource Conservation and Temporary Land Restoration	When planning construction access roads, prioritise the use of existing roads and strictly control the excavation boundary. Upon completion of temporary land use, all temporary land sites shall have their temporary structures removed, the site cleared, and their original land use functions fully restored.

2. Civilised Construction Management

GS JV strictly implements the standardised management of wastewater, exhaust gas, waste ("Three Wastes") and noise during the construction and maintenance process to reduce the impact on the environment.

Wastewater management: For construction sites such as mixing stations and prefabrication plants, sewage treatment facilities such as sedimentation tanks and filter tanks and special treatment equipment are mandatory; construction wastewater must be treated to meet national and local discharge standards before it can be discharged or recycled in compliance with regulations, and it is strictly prohibited to directly discharge into sensitive areas such as water bodies and farmland. At the same time, the integrated treatment system of "steel casing + mud separator" is

adopted in the construction of bridge pile foundations, which effectively blocks mud leakage and prevents pollution to water bodies and the surrounding environment. In addition, domestic sewage is collected and treated in a centralised manner, and then discharged in a standardised manner after treatment, and direct discharge into sensitive waters is strictly prohibited.

Exhaust gas and dust control: The construction site must meet the "six 100%" requirements, that is, the requirements of enclosure sealing, material covering, vehicle washing, ground hardening, wet operation and closed transportation of muck trucks are implemented throughout the whole process. At the same time, professional dust reduction facilities such as fog cannon sprinklers and automatic spraying systems in the field are equipped to carry out wet dust reduction on a regular basis. The asphalt mixing plant uses liquefied natural gas as a clean energy source, and is equipped with a dust recovery device and a flue gas purification treatment system to ensure exhaust gas emissions meet standards. In addition, strict covering measures must be adopted for the materials carried by the transport vehicles to prevent dust from being scattered along the way, and a comprehensive barrier to prevent and control dust pollution is established.

Solid waste management: Construction waste and domestic waste should be classified, recycled and treated in a centralised manner. Project spoil and slag shall be stacked in designated waste slag yard and shall not be dumped arbitrarily. Trees and green plants generated from table clearing operations should be centrally fragmented and fermented as greening fertilizers. Hazardous waste such as bitumen waste and used oil must be properly managed to prevent pollution.

Noise management: GS JV has established a comprehensive noise pollution control system of "source control — process prevention and control — full-cycle extension" to minimise the interference of construction and operation activities on the surrounding residential areas and the acoustic environment. First, strictly abide by the bottom line of compliance, the noise emissions of all construction sites strictly comply with the requirements of the *Environmental Noise Emission Standard for Construction Sites* (GB12523-2011), and scientifically deploy online noise and dust monitoring systems at environmentally sensitive points to achieve real-time monitoring of noise levels and traceable data recording to ensure compliance with emissions regulations. The second is to strengthen the control of noise reduction at the source, give priority to the selection of low-noise machinery and equipment and transportation vehicles, and simultaneously establish a regular maintenance mechanism for equipment to reduce noise generation at the source. The third is to optimise the control of operational procedures. For high-noise special operations, GS JV implements targeted prevention and control measures such as local sound insulation and noise reduction, and strictly define permitted operational time windows. In principle, high-noise construction is prohibited at night; where construction is genuinely necessary, formal approval shall be obtained in accordance with relevant regulations. Furthermore, noise reduction management

is applied throughout the full lifecycle of engineering design, construction, operation and maintenance. Through a combination of measures including installing additional no-horn warning signs on key road sections, constructing sound barriers along the route, and promoting the use of new shock-absorbing and noise-reducing pavement materials, we effectively minimise the noise impact of road traffic on surrounding residential areas, establishing a full-chain, multi-layered barrier against noise pollution.

Noise Management of Sensitive Road Section of GZ West JV

In 2025, the GZ West JV piloted the replacement and installation of two silent expansion joints along the noise-sensitive section adjacent to Country Garden properties. This innovative device minimises vehicle impact through its seamless connection design, which not only eliminates safety hazards at source caused by fatigue fracture of traditional expansion joints while significantly enhancing driving smoothness and safety on the bridge deck, but also achieves precise noise reduction — with field measurements confirming an average noise reduction of 11.4 dB when vehicles pass over the joints.



Silent Expansion Joint

For noise-sensitive road sections where some residential buildings are close to the expressway, in order to improve the sound insulation effect of the road sections, the GZ West JV installed reinforced noise barriers on a trial basis. A 2.5m x 3m high bridge metal sound insulation screen is added to the bridge anti-collision guardrail. Combined with the existing height of the anti-collision wall, the top of the sound insulation screen is 4m above the road surface, which provides wide-ranging noise attenuation. Meanwhile, Helmholtz resonators have been installed on top of the sound barriers to further enhance sound insulation performance. These devices can effectively block the propagation of vehicle noise within the sound barriers and reduce the noise level transmitted beyond them.



Reinforced Sound Insulation Panels

3. Intensive Resource Utilisation

The Group actively implements the concept of circular economy and resource conservation in the whole cycle of construction and operation, and is committed to promoting efficient recycling of resources, reducing waste generation and emissions, and reducing dependence on primary resources through technological innovation and management optimisation.

Reconstruction and expansion project for the Guangzhou-Shenzhen Section of Beijing-Hong Kong-Macao Expressway "Concrete Green Recycling Centre"

In the reconstruction and expansion project for the Guangzhou-Shenzhen Section of Beijing-Hong Kong-Macao Expressway, the Company innovatively built a "Concrete Green Recycling Center" and constructed an integrated construction solid waste treatment system of "smart crushing — fine processing-environmental recycling". Leveraging technologies including 5G remote control and multi-stage crushing and screening, we have converted construction solid waste generated from the demolition of old bridges into four grades of high-quality recycled aggregates. These are directly utilised in concrete pouring and pavement construction for the project, replacing an estimated nearly **600,000** tonnes of natural aggregates. This practice has realised the utilisation of construction solid waste resources, reduced land occupation for landfill, and formed a green closed loop of "demolition — recovery — regeneration — utilisation". It serves as an innovative case for the Company in promoting the integration of infrastructure construction and sustainable development.



"Concrete Green Recycling Centre" Smart Breakout System

II. Addressing Climate Change

Bay Area Development systematically examines the potential risks and development opportunities posed by climate change. Centring on the four core dimensions of governance structure, strategic planning, risk control and quantitative targets, we have conducted a thorough review of the full-cycle practices for climate-related risk identification and transformation opportunity exploration, and have consolidated phased work outcomes. Through the continuous improvement of the climate resilience management system, we steadily enhance our capacity to adapt to and proactively respond to climate risks.

1. Governance

Bay Area Development has integrated climate-related governance responsibilities into its existing ESG management system, establishing a three-tiered collaborative governance mechanism: the Board undertakes overall decision-making, the ESG Working Group coordinates and drives progress, and all functional and business units carry out on-the-ground implementation. With clear authority and responsibilities and efficient operations, this system forms a closed-loop climate governance framework featuring dynamic response and continuous optimisation. It provides solid organisational and management support for the Company to identify and address climate change risks and proactively seize low-carbon transition opportunities, helping the Company continuously strengthen its adaptability and development resilience in the face of climate challenges.

2. Strategy

Bay Area Development pays close attention to the impact that frequent extreme weather events due to climate change may have on the Group's business operations and the overall value chain. To systematically manage these risks, we strictly follow *Part D of the Hong Kong Stock Exchange's Environmental, Social and Governance Reporting Code* and refer to *International Sustainability Disclosure Standard S2 Climate-Related Disclosures (IFRS S2)* Core Guidelines. On this basis, combining the Group's business characteristics, industry development trends and cutting-edge research results, we have comprehensively identified the climate-related physical risks and transition risks that may be encountered. Against the three key dimensions of likelihood of occurrence, severity of impact and business resilience, we have conducted a materiality assessment of the identified climate risks and opportunities, laying a solid foundation for the subsequent formulation of targeted strategies.

Financial Impact Assessment

Based on the identified climate-related risks and opportunities, combined with our geographical location, business operation characteristics and industry research conclusions, we systematically evaluate the possible financial impact of each climate factor.

Dimension	Dimension description
Possibility	If an event is more likely to occur, it should be ranked higher. 1 Very low likelihood, rare 2 Low likelihood, unlikely 3 Medium likelihood, possible 4 Likely, very likely 5 Very high probability, almost certain
Impact Severity	If an event has a more severe impact on the Group's business and value chain, it should be ranked higher.
Resilience	If an event requires the Group to devote more effort, time, and resources to restore business, it should be ranked higher.

Example of Financial Impact Assessment — Tropical Cyclones

Based on comprehensive climate risk assessments, changes in tropical cyclone-related precipitation intensity and the probability of severe tropical cyclones constitute one of the core climate risk factors affecting the Group's business operations and financial position. From a risk occurrence probability perspective, based on simulations from the World Climate Research Programme (WCRP) Coupled Model Intercomparison Project Phase 6 (CMIP6)[5] scenarios and authoritative assessments from the IPCC AR6[6], under a global warming scenario of 2.0°C above pre-industrial levels, it is projected with high confidence that the median increase in global-scale tropical cyclone precipitation rates will be approximately 14%, while the median increase in the proportion of intense tropical cyclones reaching Category 4–5 intensity is projected to be approximately 13%. Under a scenario of global warming exceeding 4.0°C above pre-industrial levels, the median increases for these two metrics are projected to rise to 28% and 20% respectively. Concurrently, another study indicates[7] that under a high-emissions scenario (SSP5-8.5), typhoon intensity in Hong Kong and surrounding regions could exceed 3.5 times the 2024 level. Conversely, under a low-emissions scenario (SSP1-2.6), typhoon intensity shows a slight short-term increase before peaking around 2050 and gradually diminishing thereafter. These data indicate that the probability and impact of extreme weather events — such as heavy rainfall and strong winds triggered by tropical cyclones — will show a significant upward trend in the future, placing increasing pressure on climate risk prevention and control.

In terms of impact severity, during the Reporting Period, the Group conducted a specialised assessment of the operational and financial implications of tropical cyclones. The Group's core risk exposure[8] lies in toll revenue (revenue-side exposure).

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5 The Sixth Coupled Model Intercomparison Project (CMIP6) of the World Climate Research Programme WCRP) stands as one of the most significant and systematic international collaborative initiatives within contemporary global climate simulation research. By integrating the most advanced scientific tools, it has become authoritative data source for enterprises undertaking climate risk management. Further details can be found at: https://pcmdi.llnl.gov/CMIP6/

6 The Sixth Assessment Report of the Intergovernmental Panel on Climate Change, synthesising the latest global climate research findings, serves as the authoritative scientific basis for climate risk assessment and policy formulation. For further details, see: https://www.ipcc.ch/

7 The Jockey Club Centre for Global Enterprise Sustainability Research and Innovation (JCESGRI) at The University of Hong Kong has released the 2025 Hong Kong Economic Policy Green Paper (Climate Edition – English Version). For further details, please visit: https://hkujcesgri.hku.hk/hong-kong-economic-policy-green-paper 2025/

8 In 2025, the Company did not experience any instances of damage to fixed assets — including construction projects under development, operational roads, and ancillary facilities — caused by tropical cyclones or the associated heavy rainfall and strong winds. Consequently, asset-side exposure is not currently being considered.

Example of Financial Impact Assessment — Tropical Cyclones

Impact on Toll Revenue:

Traffic volumes on certain sections exhibit pronounced holiday travel patterns and are susceptible to significant declines due to adverse weather conditions such as tropical cyclones. From January to June 2025, tropical cyclones exerted a weaker influence than the corresponding period the previous year, with limited impact on traffic volumes. However, between July and November, both the frequency and intensity of tropical cyclones increased significantly, substantially affecting traffic volumes and toll revenues. In 2025, toll revenue losses attributable to tropical cyclones amounted to approximately RMB18 million.

From the perspective of resilience assessment, tropical cyclones, as compound meteorological disasters involving the combined effects of strong winds, heavy rainfall, and storm surges, tend to have more destructive impacts on operations. Compared to other physical climate risks, the operational disruptions cause by tropical cyclones are more difficult to recover from, entail longer restoration periods, and result in a slower recovery of business continuity.

Based on a comprehensive assessment of financial implications, tropical cyclone risk has been categorised as a significant risk with substantial financial impact. Consequently, the Group will continue to integrate this risk into its corporate climate risk management framework. Through measures including strengthening contingency plans, conducting specialised drills, and refining monitoring and early warning mechanisms, the Group will systematically enhance its capacity to respond to extreme weather events and bolster business continuity safeguards.

Financial Impact Assessment Table for Tropical Cyclones (Compared to Other Physical Climate Risks)

Assessment Dimension	Assessment Result
Likelihood	High
Impact Severity	High
Resilience	Low Resilience
Overall Financial Impact	High

(1) Climate-related risks

Based on the financial planning cycle and industry characteristics of the Bay Area Development, we have completed a systematic identification of climate-related risks and opportunities, and divided the short-term and long-term risks into stages. The specific definition of the time limit is as follows:

Timeframe	Corresponding Year
Short to Medium Term	Current Reporting Period to 2030
Long Term	2030–2050

Based on the above financial impact assessment process, we have identified climate-physical risks and transition risks with greater potential impact and formulated corresponding countermeasures. The specific results are shown in the following table.

Physical Risk Assessment list for Bay Area Development

Physical risk		Timeframe	Potentially Affected Segments of the Value Chain	Potential financial impact	Measures
Acute risks	Extreme rainfall	Short to medium term	• Operations • Downstream of the supply chain	• This may lead to road blockages or closures, affecting traffic flow, and consequently causing a decrease in toll revenue. • It may cause interruptions in construction operations, affecting the progress of the project, ultimately leading to increased costs due to delays. • Possible consequences include internal flooding, landslides, collapses, and other disasters, leading to injuries and casualties among workers and passengers, damage to road infrastructure and construction equipment, thereby increasing the Company's maintenance and insurance costs.	• Implement meteorological monitoring warnings and traffic control measures, protecting movable facilities on-site, checking drainage systems in advance for blockages, and relocating personnel and materials from low-lying areas in advance are essential steps. Based on the situation on the ground, activating corresponding emergency response levels and measures to reduce the impact of extreme rainfall on traffic interruptions and ensure safe passage.

Physical risk	Timeframe	Potentially Affected Segments of the Value Chain	Potential financial impact	Measures
				• Enhance inspections and patrols on key road sections and areas to ensure early detection and response to risks, as well as to carry out emergency road clearance and infrastructure hazard assessments in disaster-affected areas. • Enhance the identification of flood risk points, and implement targeted preventive measures for pooling of rainwater in low-lying areas of highways during heavy rainfall.
Tropical cyclone	Short to medium term	• Operations • Downstream of the supply chain	• This may cause landslides, bridge collapses, tunnel failures, mudslides, and other related issues, which can in turn affect the smooth operation of highways, increase maintenance costs, and reduce toll revenue. • Possible road closures may reduce traffic flow, thereby affecting toll revenue. • Possible disruptions to construction projects and operations, such as power outages in the entire highway network, toll booths, residential areas, leading to increased project delays and interruptions in toll collection services, failure of critical networking equipment, traffic congestion, and revenue losses.	• Develop detailed emergency plans, including the formation of rapid response teams, stockpiling of supplies, and logistical support, to ensure swift action can be taken during a typhoon event, minimising the impact on operations. • Enhance the management of highway slopes, install protective nets, and reduce the impact of disasters such as landslides and mudslides along the highway.

Physical risk		Timeframe	Potentially Affected Segments of the Value Chain	Potential financial impact	Measures
	Coastal flooding	Short to medium term	• Operations • Downstream of the supply chain	• This may potentially damage infrastructure such as highways and bridges. The strong impact and prolonged immersion of floods can lead to potholes and cracks on the road surface. It can also erode and impact the support structures of bridges, thereby increasing operational and maintenance costs. • Potential risks include power supply interruptions and business disruptions, requiring additional time and resources for repairs, leading to increased operational costs.	• Establish a comprehensive flood warning mechanism to prevent in advance, including stocking emergency power and critical supplies. • Enhance infrastructure resilience, such as increasing the flood level standards for coastal highways and bridges, and strengthening bridge structural design.
	Extreme heat	Short to medium term	• Operations • Downstream of the supply chain	• This may lead to a decrease in the performance of materials such as asphalt and concrete in bridges and highways, accelerating road surface aging, thereby shortening the lifespan of assets and increasing depreciation costs. • It may be more prone to causing road damage, such as ruts and cracks, thereby increasing maintenance costs. • Possible causes for construction projects to pause, leading to increased costs, including higher labor and equipment rental expenses.	• Regularly inspect and maintain highways, promptly repairing damages caused by high temperatures, such as ruts and cracks in asphalt surfaces. • Adjusting working hours during high temperatures, reducing or stopping outdoor work during high-temperature periods to protect workers' health and reduce the risk of heatstroke.

Physical risk		Timeframe	Potentially Affected Segments of the Value Chain	Potential financial impact	Measures
Chronic risk	Sea level rise	Long term	• Operations • Downstream of the supply chain	• Coastal highway sections may be submerged due to backflow of seawater, leading to road closures, reduced traffic flow, and a decline in toll revenue. • This could potentially lead to increased erosion and damage from flooding on coastal highways and bridges, resulting in higher maintenance frequency and reconstruction costs for infrastructure. • It may lead to irregular settlement of coastal highway sections, affecting road stability and increasing maintenance and repair costs.	• Develop a long-term infrastructure upgrade and maintenance plan, including raising the design standards of coastal highways and bridges to withstand more frequent flood risks. • In key areas along the highway, measures such as ground settlement control projects, including foundation reinforcement and roadbed elevation, are implemented to reduce the impact of settlement on the highway.

Transition Risk Assessment List for Bay Area Development

Transition risk		Timeframe	Potentially Affected Segments of the Value	Potential Impact Pathways and Financial Impact	Measures
Policy and legal risks	Greenhouse gas emission reduction policy pressure	Long term	• Full value chain	• With the continuous strengthening of national greenhouse gas policies, such as the requirement to disclose carbon emissions and implement more robust emission reduction measures, additional funds and personnel are needed to ensure compliance with evolving policies and regulations. This may lead to increased legal and consulting compliance costs, as well as the technical costs of implementing new emission reduction measures.	• Actively monitor domestic and international policies related to greenhouse gas emission reduction and sustainable development, learning and understanding them in a timely manner, and regularly participating in industry exchanges, or hiring external consulting firms to provide comprehensive training for the entire group. • Regularly conduct organisational carbon emission inventories to understand the Company's carbon emission situation, and establish emission reduction goals and plans. • In the operation and construction process, low-carbon and environmentally friendly measures are taken, such as using new energy official vehicles, reducing paper usage, and recycling construction waste.

Transition risk		Timeframe	Potentially Affected Segments of the Value	Potential Impact Pathways and Financial Impact	Measures
	Carbon tax increase	Short to medium term, long term	• Upstream of the supply chain • Operations	• In a net-zero scenario, with policies such as emission reduction and the development of domestic carbon emission trading markets, carbon prices may further rise. This could lead to an increase in prices of high-carbon emission materials such as cement, asphalt, and other construction materials, resulting in higher raw material procurement costs for the Group or potentially extending project timelines due to seeking more affordable materials, causing revenue losses.	• Research and develop low-carbon technologies and materials, optimise construction processes such as recycling construction waste, to reduce costs associated with purchasing or using new materials. Minimise the impact of potential cost increases due to rising carbon prices as much as possible. • Pay attention to the dynamic of the market carbon pricing policy, and plan to establish an internal carbon pricing system in the future. Internalise the carbon price as one of the operating costs of the Company, and use it as one of the reference factors for planned group budget expenditures. • Actively communicate with financial institutions to discuss using sustainable financial products with lower interest rates for future plans, which is expected to reduce future financing costs.

Transition risk		Timeframe	Potentially Affected Segments of the Value	Potential Impact Pathways and Financial Impact	Measures
Policy and legal risks/ Technological risks	Traditional electricity prices rise	Short to medium term	• Full value chain	• In a net-zero scenario, the use of fossil fuels is usually more strictly restricted, while the use of renewable energy is encouraged to reduce carbon emissions. Renewable energy technologies are still in the development process, and electricity generated from fossil fuels may face further price increases due to low-carbon policies. In this case, continuing to purchase traditional electricity may lead to an increase in electricity procurement costs, thereby increasing operational and production costs.	• Continuously optimise the existing energy (electricity) management system, strengthening energy monitoring, reviewing the current construction and energy use processes to identify steps that can be optimised, improving energy efficiency, reducing energy waste, and saving energy costs. • Utilise solar power in highway operation areas and office spaces to increase the proportion of renewable energy usage based on actual conditions, thereby reducing the potential increase in energy costs that may result from purchasing traditional external electricity.
Market risks	Changes in travel patterns	Short to medium term	• Operations • Downstream of the supply chain	• In a hot house world scenario, despite the absence of mandatory policy influences, as global warming intensifies, the impact of physical risks brought about by climate change worsens. This could have a more severe impact on the locations where the Group operates, potentially affecting road traffic due to typhoons and heavy rain, leading to a decrease in toll revenue and affecting the overall performance of the Company.	• Provide diversified protection and services, such as optimising emergency safety measures for roads in adverse weather conditions, enhancing customer experience at service areas and toll booths, can increase customer willingness to travel and satisfaction.

Transition risk		Timeframe	Potentially Affected Segments of the Value	Potential Impact Pathways and Financial Impact	Measures
	Rising costs and availability of raw materials	Short to medium term	• Upstream of the supply chain • Production operation	• In a hot house world scenario, the impact of future temperature rises due to climate change exacerbates meteorological disasters, such as landslides caused by heavy rain leading to supply chain disruptions and property and personnel losses. This could result in operational interruptions for the Group, project delays, increased insurance coverage, and overall rising procurement and operational costs.	• Further improvements in meteorological monitoring systems and the utilisation of big data and artificial intelligence technologies to analyse historical weather data and supply chain data, predict potential risk points, and take proactive measures in advance. • Establish partnerships with multiple suppliers to avoid over-reliance on a single supplier, especially for key raw materials, ensuring the continuity of the supply chain.

(2) Opportunities Related to Climate Change

As a transportation infrastructure operator rooted in the Greater Bay Area, we fully leverage our strengths to systematically address climate change risks, while proactively seizing the development opportunities brought about by the low-carbon transition and actively promoting the coordinated and sustainable development of the Group and the regional economy.

Opportunities	Plans and Measures
Digital transformation	Enhance the digitalisation of highway construction and operation. By leveraging big data, artificial intelligence, and Internet of Things (IoT) technologies, traffic flow can be optimised to reduce congestion and emissions. During the Reporting Period, the GZ West JV implemented a number of digital transformation initiatives, including the development of the "One-Palm Access" digital station management platform and the establishment of a "UAV + intelligent monitoring" surveillance network. These efforts have significantly enhanced operational efficiency and reduced operating costs.

Opportunities	Plans and Measures
Green transportation	Leveraging the development and policy advantages of new energy in the Greater Bay Area, we will further invest in building electric vehicle charging stations to meet the increasing demand for electric vehicles. Install solar photovoltaic panels in operational areas such as service areas, toll stations, and parking lots to reduce traditional electricity consumption.
Green building	During road construction and maintenance, we integrate project characteristics and local natural conditions at the design stage, adopting greener and more eco-friendly solutions to improve the energy efficiency and environmental performance of infrastructure. We also uphold the circular economy principle to reduce resource consumption and lower carbon emissions at the source.

(3) Scenario Analysis

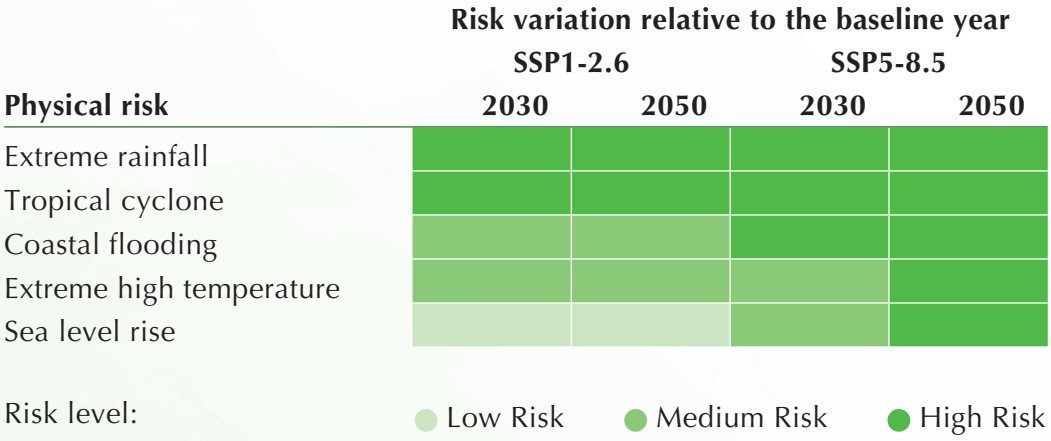
In order to assess and measure the impact of extreme weather events caused by climate change on businesses, we conduct regional climate scenario analysis on identified physical risks, and carry out climate resilience assessment on physical risks with high-risk exposure.

Physical Risk Climate Scenarios and Key Assumptions

We have chosen the Shared Socioeconomic Pathways (SSP) from the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6), which includes the low-emission scenario SSP1-2.6 and the high-emission scenario SSP5-8.5. We have set two timeframes, the mid-term (2030) and long-term (2050), to qualitatively assess the expected financial losses resulting from changes in physical risks compared to the baseline year (2023) under different scenarios[9].

[9] The assessment of the potential financial impacts of climate-related risks on Bay Area Development constitutes a forward-looking statement. In view of the limitations of the analytical methods and numerous uncertain factors in the external environment, the actual future development may differ from the forecasts in this report.

Physical risk		
Scenarios	Shared Socioeconomic Pathway SSP1-2.6	Shared Socioeconomic Pathway SSP5-8.5
Description	Assuming that countries will reduce greenhouse gas emissions in accordance with the *Paris Agreement* to control global warming this century to no more than 2.0°C above pre-industrial levels (1850), achieving sustainable development.	Assuming that countries do not implement measures to reduce greenhouse gas emissions, carbon emissions in 2100 will be three times that of 2015, leading to a global temperature rise of 4.4°C above pre-industrial levels by the end of this century. Countries will need to implement climate adaptation and mitigation measures.
Temperature increase	No more than 2.0°C	Approaching or exceeding 4.4°C
Key assumptions	Assuming factors such as business operations, asset size, and asset location remain constant, only the physical risks faced by assets are analysed. When assessing the potential impact of physical risks on the Company's finances, only financial expected losses are used as a measure.	



Bay Area Development Physical Risk Assessment Overview

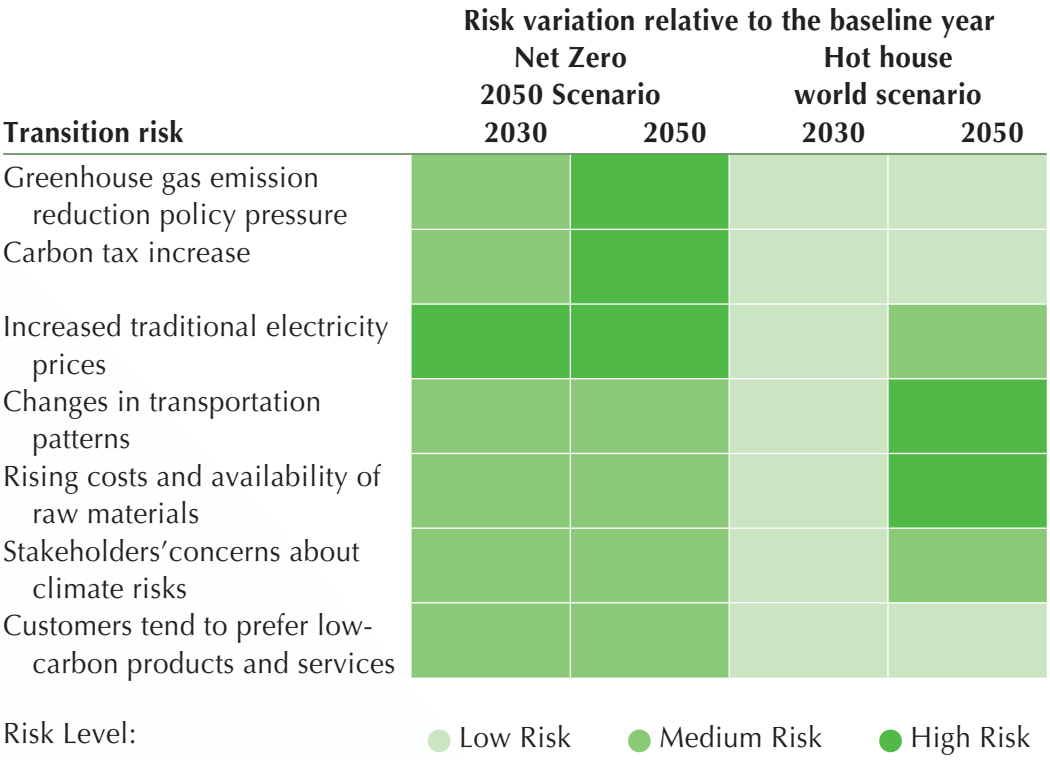
In order to assess and measure the transition risks triggered by climate change, such as the impact of policy, technology, market, and reputational changes on businesses, we conduct a comprehensive climate scenario analysis across the entire group for identified transition risks. Subsequently, we carry out a climate resilience assessment for high-risk transition risks with significant exposure.

Transition Risk Climate Scenarios and Key Assumptions

We conducted a scenario analysis based on the orderly scenario and hot house world scenario proposed by the Central Banks and Supervisors Network for Greening the Financial System (NGFS). We set two time frames, the medium-term (2030) and long-term (2050), to qualitatively assess the expected financial loss changes resulting from transition risks compared to the base year (2023)[10].

Transition risk		
Scenarios	Orderly scenario	Hot house world scenario
Description	By strictly enforcing climate policies and fostering innovation, global warming is kept within 1.5℃, achieving net-zero carbon emissions around 2050.	Implementation of only current policies, or even the targets of the Nationally Determined Contributions (NDCs) without effective policy support, will lead to high physical risks.
Temperature rise	No more than 1.5℃	Above 3℃
Key assumptions	Assuming factors such as business operations, asset size, and location remain unchanged, the analysis will focus solely on the transition risks faced by the assets in each scenario.	

[10] The assessment of the potential financial impacts of climate-related risks on Bay Area Development constitutes a forward-looking statement. In view of the limitations of the analytical methods and numerous uncertain factors in the external environment, the actual future development may differ from the forecasts in this report.



Bay Area Development Transition Risk Assessment Overview

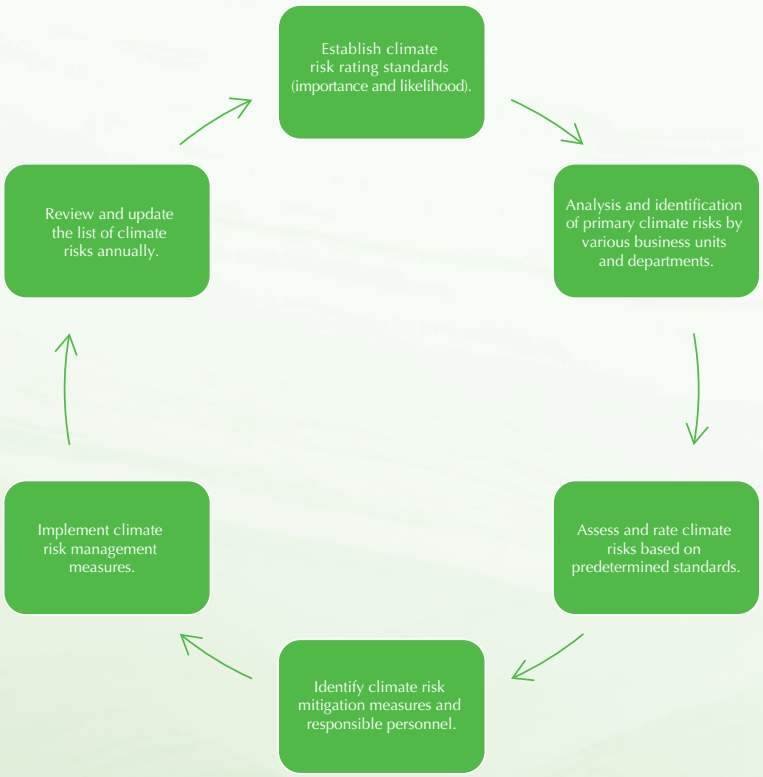
3. Risk Management

Bay Area Development has established a complete risk management system, and has systematically identified and managed various potential risks in the process of operation through the formulation of a series of policies, such as the Risk Management Policy. On this basis, the Group further incorporates climate change-related risks into the existing risk management framework, and systematically identifies, evaluates and responds to climate risks.

Process	Contents
Risk identification	• Conduct a comprehensive review of the geographical locations of existing holdings in high-speed highway projects, as the basis for risk identification. • The relevant risks recommended by the TCFD Task Force on Climate-related Financial Disclosures and the climate disclosure industry indicators released by IFRS-S2. • Research industry trends and information released by peers. • Conduct interviews and communication with internal business and management personnel within the company. • Compile a risk inventory.

Process	Contents
Risk assessment	• Conduct interviews and research with relevant departments based on scenario analysis to evaluate risk exposure. Additionally, external expert advice is sought to identify and finalize the main risk list. • The Company's senior executives and relevant departments rank climate change risks based on two dimensions: the likelihood of occurrence and the impact on business objectives after they occur.
Risk management	• Based on the results of risk assessment, identify the department or individual responsible for risk management, and develop risk management strategies and response plans in accordance with the internal and external environment. • Each department under centralised management shall prepare corresponding risk management plans based on the results of risk assessment.

Diagram of Climate Risk Assessment And Management Cycle



4. Metrics and Targets

In order to control greenhouse gas emissions, Bay Area Development continuously monitors annual greenhouse gas emissions, conducts regular assessments and reports, continuously optimises emission reduction measures, improves energy efficiency, and reduces carbon footprint.

	Greenhouse Gas Emissions		
Greenhouse Gas Emission Indicators	**2025**	2024	**Unit**
Scope 1 greenhouse gas emissions	**2,480**	1,899	tCO_2e
Scope 2 greenhouse gas emissions	**20,520**	30,268	tCO_2e
Scope 3 greenhouse gas emissions	**13,446,326.18**	/	tCO_2e
Total greenhouse gas emissions	**13,469,326.18**	32,166	tCO_2e
Greenhouse gas emission intensity	**52,267.47**	124.82	tCO_2e/km

Notes:

1) The scope of GHG emissions data covers all subsidiaries and joint ventures of the Company.

2) The GHG Scope 1 emission factor refers to the relevant figures in the latest edition of *How to Prepare an Environmental, Social and Governance Report* published by the Hong Kong Stock Exchange; the GHG Scope 2 emission factor refers to the *2023 Electricity Carbon Dioxide Emission Factor* — Guangdong Province Electricity Emission Factor.

3) The unit of GHG emission data is carbon dioxide equivalent. Scope 1 (direct emissions) measures GHG emissions from operations that are directly controlled or managed by the Group. Scope 2 (Indirect Emissions) measures emissions from indirect (purchased) electricity consumed by the Group.

4) Taking into account the actual business situation of the Group, the characteristics of the industry in which it operates, and the difficulty of collecting certain types of information (Scope 3). This year, we collected and calculated GHG Scope 3 emissions for the following categories: Category 1: Purchased goods and services; Category 2: Capital goods; Category 3: Fuel and energy-related activities; Category 4: Upstream transportation and distribution; Category 6: Business travel; Category 7: Employee commuting; Category 11: Use of Products Sold.

In addition, the Group will continue to adopt key environmental indicators — including air pollutant emissions, greenhouse gas (GHG) emissions, waste management, and energy and water consumption — as quantitative targets for climate change tracking and management, and will continuously improve environmental performance throughout operations. We have integrated the Group's overall ESG performance into the performance appraisal system, directly linking it to the remuneration and incentives of senior management. This encourages the management team to proactively deliver on sustainable development commitments and continuously enhance the Group's performance across the environmental, social and governance dimensions.

8. Led by Responsibility: Building a Harmonious Society Together

The Group adheres to a social responsibility-oriented approach, and deeply aligns our development strategies with industry trends and core needs of society. We maintain sustained efforts in supply chain collaboration, full life-cycle management of environmental and social impacts in projects, and community welfare initiatives. We promote deep integration of corporate development, industrial upgrading and the enhancement of social well-being, and jointly build a sustainable development ecosystem of value symbiosis and mutual benefit with supply chain partners and all sectors of the community.

In response to the SDGs targets:



Topics covered: Supply Chain Management; Community Engagement

2025 Key Performance:

- Accumulated nearly 11,315 hours of volunteer service activities

I. Building a Responsible Supply Chain

As a strategic cornerstone for the Group's long-term sustainable development, a sustainable supply chain is not only a vital component of our core competitiveness, but also undertakes the key mission of linking corporate value, social responsibility and the industrial ecosystem. We have consistently integrated the concept of sustainable development deeply into the full life-cycle management of the supply chain. Guided by the fundamental principles of "integrity, transparency and legal compliance", we have established a full-process sustainable procurement system covering procurement planning, supplier admission, cooperation management and collaborative optimisation. Together with our supply chain partners, we strive to drive the high-quality development of the industry towards greater greenness, responsibility and resilience.

1. Standardising Procurement Performance

In procurement management, Bay Area Development has established a closed-loop management system covering the full cycle of "admission — rating — exit". On the one hand, we have formulated and implemented rules and regulations including the *Procurement Compliance Management Measures* and the *Supplier Management Rules*, embedded the "Three Important and One Major" decision-making requirements into key procurement procedures, and taken compliance qualifications and performance capability as the "hard indicators" for supplier admission. On the other hand, relying on the intelligent open procurement platform, we have achieved digital control over processes including demand submission, tender evaluation and

contract signing, with real-time early warning and full traceability at key nodes, so as to ensure that procurement activities are "open, transparent, compliant and controllable".

Supplier lifecycle management

Vendor Admission Management	• Strictly verify the registration materials and qualifications of suppliers to ensure compliance with the compliance requirements of the bidding work. • Conduct a comprehensive evaluation based on qualifications, service capabilities, market reputation, and past performance to control the quality of supplier access from the source.
Vendor Rating Management	• Score suppliers' performance in accordance with the *Supplier Performance Evaluation Management Measures* in each year. • The supplier rating is divided into five grades: excellent, good, medium, qualified and unqualified. A comprehensive score of 95–100 is classified as "Excellent", 80–94 as "Good", 70–79 as "Medium", 60–69 as "Qualified", and a score below 60 is classified as "Unqualified". • Suppliers rated "Excellent" for three consecutive years shall be included *in the Company's List of High-Quality Suppliers*. Those rated "Unqualified", or with serious breaches of contract or misconduct in bidding, shall be placed on the *Company's List of Unqualified Suppliers* and reported to the Discipline Inspection and Supervision Office for record.
Vendor Exit Management	• Suppliers included in the *List of Unqualified Suppliers* due to serious misconduct shall be prohibited from participating in bidding for procurement projects organised by the Company for one year from the date of inclusion. Other unqualified suppliers (with a comprehensive score of less than 60 and no serious misconduct) shall be prohibited from participating in such bidding for six months from the date of inclusion.

Supplier distribution[11]

Within China	324
Hong Kong, Macau and Taiwan	0
Other regions	0

[11] Supplier statistics cover all subsidiaries and joint ventures of the Company.

2. Building a Sustainable Supply Chain

Bay Area Development continues to optimise the development of its sustainable supply chain system. We incorporate suppliers' performance in safety, environmental protection and integrity into the supplier performance evaluation system, and implement a performance monitoring mechanism in accordance with *the Supplier Performance Evaluation Management Measures*. We strengthen the identification, supervision and management of suppliers' environmental and social risks, and enhance suppliers' awareness of environmental and social responsibility.

Access management

- Relevant provisions on work safety, environmental protection and integrity management shall be clearly stipulated in suppliers' contracts, and the Integrity Contract and *Work Safety Contract* shall be signed accordingly.
- During the construction process, priority is given to the use of materials with sound performance that meet environmental standards and energy-saving requirements, such as low energy consumption, low pollution, non-toxicity, high resource utilisation rate, and recyclability.

Contract performance management

- We evaluate suppliers' performance in environmental protection, work safety, integrity management and other aspects in accordance with the *Supplier Performance Evaluation Management Measures*. Corresponding points will be deducted for failures to establish and improve work safety systems, operating procedures and safety guarantee systems, for causing environmental pollution during construction, or for breaches of the integrity contract.
- In the event of relatively serious misconduct, such as causing significant environmental impacts, safety incidents, or violations of integrity discipline including bribery or graft, the performance score shall not be higher than 70 points.

Meanwhile, we continue to deepen cooperation and communication with our suppliers, and establish regular communication channels and a periodic meeting mechanism to enhance interaction. We jointly discuss industry trends, technological innovation and market information, provide timely feedback on project issues and requirements, and work together to pursue optimal solutions.

II. Contributing to Community Well-being

The Group always upholds the philosophy of shared development with communities, and systematically assesses and actively responds to the social and environmental impacts of projects on surrounding communities. Meanwhile, we have established a volunteer service team and developed distinctive community welfare programmes to deliver care to the public, achieving the coordinated progress of business development and community well-being.

1. Social Impact Assessment

Prior to the project approval announcement, the GS JV conducted a special assessment of the project's environmental and social risks. During the assessment, comprehensive investigations, in-depth analyses and scientific judgements were carried out, focusing on key risk factors that may arise throughout the full cycle of project construction and operation, including ecological protection, soil and water conservation, quality of life for residents along the route, and road area coordination. In response to the identified and assessed risk factors, scientific and feasible risk mitigation and response plans were formulated item by item to effectively ensure the compliant and orderly progress of the project, and to safeguard public interests as well as social harmony and stability.

Risk Category: Environmental Risk

Risk Factors	Risk Mitigation Measures
Eco-environmental impact	• Prior to construction, the surface cultivated soil is stripped and stockpiled centrally with retaining measures implemented. Upon completion of construction, the temporary land shall be promptly reclaimed or restored with vegetation. • Construction period management shall be strengthened, and construction personnel and machinery are strictly prohibited from arbitrarily damaging local vegetation. • The layout of the construction site shall make full use of existing infrastructure and be as far away as possible from water bodies; the waste residue and construction materials generated during the construction process shall be transported to designated stacking points, and it is strictly prohibited to discharge them into water bodies.

Risk Factors	Risk Mitigation Measures
Water environmental impact	• Domestic sewage from construction sites shall first be treated using local existing sewage treatment systems. Where such systems are unavailable, integrated sewage treatment facilities shall be adopted. Treated domestic sewage shall be reused after meeting the road cleaning and greening standards specified in *The Reuse of Urban Recycling Water — Urban Miscellaneous Water* (GB/T 18920-2020), and shall not be discharged externally. • Drainage ditches shall be installed around construction sites such as mixing stations, prefabrication yards, and material yards, and sedimentation tanks shall be set at the end of the drainage ditches to intercept rainwater runoff, which shall be reused in production processes after sedimentation treatment. • Collection barrels shall be installed at the construction site to collect oily sewage generated from the maintenance of construction machinery, which shall be handed over to qualified hazardous waste disposal units for disposal and is strictly prohibited from being discharged.
Atmospheric environmental impact	• Engineering muck and construction waste shall be collected and stacked in a classified manner with tight covering. Closed garbage stations shall be set up at the construction site, and high-altitude throwing is strictly prohibited. Dust suppression measures such as covering, compaction and sprinkling shall be taken for exposed soil or temporarily unused soil mounds on non-operation surfaces. Construction earth excavated shall be backfilled as soon as possible; if backfilling cannot be carried out in a timely manner, covering or solidification measures shall be adopted. • When the particulate matter concentration on the construction site is high, fog cannons or sprinkler systems shall be activated. • During construction, a closed stationary mixing process shall be adopted to reduce the impact of asphalt pollution on the surrounding environment.

Risk Factors	Risk Mitigation Measures
Sound environmental impact	• Construction enclosures shall be installed at the construction boundary, low-noise equipment shall be used, and construction procedures shall be reasonably arranged.
Solid waste impact	• Domestic waste shall be regularly collected and transported by the sanitation department to nearby waste recycling stations. Solid waste shall be transported off-site by the construction or contracting unit.

Risk Category: Social Risk

Risk Factors	Risk Mitigation Measures
Quality of life of residents along the route	• We will establish "online + offline" public feedback channels to promptly understand residents' demands. • Professional institutions shall be entrusted to design and optimise schemes, such as adding noise-reducing pavements, green belts, and sound barriers, to reduce the impact on the surrounding environment.
Land acquisition and demolition	• We will properly carry out demolition and resettlement work, and mobilise all parties to resolve livelihood issues concerning local residents such as housing, employment and living expenses.
Road coordination	• During the design phase, opinions from relevant units involved in road intersections shall be solicited, boundary conditions shall be clarified, and reasonable bridge and interchange design schemes shall be formulated.

2. Charitable Donations

Houjie Volunteer Service Activities

On 30 September 2024, under the coordination of the GS JV Volunteer Corps, the enterprise's Youth League Committee collaborated with the Youth League Branch of Xinyue Company (Domestic) to organise 30 volunteers for a themed volunteer service activity titled "Pure Love, Safeguarding a Smooth National Day Journey" at Houjie Southbound Service Area.

Inviting Dongguan intangible cultural heritage inheritors to demonstrate traditional crafts such as Xinwan fishing net weaving and Linbang zongzi making, thereby promoting intangible cultural heritage and enabling passengers to experience the charm of traditional ethnic culture.



Complimentary refreshments are provided for weary travellers on the move.



"My Motherland and Me" music pop-up event was held to send blessings to the motherland and let the audience feel the strong festive atmosphere.



Volunteer Service Activity at the Longevity Temple, Longtou Mountain

On August 27, 2025, to celebrate the first anniversary of the establishment of the Volunteer Service Love Base at Guangzhou Longtou Mountain Shouxing Courtyard, the GS JV held a special volunteer service activity with the theme of "Warmth in Shouxing Courtyard • Volunteering with Me". Since the establishment of the base, it has continuously provided volunteer services such as care and companionship, free haircuts, and psychological counseling for the elderly in the courtyard. Over the past year, a total of 32 free haircut sessions and 25 care and companionship activities have been carried out, inheriting the traditional virtue of respecting and caring for the elderly through practical actions.



Voluntary Haircut



Psychological Counseling



Caring Activities Organised During Festivals



Donation of Supplies

During the Reporting Period, the Group provided nearly 11,315 hours of volunteer services.

3. Providing Psychological Services

With the platform of "1 consulting room + 4 psychological counseling workstations", the Gaoguiping Psychological Consulting Room of the GS JV has extended mental health services to surrounding communities, subdistricts and schools, helping people establish a positive attitude towards life, better manage the rhythm of work and life, and continuously improve their stress resistance threshold. Up to now, the services have benefited more than 10,000 people along the route and assisted community women's work organisations in providing counseling for more than 12 cases, practicing social responsibility through practical actions and helping build a harmonious ecological community.

Humen Town Federation of Trade Unions held a mental health lecture themed "Inner Energy, New Growth — The Way to Manage a Happy Life".



Gaoguiping Psychological Consulting Room, in conjunction with Zhang Jingxiang Model Worker and Craftsman Talent Innovation Studio, carried out an activity caring for road administrators.



Gaoguiping Psychological Consulting Room provided lectures at the Citizens' College of Huangpu District.



Theme Events for National Mental Health Day



Appendices of the Report

I. List of Laws, Regulations and Policies

ESG Scope	General Disclosure
A1: Emissions	The Group has always strictly complied with the laws and regulations such as the *Environmental Protection Law of the People's Republic of China*, the *Water Pollution Prevention and Control Law of the People's Republic of China*, and the *Water Pollution Control Ordinance* of Hong Kong. The Group has established a *Sustainable Development Policy* to guide all levels of departments in implementing green management systems, strengthening the management of emissions of waste gases, pollutants into water and land, harmful and non-harmful waste materials, etc., to ensure compliance with emissions regulations. During the Reporting Period, the Group did not have any illegal or non-compliant situations related to emissions.
A2: Resource Usage	The Group has established a *Sustainable Development Policy* and implemented energy-saving equipment in office premises and along highways to regulate the use of resources including energy and water.
A3: Environment and Natural Resources	The Group has established internal policies such as *Highway Maintenance Management Measures, Emergency Response Plan for Unexpected Incidents,* and *Emergency Management Measures for Unexpected Incidents*. It also conducts environmental risk supervision of contractors to minimise or avoid adverse impacts on the surrounding natural environment and natural resources.
B1: Employment	The Group strictly adheres to the laws and regulations such as the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, and the *Employment Ordinance* of Hong Kong. The relevant management measures regarding compensation, dismissal, recruitment and promotion, working hours, holidays, equal opportunities, diversity, anti-discrimination, and other benefits and welfare are clearly defined in the *Employee Handbook*. During the Reporting Period, the Group did not have any illegal or irregular employment-related incidents.
B2: Health and Safety	The Group strictly complies with the laws and regulations such as the *Work Safety Law of the People's Republic of China*, the *Occupational Disease Prevention and Control Law of the People's Republic of China*, and the *Regulations on Occupational Safety and Health*, etc. It has established a series of internal policies such as the *Legal and Compliance Management System for Production Safety and Safety Management Procedures* to clearly explain safety management policies and protection measures, providing employees with a safe working environment to prevent occupational hazards. During the Reporting Period, the Group did not have any violations or non-compliance related to health and safety.

ESG Scope	General Disclosure
B3: Development and Training	The Group has established the *Employee Training Management Measures* and regularly provides employees with diverse training courses covering professional skill enhancement and personal career development to enhance employees' business literacy and professional capabilities.
B4: Labour Standards	The Group strictly complies with the laws and regulations such as the *Labor Law of the People's Republic of China, the Law of the People's Republic of China on the Protection of Minors*, and the *Employment Ordinance* of Hong Kong. Through the *Employee Handbook* and *Personnel Management Regulations*, it is explicitly prohibited to employ child labor, not encouraged for employees to work overtime, and any form of forced labor is strictly prohibited. During the Reporting Period, the Group did not have any illegal or non-compliant situations related to labor standards.
B5: Supply Chain Management	The Group has always attached great importance to the establishment and investment in a sustainable supply chain. Therefore, we require all suppliers to properly manage their environmental and social risks, and to specify and regulate them in the contract. In the future, the Group will also review and improve the supply chain management system in a timely manner.
B6: Product Responsibility	The Group strictly complies with the laws and regulations such as the *Law of the People's Republic of China on Guarding State Secrets*, the *Road Traffic Law of the People's Republic of China*, and the *Regulations on the Administration of Toll Roads*. The Group has established the *Emergency Management Measures for Sudden Incidents, Emergency Response Plan for Sudden Incidents*, and improved emergency measures to ensure the health and safety of customers. It has also formulated the *Regulations on Confidentiality Work Management, Archives Management Measures*, and *Emergency Response Plan for Network Security Incidents* to protect customer privacy. During the Reporting Period, the Group's business did not involve product labeling, product recalls, or marketing advertisements, and no violations related to product responsibility were found.
B7: Anti-corruption	The Group strictly adheres to relevant laws and regulations such as the *Anti-Corruption and Bribery Law of the People's Republic of China*, the *Regulations on the Punishment of Corruption of the People's Republic of China*, and the Hong Kong *Prevention of Bribery Ordinance* to prevent bribery, extortion, fraud, and money laundering that have a significant impact on the Group. The Group has established a *Whistleblower Policy, Code of Conduct*, and *Employee Handbook* for integrity management. During the Reporting Period, the Group did not receive any reports of bribery, extortion, fraud, or money laundering.
B8: Community Investment	The Group has coordinated the management of community investment-related work by formulating a *Sustainable Development Policy* and regularly conducts philanthropic activities to support the development of the community.

II. Key Performance Indicators Table

Environmental Performance									
		GS JV		GZ West JV		Coastal Expressway (Shenzhen Section)		Total	
Indicator	Unit	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024
Emissions									
Air pollutants									
Nitrogen oxides	metric tons	**3.38**	2.73	**3.62**	4.04	**0.45**	0.60	**7.45**	7.37
Sulfur oxides	metric tons	**0.01**	0.01	**0.00**	0.00	**0.00**	0.00	**0.01**	0.01
Respirable suspended particulates	metric tons	**0.70**	0.22	**0.30**	0.37	**0.04**	0.04	**1.04**	0.63
Greenhouse gases									
Scope 1	tonne CO_2e	**1,294**	1,046	**929**	631	**257**	222	**2,480**	1,899
Scope 2	tonne CO_2e	**10,996**	16,400	**5,392**	8,059	**4,132**	5,809	**20,520**	30,268
Scope 3	tonne CO_2e	**9,236,421.13**	/	**3,184,937.08**	/	**1,024,967.98**	/	**13,446,326.18**	/
Total emissions	tonne CO_2e	**9,248,711.13**	17,445	**3,191,258.08**	8,690	**1,029,356.98**	6,031	**1,346,9326.18**	32,166
Intensity (by length of expressway)	tonne of CO_2-e/km	**Not applicable**	Not applicable	**Not applicable**	Not applicable	**Not applicable**	Not applicable	**52,267.47**	124.82
Waste									
Non-hazardous waste	metric tons	**7,502**	10,533	**2,866**	3,155	**913**	732	**11,281**	14,421
Intensity (by length of expressway)	tonne/km	**Not applicable**	Not applicable	**Not applicable**	Not applicable	**Not applicable**	Not applicable	**44**	56
Use of Resources									
Energy									
Direct energy									
Natural gas	MWh	**639**	621	**416**	420	**620**	329	**1,675**	1,370
LPG	MWh	**308**	413	**530**	531	**0**	0	**838**	944
Renewable Energy (Solar and Wind)	MWh	**Not applicable**	Not applicable	**47**	56	**Not applicable**	Not applicable	**47**	56
Gasoline	MWh	**3,154**	2,744	**2,349**	1,421	**395**	484	**5,898**	4,649
Diesel	MWh	**545**	567	**51**	147	**28**	133	**624**	847
Total direct energy consumption	MWh	**4,646**	4,345	**3,393**	2,575	**1,043**	945	**9,082**	7,865
Intensity (by length of expressway)	MWh/km	**Not applicable**	Not applicable	**Not applicable**	Not applicable	**Not applicable**	Not applicable	**35**	31
Indirect energy									
Purchased electricity	MWh	**24,884**	25,709	**12,201**	12,634	**9,351**	9,106	**46,436**	47,449
Intensity (by length of expressway)	MWh/km	**Not applicable**	Not applicable	**Not applicable**	Not applicable	**Not applicable**	Not applicable	**180**	184
Total energy consumption	MWh	**29,530**	30,054	**15,594**	15,210	**10,394**	10,051	**55,518**	55,314
Intensity (by length of expressway)	MWh/km	**Not applicable**	Not applicable	**Not applicable**	Not applicable	**Not applicable**	Not applicable	**215**	215
Water resources									
Total water consumption	cubic meters	**315,410**	338,626	**174,321**	175,927	**163,419**	106,626	**653,150**	621,179
Intensity (by length of expressway)	cubic metre/km	**Not applicable**	Not applicable	**Not applicable**	Not applicable	**Not applicable**	Not applicable	**2,535**	2,410

Social Performance						
Indicator	Unit	GS JV	GZ West JV	Coastal Expressway (Shenzhen Section)	Bay Area Development	Total
Employment						
Total workforce	Person	2,005	1,079	500	64	3,648
By gender						
Male	Person (%)	1,334 (66.5)	636 (59)	313 (62.6)	33 (51.6)	2,316 (63.5)
Female	Person (%)	671 (33.5)	443 (41)	187 (37.4)	31 (48.4)	1,332 (36.5)
By employment type						
Full-time	Person (%)	2,005 (100)	1,079 (100)	500 (100)	64 (100)	3,648 (100)
Part-time	Person (%)	0	0	0	0	0
By age group						
Below 30	Person (%)	773 (38.6)	492 (45.6)	421 (84.2)	11 (17.2)	1,697 (46.5)
30–50	Person (%)	984 (49.1)	516 (47.8)	66 (13.2)	44 (68.8)	1,610 (44.1)
Above 50	Person (%)	248 (12.4)	71 (6.6)	13 (2.6)	9 (14.1)	341 (9.3)
By region						
Mainland China	Person (%)	2,005 (100)	1,079 (100)	500 (100)	49 (76.6)	3,633 (99.6)
Hong Kong	Person (%)	0	0	0	15 (23.4)	15 (0.4)
Total staff turnover and ratio	Person (%)	109 (5.5)	86 (8.0)	151 (32.6)	5 (7.7)	351 (9.8)
Breakdown of employee turnover rate						
By gender						
Male	Person (%)	64 (4.9)	56 (8.8)	73 (25.6)	2 (6.1)	195 (8.6)
Female	Person (%)	45 (6.8)	30 (6.8)	78 (44.1)	3 (9.4)	156 (11.9)
By employee category						
Full-time	Person (%)	109 (5.5)	86 (8.0)	151 (32.6)	5 (7.8)	351 (9.83)
Part-time	Person(%)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
By age group						
Below 30	Person (%)	74 (9.6)	68 (13.0)	146 (36.8)	0 (0)	288 (17.0)
30 to 50 years old	Person (%)	27 (2.8)	14 (2.9)	2 (3.7)	3 (6.5)	46 (3.0)
Above 50	Person(%)	8 (3.5)	4 (5.9)	3 (25)	2 (23.5)	17 (5.4)
By region						
Mainland China	Person (%)	109 (5.5)	86 (8.0)	151 (32.6)	3 (6.1)	349 (9.8)
Hong Kong	Person (%)	0	0	0	2 (12.5)	2 (12.5)
Health and Safety						
Number and percentage of work-related fatalities	Person (%)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
Number of work-related injuries and injury rate per 100 workers	Person (%)	8 (0.40)	3 (0.28)	3 (0.60)	0 (0)	14 (0.38)
Days lost due to work-related injuries	Days	187	128	154	0	469
Development and Training						
Total number and percentage of employees trained	Person (%)	1,119 (55.8)	351 (32.5)	117 (23.4)	63 (98.4)	1,650 (45.2)
By gender						
Male	Person (%)	794 (59.5)	214 (33.6)	63 (20.1)	32 (97.0)	1,103 (47.6)
Female	Person (%)	325 (48.4)	136 (30.7)	54 (28.9)	31 (100)	546 (41.0)
By employee category						
Senior management	Person (%)	14 (100)	6 (100)	0	6 (85.7)	26 (89.7)
Middle management	Person (%)	54 (94.7)	103 (100)	0	17 (100)	174 (88.8)
General staff	Person (%)	1,051 (54.3)	241 (24.8)	117 (24.4)	40 (100)	1,449 (42.3)
Average training hours completed per employee						
By gender						
Male	Hour	62.8	51	52	25.5	47.8
Female	Hour	44.6	53	52	26.3	44.0
By employee type						
Senior management	Hour	182.3	101.75	0	52.2	84.06
Middle management	Hour	305.3	87.02	0	30.8	105.78
General staff	Hour	43.1	35.41	52	19.9	37.60
Supply Chain Management						
Total number of suppliers in 2025	Supplier	148	122	54	Not applicable	324
By Region						
Within China	Supplier	148	122	54	Not applicable	324
Hong Kong, Macau and Taiwan	Supplier	0	0	0	Not applicable	0
Product responsibility						
Number of customer complaints received	Case	894	214	244	Not applicable	1,352
Customer complaint rate	%	0.0004	0.000185	0.0003	Not applicable	0.0003
Anti-corruption						
Number of concluded legal cases of corruption brought against the issuer or its employees during the Reporting Period	Case	0	0	0	Not applicable	0
Social welfare						
The total amount of public welfare donations	Million	0	0	0	Not applicable	0
Volunteer hours	Hours	8,500	2,700	115	Not applicable	11,315

III. Content Index

1 Stock Exchange of Hong Kong Limited Environmental, Social and Governance Reporting Code Part C: Comply or Explain Content Index

Main Categories, Dimensions, General Disclosures And Key Performance Indicators		Corresponding Report Chapters
A. Environment		
A1:Emissions	KPI A1.1	Key Performance Indicators Table
	KPI A1.3	Key Performance Indicators Table
	KPI A1.4	Key Performance Indicators Table
	KPI A1.5	Civilized Construction Management
	KPI A1.6	Civilized Construction Management
A2:Resource Usage	KPI A2.1	Key Performance Indicators Table
	KPI A2.2	Key Performance Indicators Table
	KPI A2.3	Strategy
	KPI A2.4	The Group uses water from the municipal water supply network and has not encountered any problems in obtaining suitable water resources.
	KPI A2.5	This item is not applicable to the Group as the Group's operations do not involve the manufacture of products.
A3:Environment and Natural Resources	KPI A3.1	Protecting The Ecological Foundation
B. Society **Employment and Labour Practices**		
B1: Employment	KPI B1.1	Ensuring compliance in employment
	KPI B1.2	Key Performance Indicators Table
B2:Health and Safety	KPI B2.1	Key Performance Indicators Table
	KPI B2.2	Key Performance Indicators Table
	KPI B2.3	Building a Solid Defense Line for Health
B3:Development and Training	KPI B3.1	Key Performance Indicators Table
	KPI B3.2	Key Performance Indicators Table
B4: Labour Standards	KPI B4.1	Ensuring Compliance in Employment
	KPI B4.2	Ensuring Compliance in Employment
Operating Practices		
B5:Supply Chain Management	KPI B5.1	Key Performance Indicators Table
	KPI B5.2	Standardising Procurement Performance
	KPI B5.3	Standardising Procurement Performance
	KPI B5.4	Building a Sustainable Supply Chain
B6:Product Responsibility	KPI B6.1	This item is not applicable to the Group as the Group's operations do not involve the manufacture of products.
	KPI B6.2	Protect the well-being of drivers and passengers Key Performance Indicators Table
	KPI B6.3	This item is not applicable to the Group as the Group's business does not involve intellectual property related modules
	KPI B6.4	Engineering Quality Management
	KPI B6.5	Protecting the Well-Being of Drivers and Passengers
B7：Anti-corruption	KPI B7.1	Preventing and Controlling Integrity Risks
	KPI B7.2	Protection Whistleblowing Rights
	KPI B7.3	Building a Culture of Integrity
Community		
B8: Community Investment	KPI B8.1	Charitable Donations
	KPI B8.2	Key Performance Indicators Table

2. Stock Exchange Of Hong Kong Limited Environmental, Social And Governance Reporting Code Part D: Index Of Climate-Related Disclosures

Climate-Related Disclosures		Corresponding Report Section
Governance		Governance
Strategy	Climate-related risks and opportunities	Strategy
	Business model and value chain	Strategy
	Strategy and Decision-making	Strategy
	Financial position, financial performance, and cash flow	Strategy
	Climate resilience	Strategy
Risk Management		Risk Management
Metrics and Targets	Greenhouse Gas Emissions	Metrics and Targets
	Climate-related transition risks	Strategy
	Climate-related physical risks	Strategy
	Climate-related opportunities	Strategy
	Capital Utilisation	Key Performance Indicators Table
	Internal carbon pricing	No Carbon Pricing Applied
	Salary	Metrics and Targets
	Discussion on the process for assessing and managing environmental risks associated with project design, siting and construction	Protecting The Ecological Foundation
	Climate-related goals	Metrics and Targets

SHENZHEN INVESTMENT HOLDINGS BAY AREA DEVELOPMENT COMPANY LIMITED

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